

Agenda

Audit and Risk
Committee

NOTICE OF MEETING

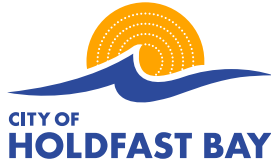
Notice is hereby given that a meeting of the
Audit and Risk Committee will be held in the

Kingston Room, Civic Centre
24 Jetty Road, Brighton

16 October 2024 at 6.00pm



Pamela Jackson
Acting Chief Executive Officer



1. Opening

The Acting Chief Executive Officer will declare the meeting open at 6.00pm.

2. Appointment of Presiding Member

The Audit and Risk Committee's Terms of Reference provide that it may nominate any member of the Committee to be its presiding member (other than the Mayor).

Motion

That the Audit and Risk Committee appoints _____ as Presiding Member for this meeting.

3. Kurna Acknowledgement

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

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

4. Apologies

4.1 Apologies received – Councillor Smedley

4.2 Absent

5. Declaration Of Interest

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

6. Confirmation Of Minutes

That the minutes of the Audit and Risk Committee held on 14 August 2024 be taken as read and confirmed.

7. Action Items

8. In Camera Session

8.1 External Auditors – Dean Newbery

Pursuant to Section 87(10) of the *Local Government Act 1999* the Report attached to this agenda and the accompanying documentation is delivered to the Audit and Risk Committee upon the basis that the Committee considers the Report and the documents



in confidence under Part 3 of the Act, specifically on the basis that Audit and Risk Committee will receive, discuss or consider:

- g. matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty.

9. Reports By Officers

- 9.1 Standing Items (Report No: 328/24)
- 9.2 Internal Audit (Report No: 329/24)
- 9.3 2023-24 General Purpose Financial Statements (Report No: 330/24)
- 9.4 2023-24 Draft Annual Report (Report No: 332/24)
- 9.5 End of Financial Year Debtors (Report No: 331/24)
- 9.6 Strategic Plan Review (Report No: 336/24)
- 9.7 Asset Management Plans (Report No: 338/24)
- 9.8 Treasury Management Policy (Report No: 337/24)
- 9.9 Council Public Interest Disclosure Policy (Report No: 335/24)
- 9.10 Annual WHS Program Review (Report No: 333/24)
- 9.11 Terms of Reference (Report No: 334/24)

10. Urgent Business – Subject to the Leave of the Meeting

11. Confidential Items

- 11.1 Electricity Procurement by Power Purchase Agreement (Report No: 339/24)

Pursuant to Section 87(10) of the *Local Government Act 1999* the Report attached to this agenda and the accompanying documentation is delivered to the Audit and Risk Committee upon the basis that the Committee considers the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Audit and Risk Committee will receive, discuss or consider:

- b. Information the disclosure of which –
 - i. would 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.

12. Date and time of next meeting

The next meeting of the Audit and Risk Committee will be held on Wednesday 12 February 2025 in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton.



13. Closure

A handwritten signature in black ink that reads "P Jackson". The signature is fluid and cursive.

Pamela Jackson
Acting Chief Executive Officer

Audit and Risk Committee - Action Items
as at 16 October 2024

Meeting	Agenda Item	Action Required	Responsibility	Estimated Completion Date	Current Status
12 June 2024	8.2 Internal Audit Program: Procurement Audit Report	Review management response to item 2.2 <i>Efficiency and effectiveness of current procurement process</i> and report back to Committee.	GM Strategy & Corporate	16 October 2024	Refer to agenda item 9.2

Item No: 9.1

Subject: **STANDING ITEMS – OCTOBER 2024**

Summary

The Audit and Risk Committee is provided with a report on standing items at each ordinary meeting.

Recommendation

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

- **Monthly Financial Statements**
 - **External Audit**
 - **Public Interest Disclosures**
 - **Economy and Efficiency Audits**
 - **Council Recommendations**
 - **Audit and Risk Committee meeting schedule**
-

Background

The Audit and Risk Committee has previously resolved that a report be included in the agenda of each meeting of the Committee addressing the following standing items:

- Monthly Financial Statements
- Audit – External
- Public Interest Disclosures
- Economy and Efficiency Audits

Also included in this Standing Items report is an item to formally advise the Committee of the outcomes of its recommendations and advice to Council.

Report

Monthly Financial Statements

Members of the Committee receive copies of the monthly financial reports as soon as practicable after they are provided to Council.

Copies of the 30 June 2024 preliminary financial reports received by Council on 27 August 2024, and the August 2024 financial report for municipal and Alwyndor operations considered by Council on 24 September 2024, were emailed to members on 25 September 2024.

External Audit

Council's external auditor firm, Dean Newbery, has completed the 2023-24 financial statements audit of Council and Alwyndor activities. Their audit completion reports are contained within this agenda as part of the Annual Financial Statements report. Staff from Dean Newbery will be in attendance to speak to the respective audit completion reports.

Public Interest Disclosures

There have been no public interest disclosures made to Council since the previous Standing Items report on 14 August 2024.

Section 130A Economy and Efficiency Audits

Council has not initiated any review pursuant to section 130A of the *Local Government Act* since the previous Standing Items Report on 14 August 2024.

Council Recommendations

At its meeting on 27 August 2024 Council received the minutes and endorsed the recommendations of the meeting of the Audit and Risk Committee held on 14 August 2024.

2024 Meeting Schedule

The Audit and Risk Committee's terms of reference require it to meet at least four times each year and at least once each quarter. During 2024 meetings have been set to align with the two important financial programs in which the Audit and Risk Committee plays important roles:

- development of the annual business plan and budget; and
- completion of the annual financial statements, external audit, and annual report.

As the above reporting requirements have been addressed no further meetings are proposed for the remainder of 2024.

2025 Meeting Schedule

Meetings for 2025 are proposed for the following dates:

- Wednesday 12 February
- Wednesday 16 April
- Wednesday 11 June
- Wednesday 20 August
- Wednesday 22 October

These dates are tentative and are yet to be confirmed.

Budget

This report does not have any budget implications.

Life Cycle Costs

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

Strategic Plan

Statutory compliance

Council Policy

Not applicable

Statutory Provisions

Local Government Act 1999, sections 41 and 126

Public Interest Disclosure Act 2018

Written By: Manager Finance

A/General Manager: Strategy and Corporate, Ms S Wachtel

Item No: 9.2

Subject: INTERNAL AUDIT PROGRAM REPORT

Summary

The risk-based audits scheduled for the Internal Audit Program 2023-24 have commenced, with the program attached to this report for further information (Attachment 1).

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

Recommendation

That the Audit and Risk Committee notes this report.

Background

Under Section 125 of the *Local Government Act 1999*, Council is required to establish and maintain appropriate internal control policies and procedures. An annual, risk-based Internal Audit Plan is developed to guide audit activities throughout the year.

The original Year 3 Internal Audit Program for 2024-25 included audits of the Customer Experience Strategy and the Economic Strategy. However, as both strategies are currently in the implementation phase, these audits have been deferred to 2025-26.

To revise the Year 3 Internal Audit Program, the Senior Leadership Team reviewed the strategic risk register and assessed the current internal control environment, considering newly identified and evolving business risks and opportunities.

As a result, the Year 3 Internal Audit Program features:

Volunteering Compliance	WHS aspects Volunteer Management – review/benchmark/produce road map <i>Risk SC03 - Staff, contractor or volunteer death or serious injury</i>
WHS Skytrust System	Skytrust system – process optimisation/benchmark/future workplan for rollout <i>Risk SC03 - Staff, contractor or volunteer death or serious injury</i>
Events Strategy (this will be carried over in part, to the next financial year)	Events Strategy review with focus on political/reputational/financial aspects <i>Risk CB05 - Poor or inadequate Economic Development and Tourism Management</i>
Financial Controls	EOFY review of internal controls for CHB & Alwyndor <i>Risk SC05 – Poor or ineffective budget development and management</i>

The Event Strategy audit has been postponed and replaced with the Financial Controls audit. The Event Strategy review will now take place in late October 2024, but the audit itself will not be conducted until after the event season concludes.

Volunteer audit

As part of the City of Holdfast Bay's internal audit program for 2024-25, a review of volunteer management has commenced.

Volunteer management is an important function within council. Council has over 300 volunteers across a range of programs. To ensure the best outcomes for council and a positive experience for volunteers, it is important that volunteers are managed in line with better practice principles.

The objective of the audit is to review the effectiveness of the City of Holdfast Bay's volunteer management processes and controls.

The audit is assessing the effectiveness of council's approach to volunteer management against better practice. Specific elements for review include:

- the efficiency and effectiveness of volunteer recruitment, onboarding, training, and supervision processes;
- information and support for the volunteer, Volunteer Coordinators and Volunteer Services Coordinator;
- the effectiveness of volunteer performance management and evaluation processes; and
- the adequacy of volunteer recognition and appreciation initiatives, and highlighting any opportunities for strengthening and improvement.

Report

The 2023-24 Internal Audit Plan has been fully completed, with all four reports previously presented to the Audit and Risk Committee for the following audits:

- Procurement
- Strategic Planning Alignment
- Fraud Detection - Alwyndor
- Carbon Neutral Plan

Refer Attachment 1

Audit Report on Procurement

In November 2023, Galpins (council's Internal Auditor) prepared an Audit Report on Procurement.

Recommendation 3 of that report was "Consider implementing segregation of duties for raising and approving Purchase Orders, particularly over pre-determined value thresholds."

The Management Response submitted was “Management have considered recommendation 3 and do not intend to implement it, as existing controls are considered sufficient to maintain risk exposure to an acceptable level”. The Audit and Risk Committee requested that Management reconsider the recommendation and return to the Committee with further information.

In subsequent discussions amongst subject matter experts and the Internal Auditor, it was agreed that the key principle to address was to ensure adequate checks so that the process of purchasing, from procurement to payment, was not the sole purview of an individual. While it was agreed that a segregation of duties would not prevent potential fraud per se, it provides an additional obstacle that would need to be overcome on a path to potential fraud.

While a practice-based segregation of duties is relatively easy to implement in low-volume areas of the organisation, in high volume areas it is currently impractical due to the administrative burden it would create. In other councils where a segregation of duties exists (for example, the City of Victor Harbor and the City of Prospect), there are dedicated administrative staff whose role includes raising purchase orders. At present, there are insufficient administrative officers to undertake this role in high volume parts of the organisation.

It is therefore recommended:

1. That segregation of duties be implemented as a practice change from a date to be set (say, 2 December 2024) in all except high volume areas of the organisation (all of Community Services and all of Corporate and Strategy).
2. In parallel, investigations be undertaken regarding how to give effect to the practice change in the TechnologyOne system.
3. Segregation of duties be considered for high volume areas of the organisation (City Assets, including Field Services) as part of the Operating Model Project, particularly in relation to the Operations Support Function.
4. Until segregation of duties is implemented in City Assets and Field Services, the Procurement Officer will undertake additional weekly checks of invoices in the queue for payment to scan for anomalies or unusual activity.
5. The following exemptions to Purchase Orders be ratified:
 - Elected Member payments
 - Taxi account payments
 - Catering
 - Couriers
 - Legal services
 - Utilities
 - Electricity/Gas/Water
 - Telecommunications - voice and data services only
 - Insurances
 - Subscriptions, both individual and corporate
 - Temporary staff

- Australia Post
- Fuel
- Leave payment between councils
- Mayor's babysitting fees
- Staff Reimbursements
- Tax payments to the ATO
- Dispersions
 - Superannuation
 - Development Fees
- Grants made by the City of Holdfast Bay
- Credit Card purchases
- Purchases under \$2,000.

As a result of these changes, the Organisational Internal Purchasing Procedure and Organisational Internal Tendering Procedure have been revised. The Council Procurement Policy has also been updated. In line with our Policy Framework Governance model, the updated policy and procedures will be presented to the City of Holdfast Bay Leadership Team and Senior Leadership Team before being submitted to the Audit and Risk Committee.

Audit Recommendations – Outstanding Actions Update

Actions from the Internal Audit program are tracked and managed using a master spreadsheet, which records all relevant details and monitors progress through three stages: not yet implemented, in progress/partially implemented, and completed. As of now, there have been no updates to the actions since our last report to the Committee.

In order to provide a clear update, the data from this master spreadsheet is attached in two versions, split to show:

- all actions that have been completed *Refer Attachment 2a*
- all actions that are in progress and partially implemented *Refer Attachment 2b*
- all actions that are not yet implemented *Refer Attachment 2c*

All actions are reviewed regularly, and revised due dates will be kept to a minimum going forward to ensure outcomes are achieved as efficiently and effectively as possible.

Budget

Appropriate budgets have been allocated for the 2023-24 and 2024-25 Internal Audit Programs respectively.

Life Cycle Costs

There are no life cycle costs associated with this report.

Strategic Plan

Statutory compliance

Council Policy

Risk Management Policy

Statutory Provisions

Local Government Act 1999

Written By: A/Manager Strategy and Governance

General Manager: Strategy and Corporate, Ms S Wachtel

Attachment 1

Internal Audit Program Year 1: 2022 - 23

#	Year Ref:	Timing	Audit Topic	Audit Project Detail	Status	Audit Type			Risk Coverage	Project Sponsor
						Strategic Audit	Standard Audit	Financial Review		
1	Year 1	September/December	Floodwater/Stormwater	Coastal area/environmental impact/asset protection - Risk: Poor or ineffective management of the impacts of climate change	Strategic	✓			AD01	GM Assets & Delivery
2	Year 1	February/April	Complaints Handling	Link to Customer Experience Strategy once rolled out. - Risk: Poor or ineffective customer service delivery	Standard		✓		CB03	GM Community & Business
3	Year 1	May/June	Fraud Detection	Undertake fraud detection across CHB - Risk: Poor or ineffective budget development and management	Financial			✓	SC08	GM Strategy & Corporate
4	Year 1	June	Development Assessment	Post implementation review. - Risk: Poor or ineffective planning systems and processes	Standard		✓		SC02	GM Strategy & Corporate

Admin. Charge

Internal Audit Program Year 2: 2023 - 24

#	Year Ref:	Timing	Audit Topic	Audit Project Detail	Status	Audit Type			Risk Coverage	Project Sponsor
						Strategic Audit	Standard Audit	Financial Review		
1	Year 2	October/November	Procurement And Contracting	Review to include flow/processing of documentation, CoHB & Alwyndor - Risk: Poor or ineffective budget development and management	Strategic	✓			SC08	GM Strategy & Corporate
2	Year 2	August/September	Strategic Plan	Strategic Plan – assessment of strategic alignment - Risk: Lack of Strategic Alignment	Strategic	✓			SC05	GM Strategy & Corporate
3	Year 2	April/May	Fraud Detection	Undertake Fraud Detection across Alwyndor - Risk: Poor or ineffective budget development and management	Financial			✓	SC08	GM Alwyndor
4	Year 2	May/ June	Carbon Neutral Plan	Review of Carbon Neutral Plan - Risk: Poor or ineffective management of the impacts of climate and environmental change	Strategic		✓		AD01	GM Assets & Delivery

Internal Audit Program Year 3: 2024 - 25

#	Year Ref:	Timing	Audit Topic	Audit Project Detail	Status	Audit Type			Risk Coverage	Project Sponsor
						Strategic Audit	Standard Audit	Financial Review		
1	Year 3	August/September	Volunteer Management	Review/better practice/assessment & feedback - Risk: Poor or ineffective workforce planning, including recruitment and retention.	Strategic	✓			SC06	GM Community & Business
2	Year 3	October/November	WHS	Review/better practice/assessment & feedback' - Risk: Poor or ineffective workforce planning, including recruitment and retention.	Standard		✓		SC06	GM Strategy & Corporate
3	Year 3	January/ February Revised to: April/May	Events Strategy	Events Strategy review with focus on political, reputational and financial aspects - Risk: Poor or inadequate Economic Development and Tourism Management	Strategic	✓			CB03	GM Community & Business
4	Year 3	March / April Revised to: Sep/Oct	Financial Controls	EOFY review of internal controls for CHB & Alwyndor - Risk: Poor or ineffective budget development and management	Financial			✓	SC08	GM Strategy & Corporate

Attachment 2a - Internal Audit - Completed Actions

Aug-24

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
2021/22 EOFY Financial Controls Alwyndor	May-22	FC02	Detailed Findings: 2 ASS-FIX-0003 Asset Management Plans are prepared and renewal expenditure and programmed maintenance required is reviewed periodically to reflect changing priorities, additional asset data and other relevant factors.	Rec.Treatment Plan 2: Complete Asset Management Plan	Better Practice	Complete	Manager Finance Alwyndor	Complete	Comments September 2022 - Alwyndor does not have a policy or formal documented procedure for Debt Collection. - Outstanding debtors are checked regularly and any aged debtors are followed up. - Risk level considered low, the majority of billing is collected via direct debit. - rarely a need for debt collection procedures. - If debt collection is needed the procedure is determined on a case-by-case basis. Comments March 2023 - Due to low level of risk related to this actions and current workloads of Finance Team, it's agreed to reschedule this until Dec 2023. Comments June 2023 - work progressing to target due date Comments August 2023 - work progressing to target due date Comments October 2023 - work being finalised for due date Comments February 2024 - minor extension required to finalise this piece of work Comments - May 2024 - On track for completion by end on June 2024 Comment - August 2024 Complete
2021/22 EOFY Financial Controls Alwyndor	May-22	FC03	Detailed Findings: 3 ASS-FIX-0013 Relevant staff review useful lives, residuals, valuations, depreciation methodology and test for impairment as required by Accounting Standards and legislation to ensure that methods used are still appropriate and significant changes are incorporated into Asset Management Plans.	Rec.Treatment Plan 3: Fixed Assets, asset accounting policy to be reviewed	Better Practice	Complete	Manager Finance Alwyndor	Complete	Comments September 2022 - The development of the Asset Management Plan delayed due to resources - planned for 2022/23. - Scheduled maintenance systems in place to maintain/monitor assets against priorities. - Any damage is logged. - Management of assets is undertaken by a register. Comments March 2023 - Asset Management review commenced, review completion date to 30/06/23 Comments June 2023 - work progressing to target due date Comments August 2023 - extension of time required, due to new recruitment of Financial Manager at EOFY. Comments October 2023 - work being finalised for due date Comments February 2024 - minor extension required to finalise this piece of work Comments - May 2024 - On track for completion by end on June 2024 Comment - August 2024 Complete
2021/22 EOFY Financial Controls Alwyndor	May-22	FC04	Detailed Findings: 4 ASS-FIX-0014 There is a process in place for the verification of fixed assets which is reconciled to the FAR.	Rec.Treatment Plan 4: Fixed Assets, asset accounting policy to be reviewed	Better Practice	Complete	Manager Finance Alwyndor	Complete	Comments September 2022 - Ref: 3 - Assets regularly maintained/serviced to a maintenance schedule. - The Financial Accountant provides assessment for new assets, reviewed by Finance Manager. - Finance Manager prepares high level review of useful lives/depreciation methodology every two years. - Independent valuations performed every 5 years. - Asset Management Plan to include review of communication between Finance & Maintenance, - To ensure assets effectively monitored and disposals are appropriately documented. Comments March 2023 - To be included in the Asset Management review which has now commenced, review completion date to 30/06/23 Comments June 2023 - work progressing to target due date Comments August 2023 - extension of time required, due to new recruitment of Financial Manager at EOFY. Comments October 2023 - work being finalised for due date Comments February 2024 - minor extension required to finalise this piece of work Comments - May 2024 - On track for completion by end on June 2024 Comment - August 2024 Complete
2022/23 Complaints Handling	May-23	CH03		Recommendation 3: Implement a sample-based approach to conducting quality assurance and review of complaints. This may occur at regular intervals, for example quarterly or six-monthly.	Medium	Complete	Manager Customer Experience & Library Services	Complete	Comments August 2023 - initiated, review will be undertaken in 3 months Comments October 2023 - initiated review of samples from RMS, process successful. RMS Project Team also monitoring and refining process. Continuing to review quarterly. 1st report in January 2024. Comments February 2024 - RMS data tested in Jan.2024 and reported to SLT. Progressing to provide quarterly reports by 30 June. Comments - May 2024 - Quarterly reports will be finalised for 30/06/2024. Comment - August 2024 Complete - Quarterly reporting format for complaints assurance in place.
2022/23 Complaints Handling	May-23	CH04		Recommendation 4: Consider strengthening requirements for significant contractors to report on complaints received from CHB residents in relation to their services. For example, this may cover waste management, after hours call centres, immunisation services. This can help CHB to have a fuller picture of complaints received relevant to their services/areas of responsibility.	Medium	Complete	Manager Customer Experience & Library Services	Complete	Comments August 2023 - conducting a review of the implementation of this recommendation and how to differentiate between contractor service level issues and complaints Comments October 2023 - conducting a review of the implementation of this recommendation and how to differentiate between contractor service level issues and complaints. Refining process with Managers. Aim to be in place end of financial year. Comments February 2024 - liaison with managers to ensure completion of work for 30 June 2024. Comments - May 2024 - Complaints process will be completed for 30/06/2024 Comment - August 2024 Complete - Complaints process now implemented/ staff awareness in place.
2022/23 Complaints Handling	May-23	CH06		Recommendation 6: Develop complaint handling training, for example as part of induction training and refresher training schedules. Training can cover the definition of complaints, complaints handling processes, communication approaches and tone.	Medium	Complete	Manager Customer Experience & Library Services	Complete	Comments August 2023 - being developed and will be informed by the data input over coming 3 months Comments October 2023 - being developed and will be informed by the data input over coming 6 months. Training program developed to be provided from March 2024 Comments February 2024 - on track - training due for rollout during March 2024 with completion of the program by end of June 2024. Comments - May 2024 - Training & program development in place by 30/06/2024 Comment - August 2024 Complete - Complaints handling training in place for those in key roles; covers definitions, correct handling, communications, approaches and conduct.
2023/24 Procurement	Mar-24	PR01	2.1 Clarity of current procurement framework	Recommendation 1: Introduce some governance/ assurance mechanisms to oversight procurement. Examples may include, but are not limited to: (i) - exception reporting (purchases above thresholds, varied POs, cancelled POs, exemption spot checks) (ii) - supplier creation / amendment / deletion (e.g. proof of supplier requests). Ensure that relevant staff position descriptions reflect this responsibility for assurance around procurement.	Medium	Complete	Manager Strategy & Governance	Complete	Comment - August 2024 Complete - Already occurring. The Procurement Officer undertakes spot checks of outstanding purchase orders and the holding queue to check for anomalies. This will be further strengthened by the introduction of quarterly checks by the Risk and Improvement Officer.

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
2023/24 Procurement	Mar-24	PR03	2.2 Efficiency and effectiveness of current procurement process	<p>Recommendation 3: Consider implementing segregation of duties for raising and approving Purchase Orders, particularly over pre-determined value thresholds.</p> <p><i>Note – subsequent recommendations are then focussed on efficiency of process.</i></p>	Medium	Complete	Manager Finance	Complete	Comment - August 2024 Recommendation has been given consideration and will not be implemented. Delegations and budget management provide adequate controls. Implementing segregation of duties will add significant administrative burden without improving controls.
2023/24 Procurement	Mar-24	PR07		<p>Recommendation 7: Formalise a back-up staff member to amend the Supplier Masterfile in the event of the Procurement Officers' absence/leave.</p>	Medium	Complete	Manager Strategy & Governance	Complete	Comment - August 2024 Complete - Risk And Improvement Officer and Project Officer identified and provided with necessary access and training.
2023/24 Procurement	Mar-24	PR11	2.5 Test results: Compliance with Procurement Policy/Procedures	<p>Recommendation 11: Consider implementing periodic 'spot checks' of a sample of procurement, to identify non-compliance, provide appropriate training and to increase the level of compliance with procurement requirements.</p> <p>If this is implemented, ensure that the 'spot check' responsibilities are included in a staff member's position description.</p>	Medium	Complete	Manager Finance	Complete	Comment - August 2024 Complete - Already occurring. Procurement Officer also now spends time at other sites to assist staff with procurement and promote procedural compliance.
2023/24 Strategic Planning Alignment	May-24	STP01	3.1 Corporate Plan: Opportunity to Strengthen	<p>Recommendation 1: Opportunities to strengthen the Corporate Plan – around working with Groups/Group Managers, tracking staffing considerations.</p> <p>Consider the following opportunities to strengthen the Corporate Plan:</p> <ul style="list-style-type: none"> - work with Groups to ensure all future activities that are designed to help meet the intent of the Our Holdfast 2050+ objectives are included (including business as usual activities and non-major projects) - ensure that Group Managers have transparency over the items included in the Corporate Plan, and - more clearly track staffing (FTE) considerations associated with future potential projects within the Corporate Plan – to help track whether CHB will have capacity at various points in time to deliver on planned initiatives and to inform scheduling decisions. <p>There is also potential to allocate responsibility for actions included within the Corporate Plan.</p>	Medium	Complete	Corporate & Service Planning Lead & Mgr Strategy & Governance	Complete	Comments - August 2024 Complete

Attachment 2b - Internal Audit - In Progress

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
Workforce Planning	Feb-21	WFP02	<p>2.2 Opportunity to develop a strategic workforce plan that aligns with business objectives:</p> <ul style="list-style-type: none"> - Workforce planning activities are primarily conducted at a team level with the Manager assuming key responsibility. The General Manager and People and Culture provide input and support. - All Managers interviewed demonstrated an understanding of their team's operational workforce requirements and strategic challenges and identified further the need for strategic and holistic workforce planning across Council. - Specific workforce planning approaches are informal, operational, and teams based. There is opportunity to document critical workforce knowledge. - Alwyndor's Managers have demonstrated awareness of WFP recommendations arising from the Royal Commission into Aged Care Quality and Safety (the Royal Commission) and a desire to ensure compliance. Alwyndor have commenced preliminary planning for a strategic WFP.9 	<p>We recommend that:</p> <p>Rec: 2 - Develop an overarching strategy or framework to guide workforce planning initiatives, specifically including strategic workforce planning at both CHB and Alwyndor. Options to achieve this include:</p> <ul style="list-style-type: none"> - develop a high level standalone workforce plan, framework or strategy that documents the overall workforce planning requirements for CHB and Alwyndor. - link more strategic WFP activities to requirements under Council's existing 'culture' pillar. A suite of supporting documents may then be developed to further outline specific actions in place. <p>NOTE: - Internal Audit consider that WFP is an ongoing process and promote a pragmatic approach to WFP rather than a time-intensive and static document. In addition, this work can be completed in line with Council's draft strategy - Audit understand that directions included in the new Strategy are already broadly known. In addition, Alwyndor's Strategic Plan, through the enabler: People and Culture, includes an action to develop a workforce plan for 2021.</p>	Low	In Progress	Manager People and Culture	<p>30/06/2022</p> <p>30/06/2023</p> <p>30/09/2023</p> <p>31/12/2023</p> <p>31/08/2024</p> <p>31/11/2024</p>	<p>Comments June 2022; - Generic principles of Workforce Planning were determined for both Alwyndor and COHB and approved by the SLT. - Strategic Plan 2050 launched in January 2022. Awaiting development of Corporate Plan to determine workforce planning strategies to support future service delivery/strategic outcomes. - 'Culture Pillar' has now been removed for Council so is no longer applicable. Alwyndor has a separate Strategic Plan, therefore Council's 'Culture' Pillar is not applicable. - WFP strategies to be determined annually from strategic plan and workforce trends within a highly regulated industry. - Timeline for Corporate Plan to be established - approx Dec 2022 (as per SB 22/7/22)</p> <p>Comments September 2022 - Corporate Plan underway - due for completion Dec 2022 - Workforce planning strategy to follow once Corporate Plan established.</p> <p>Comments March 2023 - Will be completed to target due date</p> <p>Comments June 2023 - Work progressing to target due date</p> <p>Comments August 2023 - Corporate Plan being finalised which will then inform this strategic workforce planning.</p> <p>Comments October 2023 - Corporate Plan details now finalised - to be used as a reference by newly appointed Manager P&C over coming months to inform WFP. Extended due date until end of next quarter to allow for transfer/update of information.</p> <p>Comments February 2024 - Workforce strategy to guide workforce planning underway - target for completion 30/06/24</p> <p>Comments - May 2024 - Work on track to finalise required strategy by due date.</p> <p>Comments August 2024 - Final review stage of process.</p> <p>Comments October 2024 Final review stage of process</p>
Workforce Planning	Feb-21	WFP03	<p>2.2 Opportunity to develop a strategic workforce plan that aligns with business objectives:</p> <ul style="list-style-type: none"> - Workforce planning activities are primarily conducted at a team level with the Manager assuming key responsibility. The General Manager and People and Culture provide input and support. - All Managers interviewed demonstrated an understanding of their team's operational workforce requirements and strategic challenges and identified further the need for strategic and holistic workforce planning across Council. - Specific workforce planning approaches are informal, operational, and teams based. There is opportunity to document critical workforce knowledge. - Alwyndor's Managers have demonstrated awareness of WFP recommendations arising from the Royal Commission into Aged Care Quality and Safety (the Royal Commission) and a desire to ensure compliance. Alwyndor have commenced preliminary planning for a strategic WFP.9 	<p>We recommend that:</p> <p>Rec: 3 - Complete the planned CHB (not Alwyndor) skills/capability and gap analysis and use this to inform plans to obtain and develop critical skills necessary for delivery of its strategic plan. Example required skills gaps identified may include:</p> <ul style="list-style-type: none"> - service design capability - data analytics 	Low	In Progress	Manager People and Culture	<p>30/06/2022</p> <p>30/06/2023</p> <p>30/09/2023</p> <p>31/12/2023</p> <p>30/09/2024</p> <p>30/11/2024</p>	<p>Comment June 2022; *** This recommendation does not apply to Alwyndor.</p> <ul style="list-style-type: none"> - Skills/Capability Audit was undertaken for the Leadership Team, however, not completed for the rest of the organisation - Strategic Plan 2050 launched in January 2022. Awaiting development of Corporate Plan to determine workforce planning strategies to support future service delivery and strategic outcomes. - Timeline for Corporate Plan to be established - approx Dec 2022 (as per SB 22/7/22) <p>Comments September 2022 - Corporate Plan underway - due for completion Dec 2022 - Skills capability and gap analysis to follow once Corporate Plan established.</p> <p>Comments March 2023 Will be completed to target due date</p> <p>Comments June 2023 - work progressing to target due date</p> <p>Comments August 2023 - Corporate Plan being finalised which will then inform this skills/capability audit</p> <p>Comments October 2023 - Corporate Plan details now finalised - to be used as a reference by newly appointed Manager P&C over coming months to inform WFP. Extended due date until end of next quarter to allow for transfer/update of information.</p> <p>Comments February 2024 - Skills/capability gaps analysis underway - target for completion 30/9/2024</p> <p>Comments - May 2024 - Extended deadline for completion by 8 weeks to enable finalisation/cross checking of details.</p> <p>Comments August 2024 - Final review stage of process.</p> <p>Comments October 2024 Final review stage of process</p>
Workforce Planning	Feb-21	WFP06	<p>2.4 Opportunity to ensure critical knowledge is formally documented:</p> <ul style="list-style-type: none"> - Knowledge of key workforce demand/supply gaps is informally held by Managers who are familiar with their operational requirements and market conditions. - Manager turnover may lead to inconsistent approaches to managing these risks and/or missed opportunities to more effectively plan for succession and knowledge documentation/transfer. - There is an opportunity to proactively review demand and supply requirements and associated workforce risks. This will strengthen Council's business continuity and knowledge transfer in the event of a General Manager or Manager leaving Council. 	<p>We recommend that:</p> <p>Rec: 6 - Review whether staff in all positions identified as critical across Council have documented their knowledge/role requirements. Where required and to assist in case of staff turnover/ unexpected leave, ensure that this knowledge is formally documented.</p> <p>NOTE: Management will review the work instructions and procedures for all critical roles, in particular Corporate roles where there is real risk due to lean team structures.</p>	Low	In Progress	Manager People and Culture	<p>30/06/2022</p> <p>31/12/2022</p> <p>30/06/2023</p> <p>30/09/2023</p> <p>31/12/2023</p> <p>30/06/2024</p> <p>30/09/2024</p> <p>30/11/2024</p>	<p>Comments June 2022; Alwyndor Management will review the work instructions and procedures for all critical roles, in particular Corporate roles where there is a real risk due to lean team structures. Business Continuity Planning undertaken for Council, with a high focus during the pandemic. Critical roles have been identified as well as succession planning opportunities. Managers responsible for determine their business processes, as well as ensuring adequate records management processes (ECM introduced in 2020 with appropriate training for all staff) to ensure documentation available for Council. NOTE: Could incorporate reference to critical operational procedures via BCP matrices completed by Managers Feb/Mar 2022.</p> <p>Comments September 2022 - Alwyndor/ Strategy & Governance to progress - no action required from Manager P&C perspective.</p> <p>Comments March 2023 - Will be progressed/finally reviewed in line with current corporate Manager Finance recruitment.</p> <p>Comments June 2023 - Work progressing to target due date</p> <p>Comments August 2023 - Leadership team review now required to ensure workforce risks have been fully recognised and the relevant internal controls are correctly in place.</p> <p>Comments October 2023 - Newly appointed Manager P&C to review the management process for 'critical position data' - with a view to closing off this action within the next quarter.</p> <p>Comments February 2024 - Critical Positions review underway - target for completion 30/6/2024.</p> <p>Comments - May 2024 - Working to have staff Critical Positions review completed by due date - 30/06/24.</p> <p>Comments August 2024 - Final review stage of process - slight time extension required.</p> <p>Comments October 2024 Final review stage of process - slight time extension required.</p>
Budget Management	Mar-22	BM01.7	<p>2.2 Budget Maturity Assessment.</p> <ul style="list-style-type: none"> - The maturity of Council's budget management practices is majority 'advanced', however there are continuous improvement opportunities. - Opportunities for Council to strengthen its budget management include providing additional funding certainty for multi-year projects, use of indexation to improve the accuracy of depreciation in non-valuation years, and encouraging greater use of system functionality to file calculations, non-financial information and other documents supporting budget lines. 	<p>We recommend that;</p> <p>Rec 1.7 - Investigate options for software to replace the existing Corporate Performance Management (CPM) system.</p>	Better Practice	In Progress	Manager Strategy and Governance with Manager Innovation and Technology	<p>30/06/2022</p> <p>31/12/2023</p> <p>30/06/2024</p> <p>31/12/2024</p>	<p>Comments June 2022</p> <ul style="list-style-type: none"> - Investigate software options to replace the existing CPM module, in order to support the development of the Corporate Planning program and improve corporate and management reporting. <p>Comments September 2022</p> <ul style="list-style-type: none"> - 07/07/2022 - IT-GSC approved prioritisation/scheduling Corp.Planning & Reporting - to start in Sept.2022 - 15/09/2022 - IT-GSC approved contractor for Corp.Planning & Reporting (Lack of resources delayed.) - Current start 30/11/2022 and completion 31/12/2022. <p>Comments March 2023 - linked to the Biz Regs.</p> <p>Comments June 2023 - work progressing to target due date</p> <p>Comments August 2023 - work progressing to target due date</p> <p>Comments October 2023 - AMP workload to be scheduled to ensure all aspects reviewed & completed to timeframe - due Dec 2023.</p> <p>Comments February 2024 - Business Requirements were completed in 2023 and further detailed analysis of reporting requirements is in progress. A preferred product has been identified and a budget bid for implementation in 2024/25 has been completed.</p> <p>Comments - May 2024 - Work is continuing on the corporate plan, however has been slowed by other priorities.</p> <p>Comment - August and October 2024 Work is continuing on the corporate plan, however has been slowed by other priorities. In parallel, following a budget allocation for this financial year, work has commenced on the business case for planning software, which when impemented, will accelerate completion of the plan.</p>
Transport Asset Management	May-22	AM02	<p>2.1 Forward-planning processes and use of asset management information in strategic decision making</p> <ul style="list-style-type: none"> - There is a clear link between long term financial forecasts included in the AMPs and the budget, annual business plan and long term financial plan (LTFF). - A key gap in the asset management framework for CHB is the absence of an Asset Management Strategy. - CHB has recently had a comprehensive condition assessment undertaken of road assets, which identified average conditions as lower than assumed in the current AMP, indicating a need to increase spending on renewals and maintenance. - There is a focus on increasing the level of proactive maintenance of assets. - Service levels are generally defined quite well, though there are improvement opportunities in the ongoing measurement and tracking of service levels. 	<p>We recommend that:</p> <p>Rec 02: - Review and reconfirm / refine the KPIs in the AMPs to ensure they are measurable and provide useful insights to support decision making. Measure and monitor all selected KPIs, implementing any necessary data collection mechanisms (such as additional questions in the 'Quality of Life Community Survey').</p>	Medium	In Progress	GM Assets & Delivery	30/11/2024	<p>Comments June 2022 - Progress in line with audit report</p> <p>Comments September 2022 - Will be progressed in line with Target Completion Dates</p> <p>Comments March 2023 - Will be progressed in line with Target Completion Dates</p> <p>Comments June 2023 - work progressing to target due date</p> <p>Comments August 2023 - work progressing to target due date - 2023 Quality of Life survey received to be incorporated into the development and measure of KPIs for AMPs.</p> <p>Comments October 2023 - works progressing on KPIs for AMPs</p> <p>Comments February 2024 - work progressing on KPIs within AMP reviews</p> <p>Comments - May 2024 - Work progressing on KPIs within AMP reviews</p> <p>Comment - August 2024 - Work progressing on KPIs within AMP reviews.</p> <p>October 2024 To be delivered with Asset Mgt Plans - Nov. 2024</p>

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
Transport Asset Management	May-22	AM03		<p>We recommend that;</p> <p>Rec: 03 - A review timetable is introduced for all AMPs, scheduling: - annual updates to the 10-year replacement schedule, associated costings and financial summary based on current asset management data - annual updates to the tables within the Risk and Improvement Plan Appendices (including status of treatment plans) - 4-yearly comprehensive AMP updates within 2 years of each general election. Note: It may not be necessary to annually update all AMPs – the transport AMP is highly material and therefore the most beneficial to update. Updates for other asset classes should be considered on the basis of materiality / effort vs benefit.</p>	Medium	In Progress	GM Assets & Delivery	30/11/2024	<p>Comments June 2022 - Progress in line with audit report. Comments September 2022 - Will be progressed in line with Target Completion Dates. Comments March 2023 - Will be progressed in line with Target Completion Dates. Comments June 2023 - work progressing to target due date. Comments August 2023 - work progressing to target due date. Comment October 2023 - work progressing on the AMP format. Comment February 2024 - work progressing on the AMP reviews and formats. Comments - May 2024 - Work progressing on the AMP reviews and formats. Comment - August 2024 - Work progressing on the AMP reviews and formats.</p> <p>Comment - October 2024 To be delivered with Asset Mgt Plans - Nov. 2024</p>
Transport Asset Management	May-22	AM04		<p>We recommend that;</p> <p>Rec 4: Asset replacement cost estimates within the AMPs are costed on the basis of the most likely actual replacement design (which may constitute an upgrade), rather than an assumption of like-for-like. Note: costings within the AMP for future planning purposes do not impact on asset revaluations or depreciation calculations for financial reporting purposes. These calculations continue to be based on modern equivalent, like-for-like replacement to ensure that depreciation expense captures the current value of consumption of existing services, not future upgrades).</p>	Medium	In Progress	GM Assets & Delivery	31/07/2023 31/08/2024 30/11/2024	<p>Comments June 2022 - Progress in line with audit report Comments September 2022 - Will be progressed in line with Target Completion Dates Comments March 2023 - Will be progressed in line with Target Completion Dates Comments June 2023 - work progressing to target due date Comments August 2023 - valuation for replacement costs open space assets (2022/23) is currently being completed. Due August 2024. To be implemented in AMP in November 2024. Comments October 2023 - AMPs to be reviewed and timeframes checked to ensure delivery of outcomes - Due August 2024. Comments February 2024 - work ongoing and on target for due date Comments - May 2024 - To be delivered with Asset Mgt Plans - Nov. 2024</p> <p>Comment - August/October 2024 To be delivered with Asset Mgt Plans - Nov. 2024</p>
Transport Asset Management	May-22	AM06	<p>2.3 Governance and risk management frameworks. - The majority of effectiveness criteria per the IIM standards have been met. - There is a need to develop an Asset Management Strategy to provide greater cohesiveness of asset management across asset classes, and improve transparency over the prioritisation of strategies for continuous improvement of asset management maturity at an organisational level. - Asset management risks captured within the AMPs would benefit from annual updates to implementation status of treatment plans.</p>	<p>We recommend that;</p> <p>Rec 6: Develop a costed delivery plan for asset management improvement initiatives identified within the Asset Management Plans. Note: the prioritisation of initiatives should be guided by the principals of the Asset Management Strategy.</p>	High	In Progress	GM Assets & Delivery	30/06/2024 30/11/2024	<p>Comments June 2022 - Progress in line with Target Completion Dates Comments September 2022 - Will be progressed in line with Target Completion Dates Comments March 2023 - Will be progressed in line with Target Completion Dates Comments June 2023 - work progressing to target due date Comments August 2023 - work progressing to target due date Comments October 2023 - working towards a costed delivery plan in alignment with the Asset Management Strategy Comments February 2024 - work ongoing and on target for due date Comments - May 2024 - Timeline realigned to be delivered with Asset Mgt Strategy & Asset Management Plans - Nov. 2024</p> <p>Comment - August/October 2024 To be delivered with Asset Mgt Strategy & Asset Management Plans - Nov. 2024</p>
Transport Asset Management	May-22	AM07		<p>We recommend that;</p> <p>Rec 7: Implement a 4-yearly Asset Management Maturity Self-Assessment process.</p>	Better Practice	In Progress	GM Assets & Delivery	30/06/2024 30/11/2024	<p>Comments June 2022 - Progress in line with Target Completion Dates Comments September 2022 - Will be progressed in line with Target Completion Dates Comments March 2023 - Will be progressed in line with Target Completion Dates Comments June 2023 - work progressing to target due date Comments August 2023 - completed initial maturity assessment as part of AMS Comments October 2023 - working towards Asset Maturity Self-Assessment in alignment with asset management strategy Comments February 2024 - work ongoing and on target for due date Comments - May 2024 - Completed assessment as part of Asset Mgt Strategy. To be published with Asset Mgt Strategy - Nov.2024</p> <p>Comment - August/October 2024 To be published with Asset Mgt Strategy & Asset Management Plans - Nov. 2024</p>
Transport Asset Management	May-22	AM09	<p>2.4 Asset Management Systems. - Asset management systems used are fit for purpose. - Opportunities exist to work towards use of advanced system functionality, including thematic GIS mapping and scenario predictive modelling to guide future decision making.</p>	<p>We recommend that;</p> <p>Rec 9: Pursue the use of Predictive / Scenario modelling to support long term strategic asset management decisions. Note: This is considered a longer-term improvement opportunity, with priority to be considered in the context of other asset management improvement initiatives determined via recommendations 1 and 7.</p>	Better Practice	In Progress	GM Assets & Delivery	30/11/2024	<p>Comments June 2022 - Progress in line with Target Completion Dates Comments September 2022 - Will be progressed in line with Target Completion Dates Comments March 2023 - Will be progressed in line with Target Completion Dates Comments June 2023 - work progressing to target due date Comments August 2023 - work progressing to target due date Comments October 2023 - review this as part of the later asset management framework undertaking Comments February 2024 - will incorporate into upcoming elements of AMP reviews Comments - May 2024 - Will incorporate into upcoming elements of AMP reviews, undertaking basic scenario modelling to inform transport AMP.</p> <p>Comment - August/October 2024 To be delivered with Asset Mgt Strategy & Asset Management Plans - Nov. 2024</p>
2022/23 Flood Mitigation	Feb-23	FM02	<p>2.2 Detailed Findings A need to stocktake progress in implementing SMP actions</p>	<p>We recommend that;</p> <p>Rec.2: - Conduct a stocktake of progress in implementing projects identified in the Stormwater Management Plan Coastal Catchments between Glenelg and Marino 2014 (SMP) and identify whether: - (i) sufficient action taken against these compared to associated risk. - (ii) whether sufficient financial resources associated to achieve CHB's expected progress in delivering the projects. - (iii) an action plan to ensure more timely progress is required, or - (iv) each project (considering updated flood risk modelling) is still required/considered a risk area.</p> <p>Report results to the Senior Leadership Team.</p>	Medium	In Progress	Manager Engineering	31/12/2023 30/06/2025	<p>Comments June 2023 - work not yet commenced Comments August 2023 - not yet commenced Comments October 2023 - will program in works when meeting with Manager Engineering later this quarter. Comments February 2024 - The SMP review to include this review, and provide recs. to reprioritise projects and funding. Remaining projects prior to renewal are Tarlton/Whyte stormwater upgrade, Gilbertson Gully restoration and Harrow Road GPT. Recommend timeframe to change to 30/6/25, inline with SMP. Comments - May 2024 - Same comments as February 2024 Comment - August 2024 - The SMP review to include this review, and provide recs. to reprioritise projects and funding - further details as above.</p> <p>Comment October 2024 Review included.</p>

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
2022/23 Flood Mitigation	Feb-23	FM03	2.3 Detailed Findings Further encouraging rainwater tank installation/stormwater compliance measures	We recommend that: Re. 3: - Develop a strategy to ensure existing and new rainwater and stormwater detention facilities are installed and maintained correctly. This in line with the Planning, Development and Infrastructure (2016) Act's requirements (as applicable), and CHB's Stormwater Drainage Building and Construction Policy (2020). This may include but is not limited to: (i) - researching/understanding the extent of non-compliance with detention tank installation and risks of non-compliance on stormwater flooding (ii) - confirming that tanks that meet criteria set out in the Code are installed. (iii) - requiring builders to advise owners of their responsibility to install tanks (where applicable). (iv) - offering further incentives associated with tank installation on existing properties (v) - use of education on the importance of installing tanks. (vi) - regular inspection of tank installation and detention installation. (vii) - use of an enforcement/penalty-based approach when tanks / detention are not installed as per approved plans.	Low	In Progress	Manager Engineering and Manager Development Services	30/06/2024 31/12/2024	Comments June 2023 - work not yet commenced - to be completed in time to inform the FY26/27 budget Comments August 2023 - not yet commenced Comments October 2023 - will factor into workload when meeting with Manager Engineering later this quarter. Comments February 2024 - A rainwater tank incentive trial was completed in 2022/23 to test uptake of rainwater tank improvements. Outcomes identified that grant incentives did not have the desired outcomes on a large scale. - Stormwater Drainage Building and Construction Policy is being reviewed prior to December 2024. - Compliance, installation, inspections are the responsibility of the Development team. Recommend timeframe to change to 30/12/24, inline with policy renewal. Comments - May 2024 - Same comments as February 2024 Comment - August/October 2024 Stormwater Drainage Building and Construction Policy is being reviewed prior to December 2024 - other areas under Dev.team as per above.
2022/23 Flood Mitigation	Feb-23	FM04	2.4 Detailed Findings Coastal 'inundation' management is long term, some need to clarify asset ownership	We recommend that: Rec.4: -Pending confirmation of whether ownership of seawalls rests with CHB or the SA Government, review whether: (i) - seawall assets should be included in the Asset Management Plan. (ii) - ongoing monitoring and maintenance of seawall infrastructure is captured adequately in CHB's asset management system.	Low	In Progress	Manager Engineering	30/06/2024 30/06/2025	Comments June 2023 - work not yet commenced - as part of the AMP update Comments October 2023 - will factor into workload when meeting with Manager Engineering later this quarter. Comments February 2024 - Asset ownership of seawalls on a regional scale is being discussed through the 'SA Climate Ready Coasts' joint project by the LGA/SA Government/Councils. Outcome of program will include Coastal Adaptation Planning Standards for SA including consistency of governance such as asset ownership throughout the state. - Seawalls are to be excluded from AMP until ownership is resolved at a state level. - Design is continuing for the most at risk seawalls (Glenelg North). To be completed this FY. Recommend timeframe to change to 30/6/25, inline with timeline of the new standards. Comments - May 2024 - Same comments as February 2024 - above actions progressing. EMs workshop on topic - 18/06/2024 Comment - August/October 2024 EMs workshop completed 18/06/24. Above actions progressing.
2022/23 Flood Mitigation	Feb-23	FM07	2.6 Detailed Findings Operational maintenance of infrastructure occurs, some minor improvements identified	We recommend that: Rec. 8: Review the Yarrum Grove maintenance schedule and ensure that Field Services have oversight of these requirements.	Low	In Progress	Manager Engineering	30/06/2024 30/09/2024 31/01/2025	Comments June 2023 - work not yet commenced - connect to the BMS and provide alarms/training for field staff Comments October 2023 - will factor into workload when meeting with Manager Engineering later this quarter. Comments February 2024 - No progress on this action. Comments - May 2024 - Review has begun; - contacted key stakeholders to review existing maintenance practices and preferred structures. Comment - August 2024 - Review ongoing - due for completion by due date. Comment - October 2024 Manager Engineering: this was picked up in our Assets and Delivery operations review via a RACI. We had overall agreement for the maintenance though it likely won't be implemented formally until the ops review concludes.
2022/23 Complaints Handling	May-23	CH02	1.1 Detailed Findings CHB complaints handling framework vs. better practice principles	Recommendation 2: Create an internal procedure that details the complaint process workflows and provides step by step instructions to enable staff to understand expected complaint handling processes and to implement these processes consistently and effectively.	Medium	In Progress	Manager Customer Experience & Library Services	30/06/2023 30/09/2023 30/06/2024 30/09/2024 30/11/2024	Comments August 2023 - draft in place, reviewing over next 2-3 months Comments October 2023 - draft in place, reviewing over next 2-3 months Comments February 2024 - draft internal procedure has been tested with CE Team and training plan being developed by 30/06/24 Comments - May 2024 - Training being developed for 30/06/2024 Comment - August/October 2024 Internal procedure draft developed, will test and also be used as a training aid. Review by end of 1st Quarter.
2022/23 Complaints Handling	May-23	CH05		Recommendation 5: Generate reports to enable review of CHB's complaint handling performance. This can include detail on complaint numbers, complaint by division, timeliness of resolution, and outstanding escalated complaints. Provide these reports to managers for review and discuss the findings as regular items on executive meeting agendas.	Medium	In Progress	Manager Customer Experience & Library Services	30/06/2023 30/09/2023 30/06/2024 30/09/2024 30/11/2024	Comments August 2023 - partially implemented, meetings with Project Mgt team undertaken and now monitoring complaints handling data received over next quarter, this will enable progression of the recommendation. Comments October 2023 - partially implemented, meetings with Project Mgt team undertaken and now monitoring complaints handling data received over next quarter, this will enable progression of the rec. Provide 6 Monthly report in Jan2024. Comments February 2024 - meetings being held to progress and test data to provided a 6 monthly report by 30 June. Comments - May 2024 - Reports will be in place by 30/06/2024 Comment - August/October 2024 Reporting format being developed with Power BI, test during Quarter 1.
2023/24 Procurement	Mar-24	PR02	2.1 Clarity of current procurement framework	Recommendation 2: Consider strengthening the Procurement Policy by: (i) - clarifying procurement-related roles and responsibilities within CHB, and (ii) - linking to clearer guidance about how to assess and manage procurement risk.	Medium	In Progress	Manager Strategy & Governance	31/06/2024 30/11/2024	Comment - August 2024 - Policy and Procedure are due for renewal mid 2024 and will be reviewed on schedule. This review will include consideration of how to improve policy compliance. Comment - October 2024 Policy and Procedure being finalised and put through the policy framework governance model i.e revised policy and procedure will be tabled with leadership, SLT then Audit and Risk Committee
2023/24 Procurement	Mar-24	PR04	2.2 Efficiency and effectiveness of current procurement process	Recommendation 4: Consider ways to improve the efficiency around use of Purchase Orders. This may include: (i) - implementing further exemptions – instances where POs are not required (for example when a contract is in place or for regular purchases – utilities, legal, library) (ii) - raising the base threshold for when POs are required (iii) - educating staff about ways to use POs more efficiently. <i>Note – these are included as options only. Increasing the PO threshold can be considered on a risk/benefit basis and in conjunction with stronger oversight controls as per Recommendation 1.</i>	Medium	In Progress	Manager Finance	30/06/2024 30/09/2024 01/11/2024	August 2024 - Raising the base threshold for when POs are required is not favoured at this time, however, additional exemptions will be considered to improve efficiency. Comment - October 2024 Exemptions will be considered to improve efficiency. Procedural documents will be updated as per the item above.
2023/24 Procurement	Mar-24	PR05		Recommendation 5: Investigate implementing an invoice matching process, where Optical Character Recognition is used to automatically link invoices to Purchase Orders. This may help to reduce time in processing invoices before receipt.	Medium	In Progress	Manager Finance	30/06/2024 30/09/2024 31/11/2024	Comment - August 2024 - Agreed - This will be implemented subject to ICT feasibility. Oversight of the evaluation and decisions regarding implementation will be via the ICT Steering Committee/Project Oversight Committee. Comment - October 2024 ICT investigating what can be done and implemented. Discussions are occuing between ICT and Tech1.
2023/24 Procurement	Mar-24	PR06		Recommendation 6: Consider automating invoice approval, particularly for lower value invoices below a pre-determined threshold that can be matched to a Purchase Order. Goods/services must have already been receipted in the system.	Medium	In Progress	Manager Finance	30/06/2024 30/09/2024 31/11/2024	Comment - August/October 2024 This will be considered further in the context of other available process improvements.

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
2023/24 Procurement	Mar-24	PR08	2.3 Training and information availability	<p>Recommendation 8: Embed procurement training into training schedules (e.g. induction process, semi-regular updates) and provide regular procurement refresher training sessions for relevant staff. Training formats may vary and include:</p> <ul style="list-style-type: none"> - F2F training - 'lunch and learn' sessions - online, on-demand videos - step by step guides. <p><i>Note – both the mix and regularity of training provided can be determined by CHB</i></p>	Low	In Progress	Manager Strategy & Governance	31/10/2024	<p>Comment - August 2024 - An introduction to procurement principles is already provided as part of the employee induction, with an invitation to book a 1:1 session if purchasing activities are required by the role. However, refresher sessions for existing staff and Scribe self-guided lessons will be implemented to improve coverage and increase learning and compliance opportunities.</p> <p>Comment October 2024 - Training being finalised.</p>
2023/24 Procurement	Mar-24	PR09		<p>Recommendation 9: Review procurement information available on Baywatch and:</p> <ul style="list-style-type: none"> - update with current tools, templates and guidance (e.g. raising a PO, procure to pay process steps) - ensure process guidance is in place for all procurement-related steps - remove documents/information that is no longer current. 	Low	In Progress	Manager Finance	30/04/2024 30/09/2024 31/11/2024	<p>Comment - August/October 2024 Agreed</p>
2023/24 Procurement	Mar-24	PR10	2.4 Tech1 enhancements to improve user experience around payments	<p>Recommendation 10: Review the suggested Tech1 improvements list (included in Appendix 6) and develop a project plan to address these. Present the plan to the IT Steering Committee, with changes to be implemented as part of the team's overall workload.</p> <p><i>Report back on agreed actions to the Audit and Risk Committee.</i></p>	Low	In Progress	Manager Finance	31/10/2024 31/11/2024	<p>Comment - August/October 2024 Presentation for investment evaluation by October in the near future (2024/25), implementation as resources allow. This will be overseen by the ICT Steering Committee / Project Oversight Committee.</p>
2023/24 Procurement	Mar-24	PR12		<p>Recommendation 12: Reinforce to staff that POs should be created prior to the goods being received or the services being completed, and that exemption should be obtained if PO's cannot be approved prior to the receipt of the invoice.</p>	Medium	In Progress	Manager Finance	31/10/2024 31/11/2024	<p>Comment - August/October 2024 Already occurring but will be strengthened with procurement education to ensure that staff are confident in using appropriate techniques. Additional training materials are also being produced. Spot checks will continue to be undertaken and follow ups with staff will occur when required.</p>

Attachment 2c - Not Yet Implemented

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
2022/23 Flood Mitigation	Feb-23	FM01	2.1 Detailed Findings A framework to manage flooding is in place, there's opportunity to review Stormwater Management Plan	We recommend that: Rec. 1: - After updated flood modelling/risk data is received from the State Government, review the Stormwater Management Plan. This can include updated action items/projects for achievement, based on the latest modelling data. Note - this recommendation will be dependent on agreement with the City of Marion and the Stormwater Management Authority.	Low	Not Yet Implemented	Manager Engineering	30/06/2026 30/06/2025	Comments June 2023 - work not yet commenced Comments August 2023 - not yet commenced Comments October 2023 - will program in works when meeting with Manager Engineering later this quarter. Comments February 2024 - The Stormwater Management Plan has been proposed as a new initiative for 2024/25. With discussion with Marion, they have agreed to co-fund the project for 2024/25 if approved by Council. Comments - May 2024 - Same comments as February 2024 Comment - August 2024 - The Stormwater Management Plan has been proposed as a new initiative for 2024/25 - awaiting Council approval. Comment October 2024 Approved by council, joint project with Marion council starting Oct/Nov 2024. Manager Engineering meeting with Marion on 4/10.
2022/23 Flood Mitigation	Feb-23	FM05	2.5 Detailed findings Opportunity for proactive condition assessments and oversight of third parties	We recommend that: Rec. 6: - Develop an approach, for example via two-way liaison, to obtain assurance that Minda's current management of stormwater is effective. <i>Note: the intent of this recommendation is for CHB to have assurance that it will not be unexpectedly impacted by a failure in stormwater asset controls at Minda. Minda may also benefit from two-way discussion with CHB on this matter. If CHB attempt to open liaison and Minda is not forthcoming in engaging, then this recommendation will be considered closed.</i>	Medium	Not Yet Implemented	Manager Engineering and Manager Development Services	30/06/2024 30/06/2025	Comments June 2023 - work not yet commenced Comments August 2023 - not yet commenced Comments October 2023 - will factor into workload when meeting with Manager Engineering later this quarter. Comments February 2024 - no progress on this action. Risk and criticality will be further explored in the SMP. Recommend timeframe to change to 30/6/25, inline with SMP. Comments - May 2024 - Same comments as February 2024 Comment - August 2024 - Will discuss across both teams to determine best way forward within remaining timeframes. Comment October 2024 - not commenced
2022/23 Flood Mitigation	Feb-23	FM06	2.6 Detailed Findings Operational maintenance of infrastructure occurs, some minor improvements identified	We recommend that: Rec.7: - Define the maintenance requirements for CHB's Water Sensitive Urban Design (WSUD) assets and plan an approach to ensure these are maintained in line with industry standards.	Low	Not Yet Implemented	Manager Field Services	30/06/2024 30/09/2024	Comments June 2023 - work not yet commenced - for implementation in FY 2024/25 budget Comments August 2023 - not yet commenced Comments October 2023 - will factor into workload when meeting with Manager Engineering later this quarter. Comments February 2024 - No progress on this action. Relatively low priority in comparison to other actions. Comments - May 2024 - Will review - relatively low priority in comparison to other actions. Comment - August/October 2024 Will review - relatively low priority in comparison to other actions.
2022/23 Flood Mitigation	Feb-23	FM08		We recommend that: Rec. 9: - Work to increase clarity around cost management of Gross Pollutant Traps, in particular: (i) - ensure that ongoing maintenance costs are included as part of forward planning for new GPTs, and (ii) - work to clarify cost recovery arrangements for GPT cleaning with the City of Marion.	Low	Not Yet Implemented	Manager Field Services	30/06/2024 30/09/2024 30/11/2024	Comments June 2023 - work not yet commenced - noted as 'ongoing' - need to clarify Comments August 2023 - not yet commenced Comments October 2023 - will factor into workload when meeting with Manager Engineering later this quarter. Comments February 2024 - No progress on this action. Comments - May 2024 - Will review - relatively low priority in comparison to other actions. Comment - August/October 2024 Will review - relatively low priority in comparison to other actions.

Item No: 9.3

Subject: 2023-24 GENERAL PURPOSE FINANCIAL STATEMENTS

Summary

The financial statements for the year ended 30 June 2024 have been completed and audited by council's audit firm, Dean Newbery, who have indicated that an unqualified audit opinion will be provided and that there are no material issues arising from the audit. They are presented to the Audit and Risk Committee for review.

Recommendation

That the Audit and Risk Committee informs Council it has reviewed the General Purpose Financial Reports for the year ending 30 June 2024, as required under section 126(4)(a) of the *Local Government Act 1999*, and found them to present fairly the state of affairs of the council as required under the *Local Government (Financial Management) Regulations 2011*.

Background

Pursuant to sub-section 126(4) of the *Local Government Act 1999*, the Audit and Risk Committee is required to review council's annual financial statements to ensure that they present fairly the state of affairs of council.

The financial statements for the year ended 30 June 2024 have been completed and audited. They will be presented to an ordinary meeting of Council on 22 October 2024 for the Acting Chief Executive Officer and the Mayor to be authorised to sign the certification of the financial statements.

Preliminary 2023-24 funding statements were received by Council on 27 August 2024 (Report 285/24) and have been previously distributed to members of the Audit and Risk Committee under separate cover. The preliminary statements excluded a number of year-end adjustments, and the final Southern Region Waste Resource Authority result as these were yet to be finalised.

The attached 2023-24 financial statements have been prepared in accordance with The Model Financial Statements, Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011* and Council policies. The statements including notes have not previously been considered by the Audit and Risk Committee.

Report

Independence of Council's Auditor

Regulation 22 of the *Local Government (Financial Management) Regulations 2011* details the legislative requirements for the independence of council auditor.

Regulation 22(1) states that a council must not engage its auditor to provide services to the council outside the scope of the auditor's function under the Act.

Council's audit firm, Dean Newbery, has not been engaged to provide any services to council other than within the scope as auditor under the *Local Government Act 1999*. The audit of council includes the audit of Alwyndor.

Regulation 22(3) requires that the council Chief Executive Officer and Presiding Member of the Audit and Risk Committee execute certificates confirming that the Auditor has complied with the independence requirements. Under this regulation both the Presiding Member and the Acting Chief Executive Officer signed the certificate on 1 October 2024 confirming the Auditor's independence.

Regulation 22(5) requires the Auditor to provide a statement to the following effect: "I confirm that, for the audit of the financial statements of the City of Holdfast Bay for the year ended 30 June 2024, 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".

A Council audit completion report including this declaration is provided at Attachment 1.

Refer Attachment 1

Regulations 22(4) and 22(6) require that copies of the above certificates must accompany the financial statements.

Financial Statements for the Year Ended 30 June 2024

Section 124 of the *Local Government Act 1999* requires council to keep such accounting records as correctly and adequately record and explain the revenues, expenses, assets and liabilities of the council. The accounting records must be kept in a manner to enable the preparation and provision of statements that present fairly financial and other information.

Section 127 additionally requires councils to prepare for each financial year:

- financial statements and notes in accordance with standards prescribed by the regulations; and
- other statements or documentation relating to the financial affairs of the council required by regulation.

Regulation 13 of the *Local Government (Financial Management) Regulations 2011* further requires the financial statements of a council (other than notes and other explanatory

documentation) to be in accordance with the requirements set out in the Model Financial Statements published by the Local Government Association.

Consolidated financial statements are provided at Attachment 2 and have been audited by council's audit firm, Dean Newbery, who have indicated that an unqualified audit opinion will be provided and that there are no material issues arising from the audit.

Refer Attachment 2

Audited financial statements for Alwyndor activities are provided at Attachment 3. Council's audit firm Dean Newbery presented a separate draft Alwyndor Audit Completion Report to the Alwyndor Management Committee on 26 September 2024 which was unqualified with no material issues. The final completion report is attached.

Refer Attachments 3a and 3b

As part of the audit, the Acting Chief Executive Officer and council's Manager Finance will both sign a letter to the Auditor which provides certain representations in relation to the financial statements pursuant to Australian Auditing Standard ASA580, a copy of which is provided at Attachment 4.

Refer Attachment 4

Consolidation

The consolidated financial statements include Alwyndor Aged Care (Alwyndor) and council's equity interest in the Southern Region Waste Resource Authority (SRWRA).

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

SRWRA is an established regional subsidiary under section 43 of the *Local Government Act*. Council has a 15% equity interest in SRWRA.

The consolidated (rounded) operating result before capital revenues is \$614,000 (surplus) comprising \$940,000 surplus from council's municipal operations and a \$333,000 deficit from Alwyndor operations. Contained in council's municipal operations result is a \$385,000 surplus from council's equity interest in SRWRA.

The operating results vary from the preliminary result reported to Council on 27 August 2024 (Report 285/24) as indicated in the table overleaf.

Preliminary Council Report 285/24 operating result before net gain/loss on asset disposals/revaluations – (rounded)	Financial Statements Operating Result (rounded)	Difference (to Council Report 285/24)
<i>Municipal Operations</i>		
\$1,150,000 Surplus	\$940,000 Surplus	\$210,000 decrease in surplus
<i>Alwyndor Operations</i>		
(\$303,000) Deficit	(\$333,000) Deficit	\$30,000 increase in deficit

Municipal Result

There were a few final year-end adjustments made from council's previously stated operating result leading to a \$210,000 decrease to the reported surplus:

- \$100,000 – increase in Council's equity share in SRWRA;
- \$178,000 – late accruals for revenue and pre-payments;
- (\$374,000) – expenditure previously held as Work In Progress but related to projects identified as no longer active;
- (\$103,000) – expenditure originally accounted for as capital transferred to operational expenses;
- (\$11,000) – final depreciation on newly created assets.

Loan receivables were reviewed and considered by the Audit and Risk Committee on 14 August 2024 (Report 243/24) with Council noting the minutes of the Audit and Risk Committee on 27 August 2024. The loan impairment provision has been maintained in accordance with the recommendations.

Explanation of variances between budget and result

The contributing factors for the increase in the operating result budget forecast compared to the original forecast have been reported to Council throughout the financial year. The most recent report on 27 August 2024 (Report 285/24) fully detailed the budget forecast variations for 2023-24. The report included comprehensive details of the business unit variances in the operating actual surplus result compared to the revised budget forecast. The report was provided to Audit and Risk Committee members under separate cover.

The following table summarises the major contributing variances between the revised budget forecast of \$625,000 and the final result.

Major Municipal Operational Variances	Amount
Higher car parking income	\$464,000
Yet to be finalised operational projects	\$388,000
Higher grant income from LRCI & R2R grants	\$255,000
Higher equity share in SRWRA	\$179,000
Lower interest on borrowings expense	\$123,000
Higher cemeteries and memorial income	\$88,000
Higher materials, contract and other expenditure	(\$10,000)
Higher employee leave provisions	(\$523,000)
Timing of Financial Assistance Grants	(\$649,000)
Total variance to forecast (favourable)	\$315,000

Alwyndor Result

Alwyndor's deficit increased by \$29,969 following their final year-end adjustments.

Explained by:	\$
HCP Supplement Grant Income	9
CoHB Motor Vehicle Transfer	(46)
Long Service Leave Year-End Adjustment	8
Capital Work in Progress Adjustment	(9)
Lease Adjustment as per AASB16	(3)
Other	11
Variance	(30)

Explanation of variances between budget and result

The major contributing factors for the operating result actual deficit decrease of \$82,000 from the revised forecast deficit of \$415,000 is based on numerous factors as tabled below.

Major Alwyndor Operational Variances	Amount
A favourable forecast variance for user charges due to higher occupancy in Residential and increased outputs under CHSP services	\$293,000
Home Care Package/Client growth that has exceeded the forecasted targets	\$176,000
An unfavorable forecast variance for Investment Income	(\$22,000)
Employee costs increased due to additional staff in response to higher acuity residents and growth in HCP and CHSP services	(\$141,000)
Materials, contracts, and other expenses increased due to higher costs for materials and contract services, including catering, cleaning, and laundry services.	(\$224,000)
Total variance to forecast	\$82,000

Ratio Analysis

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

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

Ratio Consolidated Funds	Target – from Long Term Financial Plan	Original Budget	Revised Budget Forecast	Actual Results
Operating Result	≥ 0	\$895,062 Surplus	\$209,921 Surplus	\$614,000 Surplus
Operating Ratio	≥ 0%	1.0%	0.2%	0.6%
Net Financial Liabilities Ratio	≤ 100%	59%	58%	41%
Asset Sustainability Ratio	90% -110%	111%	170%	101%

Ratios – Municipal Funds

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

Ratio – Municipal Funds	Target – from Long Term Financial Plan	Original Budget	Revised Budget Forecast	Actual Results (rounded)
Operating Result	≥ 0	\$385,945 Surplus	\$624,920 Surplus	\$940,000 Surplus
Operating Ratio	≥ 0%	0.7%	1.1%	1.7%
Net Financial Liabilities Ratio	≤ 100%	74%	71%	46%
Interest Cover Ratio	≤ 5%	1.7%	1.4%	0.8%
Asset Sustainability Ratio	90% -110%	100%	188%	116%

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

- The 2023-24 original ratio assumed completion of the 2022-23 capital works program. However not all 2022-23 capital projects were completed, and the net capital expenditure budget was increased by \$12.1m (net) during 2023-24.
- The 2023-24 capital expenditure program was not finalised by 30 June 2024 and \$14.1m (net) has been approved by Council (Report 285/24) to be carried forward into 2024-25 to be funded by new borrowings.

The above factors combined with capital grant funds received in advance contributed to a positive cash flow throughout 2023-24. This resulted in no requirement for new long-term borrowings.

Ratios – Alwyndor Funds

Ratio – Alwyndor Funds	Target – from Long Term Financial Plan	Original Budget	Revised Budget Forecast	Actual Results Rounded
Operating Result	≥ 0	(\$509,000) Surplus	(\$415,000) Deficit	(\$333,000) Deficit

Additional Alwyndor Performance Indicators	Target	Actual to 30 June 2023
Cash to total revenue	4.4%	13.7%
Cash Liquidity Level – ability to refund bonds/refundable accommodation deposits (RAD's)	Minimum of \$2.5m	\$4.9m
Bed occupancy rate – year-to-date average	98.0%	95.8%
Average direct care funding per resident per day to 30 June 2024	\$255.00	\$255.87
No. of Home Support Packages	594	585
Home Support funding utilisation – the portion of revenue generated from Home Support Package funds.	78.0%	77.8%

Southern Region Waste Resource Authority (SRWRA)

SRWRA is an established regional subsidiary under section 43 of the *Local Government Act* to provide and operate services for the management of waste facilities under its control on behalf of its constituent councils. The councils include City of Holdfast Bay, City of Onkaparinga and City of Marion. Each council has equal voting rights; however, the percentage of interest and ownership differs being City of Holdfast Bay 15%, City of Onkaparinga 55% and City of Marion 30%. The SRWRA overall financial result for 2023-24 was \$2,566,000 net surplus. The 2023-24 SRWRA Annual Report is attached.

Refer Attachment 5

Budget

This report has no direct budget implications.

Life Cycle Costs

This report has no direct implication for life cycle costs.

Strategic Plan

Statutory compliance

Council Policy

Not applicable

Statutory Provisions

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

Written By: Manager Finance

General Manager: Strategy and Corporate, Ms S Wachtel



Audit Completion Report

Financial Year Ended 30 June 2024

City of Holdfast Bay

DeanNewbery

4 October 2024

Dear Audit & Risk Committee Members

This report has been prepared for the City of Holdfast Bay's (Council) Audit & Risk Committee in relation to the financial year ended 30 June 2024 external audit.

The purpose of this report is to provide members of the Audit & Risk Committee a summary of the significant matters that have arisen from our audit which we believe covers material matters dealt within our work completed.

As at the time of preparing this report, we have completed a sufficient level of work to enable us to provide you with our expected audit opinions subject to finalisation of the outstanding matters outlined within this report. We are pleased to report that we expect to issue an unmodified audit reports subject to the successful completion of the outstanding matters noted.

Should you require any further information, please contact me on 8267 4777.

I would like to take this opportunity to thank the Administration for the assistance provided throughout the audit process.

Your sincerely



Samantha Creten
Director



Contents

	Page
Executive Summary	4
Summary of Misstatements	5
Key Audit Matters Considered	7
Matters for Those Charged with Governance and Management	9
Matters to be Addressed in Future Financial Years	10
Draft Audit Reports	11

Executive Summary

Scope

The audit procedures have been designed and carried out by the audit team in accordance with Australian Auditing Standards and per the audit scope prescribed under the *Local Government Act 1999* and applicable Regulations for the financial year ended 30 June 2024.

Audit Status

All requested audit adjustments have been processed and disclosures within the financial report appropriately modified based on audit testing completed.

All requested information has been provided by the Administration during the course of the audit.

Subject to the finalisation of the matters outlined in this report, our audit opinions for the financial year ended 30 June 2024 will be signed without reference to any qualifications.

Draft copies of the audit reports have been provided within this report which is expected to be issued subject to successful completion of the outstanding matters noted.

Independence

In accordance with our professional ethical requirements, we confirm that, for the audit of the Authority for the financial year ended 30 June 2024, all members of our audit team have maintained their independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board and in accordance with *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Outstanding Matters

Subject to the following work being satisfactorily completed, we expect unmodified audit opinions to be issued for the financial year:

- Undertake a review of subsequent events since balance date.
- Obtain certified financial statements as required.
- Receipt of the signed Management Representation Letter.

Summary of Misstatements

Below is a summary of misstatements identified during the course of the Balance Date audit and the status of matters identified. Any misstatements, either individually or in aggregate, that are considered to be immaterial, have not been adjusted.

Misstatements which are considered trivial have not been included.

Matter No.	Description	Operating Surplus/ (Deficit) (\$'000)	Net Surplus/ (Deficit) (\$'000)	Assets Dr/(Cr) (\$'000)	Liabilities Dr/(Cr) (\$'000)	Equity Dr/(Cr) (\$'000)	Status of Matter
1	Recognise pre-payment of FY25 expense	29	-	29	-	-	Corrected
2	Work in Progress – reallocation of concept design costs	(78)	-	(78)	-	-	Corrected
Summary Corrected Misstatements		(49)	-	(49)	-	-	
Summary Uncorrected Misstatements		-	-	-	-	-	

Summary of Misstatements (Cont.)

Below is a description of the issues identified with misstatements reported on Page 5:

No.	Matter	Description
1	Recognise pre-payment of FY25 expense	<p>Sample testing of accounts payable transactions identified expenses recorded in FY24 period which related to FY25 and therefore were deemed to be a pre-paid expense as at 30 June 2024.</p> <p>The total value of the prepayments were deemed to be immaterial however the Administration have corrected this matter.</p>
2	Work in Progress – reallocation of concept design costs	<p>Sample testing of transactions recognized as Work in Progress (WIP) on the Statement of Financial Position (Balance Sheet) as at 30 June 2024 identified costs which were deemed not to be capital in nature.</p> <p>The total value of the costs identified were deemed to be immaterial however the Administration have corrected this matter.</p>

Key Audit Matters Considered

As part of our audit planning process we identified key audit and accounting matters that were considered and tested during the course of the audit which represented areas of identified risk where material misstatements could occur. As a result of the work we have recently completed, we have provided further detail below of the key audit matters and the outcomes from our testing completed.

Management Override of Internal Controls

Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
The Australian Auditing Standards mandate that the external auditor must assume there is a risk that the Authority's Administration can override internal controls, even those that appear to be functioning effectively, leading to potential manipulation of accounting records.	<ul style="list-style-type: none">• Review and observation of controls in operation to assess whether controls are operating effectively as intended throughout the period.• Perform analytical reviews and recalculation of transactions.• Test the appropriateness of journal entries processed to prepare the financial statements.• Review of accounting estimates and assumptions applied to the preparation of those estimates to evaluate its appropriateness and relevance.	No matters were identified during the course of our audit.

Glenelg Football Club Loan

Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Treatment and disclosure of Glenelg Football Club loan receivable	<ul style="list-style-type: none">• Enquiry with the Administration and gathering substantive evidence of transactions recorded post 30 June 2024.• Review of Council Meeting Agendas and Minutes.	Updated disclosures have been recorded in Note 5 of the Financial Statements to disclose the updated status of the matter. The outstanding loan balance and provision for impairment has moved from non-current receivables (Note 6) to current receivables (Note 5) to recognise that the loan has been settled in FY25.

Key Audit Matters Considered (Cont.)

Consolidation of Financial Statements

Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Consolidation and disclosure of Alwyndor and Southern Region Waste Resource Authority (SRWRA) financial statements	<ul style="list-style-type: none"> Review was performed of the consolidation process and disclosures recorded in Council's draft financial statements. 	<ul style="list-style-type: none"> No matters were identified that required correction and/or adjustment.

Revaluation of Infrastructure, Property, Plant & Equipment (IPPE) Assets

Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Roads and Kerb & Guttering asset revaluation review	<ul style="list-style-type: none"> Reviewed Note 7 movements recorded against the General Ledger and relevant asset registers. Review of independent valuer reports to ensure accurate integration of asset valuation data within Council's databases and financial records. 	<ul style="list-style-type: none"> No matters were identified.

Work in Progress (WIP)

Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Review WIP transactions recorded as at 30 June 2024 to consider appropriateness of classification and recording of transactions as WIP.	<ul style="list-style-type: none"> Work in progress accounts reviewed to ensure all amounts recorded were capital in nature. Reviewed the ageing of WIP transactions to ensure any balances recorded for more than 12-months remain a capital project and should be held as WIP. 	<ul style="list-style-type: none"> An adjustment have been identified and processed relating to incorrect recognition of expenses as capital as noted within this Report. No other issues were noted

Matters for Those Charged with Governance and Management

Internal Controls

Description

As required by Australian Auditing Standard (ASA) 265 *Communicating Deficiencies in Internal Controls to Those Charged with Governance and Management*, the external auditor is required to communicate any significant deficiencies in internal controls identified during the course of the audit.

Outcome

Our work performed did not identify any significant deficiencies.

Fraud

Description

The external audit is not designed to detect fraud however our audit procedures include evaluating the risk of material misstatement due to fraud whilst maintaining professional scepticism and evaluating evidence for signs of fraud. Should any instances arise and we become aware of it, we will report them to you.

Outcome

The Administration have confirmed to us that there were no matters of fraud identified for the financial year and we have not identified any instances of fraud in the work we have completed.

We believe it is important for the Administration and the Audit & Risk Committee to continually evaluate and enhance the effectiveness of the internal control environment to identify and mitigate potential fraud risks.

Legal Compliance

Description

We have made enquiries with the Administration in relation to non-compliance with laws and regulations during the course of the financial year.

Outcome

No instance of non-compliance have been identified as a result of the enquires we have made with the Administration.

Matters to be Addressed in Future Financial Years

As a result of audit work completed, the following audit matters have been identified during the course of our audit which we have summarised below.

Revaluation of Footpaths Asset Class	
Audit Matter Description	Audit Recommendation
As disclosed in Note 7 of the Financial statements, Council will be undertaking a revaluation of Footpaths asset class in FY25.	<p>We recommend that the valuation be undertaken with an effective date of 1 July 2024 to ensure that recorded asset valuation and calculated depreciation expense for the financial year is based on the most reliable and up to date data.</p> <p>Council's Asset Management Plans and Long-Term Financial Plan should be updated to include the latest data received as a result of the valuation and condition assessment undertaken.</p>

Strategic Management Plan Updates	
Audit Matter Description	Audit Recommendation
Strategic documents update as a result of the revaluations performed on the Roads and Kerb & Guttering asset classes.	<p>Given the work undertaken in FY24 to revalue Council's Roads and Kerb & Guttering asset classes, we recommend that Council undertakes a detailed review and update to its key strategic plans to ensure that they reflect updated information now available.</p> <p>In particular, updates to key strategic documents such as Asset Management Plan and the Long Term Financial Plan should be undertaken to reflect updated assumptions, estimates and assessed allocation of resources to meet future demands and compliance obligations</p>

Draft Audit Report

INDEPENDENT AUDITOR'S REPORT

To the members of City of Holdfast Bay Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the City of Holdfast Bay (the Council), which comprises the statement of financial position as at 30 June 2024, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulation 2011 and the Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Council in accordance with the auditor independence requirements of 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 other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's Responsibility for the Financial Report

The 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 to be 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 relating 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 Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

Draft Audit Report (Cont.)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DEAN NEWBERY

Samantha Creten
Director

XX Month 2024

Draft Assurance Report on Internal Controls

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF CITY OF HOLDFAST BAY

Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council relating 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 2023 to 30 June 2024.

Basis for Opinion

We have audited the Internal Controls of the City of Holdfast Bay (the Council) under 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 2023 to 30 June 2024 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Council's Responsibility for the 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, the 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 applying Auditing Standard *ASQC 1 Quality Control for Firms that Perform Audits and Review of Financial Reports and Other Financial Information*, and Other Assurance Engagements in undertaking the assurance engagement.

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Draft Assurance Report on Internal Controls (Cont.)

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) 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.

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 operating effectiveness of 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

DEAN NEWBERY

Samantha Creten

Director

XX Month 2024

Disclaimer:

This document is for the exclusive use of the person/organisation named on the front of this document. This document must not be relied upon by any person/organisation who is not the Recipient. Dean Newbery does not take responsibility for any loss, damage or injury caused by use, misuse or misinterpretation of the information in this document by any person who is not the Recipient.

The contents of this document are confidential and may not be reproduced in whole or in part without the permission.

Dean Newbery

ABN 48 007 865 081

Liability limited by a scheme approved under Professional Standards Legislation

DeanNewbery

City of Holdfast Bay

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024



General Purpose Financial Statements

for the year ended 30 June 2024

Contents	Page
Council certificate	2
Principal Financial Statements	
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to and forming part of the Financial Statements	7
Independent Auditor's Report – Financial Statements	46
Independent Auditor's Report – Internal Controls	47
Certificates of Audit Independence	
Council Certificate of Audit Independence	48
Audit Certificate of Audit Independence	49

General Purpose Financial Statements

for the year ended 30 June 2024

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 2024 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.

P. Jackson
Acting Chief Executive Officer

01 October 2024

A. Wilson
Mayor

dd MMMM yyyy

Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	2023
Income			
Rates	2a	43,546	40,535
Statutory charges	2b	3,781	3,245
User charges	2c	12,122	10,577
Grants, subsidies and contributions - capital	2g	917	500
Grants, subsidies and contributions - operating	2g	19,923	17,115
Investment income	2d	1,208	888
Reimbursements	2e	8,300	5,806
Other income	2f	10,982	8,198
Net gain - equity accounted council businesses	19(a)	385	323
Total income		101,164	87,187
Expenses			
Employee costs	3a	51,028	41,708
Materials, contracts and other expenses	3b	33,860	29,862
Depreciation, amortisation and impairment	3c	12,837	11,715
Finance costs	3d	2,825	2,223
Total expenses		100,550	85,508
Operating surplus / (deficit)		614	1,679
Asset disposal and fair value adjustments	4	(729)	446
Amounts received specifically for new or upgraded assets	2g	2,001	582
Net surplus / (deficit)		1,886	2,707
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	27,135	3,855
Total other comprehensive income		27,135	3,855
Total comprehensive income		29,021	6,562

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

Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	6,448	2,715
Trade and other receivables	5b	8,816	6,674
Total current assets		<u>15,264</u>	<u>9,389</u>
Non-current assets			
Trade and other receivables	6a	13,841	12,984
Equity accounted investments in council businesses	6b	4,636	4,251
Other non-current assets	6c	4,080	3,390
Infrastructure, property, plant and equipment	7	929,206	899,441
Total non-current assets		<u>951,763</u>	<u>920,066</u>
TOTAL ASSETS		<u>967,027</u>	<u>929,455</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8a	46,761	41,461
Borrowings	8b	4,577	1,362
Provisions	8c	6,878	5,801
Total current liabilities		<u>58,216</u>	<u>48,624</u>
Non-current liabilities			
Borrowings	8b	11,200	12,276
Provisions	8c	692	657
Total non-current liabilities		<u>11,892</u>	<u>12,933</u>
TOTAL LIABILITIES		<u>70,108</u>	<u>61,557</u>
Net assets		<u>896,919</u>	<u>867,898</u>
EQUITY			
Accumulated surplus		189,782	187,896
Asset revaluation reserves	9a	700,722	673,587
Other reserves	9b	6,415	6,415
Total council equity		<u>896,919</u>	<u>867,898</u>
Total equity		<u>896,919</u>	<u>867,898</u>

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

Statement of Changes in Equity

for the year ended 30 June 2024

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2024					
Balance at the end of previous reporting period		187,896	673,587	6,415	867,898
Net surplus / (deficit) for year		1,886	–	–	1,886
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E Equity Accounted Council Business - asset revaluation adjustment	7a	–	27,135	–	27,135
		–	–	–	–
Other comprehensive income		–	27,135	–	27,135
Total comprehensive income		1,886	27,135	–	29,021
Balance at the end of period		189,782	700,722	6,415	896,919
2023					
Balance at the end of previous reporting period		185,189	669,732	6,415	861,336
Net surplus / (deficit) for year		2,707	–	–	2,707
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E Equity Accounted Council Business - asset revaluation adjustment	7a	–	3,855	–	3,855
		–	–	–	–
Other comprehensive income		–	3,855	–	3,855
Total comprehensive income		2,707	3,855	–	6,562
Balance at the end of period		187,896	673,587	6,415	867,898

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 2024

\$ '000	Notes	2024	2023
Cash flows from operating activities			
<u>Receipts</u>			
Rates		43,378	40,460
Investment receipts		1,208	888
Other receipts		11,143	8,640
Statutory charges		3,820	3,295
Reimbursements		8,309	5,814
User charges		12,478	10,913
Grants, subsidies and contributions (operating purpose)		19,619	17,483
<u>Payments</u>			
Finance payments		(721)	(682)
Payments to employees		(49,659)	(40,781)
Payments for materials, contracts and other expenses		(37,665)	(33,654)
Net cash provided by (or used in) operating activities	11b	<u>11,910</u>	<u>12,376</u>
Cash flows from investing activities			
<u>Receipts</u>			
Grants utilised for capital purposes		917	500
Net disposal of investment securities		2,972	–
Repayments of loans by community groups		165	270
Amounts received specifically for new/upgraded assets		2,001	582
Sale of surplus assets		–	722
Sale of replaced assets		461	528
<u>Payments</u>			
Net purchase of investment securities		(3,727)	(468)
Expenditure on renewal/replacement of assets		(9,192)	(9,243)
Expenditure on new/upgraded assets		(8,755)	(6,416)
Net cash provided (or used in) investing activities		<u>(15,158)</u>	<u>(13,525)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from aged care facility deposits		15,264	9,841
Proceeds from borrowings		3,500	249
<u>Payments</u>			
Repayment of bonds and deposits		–	(7)
Repayment of lease liabilities		(12)	(11)
Repayments of borrowings		(1,100)	(1,322)
Repayment of aged care facility deposits		(10,422)	(10,214)
Net cash provided by (or used in) financing activities		<u>7,230</u>	<u>(1,464)</u>
Net increase (decrease) in cash held		3,982	(2,613)
plus: cash & cash equivalents at beginning of period		2,466	5,079
Cash and cash equivalents held at end of period	11a	<u>6,448</u>	<u>2,466</u>

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Material Accounting Policies	8
2	Income	15
3	Expenses	18
4	Asset disposal and fair value adjustments	19
5	Current assets	20
6	Non-current assets	21
7	Infrastructure, property, plant & equipment and investment property	22
8	Liabilities	25
9	Reserves	26
10	Assets subject to restrictions	26
11	Reconciliation to Statement of Cash Flows	27
12(a)	Functions	28
12(b)	Components of functions	29
13	Financial instruments	30
14	Capital expenditure and investment property commitments	34
15	Financial indicators	35
16	Uniform presentation of finances	36
17	Leases	37
18	Superannuation	39
19	Interests in other entities	40
20	Non-current assets held for sale and discontinued operations	40
21	Contingencies and assets/liabilities not recognised in the balance sheet	41
22	Events after the balance sheet date	41
23	Related party transactions	42
	Additional Council disclosures (unaudited)	
24	Comparative Financial Reporting – Excluding Alwyndor Aged Care Facility	43

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Critical accounting estimates

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

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

1.3 Rounding

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

1.4 Aged Care Facility

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

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

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

(2) The local government reporting entity

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

(3) Income recognition

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

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

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

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

	Cash Payment Received	Annual Allocation	Difference
2019/20	\$1,234,622	\$1,173,216	+\$61,406
2020/21	\$1,126,691	\$1,180,780	-\$54,089
2021/22	\$1,909,790	\$1,409,816	+\$499,974
2022/23	\$1,868,862	\$1,483,827	+\$385,035
2023/24	\$252,541	\$1,604,715	-\$1,352,174

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

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

(4) Cash, cash equivalents and other financial instruments

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

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

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful. The provision for doubtful debts has reduced significantly this year because Council now reviews infringements receivables balances on a monthly basis.

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. Alwyndor investment financial assets are measured at fair value through profit and loss. Measurement is determined by Ord Minnett at market value as at 30 June 2024.

(5) Infrastructure, property, plant and equipment**5.1 Initial Recognition**

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

5.2 Materiality

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

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

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

5.3 Subsequent Recognition

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

5.4 Depreciation of Non-Current Assets

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

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

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

Plant, Furniture & Equipment

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

Building & Other Structures

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

Infrastructure

Sealed Roads – Surface	15 to 40 years
Sealed Roads – Structure	120 to 150 years
Sealed Roads – Sub-base	300 years
Sealed Roads – Kerbing	100 years
Bridges	100 years

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

Traffic control	15 to 80 years
Paving & Footpaths	10 to 60 years
Drains / Culverts	50 to 150 years
Playground Equipment	5 to 20 years
Benches, seats, etc	7 to 25 years

5.5 Impairment

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

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

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

(6) Payables**6.1 Goods & Services**

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

6.2 Payments Received in Advance & Deposits

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

(7) Borrowings

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

(8) Employee benefits**8.1 Salaries, Wages & Compensated Absences**

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

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

8.2 Superannuation

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

(9) Leases

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

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

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

i) Aged Care Refundable Accommodation Deposits/ Contributions

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

ii) Aged Care Resident Loans

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

Resident loans - Aged Care Act 1997

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

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

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

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

(10) Equity accounted Council businesses

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

(11) GST implications

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

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

(12) New accounting standards and UIG interpretations

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2024, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

Effective for NFP annual reporting periods beginning on or after 1 January 2024

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2021-6 and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants)
- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(13) 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.

(14) Disclaimer

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 2. Income

\$ '000	2024	2023
(a) Rates		
General rates		
General rates	41,958	39,080
Less: mandatory rebates	(572)	(501)
Less: discretionary rebates, remissions and write-offs	(194)	(201)
Total general rates	41,192	38,378
Other rates (including service charges)		
Landscape levy	1,469	1,351
Separate and special rates	743	695
Total other rates (including service charges)	2,212	2,046
Other charges		
Penalties for late payment	103	77
Legal and other costs recovered	39	34
Total other charges	142	111
Total rates	43,546	40,535
(b) Statutory charges		
Development fees	460	548
Animal registration fees and fines	244	201
Parking fines / expiation fees	2,232	1,662
Other licences, fees and fines	845	834
Total statutory charges	3,781	3,245
(c) User charges		
Cemetery/crematoria fees	391	295
Parking fees	1,379	1,260
Sundry	42	38
Commercial Leases/Caravan Park	2,266	2,231
Aged Care Residential Fees and Rentals	7,956	6,585
Major Community Event	-	164
Other	88	4
Total user charges	12,122	10,577

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 2. Income (continued)

\$ '000	2024	2023
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	310	214
- Interest on securities	111	91
- Banks and other	42	18
Investment Income		
- Dividend income and imputation credits (Alwyndor)	745	565
<u>Total investment income</u>	<u>1,208</u>	<u>888</u>
(e) Reimbursements		
Private works	158	150
Aged Care Facility - Home Care	7,828	5,382
Other	314	274
<u>Total reimbursements</u>	<u>8,300</u>	<u>5,806</u>
(f) Other income		
Rebates received	397	447
Sundry	416	457
Aged Care Facility - Home Care Management Fees	6,052	4,058
Aged Care Facility - COVID-19 Grant Income	145	338
Aged Care Facility - Accommodation and Care Fees	3,069	2,392
Aged Care Facility - Home Care	523	352
Other	380	154
<u>Total other income</u>	<u>10,982</u>	<u>8,198</u>

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 2. Income (continued)

\$ '000	2024	2023
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	2,001	582
Total amounts received for new or upgraded assets	2,001	582
Other grants, subsidies and contributions - capital		
Untied - Local roads and community	917	500
Total Other grants, subsidies and contributions - capital	917	500
Operating grants, subsidies and contributions		
Other grants, subsidies and contributions	188	384
Aged Care Facility - Grants, Subsidies and Contributions	18,990	14,609
Untied - Financial Assistance Grant	253	1,484
Roads to Recovery	492	253
Individually significant item - additional Grants Commission payment	-	385
Total other grants, subsidies and contributions - operating	19,923	17,115
The functions to which operating grants relate are shown in Note 12.		
Total grants, subsidies and contributions	22,841	18,197
(i) Sources of grants		
Commonwealth Government	17,191	13,474
State Government	5,575	4,603
Other	75	120
Total	22,841	18,197

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 3. Expenses

\$ '000	Notes	2024	2023
(a) Employee costs			
Salaries and wages		42,554	34,582
Employee leave expense		3,025	2,993
Superannuation - defined contribution plan contributions	18	4,703	3,507
Superannuation - defined benefit plan contributions	18	148	169
Workers' compensation insurance		1,646	1,440
Less: capitalised and distributed costs		(1,048)	(983)
<u>Total operating employee costs</u>		<u>51,028</u>	<u>41,708</u>
City of Holdfast Bay		179	174
Aged Care Facility		319	272
Total number of employees (full time equivalent at end of reporting period)		498	446
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		31	31
Elected members' expenses		435	409
Election expenses		14	229
Lease expense - low value assets / short term leases		53	15
<u>Subtotal - prescribed expenses</u>		<u>533</u>	<u>684</u>
(ii) Other materials, contracts and expenses			
Contractors		7,387	7,251
Energy		741	516
Maintenance		3,123	2,522
Legal expenses		320	227
Levies paid to Government - Regional Landscape Levy		1,443	1,322
Professional services		3,290	3,071
Water		659	538
Materials		6,465	5,172
Insurances		737	639
Waste Management		4,527	4,259
Library Lending Materials		92	90
Other		4,543	3,571
<u>Subtotal - Other material, contracts and expenses</u>		<u>33,327</u>	<u>29,178</u>
<u>Total materials, contracts and other expenses</u>		<u>33,860</u>	<u>29,862</u>

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 3. Expenses (continued)

\$ '000	2024	2023
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	3,269	3,248
Infrastructure		
- Stormwater drainage	671	663
- Roads	1,964	1,496
- Footpaths	1,116	1,121
- Kerb & Guttering	799	702
- Other Transport	572	581
- Open Space & Coastal	2,401	2,055
Right-of-use assets	11	12
Plant and equipment	1,174	1,101
Furniture & Fittings, Office Equipment	860	736
Subtotal	12,837	11,715
Total depreciation, amortisation and impairment	12,837	11,715

(d) Finance costs

Interest on loans	620	581
Interest on leases	1	1
Aged Care Facility - Interest on Deposits	2,204	1,641
Total finance costs	2,825	2,223

Note 4. Asset disposal and fair value adjustments

\$ '000	2024	2023
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	461	528
Less: carrying amount of assets sold	(1,790)	(1,151)
Gain (loss) on disposal	(1,329)	(623)
(ii) Assets surplus to requirements		
Proceeds from disposal	–	722
Gain (loss) on disposal	–	722
Fair Value movements on Alwyndor Investment Portfolio		
Net gain/(loss) on fair value movements	680	418
Net gain/(loss) on disposal of investments	(80)	(71)
Gain (loss) on disposal	600	347
Net gain (loss) on disposal or revaluation of assets	(729)	446

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 5. Current assets

\$ '000	2024	2023
(a) Cash and cash equivalent assets		
Cash on hand and at bank	1,410	197
Deposits at call	4,918	2,300
Other	120	218
<u>Total cash and cash equivalent assets</u>	<u>6,448</u>	<u>2,715</u>

(b) Trade and other receivables

Rates - general and other	886	709
Council rates postponement scheme	39	48
Accrued revenues	1,905	1,796
Debtors - general	2,974	2,084
GST recoupment	274	558
Prepayments	884	754
Loans to community organisations	1,067	216
Aged care facility deposits	940	300
Investment Income and Imputation Credits	384	228
Subtotal	<u>9,353</u>	<u>6,693</u>
Less: provision for expected credit losses	(19)	(19)
Provision for Impairment on Loans to Community Organisations *	(518)	-
<u>Total trade and other receivables</u>	<u>8,816</u>	<u>6,674</u>

*In April 2024, a loan settlement agreement was reached between City of Holdfast Bay and Glenelg Football Club with 50% of the debt to be repaid by the Club and the remaining 50% forgiven by Council. This agreement was realised in September 2024. Non-current Asset amounts of \$1,029,922 for loans to community organisations and a related \$517,780 provision for impairment have been transferred to Current Assets to account for this transaction.

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 6. Non-current assets

\$ '000	Notes	2024	2023
(a) Trade and other receivables			
Receivables			
Loans to community organisations		129	1,145
Provision for Impairment on Loans to Community Organisations *		–	(518)
Subtotal		<u>129</u>	<u>627</u>
Total receivables		<u>129</u>	<u>627</u>
Other financial assets (investments)			
Interest Rate Securities - Alwyndor Investments		10,205	9,607
Equity Securities - Alwyndor Investments		3,507	2,750
Total other financial assets (investments)	1(15)	<u>13,712</u>	<u>12,357</u>
Total financial assets		<u>13,841</u>	<u>12,984</u>
(b) Equity accounted investments in council businesses			
Southern Region Waste Resource Authority	19	4,636	4,251
Total equity accounted investments in Council businesses		<u>4,636</u>	<u>4,251</u>
(c) Other non-current assets			
Other			
Capital work in progress		4,080	3,390
Total other		<u>4,080</u>	<u>3,390</u>
Total other non-current assets		<u>4,080</u>	<u>3,390</u>

*Please refer to Note 5 for details.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

\$ '000	Fair Value Level	as at 30/06/23				Asset movements during the reporting period						as at 30/06/24			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land	2	120,971	–	–	120,971	–	–	–	–	–	–	120,971	–	–	120,971
Land	3	383,251	230	–	383,481	–	–	–	–	–	–	383,251	230	–	383,481
Buildings and other structures	2	4,766	14	(3,958)	822	–	40	–	(96)	–	–	4,766	54	(4,054)	766
Buildings and other structures	3	172,314	876	(64,130)	109,060	4,085	1,522	(153)	(3,173)	–	–	171,491	6,569	(66,719)	111,341
Infrastructure															
- Stormwater drainage	3	68,299	554	(27,436)	41,417	655	–	–	(671)	–	–	68,292	1,216	(28,107)	41,401
- Roads	3	119,134	9,303	(45,917)	82,520	–	2,220	(563)	(1,964)	524	23,443	171,957	2,220	(67,997)	106,180
- Footpaths	3	50,252	1,919	(23,971)	28,200	29	694	(424)	(1,116)	(468)	–	47,391	3,992	(24,468)	26,915
- Kerb & Guttering	3	63,828	7,555	(21,648)	49,735	–	1,111	(95)	(799)	656	3,692	78,656	1,111	(25,467)	54,300
- Other Transport	3	34,980	341	(9,600)	25,721	133	78	(79)	(572)	(717)	–	33,802	507	(9,745)	24,564
- Open Space & Coastal	3	76,508	–	(29,440)	47,068	2,868	953	(306)	(2,401)	5	–	75,954	3,821	(31,588)	48,187
Right-of-use assets		–	35	(12)	23	–	–	–	(11)	–	–	–	35	(23)	12
Plant and equipment		–	12,524	(6,011)	6,513	300	1,482	(170)	(1,174)	–	–	–	13,480	(6,529)	6,951
Furniture & Fittings, Office Equipment		–	8,190	(4,280)	3,910	598	489	–	(860)	–	–	–	9,277	(5,140)	4,137
Total infrastructure, property, plant and equipment		1,094,303	41,541	(236,403)	899,441	8,668	8,589	(1,790)	(12,837)	–	27,135	1,156,531	42,512	(269,837)	929,206
Comparatives		1,059,800	54,084	(220,075)	893,809	5,403	9,240	1,151	(11,715)	–	3,855	1,094,303	41,541	(236,403)	899,441

City of Holdfast Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Valuation of infrastructure, property, plant & equipment and investment property

Valuation of assets

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

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

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

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

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

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

Information on valuations

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

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

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

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

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

Other information

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

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

Highest and best use

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

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

City of Holdfast Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

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

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

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

Transition to AASB 13 - Fair Value Measurement

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

Land & Land Improvements

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

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

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

Buildings & Other Structures

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

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

Infrastructure

Infrastructure assets have been valued as follows:

Roads, Kerb and Gutter

- Basis of valuation: Written down current replacement cost
- Date of valuation: 01 July 2023
- Valuer: Public Private Property

Footpaths

- Basis of valuation: Written down current replacement cost
- Date of valuation: 31 December 2019
- Valuer: Public Private Property
- An updated valuation will be undertaken in 2024/25

Stormwater Drainage

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

Other Transport - Bridges, Car Parks, Traffic Control Devices

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

Open Space, Coastal

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2023

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

- Valuer: Public Private Property

Plant & Equipment

These assets are recognised at cost.

Furniture & Fittings, Office Equipment

These assets are recognised at cost.

Note 8. Liabilities

\$ '000	2024 Current	2024 Non Current	2023 Current	2023 Non Current
(a) Trade and other payables				
Goods and services	5,457	–	4,977	–
Payments received in advance	4,188	–	4,201	–
- Grants, subsidies, contributions - operating	39	–	354	–
Accrued expenses - employee entitlements	1,056	–	622	–
Accrued expenses - other	506	–	513	–
Aged care facility deposits	33,983	–	29,141	–
Deposits, retentions and bonds	1	–	1	–
Other	1,531	–	1,652	–
Total trade and other payables	46,761	–	41,461	–

\$ '000	Notes	2024 Current	2024 Non Current	2023 Current	2023 Non Current
(b) Borrowings					
Short term draw down facility		–	–	249	–
Loans		4,565	11,200	1,101	12,264
Lease liabilities	17b	12	–	12	12
Total Borrowings		4,577	11,200	1,362	12,276

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

(c) Provisions

Employee entitlements (including oncosts)	6,878	692	5,801	657
Total provisions	6,878	692	5,801	657

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 9. Reserves

\$ '000	as at 30/06/23				as at 30/06/24
	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset revaluation reserve					
Land - other	455,227	–	–	–	455,227
Buildings and other structures	54,076	–	–	–	54,076
Infrastructure					
- Stormwater drainage	21,213	–	–	–	21,213
- Roads	67,266	23,443	–	–	90,709
- Footpaths	13,389	–	–	–	13,389
- Kerb & Guttering	41,589	3,692	–	–	45,281
- Other Transport	8,307	–	–	–	8,307
- Open Space & Coastal	12,164	–	–	–	12,164
Equity Accounted Council Business - asset revaluation reserve	356	–	–	–	356
Total asset revaluation reserve	673,587	27,135	–	–	700,722
Comparatives	669,732	3,855	–	–	673,587

\$ '000	as at 30/06/23				as at 30/06/24
	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Alwyndor General Reserve	6,415	–	–	–	6,415
Total other reserves	6,415	–	–	–	6,415
Comparatives	6,415	–	–	–	6,415

(c) Purpose of Reserves**Asset Revaluation Reserve**

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

Other Reserves

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

Note 10. Assets subject to restrictions

\$ '000	2024	2023
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
Cash and Financial Assets		
Aged Care Facility Deposits	940	300
Total assets subject to externally imposed restrictions	940	300

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2024	2023
(a) Reconciliation of cash			
Cash assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total cash and equivalent assets	5	6,448	2,715
Less: short-term borrowings	8	–	(249)
Balances per Statement of Cash Flows		6,448	2,466

(b) Reconciliation of change in net assets to cash from operating activities

Net surplus/(deficit)		1,886	2,707
Non-cash items in income statements			
Depreciation, amortisation and impairment		12,837	11,715
Equity movements in equity accounted investments (increase)/decrease		(385)	(323)
Grants for capital acquisitions treated as investing activity		(2,918)	(1,082)
Net (gain)/loss on disposals		729	(446)
		12,149	12,571
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		(1,809)	(1,296)
Change in allowances for under-recovery of receivables		–	138
Net (increase)/decrease in other assets		–	(276)
Net increase/(decrease) in trade and other payables		458	469
Net increase/(decrease) in unpaid employee benefits		1,112	770
Net cash provided by (or used in) operations		11,910	12,376

(c) Financing arrangements

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

Corporate credit cards	100	100
LGFA cash advance debenture facility	10,858	19,479

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

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	OPERATING INCOME		OPERATING EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN OPERATING INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Functions/Activities										
Business Undertakings	3,555	3,398	1,140	732	2,415	2,666	–	–	46,716	44,359
Community Services	46,387	35,652	52,124	41,328	(5,737)	(5,676)	19,049	14,634	192,037	185,593
Culture	265	274	4,555	4,583	(4,290)	(4,309)	188	188	27,339	27,201
Economic Development	916	910	2,902	2,666	(1,986)	(1,756)	10	20	1,554	1,227
Environment	780	424	9,120	8,911	(8,340)	(8,487)	93	151	44,892	44,813
Recreation	147	292	7,002	5,999	(6,855)	(5,707)	–	–	426,368	424,981
Regulatory Services	3,244	2,687	7,055	6,283	(3,811)	(3,596)	–	–	433	526
Transport & Communication	28	32	11,279	11,072	(11,251)	(11,040)	–	–	206,001	180,047
Unclassified Activities	–	–	–	–	–	–	–	–	2,977	2,806
Council Administration	45,842	43,518	5,373	3,934	40,469	39,584	583	2,122	18,710	17,902
Total Functions/Activities	101,164	87,187	100,550	85,508	614	1,679	19,923	17,115	967,027	929,455

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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

Business undertakings

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

Community services

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

Culture

Library Services, Heritage and Museum Facilities and Services.

Economic development

Tourism and Local Businesses Support.

Environment

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

Recreation

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

Regulatory services

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

Transport

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

Council administration

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

Governance

Audit & Assurance, Planning and Performance, Legal Services and Major Projects.

Equity accounted Council businesses

Net Gain equity accounting Council businesses

Net Loss equity accounting Council businesses

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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 4.3% and 4.55% (2023: 1.05% and 4.30%). No short term deposits were placed during 2023-2024

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges**Accounting Policy:**

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.75% per month (2023: 0.48%). 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 and 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 and 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 and conditions:

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

Carrying amount:

Approximates fair value.

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 13. Financial instruments (continued)

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Liabilities - creditors and accruals**Accounting policy:**

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

Terms and conditions:

Liabilities are normally settled on 30 day terms.

Carrying amount:

Approximates fair value.

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

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

Terms and 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 six monthly; interest is charged at fixed rates between 3.0% and 5.3% (2023: 1.30% and 5.63%).

Short term borrowings are payable on an interest only basis charged at variable rates between 5.05% and 6.15% (2023:1.55% and 5.36%).

Carrying Amount:

Approximates fair value.

Liabilities - leases**Accounting Policy:**

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

Aged Care Facility Investments**Accounting Policy:**

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 13. Financial instruments (continued)

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

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

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

Impairment

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

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2024					
Financial assets					
Cash and cash equivalents	6,448	–	–	6,448	6,448
Receivables	4,430	–	–	4,430	9,169
Other financial assets	9,430	6,240	2,918	18,588	13,712
Total financial assets	20,308	6,240	2,918	29,466	29,329
Financial liabilities					
Payables	46,460	–	–	46,460	46,148
Current borrowings	5,048	–	–	5,048	4,565
Non-current borrowings	–	5,529	8,624	14,153	11,200
Lease liabilities	12	–	–	12	12
Total financial liabilities	51,520	5,529	8,624	65,673	61,925
Total financial assets and liabilities	71,828	11,769	11,542	95,139	91,254
2023					
Financial assets					
Cash and cash equivalents	2,716	–	–	2,716	2,715
Receivables	6,421	596	812	7,829	6,714
Other financial assets	3,859	5,915	2,745	12,519	12,357
Total financial assets	12,996	6,511	3,557	23,064	21,786
Financial liabilities					
Payables	40,820	–	–	40,820	40,594
Current borrowings	1,893	–	–	1,893	1,350
Non-current borrowings	–	5,860	9,840	15,700	12,264
Lease liabilities	12	12	–	24	24

City of Holdfast Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 13. Financial instruments (continued)

Total financial liabilities	42,725	5,872	9,840	58,437	54,232
<u>Total financial assets and liabilities</u>	<u>55,721</u>	<u>12,383</u>	<u>13,397</u>	<u>81,501</u>	<u>76,018</u>

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

\$ '000	2024		2023	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	4.50%	15,777	4.01%	13,638
		<u>15,777</u>		<u>13,638</u>

Net fair value

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

Risk exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 and 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. Alwyndor is exposed to Market risk investments in equity investments, managed funds and income securities. Such risk is managed through diversification of investments across industries and geographic locations. Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

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

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

Expected credit losses (ECL)

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

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

\$ '000	2024	2023
As at 1 July	(24)	(157)
Provisions for Doubtful Debt	–	133
As at 30 June	(24)	(24)

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 14. Capital expenditure and investment property commitments

\$ '000	2024	2023
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	703	1,428
Infrastructure	4,021	2,030
Reserves	2,323	710
Plant and equipment	524	587
	<u>7,571</u>	<u>4,755</u>
These expenditures are payable:		
Not later than one year	7,571	4,755
	<u>7,571</u>	<u>4,755</u>

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 15. Financial indicators

	Indicator 2024	Indicators 2023	Indicators 2022
<p>Financial Indicators overview <i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i></p>			
1. Operating Surplus Ratio			
Operating surplus	0.6%	1.9%	2.1%
Total operating income			
<p><i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i></p>			
2. Net Financial Liabilities Ratio			
Net financial liabilities	41%	45%	51%
Total operating income			
<p><i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i></p>			
Adjustments to Ratios			
<p><i>In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i></p>			
Adjusted Operating Surplus Ratio			
Operating surplus	1.0%	1.5%	1.4%
Total operating income			
Adjusted Net Financial Liabilities Ratio			
Net financial liabilities	40%	45%	52%
Total operating income			
3. Asset Renewal Funding Ratio			
Asset renewals	101%	104%	93%
Infrastructure and Asset Management Plan required expenditure			
<p><i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i></p>			

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 16. Uniform presentation of finances

\$ '000	2024	2023
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income		
Rates	43,546	40,535
Statutory charges	3,781	3,245
User charges	12,122	10,577
Grants, subsidies and contributions - capital	917	500
Grants, subsidies and contributions - operating	19,923	17,115
Investment income	1,208	888
Reimbursements	8,300	5,806
Other income	10,982	8,198
Net gain - equity accounted council businesses	385	323
Total Income	101,164	87,187
Expenses		
Employee costs	51,028	41,708
Materials, contracts and other expenses	33,860	29,862
Depreciation, amortisation and impairment	12,837	11,715
Finance costs	2,825	2,223
Total Expenses	100,550	85,508
Operating surplus / (deficit)	614	1,679
Less: grants, subsidies and contributions - capital	(917)	(500)
Adjusted Operating surplus / (deficit)	(303)	1,179
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(9,192)	(9,243)
Add back depreciation, amortisation and impairment	12,837	11,715
Add back proceeds from sale of replaced assets	461	528
	4,106	3,000
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(8,755)	(6,416)
Add back grants, subsidies and contributions - capital new/upgraded	917	500
Add back amounts received specifically for new and upgraded assets	2,001	582
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	-	722
	(5,837)	(4,612)
Annual net impact to financing activities (surplus/(deficit))	(2,034)	(433)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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	Ready to use	Total
2024		
Opening balance	23	23
Additions to right-of-use assets	–	–
Adjustments to right-of-use assets due to re-measurement of lease liability	–	–
Depreciation charge	(11)	(11)
Impairment of right-of-use assets	–	–
Other	–	–
Balance at 30 June	12	12
2023		
Opening balance	–	–
Additions to right-of-use assets	35	35
Adjustments to right-of-use assets due to re-measurement of lease liability	–	–
Depreciation charge	(12)	(12)
Impairment of right-of-use assets	–	–
Other	–	–
Balance at 30 June	23	23

(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	2024	2023
Balance at 1 July	24	–
Additions	–	35
Accretion of interest	–	1
Payments	(12)	(12)
Balance at 30 June	12	24
Classified as:		
Current	12	12
Non-current	–	12

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

The Group had total cash outflows for leases of \$12,243

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	12	11
Interest expense on lease liabilities	–	1

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 17. Leases (continued)

Total amount recognised in profit or loss	12	12
---	----	----

Council as a lessor

Leases Providing Revenue to the Council

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

\$ '000	2024	2023
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	619	570
Later than one year and not later than 5 years	1,707	1,865
Later than 5 years	295	614
	<u>2,621</u>	<u>3,049</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (11.00% in 2023/24; 10.50% in 2022/23). 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 2022/23) 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 2023. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to other superannuation schemes

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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	
	2024	2023	2024	2023
Council's share of net income				
Joint ventures	385	323	4,636	4,251
Total Council's share of net income	385	323	4,636	4,251

((a)i) Joint ventures, associates and joint operations**(a) Carrying amounts**

\$ '000	Principal Activity	2024	2023
Southern Region Waste Resource Authority	Management of waste and waste facilities	4,636	4,251
Total carrying amounts - joint ventures and associates		4,636	4,251

Southern Region Waste Resource Authority

Established under Section 43 of the Local Government Act, 1999 to provide operate services for the management of waste and the management of waste facilities under its control on behalf of the constituent Council, being the City of Holdfast Bay, City of Marion, and City of Onkaparinga. The Authority has made provisions of \$13.7m in the accounts for landfill restoration. The measurement of the provisions requires significant estimates and assumptions. The next scheduled review of restoration costs is expected to occur in FY25. As a result, the value of the provisions may change materially in the FY25 financial statements.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2024	2023	2024	2023	2024	2023
Southern Region Waste Resource Authority	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%

(c) Movement in investment in joint venture or associate

\$ '000	Southern Region Waste Resource Authority	
	2024	2023
Opening Balance	4,251	3,928
Share in Operating Result	385	323
Council's equity share in the joint venture or associate	4,636	4,251

Note 20. Non-current assets held for sale and discontinued operations

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 21. Contingencies and assets/liabilities not recognised in the balance sheet

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

1. Land under roads

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

At reporting date, Council controlled 179 km of road reserves of average width 8.6 metres.

2. Potential insurance losses

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

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

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

3. Legal expenses

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 3 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

4. Southern Region Waste Resource Authority

Council has a 15% interest in Southern Region Waste Resource Authority. The Authority describes contingent liabilities in Note 13 to their Financial Statements for the year ended 30 June 2024.

Note 22. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2024, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 23. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel of the Council include the Mayor, Councillors, Alwyndor Management Committee CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 31 persons were paid the following total compensation:

\$ '000	2024	2023
The compensation paid to key management personnel comprises:		
Short-term employee benefits	1,239	1,175
Post Employment Benefits	23	118
Payments to Mayor and Elected Members	413	370
Development Assessment Panel Independent Members, Alwyndor Management Committee	43	47
Total	1,718	1,710

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

City of Holdfast Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 24. Comparative Financial Reporting

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

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

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

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

Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Consolidated		Excluding Alwyndor	
	2024	2023	2024	2023
Income				
Rates	43,546	40,535	43,546	40,535
Statutory Charges	3,781	3,245	3,781	3,245
User Charges	12,122	10,577	4,183	3,992
Grants, Subsidies and Contributions - capital	917	500	917	500
Grants, Subsidies and Contributions - operating	19,923	17,115	1,157	2,688
Investment Income	1,208	888	86	141
Reimbursements	8,300	5,806	780	725
Other income	10,982	8,198	1,287	1,318
Net Gain - Equity Accounted Council Businesses	385	323	385	323
Total Income	101,164	87,187	56,122	53,467
Expenses				
Employee Costs	51,028	41,708	20,347	18,953
Materials, Contracts and Other Expenses	33,860	29,862	22,884	21,039
Depreciation, Amortisation and Impairment	12,837	11,715	11,330	10,349
Finance Costs	2,825	2,223	621	582
Total Expenses	100,550	85,508	55,182	50,923
Operating Surplus/(Deficit)	614	1,679	940	2,544
Asset Disposal and Fair Value Adjustments	(729)	446	(1,375)	99
Amounts Received Specifically for New or Upgraded Assets	2,001	582	2,001	582
Net Surplus/(Deficit)	1,886	2,707	1,566	3,225
Other Comprehensive Income				
Amounts which will not be classified subsequently to operating result				
Changes in Revaluation Surplus - I,PP&E	27,135	3,855	27,135	3,855
Total Other Comprehensive Income	27,135	3,855	27,135	3,855
Total Comprehensive Income	29,021	6,562	28,701	7,080

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 24. Comparative Financial Reporting (continued)

\$ '000	Consolidated		Excluding Alwyndor	
	2024	2023	2024	2023
Statement of Financial Position				
as at 30 June 2024				
ASSETS				
Current assets				
Cash and Cash Equivalents	6,448	2,715	159	114
Trade and Other Receivables	8,816	6,674	4,384	3,519
Total current assets	15,264	9,389	4,543	3,633
Non-current Assets				
Trade and Other Receivables	13,841	12,984	129	627
Equity accounted investments - Council Business	4,636	4,251	4,636	4,251
Other Non-Current Assets	4,080	3,390	4,035	3,386
Infrastructure, Property, Plant & Equipment	929,206	899,441	889,189	858,973
Total non-current assets	951,763	920,066	897,989	867,237
TOTAL ASSETS	967,027	929,455	902,532	870,870
LIABILITIES				
Current Liabilities				
Trade and Other Payables	46,761	41,461	9,190	8,813
Borrowings	4,577	1,362	4,577	1,362
Provisions	6,878	5,801	3,945	3,476
Total Current Liabilities	58,216	48,624	17,712	13,651
Non-current liabilities				
Borrowings	11,200	12,276	11,200	12,276
Provisions	692	657	251	275
Total non-current liabilities	11,892	12,933	11,451	12,551
TOTAL LIABILITIES	70,108	61,557	29,163	26,202
Net Assets	896,919	867,898	873,369	844,668
EQUITY				
Accumulated Surplus	189,782	187,896	185,070	183,504
Asset Revaluation Reserve	700,722	673,587	688,299	661,164
Other Reserves	6,415	6,415	-	-
TOTAL EQUITY	896,919	867,898	873,369	844,668

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 24. Comparative Financial Reporting (continued)

\$ '000	Consolidated		Excluding Alwyndor	
	2024	2023	2024	2023
Statement of Changes in Equity				
for the year ended 30 June 2024				
Accumulated Surplus				
Balance at beginning of period	187,896	185,189	183,504	180,279
Net Surplus/(Deficit) for Year	1,886	2,707	1,566	3,225
Balance at end of period	189,782	187,896	185,070	183,504
Asset Revaluation Reserve				
Balance at beginning of period	673,587	669,732	661,164	657,309
Gain/(Loss) on revaluation of I,PP&E	27,135	3,855	27,135	3,855
Balance at end of period	700,722	673,587	688,299	661,164
Other Reserves				
Balance at beginning of period - Alwyndor General	6,415	6,415	-	-
Transfer to/(from) Reserve	-	-	-	-
Balance at end of period	6,415	6,415	-	-
TOTAL EQUITY	896,919	867,898	873,369	844,668

	Consolidated		Excluding Alwyndor	
	2024	2023	2024	2023
Financial Indicators				
for the year ended 30 June 2024				
Operating Surplus Ratio	0.6%	1.9%	1.7%	4.8%
Net Financial Liabilities Ratio	41%	45%	46%	41%
Asset Renewal Funding Ratio	101%	104%	116%	111%

General Purpose Financial Statements
for the year ended 30 June 2024

Independent Auditor's Report - Financial Statements

General Purpose Financial Statements
for the year ended 30 June 2024

Independent Auditor's Report - Internal Controls

General Purpose Financial Statements

for the year ended 30 June 2024

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Holdfast Bay (Consolidated) for the year ended 30 June 2024, the Council's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

P. Jackson

Acting Chief Executive Officer

J. Smedley

Presiding Member, Audit Committee

Date: 01 October 2024

General Purpose Financial Statements

for the year ended 30 June 2024

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Holdfast Bay (Consolidated) for the year ended 30 June 2024, 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: 01 October 2024

Alwyndor Aged Care

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2024



General Purpose Financial Statements

for the year ended 30 June 2024

Contents	Page
Alwyndor Certificate and Alwyndor Management Committee Declaration	2
Principal Financial Statements	
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to and forming part of the Financial Statements	8
Independent Auditor's Report – Financial Statements	32
Certificates of Audit Independence	
Audit Certificate of Audit Independence	33

General Purpose Financial Statements

for the year ended 30 June 2024

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the Trust Deed, Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards,
- the financial statements present a true and fair view of the Alwyndor's financial position at 30 June 2024 and the results of its operations and cash flows for the financial year,
- internal controls implemented by Alwyndor provide a reasonable assurance that Alwyndor's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect Alwyndor's accounting and other records.

Pamela Jackson
Acting Chief Executive Officer

21 October 2024

Beth Davidson - Park
General Manager - Alwyndor

21 October 2024

Alwyndor Aged Care

General Purpose Financial Statements for the year ended 30 June 2024

Alwyndor Management Committee Declaration

The Alwyndor Management Committee declare that

In our opinion:

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

- a comply with Australian Accounting Standards; and
- b give a true and fair view of the financial position of the registered entity as at 30 June 2024 and of its performance for the year ended on that date.

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

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Kim Cheater
CHAIR

21 October 2024

Statement of Comprehensive Income

for the year ended 30 June 2024

\$	Notes	2024	2023
Income			
User charges	2a	7,958,891	6,586,429
Grants, subsidies and contributions - operating	2e	18,939,924	14,608,501
Investment income	2b	1,121,660	746,504
Reimbursements	2c	7,827,991	5,382,047
Other income	2d	10,150,900	7,178,206
Total income		45,999,366	34,501,687
Expenses			
Employee costs	3a	30,681,013	22,743,777
Materials, contracts and other expenses	3b	11,919,802	9,602,799
Depreciation, amortisation and impairment	3c	1,523,464	1,366,166
Finance costs	3d	2,207,589	1,640,867
Total expenses		46,331,868	35,353,609
Operating surplus / (deficit)		(332,502)	(851,922)
Physical resources received free of charge	2f	46,231	—
Asset disposal and fair value adjustments	4	600,125	347,408
Net surplus / (deficit)		313,854	(504,514)
Total comprehensive income		313,854	(504,514)

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

Statement of Financial Position

as at 30 June 2024

\$	Notes	2024	2023
ASSETS			
Current assets			
Cash & Cash Equivalents	5a	6,289,492	2,601,425
Trade and other receivables	5b	4,430,313	3,155,131
Total current assets		<u>10,719,805</u>	<u>5,756,556</u>
Non-current assets			
Financial Assets	6	13,712,644	12,356,951
Infrastructure, property, plant and equipment	7	40,126,361	40,473,123
Total Non-Current Assets		<u>53,839,005</u>	<u>52,830,074</u>
TOTAL ASSETS		<u>64,558,810</u>	<u>58,586,630</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8a	37,570,404	32,647,489
Provisions	8b	2,933,634	2,325,154
Lease Liabilities	8c	14,759	–
Total current liabilities		<u>40,518,797</u>	<u>34,972,643</u>
Non-current liabilities			
Provisions	8b	441,698	382,709
Lease Liabilities	8c	53,183	–
Total non-current liabilities		<u>494,881</u>	<u>382,709</u>
TOTAL LIABILITIES		<u>41,013,678</u>	<u>35,355,352</u>
Net assets		<u>23,545,132</u>	<u>23,231,278</u>
EQUITY			
Accumulated surplus		4,707,489	4,393,635
Asset revaluation reserves	9a	12,423,289	12,423,289
Other reserves	9b	6,414,354	6,414,354
Total Alwyndor Equity		<u>23,545,132</u>	<u>23,231,278</u>

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

Statement of Changes in Equity

for the year ended 30 June 2024

\$	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2024					
Balance at the end of previous reporting period		4,393,635	12,423,289	6,414,354	23,231,278
Net surplus / (deficit) for year		313,854	–	–	313,854
Unrealised gain/(loss) on Fair Value movements of Investment Portfolio		–	–	–	–
Other comprehensive income					
Gain (loss) on revaluation of IPP&E	7a	–	–	–	–
Other comprehensive income		–	–	–	–
Total comprehensive income		313,854	–	–	313,854
Transfers between reserves		–	–	–	–
Balance at the end of period	9	4,707,489	12,423,289	6,414,354	23,545,132
2023					
Balance at the end of previous reporting period		4,898,149	12,423,289	6,414,354	23,735,792
Net surplus / (deficit) for year		(504,514)	–	–	(504,514)
Unrealised gain/(loss) on Fair Value movements of Investment Portfolio		–	–	–	–
Other comprehensive income					
Gain (loss) on revaluation of IPP&E	7a	–	–	–	–
Other comprehensive income		–	–	–	–
Total comprehensive income		(504,514)	–	–	(504,514)
Transfers between reserves		–	–	–	–
Balance at the end of period	9	4,393,635	12,423,289	6,414,354	23,231,278

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 2024

\$	Notes	2024	2023
Cash flows from operating activities			
<u>Receipts</u>			
User charges		7,958,891	6,586,429
Grants, subsidies and contributions		18,625,617	14,745,862
Investment receipts		1,121,660	746,504
Reimbursements		7,827,991	5,382,047
Other receipts		8,557,949	5,531,424
<u>Payments</u>			
Payments to employees		(29,834,030)	(21,948,486)
Payments for materials, contracts and other expenses		(12,849,701)	(10,482,077)
Finance payments		(103,434)	(99,891)
Net cash provided by (or used in) operating activities	11b	<u>1,304,943</u>	<u>461,812</u>
Cash flows from investing activities			
<u>Receipts</u>			
Net sale of investment securities		2,972,263	1,371,626
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(690,840)	(927,824)
Expenditure on new/upgraded assets		(358,258)	(330,390)
Net purchase of investment securities		(3,727,831)	(1,839,094)
Net cash provided (or used in) investing activities		<u>(1,804,666)</u>	<u>(1,725,682)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from aged care facility deposits		14,623,445	9,840,626
<u>Payments</u>			
Repayment of lease liabilities		(13,431)	–
Repayment of aged care facility deposits		(10,422,224)	(10,212,871)
Net cash provided by (or used in) financing activities		<u>4,187,790</u>	<u>(372,245)</u>
Net increase (decrease) in cash held		<u>3,688,067</u>	<u>(1,636,115)</u>
plus: cash & cash equivalents at beginning of period		<u>2,601,425</u>	<u>4,237,540</u>
Cash and cash equivalents held at end of period	11a	<u>6,289,492</u>	<u>2,601,425</u>

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Material Accounting Policies	9
2	Income	13
3	Expenses	14
4	Asset disposal and fair value adjustments	15
5	Current assets	16
6	Non-current assets	16
7	Infrastructure, property, plant & equipment and investment property	17
8	Liabilities	20
9	Reserves	20
10	Assets subject to restrictions	21
11	Reconciliation to Statement of Cash Flows	21
12	Financial instruments	22
13	Capital expenditure and investment property commitments	25
14	Superannuation	25
15	Interests in other entities	26
16	Non-current assets held for sale and discontinued operations	26
17	Contingencies and assets/liabilities not recognised in the balance sheet	26
18	Events after the balance sheet date	26
19	Related party transactions	27
	Additional Council disclosures (unaudited)	
20	Segment reporting	28

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

1.2 Critical accounting estimates

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

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

1.3 Rounding

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

1.4 Trustee

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

1.5 Income Tax

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

(2) The Reporting Entity

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

(3) Income recognition

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

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

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

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(4) Cash, cash equivalents and other financial instruments

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

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

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

(5) Infrastructure, property, plant and equipment

5.1 Initial Recognition

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

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

5.2 Materiality

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

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

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

5.3 Subsequent Recognition

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

5.4 Depreciation of Non-Current Assets

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

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

5.5 Impairment

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

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

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

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

(6) Payables

6.1 Goods & Services

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

6.2 Payments Received in Advance & Deposits

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

(7) Employee benefits

7.1 Salaries, Wages & Compensated Absences

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

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

7.2 Superannuation

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

(8) Leases

Leases and Right-of-Use Assets

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

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

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

i) Refundable Accommodation Deposits/Contributions

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

ii) Resident Loans

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

Resident loans - Aged Care Act 1997

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

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

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

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

(9) GST implications

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

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

(10) New and amended standards and interpretations

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2024, these standards have not been adopted by Alwyndor and will be included in the financial statements on their effective date.

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

Effective for NFP annual reporting periods beginning on or after 1 January 2024

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2021-6 and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants)
- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

Alwyndor has assessed the standards which are not yet effective and have determined that there is no expected material impact on the reported financial position.

(11) Comparative figures

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

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(12) Disclaimer

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

(13) Going Concern

The financial report has been prepared on a going concern basis which assumes that Alwyndor will be able to meet its financial obligations as and when they fall due. As at 30 June 2024, Alwyndor has refundable loans (liability) payable that exceeds current liquid assets given that Alwyndor records Refundable Accommodation Deposits (RAD) as current liabilities due to the inability of Alwyndor to unconditionally defer settlement of any specific RAD for a period greater than twelve months from reporting date. The total RAD liabilities recorded on the Statement of Financial Position represent amounts received from individual residents upon entry to the facility and which is repayable on exit and which is frequently replaced by new RAD payments received from new residents entering the facility. Alwyndor does not expect the balance of RAD liabilities to reduce significantly in the following financial year and expects that there will be sufficient demand to replace vacant positions created by any existing residents who exit.

(14) Distribution of Profit

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

Note 2. Income

\$	2024	2023
(a) User charges		
Aged Care Fees and Rentals	7,958,891	6,586,429
<u>Total user charges</u>	<u>7,958,891</u>	<u>6,586,429</u>
(b) Investment income		
Interest on investments		
- Local Government Finance Authority	244,097	84,943
- Interest on Securities	110,696	91,124
- Banks and other	21,545	5,791
Investment Income		
- Dividend Income and imputation credits	745,322	564,646
<u>Total investment income</u>	<u>1,121,660</u>	<u>746,504</u>
(c) Reimbursements		
Home Care	7,827,991	5,382,047
<u>Total reimbursements</u>	<u>7,827,991</u>	<u>5,382,047</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 2. Income (continued)

\$	2024	2023
(d) Other income		
Home Care Management Fees	6,052,156	4,058,474
Residential Daily Accommodation Fees	3,068,624	2,392,041
Means Tested Care Fees	522,784	351,859
COVID-19 Grant Income	145,025	338,247
Related Party Charges	176,484	–
LGAMLS Risk Incentive Program	49,183	–
SALHN Security Guard Charges	64,830	–
Other	71,814	37,585
<u>Total other income</u>	<u>10,150,900</u>	<u>7,178,206</u>

(e) Grants, subsidies and contributions

Grants, Subsidies and Contributions	18,939,924	14,608,501
<u>Total grants, subsidies and contributions</u>	<u>18,939,924</u>	<u>14,608,501</u>

(i) Sources of grants

Commonwealth Government	16,662,414	13,185,117
State Government	2,273,695	1,413,820
Other	3,815	9,564
Total	<u>18,939,924</u>	<u>14,608,501</u>

(f) Physical resources received free of charge

Motor Vehicles Transfer	46,231	–
<u>Total physical resources received free of charge</u>	<u>46,231</u>	<u>–</u>

Note 3. Expenses

\$	Notes	2024	2023
(a) Employee costs			
Salaries and wages		26,212,779	19,347,734
Employee leave expense		672,720	627,577
Superannuation - defined contribution plan contributions	14	2,922,577	2,042,900
Superannuation - defined benefit plan contributions	14	29,986	31,391
Workers' compensation insurance		842,951	694,175
<u>Total operating employee costs</u>		<u>30,681,013</u>	<u>22,743,777</u>
Total number of employees (full time equivalent at end of reporting period)		319	272

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 3. Expenses (continued)

\$	2024	2023
(b) Materials, contracts and other expenses		
(i) Prescribed expenses		
Auditor's remuneration		
- Auditing the financial reports	9,200	9,200
Lease expense - low value assets / short term leases	18,324	14,885
Subtotal - prescribed expenses	27,524	24,085
(ii) Other materials, contracts and expenses		
Contractors	2,859,755	2,684,552
Professional services	838,092	554,182
Sundry	2,783,194	2,106,358
Materials	5,411,237	4,233,622
Subtotal - Other material, contracts and expenses	11,892,278	9,578,714
Total materials, contracts and other expenses	11,919,802	9,602,799
(c) Depreciation, amortisation and impairment		
Depreciation and Amortisation		
Buildings and other structures	823,248	823,248
Right-of-use assets	16,275	-
Plant and equipment	335,601	262,146
Furniture and fittings	348,340	280,772
Total depreciation, amortisation and impairment	1,523,464	1,366,166
(d) Finance costs		
Interest on leases	4,069	-
Interest on Aged Care Facility Deposits	2,203,520	1,640,867
Total finance costs	2,207,589	1,640,867

Note 4. Asset disposal and fair value adjustments

\$	2024	2023
Investments		
Net gain/(loss) on fair value movements	679,755	417,979
Net gain/(loss) on disposal of investments	(79,630)	(70,571)
Gain (loss) on disposal and fair value movement	600,125	347,408
Net gain (loss) on disposal and fair value movements of assets and investments	600,125	347,408

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 5. Current assets

\$	2024	2023
(a) Cash & Cash Equivalents		
Cash on hand and at bank	1,251,665	83,247
Deposits at call	4,917,500	2,299,920
Cash on Hand - at Ord Minnett (Investment Manager)	120,327	218,258
<u>Total cash and cash equivalent assets</u>	<u>6,289,492</u>	<u>2,601,425</u>
(b) Trade and other receivables		
Accrued revenues	1,904,769	1,795,974
Debtors - general	624,720	437,484
GST recoupment	174,248	104,508
Prepayments	402,603	288,761
Aged care facility deposits	940,000	300,000
Investment Income and Imputation Credits	383,973	228,404
<u>Subtotal</u>	<u>4,430,313</u>	<u>3,155,131</u>
<u>Total trade and other receivables</u>	<u>4,430,313</u>	<u>3,155,131</u>

Note 6. Non-current assets

\$	2024	2023
Financial Assets		
Other financial assets (investments)		
Interest Rate Securities	10,205,251	9,606,758
Equity Securities	3,507,393	2,750,193
<u>Total other financial assets (investments)</u>	<u>13,712,644</u>	<u>12,356,951</u>
<u>Total financial assets</u>	<u>13,712,644</u>	<u>12,356,951</u>

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

\$	Fair Value Level	as at 30/06/23				Asset movements during the reporting period			as at 30/06/24			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	Depreciation Expense (Note 3c)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Capital work in progress		–	4,109	–	4,109	–	40,748	–	–	44,857	–	44,857
Land	2	9,630,000	–	–	9,630,000	–	–	–	9,630,000	–	–	9,630,000
Buildings and other structures	3	39,885,000	–	(12,459,715)	27,425,285	–	–	(823,248)	39,885,000	–	(13,282,963)	26,602,037
Right-of-use assets		–	–	–	–	81,373	–	(16,275)	–	81,373	(16,275)	65,098
Plant and equipment		–	3,976,837	(1,881,871)	2,094,966	344,985	363,663	(335,601)	–	4,685,485	(2,217,471)	2,468,014
Furniture and fittings		–	2,935,520	(1,616,757)	1,318,763	13,273	332,659	(348,340)	–	3,281,453	(1,965,098)	1,316,355
Total infrastructure, property, plant and equipment		49,515,000	6,916,466	(15,958,343)	40,473,123	439,631	737,070	(1,523,464)	49,515,000	8,093,168	(17,481,807)	40,126,361
Comparatives		49,515,000	5,658,252	(14,592,177)	40,581,075	330,390	927,825	(1,366,166)	49,515,000	6,916,466	(15,958,343)	40,473,123

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Valuation of infrastructure, property, plant & equipment and investment property

Valuation of assets

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

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

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

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

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

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

Information on valuations

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

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

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

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

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

Other information

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

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

Highest and best use

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

Transition to AASB 13 - Fair Value Measurement

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

Land & Land Improvements

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

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

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

Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2022

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

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

Plant & Equipment

These assets are recognised on the cost basis.

Furniture & Fittings

These assets are recognised on the cost basis.

Residential Bed Licences

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

All other Assets

These assets are recognised at cost.

Notes to and forming part of the Financial Statements for the year ended 30 June 2024

Note 8. Liabilities

\$	2024 Current	2024 Non Current	2023 Current	2023 Non Current
(a) Trade and other payables				
Trade Creditors	826,126	–	599,187	–
Payments Received in Advance				
- Grants, Subsidies, Contributions	39,418	–	353,725	–
Accrued expenses - employee entitlements	897,856	–	621,715	–
Accrued expenses - other	293,676	–	279,913	–
Aged care facility deposits	33,982,559	–	29,141,338	–
Other	1,530,769	–	1,651,611	–
<u>Total trade and other payables</u>	<u>37,570,404</u>	<u>–</u>	<u>32,647,489</u>	<u>–</u>

(b) Provisions

Employee entitlements (including oncosts)	2,933,634	441,698	2,325,154	382,709
<u>Total provisions</u>	<u>2,933,634</u>	<u>441,698</u>	<u>2,325,154</u>	<u>382,709</u>

(c) Other liabilities

Lease liabilities	14,759	53,183	–	–
<u>Total other liabilities</u>	<u>14,759</u>	<u>53,183</u>	<u>–</u>	<u>–</u>

Note 9. Reserves

\$	as at 30/06/23 Opening Balance	Increments (Decrements)	Transfers	Impairments	as at 30/06/24 Closing Balance
(a) Asset revaluation reserve					
Land - other	9,284,428	–	–	–	9,284,428
Buildings and other structures	3,138,861	–	–	–	3,138,861
<u>Total asset revaluation reserve</u>	<u>12,423,289</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>12,423,289</u>
Comparatives	12,423,289	–	–	–	12,423,289

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 9. Reserves (continued)

\$	as at 30/06/23		Tfrs from Reserve	Other Movements	as at 30/06/24	
	Opening Balance	Tfrs to Reserve			Closing Balance	
(b) Other reserves						
General Reserves	6,414,354	–	–	–	6,414,354	
Total other reserves	6,414,354	–	–	–	6,414,354	
Comparatives	6,414,354	–	–	–	6,414,354	

(c) Purpose of Reserves**Asset Revaluation Reserve**

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

Other Reserves

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

Note 10. Assets subject to restrictions

\$	2024	2023
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Alwyndor, or for which the revenues were originally obtained.		
Cash and financial assets		
Aged Care Facility Deposits	940,000	300,000
Total assets subject to externally imposed restrictions	940,000	300,000

Note 11. Reconciliation to Statement of Cash Flows

\$	Notes	2024	2023
(a) Reconciliation of cash			
Cash assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total cash and equivalent assets	5	6,289,492	2,601,425
Balances per Statement of Cash Flows		6,289,492	2,601,425

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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

\$	2024	2023
(b) Reconciliation of change in net assets to cash from operating activities		
Net surplus/(deficit)	313,854	(504,514)
Non-cash items in income statements		
Depreciation, amortisation and impairment	1,523,464	1,366,166
Non-cash asset acquisitions	(46,231)	–
Net (Gain) Loss on disposal and fair value movements on investments	(600,125)	(347,408)
	<u>1,190,962</u>	<u>514,244</u>
Add (less): changes in net current assets		
Net (increase)/decrease in receivables	(635,182)	(1,084,357)
Change in allowances for under-recovery of receivables	–	11,361
Net (increase)/decrease in other assets	–	(22,722)
Net increase/(decrease) in trade and other payables	81,694	442,371
Net increase/(decrease) in unpaid employee benefits	667,469	600,915
Net cash provided by (or used in) operations	<u>1,304,943</u>	<u>461,812</u>

Note 12. Financial instruments

Recognised financial instruments**Bank, deposits at call, short term deposits****Accounting Policy:**

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

Terms & Conditions:

Deposits at call are returning fixed interest rates between 4.30% and 4.55% (2023: 1.05% and 4.30%). Alwyndor did not have short term deposits in 2024 and 2023.

Carrying Amount:

Approximates fair value due to the short term to maturity.

Investments**Accounting Policy:**

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

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

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

Impairment

The entity will recognise a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 12. Financial instruments (continued)

to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Receivables - fees and other charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Aged Care Facility Contributions

Accounting policy:

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

Terms and conditions:

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

Carrying amount:

Approximates fair value (after deduction of any allowance).

Liabilities - creditors and accruals

Accounting Policy:

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Aged Care Facility Contributions

Accounting policy:

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

Terms and 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.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 12. Financial instruments (continued)

Liabilities - leases**Accounting Policy:**

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

LIQUIDITY ANALYSIS

\$	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2024					
Financial assets					
Cash and cash equivalents	6,289,492	–	–	6,289,492	6,289,492
Receivables	4,430,313	–	–	4,430,313	4,256,065
Investments - Interest Rate Securities	1,151,219	6,139,426	2,848,912	10,139,557	10,205,251
Investments - Equity Securities	3,507,393	–	–	3,507,393	3,507,393
Total financial assets	15,378,417	6,139,426	2,848,912	24,366,755	24,258,201
Financial liabilities					
Payables	37,463,044	–	–	37,463,044	37,169,368
Lease liabilities	18,156	58,657	–	76,813	67,942
Total financial liabilities	37,481,200	58,657	–	37,539,857	37,237,310
2023					
Financial assets					
Cash and cash equivalents	2,601,425	–	–	2,601,425	2,601,425
Receivables	3,155,131	–	–	3,155,131	3,050,623
Investments - Interest Rate Securities	1,109,246	5,915,583	2,745,040	9,769,869	9,606,758
Investments - Equity Securities	2,750,193	–	–	2,750,193	2,750,193
Total financial assets	9,615,995	5,915,583	2,745,040	18,276,618	18,008,999
Financial liabilities					
Payables	32,293,764	–	–	32,293,764	32,013,851
Total financial liabilities	32,293,764	–	–	32,293,764	32,013,851

Risk exposures

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

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

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

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 12. Financial instruments (continued)

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

Note 13. Capital expenditure and investment property commitments

\$	2024	2023
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	385,090	–
	<u>385,090</u>	<u>–</u>
These expenditures are payable:		
Not later than one year	385,090	–
	<u>385,090</u>	<u>–</u>

Note 14. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (11.00% in 2024; 10.50% in 2023). No further liability accrues to Alwyndor as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Alwyndor makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2023) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2023. The Trustee has determined that the current funding arrangements are adequate for the

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 14. Superannuation (continued)

expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Alwyndor's contribution rates at some future time.

Contributions to other superannuation schemes

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

Note 15. Interests in other entities

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

Note 16. Non-current assets held for sale and discontinued operations

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

Note 17. Contingencies and assets/liabilities not recognised in the balance sheet

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

Note 18. Events after the balance sheet date

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

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 19. Related party transactions

Key management personnel

Transactions with key management personnel

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

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

\$	2024	2023
----	------	------

The compensation paid to key management personnel comprises:

Short-term employee benefits	213,166	184,396
Post-employment benefits	23,448	19,361
Payments to Alwyndor Management Committee	22,718	35,958
Total	259,332	239,715

Transactions with Related Parties

City of Holdfast Bay

	Sales of goods and Services		Amounts Outstanding from Related Parties	
	2024	2023	2024	2023
Services provided to City of Holdfast Bay	198,757	2,079	76,495	-

Description of services provided:

Group class services, staff physiotherapy services for early intervention, CHSP transport and Solo waste costs.

	Sales of goods and Services		Amounts Outstanding from Related Parties	
	2024	2023	2024	2023
Services received from City of Holdfast Bay	1,031,576	845,924	22,534	32,228

Description of services received:

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

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 20. Segment Reporting

	2024	2023
Alwyndor operates in the aged care industry within South Australia and within 3 primary business segments:		
- provision and management of residential aged care accommodation		
- aged care services to the community,		
- rehabilitation and support services (day therapy)		
Residential Aged Care		
Income Statement		
for the year ended 30 June 2024		
Care Income		
Subsidies & Supplements (Commonwealth)	11,988,978	10,214,530
Resident Fees - Means Tested Care Fees	522,784	351,859
Total Residential Care Income	12,511,761	10,566,389
Accommodation Income		
Subsidies & Supplements (Commonwealth)	1,841,335	1,099,770
Resident Accommodation Payments and Charges	3,068,624	2,392,041
Total Residential Accommodation Income	4,909,960	3,491,811
Other Resident Fee Income		
Basic Daily Fee	3,189,613	2,983,734
Additional Service Fee	23,894	21,508
Total Other Residential Fee Income	3,213,508	3,005,243
Financing Income		
Interest Income	376,338	181,857
Dividend and Imputation Credit income	745,322	564,646
Total Financing Income	1,121,659	746,502
Other Income		
Donations and Fundraising	604	1,555
COVID-19 Grant Income	144,193	338,247
Other Income	145,024	94,611
Total Other Income	289,820	434,412
Total Revenue	22,046,708	18,244,357

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 20. Segment Reporting (continued)

	2024	2023
Residential Aged Care		
Income Statement (continued) for the year ended 30 June 2024		
Care Expenses		
Labour Costs	12,273,254	10,192,866
Other Expenses	387,714	372,402
Total Care Expenses	12,660,968	10,565,268
Accommodation Expenses		
Labour Costs	320,312	326,024
Property Repairs, Maintenance and Replacement	429,287	300,509
Other Accommodation Expenses	441,328	371,655
Total Accommodation Expenses	1,190,927	998,188
Hotel Services Expenses		
Labour Costs	2,170,833	1,469,454
Contracted Services - External Service Organisations	176,312	663,093
Other Hotel Services Expenses	880,405	778,200
Total Hotel Services Expenses	3,227,550	2,910,746
Administration Expenses		
Labour Costs	1,474,732	1,383,047
Management Fees	9,142	16,748
Other Administration Expenses	1,073,314	777,468
Total Administration Expenses	2,557,189	2,177,263
Capital and Financing Expenses		
Depreciation	1,279,586	1,200,337
Interest Expenses	2,203,520	1,548,329
Total Capital and Financing Expenses	3,483,106	2,748,666
Other Expenses		
Investments - Loss on disposal	79,630	66,454
Investments - Fair Value movements on unrealised losses	(679,755)	(393,598)
Total Other Expenses	(600,125)	(327,144)
Total Expenses	22,519,615	19,072,988
Net Profit (Loss)	(472,907)	(828,631)

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 20. Segment Reporting (continued)

	2024	2023
Residential Aged Care		
Statement of Financial Position		
as at 30 June 2024		
ASSETS		
Current Assets		
Cash	3,898,415	340,421
Trade & Other Receivables	4,327,374	2,994,243
Total Current Assets	8,225,789	3,334,665
Non-Current Assets		
Financial Assets	13,712,644	12,356,951
Property, Plant & Equipment	40,126,361	40,473,123
Total Non-Current Assets	53,839,005	52,830,074
TOTAL ASSETS	62,064,794	56,164,739
LIABILITIES		
Current Liabilities		
Trade & Other Payables	2,129,494	1,538,513
Employee Provisions	1,542,220	1,237,247
Accommodation Bonds	33,982,559	29,141,338
Other Current Liabilities	39,418	353,725
Total Current Liabilities	37,693,691	32,270,823
Non-Current Liabilities		
Employee Provisions	237,861	190,824
Total Non-Current Liabilities	237,861	190,824
TOTAL LIABILITIES	37,931,551	32,461,648
Net Assets	24,133,242	23,703,091

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 20. Segment Reporting (continued)

	Rehabilitation and Support Services	Consumer Directed Care	Other Home Care	Total
2024				
Revenue	2,159,900	17,614,915	4,224,072	23,998,888
Expenses	2,511,052	16,977,883	3,723,189	23,212,124
Surplus/(Deficit)	(351,152)	637,033	500,883	786,764
Assets	-	2,494,016	-	2,494,016
Liabilities	348,795	2,494,016	239,315	3,082,127
Total Equity	(348,795)	-	(239,315)	(588,110)
2023				
Revenue	1,469,361	12,164,989	2,622,978	16,257,328
Expenses	1,838,871	11,446,531	1,638,785	14,924,186
Surplus/(Deficit)	(369,510)	718,459	984,193	1,333,141
Assets	-	2,421,891	-	2,421,891
Liabilities	279,821	2,421,891	191,991	2,893,703
Total Equity	(279,821)	-	(191,991)	(471,812)

Alwyndor Aged Care

General Purpose Financial Statements

for the year ended 30 June 2024

Independent Auditor's Report - Financial Statements

General Purpose Financial Statements

for the year ended 30 June 2024

Statement by Auditor

I confirm that, for the audit of the financial statements of Alwyndor Aged Care for the year ended 30 June 2024, 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



Audit Completion Report

Financial Year Ended 30 June 2024

Alywndor Aged Care

DeanNewbery

16 September 2024

Dear Alwyndor Management Committee Members

This report has been prepared for the Alwyndor Aged Care (the Entity) Alwyndor Management Committee (AMC) in relation to the financial year ended 30 June 2024 external audit.

The purpose of this report is to provide members of the AMC a summary of the significant matters that have arisen from our audit which we believe covers material matters dealt within our work completed.

As at the time of preparing this report, we have completed a sufficient level of work to enable us to provide you with our expected audit opinion subject to finalisation of the outstanding matters outlined within this report. We are pleased to report that we expect to issue an unmodified audit report subject to the successful completion of the outstanding matters noted.

Should you require any further information, please contact me on 8267 4777.

I would like to take this opportunity to thank the Administration for the assistance provided throughout the audit process.

Your sincerely



Samantha Creten
Director



Contents

	Page
Executive Summary	4
Summary of Misstatements	5
Key Audit Matters Considered	7
Matters for Those Charged with Governance and Management	10
Draft Audit Report	11

Executive Summary

Scope

The audit procedures have been designed and carried out by the audit team in accordance with Australian Auditing Standards and per the audit scope prescribed under the *Australian Charities and Not-for-profits Commission Act 2012* and applicable Regulations for the financial year ended 30 June 2024.

Audit Status

All requested audit adjustments have been processed and disclosures within the financial report appropriately modified based on audit testing completed.

All requested information has been provided by the Administration during the course of the audit.

Subject to the finalisation of the matters outlined in this report, our audit opinion for the financial year ended 30 June 2024 will be signed without reference to any qualification.

A draft copy of the audit report has been provided within this report which is expected to be issued subject to successful completion of the outstanding matters noted.

Independence

In accordance with our professional ethical requirements, we confirm that, for the audit of the Entity for the financial year ended 30 June 2024, all members of our audit team have maintained their independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board and in accordance with *Australian Charities and Not-for-profits Commission Act 2012*.

Outstanding Matters

Subject to the following work being satisfactorily completed, we expect an unmodified audit opinion to be issued for the financial year:

- Undertake a review of subsequent events since balance date.
- Obtain certified financial statements as required.
- Receipt of the signed Management Representation Letter.

Summary of Misstatements

Below is a summary of misstatements identified during the course of the Balance Date audit and the status of matters identified. Any misstatements, either individually or in aggregate, that are considered to be immaterial, have not been adjusted.

Misstatements which are considered clearly trivial have not been included.

Matter No.	Description	Operating Surplus/ (Deficit) (\$'000)	Net Surplus/ (Deficit) (\$'000)	Assets Dr/(Cr) (\$'000)	Liabilities Dr/(Cr) (\$'000)	Equity Dr/(Cr) (\$'000)	Status of Matter
1	Removal of operational expenses incorrectly recorded in Work in Progress (WIP)	(9)	(9)	(9)	-	-	Corrected
2	Correction to record Cash and Investments as per the third-party Valuation Report	-	-	-	-	-	Corrected
3	To correct presentation of the Physical resources received free of charge	(46)	46	-	-	-	Corrected
4	To recognise new Community Lease	(3)	(3)	65	(67)	-	Corrected
Summary Corrected Misstatements		(58)	34	56	(67)	-	
Summary Uncorrected Misstatements		-	-	-	-	-	None to report

Summary of Misstatements (continued)

Below is a description of the issues identified with misstatements reported on Page 5:

No.	Matter	Description
1	Removal of operational expenses in that were recorded in Work in Progress (WIP)	Review of Work in Progress identified an invoice which was an operating expense in nature, the Administration made the correction to this account and correctly allocated the expense to operating expenses.
2	Correction to record Cash and Investments as per the third-party valuation report	Review of the investments and the cash held in the investments identified that the Administration had incorrectly recorded the purchase of shares at the end of the year due to a timing difference. The Administration performed a journal to recognise the shares being purchased and contemporaneously a reduction in the cash in the investments.
3	To correct presentation the Physical resources received free of charge	It was identified that the City of Holdfast Bay had transferred vehicles over to Alwyndor. The transaction was originally recorded as a donation however per AASB 101 in line with the Model Financial Statements, the correct presentation is to record these assets as 'Physical resources received free of charge' and therefore a classification change has been recorded.
4	To recognise new Community Lease	<p>Review of Creditors as at 30 June 2024 identified an invoice for lease of a community centre from the City of Holdfast Bay. This is a new lease is for a 5-year period which commenced in FY24.</p> <p>Per AASB 16 Leases, the Right of Use Asset and Lease Liability was recognise and appropriate transactions relating to those accounts were recorded for the financial year.</p>

Key Audit Matters Considered

As part of our audit planning process we identified key audit and accounting matters that were considered and tested during the course of the audit which represented areas of identified risk where material misstatements could occur.

As a result of the work we have recently completed, we have provided further detail below of the key audit matters and the outcomes from our testing completed.

Management Override of Internal Controls		
Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
The Australian Auditing Standards mandate that the external auditor must assume there is a risk that the Entity's Administration can override internal controls, even those that appear to be functioning effectively, leading to potential manipulation of accounting records.	<ul style="list-style-type: none">• Review and observation of controls in operation to assess whether controls are operating effectively as intended throughout the period.• Perform analytical reviews and recalculation of transactions.• Test the appropriateness of journal entries processed to prepare the financial statements.• Review of accounting estimates and assumptions applied to the preparation of those estimates to evaluate its appropriateness and relevance.	No matters were identified during the course of our audit.

Key Audit Matters Considered (cont.)

Compliance with Prudential Return Requirements		
Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Compliance with Prudential Return Requirements	<ul style="list-style-type: none"> Testing of compliance with the <i>Aged Care Act 1997</i> and <i>User Rights Principles 2014</i> 	<ul style="list-style-type: none"> Our audit procedures have not identified any breaches

Grants and Fees		
Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Revenue recognition	<ul style="list-style-type: none"> Review of financial statements disclosures Revenue recognition and testing of correct year end treatment between revenue and revenue in advance 	<ul style="list-style-type: none"> Our audit procedures have not identified any material misstatements

Financial Assets (Investments)		
Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Financial Assets (Investments)	<ul style="list-style-type: none"> Treatment and presentation of Investments ensure compliance with AASB 9 Financial Instruments Performed tests of existence and valuation of investments held Reviewed appropriateness of the disclosures in financial statements as per AASB 9 Financial Instruments 	<ul style="list-style-type: none"> Adjustments have been identified and processed relating to incorrect recognition of assets as per the Valuation Report as noted within this Report. No other issues were noted.

Key Audit Matters Considered (cont.)

Employee Entitlement Provisions		
Key Audit Matter Description	Audit Work Undertaken	Outcomes of Testing Completed
Employee Entitlement Provisions	<ul style="list-style-type: none">• Verified hours and amounts taken and leave accrued• Reviewed the calculation of oncosts and discount rates used in the calculation• Reviewed appropriateness of estimates and assumptions contained in the calculation• Reviewed controls relating to the management and monitoring of employee leave entitlements	<ul style="list-style-type: none">• Our audit procedures have not identified any material misstatements

Matters for Those Charged with Governance and Management

Internal Controls

Description

As required by Australian Auditing Standard (ASA) 265 *Communicating Deficiencies in Internal Controls to Those Charged with Governance and Management*, the external auditor is required to communicate any significant deficiencies in internal controls identified during the course of the audit.

Outcome

Our work performed did not identify any significant deficiencies.

Fraud

Description

The external audit is not designed to detect fraud however our audit procedures include evaluating the risk of material misstatement due to fraud whilst maintaining professional scepticism and evaluating evidence for signs of fraud. Should any instances arise and we become aware of it, we will report them to you.

Outcome

Management have confirmed to us that there were no matters of fraud identified for the financial year and we have not identified any instances of fraud in the work we have completed.

We believe it is important for the Administration and the AMC to continually evaluate and enhance the effectiveness of the internal control environment to identify and mitigate potential fraud risks.

Legal Compliance

Description

We have made enquiries with the Administration in relation to non-compliance with non-compliance with laws and regulations during the course of the financial year.

Outcome

No instance of non-compliance have been identified as a result of the enquires we have made with the Administration.

Draft Audit Report

INDEPENDENT AUDITOR'S REPORT

To the members of the Alwyndor Aged Care Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Alwyndor Aged Care (the Entity), which comprises the Statement of Financial Position as at 30 June 2024, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information, Alwyndor Management Committee Declaration and the Certification of the Financial Statements.

In our opinion, the accompanying financial report of the Entity is in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the Australian Accounting Standards (including Australian Accounting Interpretations), including;

- (i) giving a true and fair view of the Entity's financial position as at 30 June 2024 and of its performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management and Those Charged with Governance for the Financial Report

The Entity is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the need of the directors. Management's responsibility also includes such internal control as Management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Entity is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

Draft Audit Report (Cont.)

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DEAN NEWBERY

Samantha Creten

Director

Signed on the day of 2024

Disclaimer:

This document is for the exclusive use of the person/organisation named on the front of this document. This document must not be relied upon by any person/organisation who is not the Recipient. Dean Newbery does not take responsibility for any loss, damage or injury caused by use, misuse or misinterpretation of the information in this document by any person who is not the Recipient.

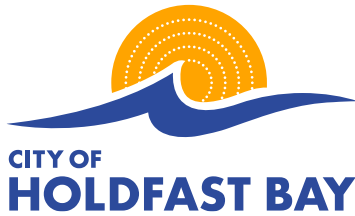
The contents of this document are confidential and may not be reproduced in whole or in part without the permission.

Dean Newbery

ABN 48 007 865 081

Liability limited by a scheme approved under Professional Standards Legislation

DeanNewbery



24/10/2024

Samantha Creten
Partner
Dean Newbery
PO Box 755
North Adelaide SA 5006

Dear Samantha

Management Representations: External Audit, Financial Year Ended 30 June 2024

This Management Representation letter is provided in connection with your audit examination of the General Purpose Financial Report (**2024 Financial Report**) of City of Holdfast Bay (**'the Council'**) for the financial year ended 30 June 2024.

We hereby confirm, at your formal request, that to the best of our knowledge and belief, the following representations relating to the 2024 Financial Report are correct.

In making these representations, we understand that they are provided to you in connection with your external audit of the Council for the year ended 30 June 2024 as prescribed by the *Local Government Act 1999*, for the express purpose of your expressing an opinion as to whether the 2024 Financial Report is, in all material respects, presented fairly in accordance with all applicable standards and requirements, including statutory. In making these representations, we have read and understood the standard unqualified Audit Opinion that would be normally expressed to the Council by you as is required under Section 129(3) of the *Local Government Act 1999* for the financial year ended 30 June 2024. We therefore understand, without exception, the potential ramifications of making any representations to you that are not correct, to the best of our knowledge and belief as of the date of this letter.

We understand and acknowledge that it is the Council management's responsibility for the fair presentation of the 2024 Financial Report and that management, as appropriate, have approved the Financial Report. Accordingly, management of the Council are of the opinion that the 2024 Financial Report is free of material misstatements, including omissions.

1. Compliance with all Applicable Standards, including Statutory

The Financial Report of the Council has been prepared so as to present a true and fair view of the state of affairs of the Council as at 30 June 2024 and of the results of operations of the Council for the financial year ended on that date, including for all post balance date matters, as applicable.

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

ASSETS

Cash and Cash Equivalents

- (1) Cash on hand at balance date was represented by cash floats reconciled and on hand as at 30 June 2024.
- (2) Cash at bank at balance date represented the reconciled operating account(s) of the Council.
- (3) Short term deposits represented amounts held with the LGFA by Council and Ord Minnett (Investment Manager) for Alwyndor.

Rates and Other Receivables

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

Other Current Assets

- (1) Prepayments at balance date represented payments for goods and services to be received in the 30 June 2025 financial year.
- (2) There are no non-current assets held for sale.

Financial Assets

- (1) There are no grounds to provide for any impairment loss for loans to community groups or other organisations apart from the provision reported in the 2023-24 statements of \$517,780.
- (2) Other financial assets refer to Alwyndor interest rate and equity securities.

Investments Accounted using the Equity Method

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

Infrastructure, Property, Plant & Equipment and Depreciation

- (1) Infrastructure, property, plant and equipment at the 2024 balance date was represented by the following fair values, cost, accumulated depreciation and carrying amounts for each class of asset, in accordance with all prescribed requirements and standards, as follows:

	At Fair Value \$'000	At Cost \$'000	Accumulated Depreciation \$'000	Carrying Amount \$'000
Land	504,222	230	-	504,452
Buildings & Other Structures	176,257	6,623	(70,773)	112,107
Infrastructure	476,052	12,867	(187,372)	301,547
Right-of-Use Assets		35	(23)	12
Plant & Equipment	-	13,480	(6,529)	6,951
Furniture & Office Equipment	-	9,277	(5,140)	4,137
Total Infrastructure, Property, Plant & Equipment	1,156,531	42,512	(269,837)	929,206

- (2) The additions during the 2024 financial year to Infrastructure, property, plant and equipment general ledger control accounts and asset registers represents the cost of additions and or improvements to existing facilities or replacements thereof. All units of property which have been replaced, sold, dismantled or otherwise disposed of, or which are permanently unusable, have been removed from general ledger and applicable asset register. Adequate provision, determined in a manner consistent with that of the preceding financial year, has been made to write-off depreciable assets over their useful economic working lives.

No circumstances have arisen which render adherence to the existing basis of depreciation misleading or inappropriate and that depreciation expense for the financial year ended 30 June 2024 is reliable.

- (3) All additions to depreciable assets represent actual additions or improvements of a capital nature, based on capitalisation thresholds consistently applied for the 2024 financial year in accordance with Council's Asset Accounting Policy.
- (4) Where the recorded carrying amount of any depreciable assets exceeds its recoverable amount as at 30 June 2024, that asset's recorded carrying amount has been written down to its recoverable amount.
- (5) Contractual commitments for capital expenditure(s) included in the Financial Report payable not later than one year are as described in the notes accompanying the Financial Report.
- (6) There are no deficiencies or encumbrances attaching to the title of the assets of the Council at 30 June 2024 other than those reflected in the financial report and those are not greater than the value of the asset.
- (7) No lease commitments exist that have not been disclosed in the Financial Report. All operational lease expenses have been fully disclosed in the notes to the 2024 Statement of Comprehensive Income. Finance Leasing commitments have been fully disclosed in the notes to the 2024 Balance Sheet.
- (8) The asset revaluation of all Road and Kerb assets owned by Council was undertaken by independent valuers Public Private Property as at 1 July 2023 based on the principle of written down replacement value. Accordingly, total replacement value, total economic working life, residual economic working life were reliably established for each asset and the financial records of Council were restated in

accordance with all applicable Australian Accounting Standards, and the Financial Report reflects all such accounting entries.

- (9) The resultant increment to the asset revaluation reserve during the year represents the difference between the prior written down value of the assets being valued and the valuations as at 1 July 2023.
- (10) Depreciation expense reported in the 2024 Statement of Comprehensive Income is reliable, being based on reliable 'whole of life' asset management information for each class of depreciable non-current asset.

LIABILITIES – Current and Non-Current

- (1) All liabilities which have arisen or which will arise out of the activities of the Council to the end of the 2024 financial year have been included in the 2024 Financial Report.
- (2) All outstanding trade payables at balance date have been taken up as at the 2024 balance date.
- (3) All applicable accrued wages and salaries and accrued employee entitlements at the 2024 balance date have been taken up.
- (4) All accrued interest at the 2024 balance date have been taken up.
- (5) All revenue received in advance as at the 2024 balance date have been taken up.
- (6) Provisions for employee benefits, inclusive of on-costs, all discounted as at the 2024 balance date representing long service leave benefits calculated for all valid employees (as at balance date) have been taken up.
- (7) Accrued employee benefits represent annual leave accrued for all valid employees as at the 2024 balance date.
- (8) Borrowings as at the 2024 balance date represented amounts owed to the Local Government Finance Authority. Loans with the LGFA have varying maturity dates and interest rates with details fully provided in the notes to the 2024 Financial Report.
- (9) There were no contingent liabilities including for:
 - a) guarantees;
 - b) bills and accounts receivable discounted, assigned or sold and which are subject to recourse;
 - c) endorsements;
 - d) pending law suits - noting (as separately advised) that a pre-action notice has been served on 61 SA Councils in relation to fees associated with negotiating public lighting tariffs. The LGA are facilitating the response and coordinated defence with advice that the claim does not have merit;
 - e) unsatisfied judgements or claims;
 - f) repurchase agreements; or
 - g) contractual disputes between the Council and any contractor / service provider that may result in an increased liability as at 30 June 2024; which are not fully disclosed in the notes to the 2024 Financial Report.

EQUITY

- (1) There have been no adjustments to the Accumulated Surplus other than those allowable under the Australian Accounting Standards.

- (2) There have been no adjustments to the Asset Revaluation Reserve other those allowable under the Australian Accounting standards and the balance of the reserve has been reconciled to each class of asset.
- (3) All reserve funds required by legislation to be maintained have been at all times maintained in the accounting records of the Council.
- (4) All transfers to and from reserve funds (including the Accumulated Surplus) have been prior authorised by Council.
- (5) Other than for the Asset Revaluation Reserve, all other reserve accounts are those applied for 2024 Council budget purposes and have the same balances as at 30 June 2024.

2024 STATEMENT OF COMPREHESIVE INCOME

- (1) Please find attached a summary of all material variations for all income and expense amounts disclosed in the 2024 Statement of Comprehensive Income, compared to 2023.
- (2) No 2022-23 amounts have been reclassified in the 2024 Statement of Comprehensive Income.
- (3) All depreciable physical resources received free of charge have been included in the appropriate asset register and depreciated from the date when Council assumed control (of the asset).
- (4) Depreciation expense for 2024 is in accordance with Council's asset registers and has been determined on the same basis as for 2023.
- (5) Salaries and Wages expense disclosed in the 2024 Statement of Comprehensive Income reconciles to the last budgeted salaries and wage amount approved by Council for 2024 annual budget funding purposes.
- (6) Capital grants have been correctly separated from operating grants, in accordance with the requirements of the Model Financial Statements.

KEY FINANCIAL INDICATORS

Council has three major financial targets as follows:

- To achieve an operating ratio of 0-10 per cent over a five year period.
- To achieve a net financial liabilities ratio of less than 100 per cent.
- To improve Council's asset sustainability ratio to be within the range of 90-110 per cent over a five year period.

CHIEF EXECUTIVE OFFICER'S REPORT

There are no exceptions to the standard Chief Executive Officer's Report that may be or will be expressed in the 2024 report to be included in the 2024 Financial Report.

OTHER REQUIRED REPRESENTATIONS

- (1) No events have occurred (or are known to occur) subsequent to the 30 June 2024 that would require any consideration for adjustment to or additional disclosure in the 2024 Financial Report.

- (2) The Council does not have any plans or intentions that may materially affect the carrying value or classification of all assets and liabilities as at 30 June 2024.
- (3) The Council has complied with all aspects of contractual arrangements and agreements that would have a material effect on the 2024 Financial Report in the event of non-compliance.
- (4) There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, other than those disclosed in the 2024 Financial Report.
- (5) There are no violations or possible violations of laws, compulsory standards or regulations whose effects should be considered for disclosure in the 2024 Financial Report or as a basis for recording as an expense or otherwise.
- (6) The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
- (7) The Council has full title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- (8) All details concerning related party transactions and related amounts receivable or payable (including sales, purchases, loans and guarantees) have been correctly recorded in the accounting records. All related parties have been identified and disclosed to you during your audit.
- (9) The Council reviews, at least on an annual basis, the adequacy of insurance cover on all assets and insurable risks. This review has been consistently performed, and where it is considered appropriate, assets and insurable risks of the Council are at all times adequately covered by appropriate insurance.
- (10) The minutes of all meetings of Council and its Committees were made available to you and are complete and authentic records of all such meetings held during the 2024 financial year and to the date of this letter. All other statutory records were properly kept at all times during the year and have been made available to you for audit purposes.
- (11) All audit correspondence has been formally and promptly responded.
- (12) All audit correspondence has been referred to Council and Council's Audit and Risk Committee.
- (13) Salaries and wages records together with records for the Goods and Service Tax were at all times fully maintained in accordance with the requirements of the Australian Taxation Office, as applicable.
- (14) All documentation relating to the capture of Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures) including all authorised forms provided by the deemed Key Management Personnel, evidence of review of total related party transactions processed during the financial year by the Council e.g. transaction reports of payments made by Council to related parties and any working papers of calculation methodologies for the disclosures in the 30 June 2024 financial statements have been made available to the auditors.
- (15) All deemed material transactions relating to Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures) have been included and adequately disclosed in the 30 June 2024 financial statements.

- (16) Council has formally in place and has at all times maintained an appropriate standard of accounting, internal control structure and framework, segregation of duties and risk management structure and framework across the entire organisation, including appropriate controls and mechanisms specifically designed to prevent and detect fraud and error. Further, we advise that there have not been any instances of fraud or error during the financial year ended 30 June 2024 or to the date of this letter. In addition, there are no matters that should be brought to your attention for the purposes of your making an assessment as to Sections 129(5) and 129(6) of the Local Government Act 1999.
- (17) The 2024 Financial Report has been adjusted for all agreed audit adjustments for the year ended 30 June 2024.
- (18) There were no changes in accounting practices and accounting policies made for the financial year ended 30 June 2024 compared to the financial year ended 30 June 2023.
- (19) Council's Audit and Risk Committee has addressed all of its prescribed responsibilities and no member of the Committee has undertaken other professional services for the Council.
- (20) In our opinion, there are no grounds to believe that the Council will not be able to pay its debts as and when they fall due, that assets will be at all time maintained to the service standards currently determined by Council and accordingly, the Council is long term financially sustainable.

Yours sincerely

Pamela Jackson
Acting Chief Executive Officer

Cadel Blunt
Manager Finance

Attachment

Attachment

2023-24 Statement of Comprehensive Income - Summary of material prior year variations.

Note References refer to the General Purpose Financial Statements

Note 2(b) - Statutory Charges \$3,781,000 (2022-23 \$3,245,000)

Increased by \$536,000 due to an increase in parking fines, \$568,000; dog registration related income, \$43,000; offset by a reduction in development assessment fees of \$86,000.

Note 2(c) - User Charges \$12,122,000 (2022-23 \$10,577,000)

Municipal user charges increased by \$191,000 with additional off-street parking ticket machine income, \$119,000; community centre related revenue, \$110,000; an increase in cemetery fee income, \$96,000; and additional fees from the hire of Partridge House, \$25,000. This was offset by a fall in ticket sales for a major community event held in 2023 but not 2024, \$164,000.

Alwyndor user charges increased by \$1,372,462 attributed to the rise in basic daily fees to accommodate the increased cost of living for residential care and adjustment in fees and consumables for Home Care Packages.

Note 2(g) – Grants, Subsidies and Contributions - Capital \$917,000 (2022-23 \$500,000)

Municipal capital grants increased by \$417,000 due to additional Local Roads and Community Infrastructure (LRCI) funding received in 2023-24.

Note 2(g) – Grants, Subsidies and Contributions - Operating \$19,923,000 (2022-23 \$17,115,000)

Municipal operating grants decreased by \$1,530,000 due to a negative variance in the timing of the payment of the Financial Assistance Grants, \$1,614,000; and other grants received, \$155,000. However, this was offset by a positive variance for the Roads to Recovery program, \$239,000.

Alwyndor grants and subsidies increased by \$4,331,000 This is mainly due to an increase in government funding for residential services. Effective 1st October 2023, residents are eligible for higher subsidies under the Aged Care Classification (AN-ACC).

Note 2(d) - Investment Income \$1,208,000 (2022-23 \$888,000)

Municipal reserve fund investment decreased by \$55,000 due to less available cash for investment with the Local Government Finance Authority (LGFA). This was due to a sizeable capital works program in 2023-24.

Alwyndor investment income increased by \$375,000 mainly due to dividend and distribution income from investing surplus funds through investments with external investment manager, Ord Minnett and interest income generated from funds held with LGFA.

Note 2(e) – Reimbursements \$8,300,000 (2022-23 \$5,806,000)

Municipal reimbursements increased by \$55,000 mainly due to additional insurance claim reimbursements.

Alwyndor reimbursements increased by \$2,446,000 due to increased direct services provided to Support at Home clients resulting from their growth in numbers.

Note 2(f) – Other Income \$10,982,000 (2022-23 \$8,198,000)

Municipal other income has decreased by \$31,000 largely due to a reduction in funding received from Dept. Employment and Workplace Relations for the approved apprenticeship program. Alwyndor other income increased by \$2,973,000 due to an increase in Care and Package Management Fees for services provided to Support at Home clients.

Note 19 - Net gain – Equity Accounted Council Businesses \$385,000 (2022-23 \$323,000)

This refers to Council's 15% share (\$385,000 surplus) in the Southern Region Waste Resource Authority (SRWRA). For 2023/24 SRWRA achieved a \$2,566,000 net surplus (\$2,151,000 in 2022/23). Major variances included an increase in User Charges for landfill operations of \$1,191,000 offset by an increase in EPA levies of \$928,000. The financial results, provisions and expanded notes of Council's equity share of SRWRA are included in Note 19 to the Council financial statements.

Note 3(a) - Employee Costs \$51,028,000 (2022-23 \$41,708,000)

Overall municipal employee costs increased by \$1,394,000 from the prior year. This is due to a 5% wages and salaries increase in line with the relevant Enterprise Agreements, an increase in the statutory employer superannuation contribution rate of 0.5%, and additional employee insurance of \$57,000. This is offset by an increase in capitalised employment costs of \$65,000.

Alwyndor employment costs increased by \$7,937,000. This is due to additional costs to support increased Residential client needs, Support at Home, the Commonwealth Home Support Program (CHSP) and Therapy services following growth in these areas.

Note 3(b) - Materials, Contracts and Other Expenses \$33,860,000 (2022-23 \$29,862,000)

Municipal expenses in this grouping increased by \$1,845,000. This comprised numerous items either included in the original budget or varied throughout the year. Major variances include the expensing of projects previously carried as capital works in progress, \$478,000; higher waste dump charges, \$140,000; and inflationary increases in costs, including electricity \$226,000, water \$120,000 and insurance \$100,000.

Alwyndor expenses increased by \$2,317,000. This is due to an increase in third party costs associated with the growth of Home Care Package clients, which is offset by User Charges at Note 2(c), additional expenditure relates to agency and COVID medical costs for the residential services, as well as increased spending on gardening and maintenance for the CHSP program.

Note 3(c) - Depreciation \$12,837,000 (2022-23 \$11,715,000)

Overall municipal depreciation increased by \$981,000 reflecting revalued and new assets including road and kerb assets \$565,000, open space assets \$346,000 and office equipment \$57,000.

Alwyndor depreciation increased by \$141,000 consisting of increases for plant and equipment \$73,000 and furniture and fittings \$68,000.

Note 3(d) - Finance Costs \$2,825,000 (2022-23 \$2,223,000)

Municipal finance charges increased by \$39,000 due to a greater use of Cash Advanced Debentures throughout 2023-24 for temporary cashflow to fund capital works. There were no new long-term borrowings in either 2022/23 or 2023/24.

Alwyndor Finance charges increased by \$567,000 due to recognition of higher rental income amount and corresponding interest expenses compared to the prior year, in accordance with the AASB 16 accounting standards.

Note 4 - Asset Disposal and Fair Value Adjustments \$729,000 loss - (2022-23 \$446,000 gain)

Municipal assets were sold, or disposed of, throughout the year resulting in a \$1,329,000 loss. The assets are itemised as follows:

- \$1,674,000 – Loss - Capital renewal program. Refers to existing infrastructure assets removed or disposed as part of the annual capital program
- \$283,000 – profit on sale of vehicles
- \$62,000 – profit on sale of cabins

Alwyndor's \$600,000 net gain represents mainly the unrealised gain on the capital value of the investment portfolio as at 30 June 2024.

Note 2(g) - Amounts Received for New/Upgraded Assets \$2,001,000 (2022-23 \$582,000)

New grants were accounted for in 2023-24 including the following major projects - Glenelg Oval Masterplan \$1,029,000, Seacliff Plaza \$490,000, and Kingston House Reserve Tennis Courts \$200,000.

Note 9(a) - Change in Revaluation Surplus – \$27,135,000 increase (2022-23 \$3,855,000 increase)

Road and kerb assets were revalued by Public Private Property. The last revaluation on these assets was performed in 2019. Based on current replacement rates this resulted in a valuation increase of \$27,135,000. No other asset class revaluations were undertaken during 2023/24.



SRWRA 
Southern Region Waste Resource Authority

ANNUAL REPORT

2023 to 2024

SRWRA is a regional subsidiary established by the Cities of Onkaparinga, Marion and Holdfast Bay, pursuant to Section 43 of the Local Government Act, 1999.

Under our Charter, SRWRA is responsible for providing and operating waste management services on behalf of our Constituent Councils.

Our core business activity is the management of our recycling facilities and landfill. We partner with industry experts and pride ourselves in employing innovative resource recovery approaches to support the circular economy.

We are one of the State's major landfill operations currently receiving over 150,000 tonnes of waste annually with approximately 90,000 tonnes going to landfill.

Our joint venture operation with Integrated Waste Services (IWS) has continued to develop through the jointly owned Southern Recycling Centre (SRC) which is realising a significant reduction of waste to landfill and continues to work towards the targets set out in the Australian Government National Waste Policy Action Plan.

Our joint venture operation with Re.Cycle (Adelaide), a subsidiary of Re.Group, continues to prosper through the jointly owned Southern Materials Recovery Facility (SMRF). The SMRF, which is the largest in South Australia, is a state-of-the-art facility that provides processing of kerbside commingled recycling and produces the highest product purity levels in Australia.

SRWRA CONSTITUENT
COUNCILS



JOINT VENTURE
PARTNERS



CONTENTS

CHAIRPERSON'S MESSAGE	4
CHIEF EXECUTIVE OFFICER'S MESSAGE	6
BOARD OF MANAGEMENT	8
FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024	9
AUDIT COMMITTEE AUDITOR INDEPENDENCE	36
AUDITOR INDEPENDENCE DECLARATION	37
INDEPENDENT AUDITOR'S REPORT	38
AUDIT REPORT	40
BOARD CHAIR - AUDITOR INDEPENDENCE	42
COUNCIL CERTIFICATES OF COMPLIANCE	43
CITY OF ONKAPARINGA	43
CITY OF MARION	44
CITY OF HOLDFAST BAY	45
ATTENDANCE AT BOARD MEETINGS	46
ATTENDANCE AT AUDIT & RISK COMMITTEE MEETINGS	47
PERFORMANCE AGAINST BUSINESS PLAN	48
WORK HEALTH AND SAFETY	50
PROCUREMENT	51



CHAIRPERSON'S MESSAGE

On behalf of the Board I am pleased to present the Annual Report for the year ended 30 June 2024.

Waste management in Australia faces several significant challenges, driven by environmental concerns, economic factors, and social issues. At SRWRA we are conscious of these and are playing our part in attempting to address them.

This is occurring through the continued evolution of our integrated waste management precinct which now consistently diverts away from landfill more than 50 per cent of the municipal waste stream we receive, processes more than 40,000 tonnes of household kerbside recyclables at one of Australia's most advanced material recycling facilities, and produces enough green energy from landfill gas and a solar array, constructed on a capped landfill cell, to power more than 3,000 homes.

Our underpinning philosophy is to treat waste as a resource and seek the highest and best use in an environmentally and financially responsible manner.

Our approach is to work with industry experts in their respective fields, through joint ventures or partnering arrangements, to leverage opportunities as they arise. Our success is founded on these relationships and they remain at the very core of what we do.

Our joint venture with IWS saw us divert more than 36,500 tonnes of municipal waste away from landfill to a more productive use. Our joint venture with Re.Group resulted in the recovery of valuable commodities such as steel, aluminium, cardboard, mixed paper, glass, and various plastics, and through our arrangements with LMS Energy green power continues to be exported to the electricity grid.

While the Authority continues to fulfill the objects and purposes for which it was established, providing and operating waste management services on behalf of our constituent councils, we are conscious that more needs to be done.



At SRWRA we are addressing this by increasingly taking responsibility for the waste streams produced by our constituent councils, this includes finalising plans to process green waste and turn it into a valuable commodity. We are also exploring our options to further reduce our environmental impact by increasing the generation and use of renewable energy on site, and we are progressing our commitment to recycling by investing in education. Our investment in education aims to increase the level of community understanding on proper waste disposal and recycling practices in order to increase participation levels in waste reduction initiatives. Contamination, such as incorrect items placed in kerbside recycling bins, reduces the effectiveness of recycling programs and increases the cost of providing the service.

SRWRA has continued to invest in sustainable waste management facilities and to operate in a financially responsible manner. Over the past year we have recorded an Operating Surplus of \$2.566 million while continuing to provide for our future post closure obligations.

In closing I wish to extend my thanks and appreciation to those who have contributed to our success, to our constituent councils for their continued support, to the Board for their vision in ensuring SRWRA continues to provide a comprehensive waste management solution for Southern Adelaide, to the Audit & Risk Committee for their oversight and guidance, and of course to our CEO Chris Adams and his dedicated team.

Mark Booth
CHAIRPERSON



CHIEF EXECUTIVE OFFICER'S MESSAGE

SRWRA operates a world class integrated waste and recycling facility at Seaford Heights that includes South Australia's largest and most technically advanced Materials Recovery Facility.

The Southern Materials Recovery Facility (SMRF) has been recognised with the Society of Chemical Industry's 2023 Plant of the Year Award. The award is only given if an entry of 'sufficient quality' is submitted, resulting in the SMRF's win being the first in several years. This ongoing recognition of the facility is a reflection of the vision and commitment of our Constituent Councils, SRWRA Board and Joint Venture Partner Re.Group.

SRWRA's integrated site provides processing facilities for both the kerbside waste and recycling bins, a landfill, green energy precinct and a recycled water storage dam that supports McLaren Vale. The integration of our site is unique in Australia and ensures we are leaders in delivering innovative and sustainable waste management solutions for the benefit of our southern Adelaide communities.

The Southern Recycling Centre, a Joint Venture with Integrated Waste Services, plays a significant role in the diversion of organic waste from landfill. Organic waste placed in landfill produces methane, a powerful greenhouse gas. SRWRA's strategy for the removal of methane includes diversion of organics before they enter landfill, and the capture and combustion of methane via the onsite 3MW biogas plant, feeding electricity into the grid in the process.

The risk of fire in our facilities is increasing due to the disposal of combustible materials, such as batteries and marine flares, in the kerbside waste and recycling bins. The greatest threat comes from lithium batteries, due to the intense heat and flame they produce when damaged. Combustible materials should not be placed in kerbside bins and should be disposed of correctly at designated collection points. SRWRA is responding to this risk by increasing communications to its customers on appropriate disposal pathways and augmenting fire response strategies and infrastructure.



The Authority has continued to provide a cost-effective waste management solution for southern Adelaide communities and is in a strong financial position, with an Operating Surplus of \$2.566M and Net Assets of \$30.9M. This strong financial performance supports the provision of \$13.718M for future capping and post closure liabilities. The review and update of the future capping and post closure liabilities will be completed in the 2024/2025 financial year.

Over the last 12 months, the Authority focussed its education efforts on a 'digital 'first' approach that included the launch of a new contemporary website that will, over time, host a range of education resources that can be used by our southern Adelaide communities and customers.

The commitment and 'can do' attitude of the SRWRA staff has ensured the site continues to operate for the benefit of our southern Adelaide communities. I congratulate our team on their strong contribution and express my sincere appreciation of their efforts.

The time commitment required of the Board is increasing as SRWRA increases in complexity. I would like to recognise the contribution of the Board, capably led by Mark Booth as the Independent Chairperson, and the Audit & Risk Committee in SRWRA's ongoing success.

I look forward to the next 12 months as we continue to deliver innovative and sustainable waste management solutions for the benefit of our southern Adelaide communities and the environment.

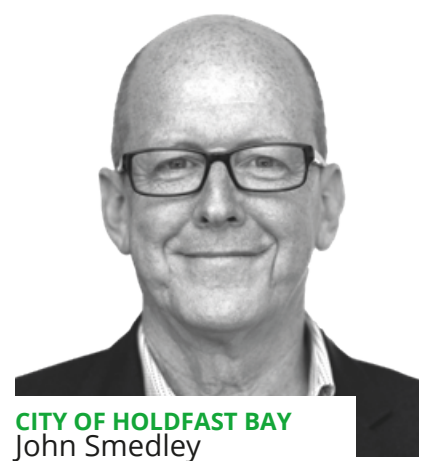
Chris Adams
CHIEF EXECUTIVE OFFICER

BOARD OF MANAGEMENT

AS AT JUNE 30TH 2024



MEMBERS



DEPUTY MEMBERS



FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED **30 JUNE 2024**



SOUTHERN REGION WASTE RESOURCE AUTHORITY

General Purpose Financial Report for the financial year ended 30 June 2024

Contents

	Page Number
Certification of Financial Statements	1
Primary Financial Statements	
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
CEO Statement	
Audit Report	
Council Certificates of Audit Independence	
Audit Certificate of Audit Independence	

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Annual Financial Statements for the financial year ended 30 June 2024

Certification of Financial Statements

I have been authorised by Southern Region Waste Resource Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2024 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Chris Adams
Chief Executive Officer



Mark Booth
Chairperson

Date: 23 September 2024

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Comprehensive Income for the financial year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Income			
User charges	2	16,474	15,283
Investment income	2	921	891
Other	2	324	399
Net gain - equity accounted Joint Venture	13	1,482	1,717
Total Income		19,201	18,290
Expenses			
Employee costs	3	1,199	1,151
Finance costs		-	-
Materials, contracts & other expenses	3	14,170	13,591
Depreciation, amortisation & impairment	3	1,266	1,397
Total Expenses		16,635	16,139
Operating Surplus		2,566	2,151
Asset disposal & fair value adjustments	3	-	-
Amounts received specifically for new/upgraded assets		-	-
Net Surplus		2,566	2,151
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		2,566	2,151

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Financial Position as at 30 June 2024

Assets	Notes	2024 \$'000	2023 \$'000
Current Assets			
Cash and cash equivalents	4	12,311	7,816
Trade & other receivables	4	2,804	3,759
Inventory		23	-
Loan - Related Party	11,13	-	400
Total Current Assets		15,138	11,975
Non-current Assets			
Equity accounted joint venture	13	9,440	9,508
Property, plant & equipment	5	23,905	24,868
Total Non-current Assets		33,345	34,376
Total Assets		48,483	46,351
Liabilities			
Current Liabilities			
Trade & other payables	6	3,716	4,153
Provisions	6	116	137
Total Current Liabilities		3,832	4,290
Non-Current Liabilities			
Provisions	6	13,749	13,725
Total Non-current Liabilities		13,749	13,725
Total Liabilities		17,581	18,015
Net Assets		30,902	28,336
Equity			
Accumulated surplus		28,527	25,961
Asset revaluation reserve		2,375	2,375
Total Equity		30,902	28,336

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Changes in Equity for the financial year ended 30 June 2024

	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at start of period - 1 July 2022	23,810	2,375	26,185
Net Surplus/ (Deficit) for Year	2,151	-	2,151
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2023	25,961	2,375	28,336
Balance at start of period - 1 July 2023	25,961	2,375	28,336
Net Surplus/ (Deficit) for Year	2,566	-	2,566
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2024	28,527	2,375	30,902

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Cash Flows for the financial year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities			
Operating receipts from customers		17,753	14,424
Investment receipts		921	891
Operating payments to suppliers & employees		(15,826)	(13,772)
Finance payments		-	-
Net Cash provided by (or used in) Operating Activities	7	2,848	1,543
Cash Flows from Investing Activities			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets	3	-	-
Distributions from equity accounted Joint Ventures	13	1,550	1,750
Contributions to equity accounted Joint Ventures	13	-	(733)
Expenditure on renewal/replacement of assets	5	(303)	(310)
Expenditure on new/upgraded assets	5	-	(262)
Net Cash provided by (or used in) Investing Activities		1,247	445
Cash Flows from Financing Activities			
Repayment Related Party Loans		400	-
Payment of Related Party Loans		-	-
Net Cash provided by (or used in) Financing Activities		400	-
Net Increase (Decrease) in cash held		4,495	1,988
Cash & cash equivalents at beginning of period	4	7,816	5,828
Cash & cash equivalents at end of period	4	12,311	7,816

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2024

Note 1 – Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general-purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

Each Constituent Council hold the following equitable interest in the Authority:

- City of Onkaparinga	55%
- City of Marion	30%
- City of Holdfast Bay	15%

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

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

1.4 Rounding

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

2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

3 Income recognition

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

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition. Receivables are generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2024

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 8.

5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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

5.2 Materiality

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

Capitalisation threshold applied of \$1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

5.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class are shown below. Depreciation of Landfill Construction and Future Capping, Rehabilitation and Restoration costs are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimated.

Plant, Furniture & Equipment	3 - 10 years
Buildings	30 - 50 years
Waste Facility	10 - 15 years
Landfill construction	Amortised proportionately to rate of filling
Future capping costs	Amortised proportionately to rate of filling
Future rehabilitation and restoration costs	Amortised proportionately to rate of filling

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2024

6 Payables

6.1 Goods & Services

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

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super). The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation 11% in 2023/24 (10.5% in 2022/23).

No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021.

The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

The Authority also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation.

All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2024

8 Provisions for Landfill Capping, Rehabilitation and Restoration Costs

The Authority's provision for landfill capping, post closure rehabilitation costs and restoration costs are calculated based on the net present value of the future cash outflows expected to be incurred to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill site.

The measurement of the provisions requires significant estimates and assumptions such as discount rate, inflation rate, assessment of the requirements of the Environment Protection Authority (EPA) or other government authorities, the timing, extent and costs of activities required and the area of the landfill to be remediated, which is determined by volumetric aerial surveys.

These uncertainties may result in future actual expenditure differing from the amounts currently provided. Expenditure relating to ongoing rehabilitation and restoration will reduce any provision previously established. The Authority monitors the remaining airspace, the airspace consumption efficiency (compaction) ratio, the discount rate and the inflation rate used to calculate the net present value of the future landfill capping, rehabilitation and restoration costs on an annual basis and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is shown in the balance sheet.

A complete review of all future capping, rehabilitation and restoration costs including a review of all the key assumptions and estimates in relation to the measurement of these costs is performed on a regular basis with the assistance of external consultants to ensure all projected costs have been independently verified and details disclosed below.

The Authority has obtained an independent assessment of the liability estimate for its Closure and Post Closure Remediation Provisions which is based on a number of assumptions (as outlined in Note 14 - Fair Value Measurements) that have not yet been ratified by the Board.

The Authority as of 1 July 2023 has made the decision to retain the existing liability totalling \$13.7 million in the Balance Sheet which is expected to be sufficient to meet its closure and post closure obligations.

The dates of the last review of the key assumptions and estimates in relation to the measurement of the future capping, rehabilitation and restoration costs are shown below:

Costs	Effective Date	Independent Assessor
Capping costs	30 June 2019	Golder Associates
Restoration Costs	30 June 2018	Golder Associates
Post Closure Rehabilitation costs	30 June 2016	Katalyse Pty Ltd

9 Inventory

Inventory held by the Authority reflect materials stored on site which have either been purchased or gifted which will be used for future Cell and Capping construction works to be undertaken in future years.

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax". Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment. Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2024

12 New Accounting Standards

No new accounting standards were applied by the Authority during the financial year. The Authority has not elected to early adopt any new accounting standards, interpretations or amendments which are not yet effective.

13 Valuation of Land and Building Assets

Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on highest and best use. All purchases made post 30 June 2014 have been recorded at cost. Since 1 July 2019, the Authority has undertaken significant building construction works which represent 65% of the recorded "At Cost" balance of assets recorded in Note 5 as at 30 June 2024.

Land assets held by the Authority were valued by AssetVal with an effective valuation date of 30 June 2022 applied for financial reporting purposes. Where there is an active and liquid market as evidenced by sales transactions of similar property types, a Market approach by way of Direct Comparison or Income methods were utilised.

Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustment to account for these restrictions.

14 Valuation of Landfill Assets

Landfill assets comprise the acquisition of landfills, cell development costs, landfill improvements costs and the assets related to future landfill capping, rehabilitation and restoration costs.

Assets related to future landfill capping, rehabilitation and restoration costs are valued based on the net present value of the future cash outflows expected to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill asset. The assumptions used to estimate these costs and details of their regular review are described in item 8 – Provision for Landfill Capping, Rehabilitation and Restoration Costs.

All landfill assets are amortised proportionately to the rate of filling as described in Note 1.5.3 Depreciation of Non-Current Assets.

15 Equity Accounted Joint Ventures

The Authority accounts for its interest in Joint Ventures applying the equity method per AASB 128. The value of investments held in Joint Venture entities are held at cost.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

	2024 \$'000	2023 \$'000
Note 2 - Income		
User Charges		
Landfill Operations	16,474	15,283
	<u>16,474</u>	<u>15,283</u>
Investment Income		
Interest on investments	348	148
Rental income	573	743
	<u>921</u>	<u>891</u>
Other Income		
Other income	324	399
	<u>324</u>	<u>399</u>
Note 3 - Expenses		
Employee Costs		
Salaries and Wages	1,012	981
Employee leave expense	3	3
Superannuation	123	120
Workers' Compensation Insurance	61	47
Less: Capitalised and distributed costs	-	-
	<u>1,199</u>	<u>1,151</u>
Materials, Contracts & Other Expenses		
Auditor's Remuneration	12	19
Board Expenses	42	46
Contractors	612	584
Fuels & oils	204	272
Equipment hire	34	130
Maintenance	417	588
Legal	10	21
Levies - EPA	12,300	11,372
Professional services	51	177
Sundry	488	382
	<u>14,170</u>	<u>13,591</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 3 - Expenses (cont)

	2024 \$'000	2023 \$'000
Depreciation, Amortisation & Impairment		
Buildings & Structures	369	357
Plant & Equipment	302	292
Office Equipment	6	15
Super Cell	301	375
Super Cell Capping	259	316
Post Closure Rehabilitation	29	36
Future Restoration Costs	-	6
	<u>1,266</u>	<u>1,397</u>
Asset Disposals		
Proceeds from disposal	-	-
Less: Carrying amount of assets sold	-	-
Gain (Loss) on disposal	<u>-</u>	<u>-</u>
Note 4 - Current Assets		
Cash & Cash Equivalents		
Cash on Hand and at Bank	2,046	2,181
Short-term deposits	10,265	5,635
	<u>12,311</u>	<u>7,816</u>
Trade & Other Receivables		
Debtors - general	2,576	3,575
Accrued Revenues	115	107
Prepayments	66	32
Sundry Debtors	47	45
	<u>2,804</u>	<u>3,759</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2024

Note 5 - Property, Plant & Equipment

	2023 \$'000			2024 \$'000		
	At Fair Value	At Cost	Accumulated Depreciation	At Fair Value	At Cost	Accumulated Depreciation
Land	6,335	-	-	6,335	-	-
Buildings & Structures	560	11,875	(1,622)	560	11,875	(1,992)
Plant & Equipment	-	5,138	(3,242)	-	5,273	(3,542)
Office Equipment	-	143	(132)	-	154	(141)
Super Cell	-	8,988	(6,131)	-	8,988	(6,432)
Super Cell Capping	5,426	-	(3,021)	9,654	-	(7,454)
Post Closure Rehabilitation	6,143	-	(5,869)	6,143	-	(5,898)
Future Restoration Costs	4,228	-	(4,173)	-	-	-
Work in Progress	-	222	-	-	382	-
	22,692	26,366	(24,190)	22,692	26,672	(25,459)
						23,905

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2024

Note 5 - Property, Plant & Equipment

	2023	Movement in Property, Plant & Equipment during the Financial Year						2024
	\$'000	Renewal / Replacement	Additions New/Upgrade	Disposals	Revaluation	Adjustment / Transfer	Depreciation	Carrying Value
Land	6,335	-	-	-	-	-	-	6,335
Buildings & Structures	10,813	-	-	-	-	(1)	(369)	10,443
Plant & Equipment	1,896	137	-	-	-	-	(302)	1,731
Office Equipment	11	8	-	-	-	-	(6)	13
Super Cell	2,857	-	-	-	-	-	(301)	2,556
Super Cell Capping	2,405	-	-	-	-	54	(259)	2,200
Post Closure Rehabilitation	274	-	-	-	-	-	(29)	245
Future Restoration Costs	55	-	-	-	-	(55)	-	-
Work in Progress	222	160	-	-	-	-	-	382
	24,868	305	-	-	(2)	(1,266)	(1,266)	23,905
	25,693	310	260	-	2	(1,397)	(1,397)	24,868

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 6 - Liabilities

	2024 \$'000		2023 \$'000	
	Current	Non-current	Current	Non-current
Trade & Other Payables				
Goods & services	3,699	-	4,137	-
Payments received in advance	17	-	16	-
	3,716	-	4,153	-

Provisions

Annual Leave	63	-	76	-
Long Service Leave	53	31	61	7
Super Cell Capping	-	9,654	-	7,980
Post Closure Rehabilitation	-	4,064	-	4,064
Future Restoration Costs	-	-	-	1,674
	116	13,749	137	13,725

Reconciliation of Movement in Landfill & Restoration Provisions

	Super Cell Capping	Post Closure Rehabilitation	Future Restoration Costs	Total
Opening Balance	7,980	4,064	1,674	13,718
Additional Amounts Recognised/ (Derecognised)	1,674	-	(1,674)	-
Payments	-	-	-	-
Unwinding of Present Value Discounts	-	-	-	-
Closing Balance	9,654	4,064	-	13,718

Please refer to Note 1 part 8 for details regarding the valuation of landfill capping, post closure rehabilitation cost and restoration cost provisions. This information is important for the interpretation of these financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 7 - Cash Flow Reconciliation

(a) Reconciliation of Cash

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

	2024 \$'000	2023 \$'000
Total cash & equivalent assets	12,311	7,816
Less: Short-term borrowings	-	-
Balances per Cash Flow Statement	<u>12,311</u>	<u>7,816</u>

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

Net Surplus (Deficit)	2,566	2,151
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,266	1,397
Net (Gain) Loss on equity accounted joint ventures	(1,482)	(1,717)
Provision unwinding - finance costs	-	-
	<u>2,350</u>	<u>1,831</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	955	(1,258)
Net (increase) decrease in inventory	(23)	-
Net increase (decrease) in trade & other payables	(437)	950
Net increase (decrease) in other provisions	3	20
Net Cash provided by (or used in) operations	<u>2,848</u>	<u>1,543</u>

(c) Financing Arrangements

Corporate Credit Cards	20	20
Cash Advance Debenture (CAD) Facility*	500	500

*The CAD facility is held with the Local Government Finance Authority (LGFA) and the Authority has no drawdown of funds from the facility as at reporting date.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 8 - Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Accounting Policy: Carried at lower of cost and net realisable value; Interest is Call, Short Term recognised when earned.

Deposits **Terms & conditions:** Deposits on Call do not have a maturity period and have an average interest rates of 4.3% (2023: 4%).

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Gate Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An Fees & Associated allowance for doubtful debts is recognised (and re-assessed annually) when collection in Charges full is no longer probable.

Carrying amount: approximates fair value (after deduction of any allowance).

Liabilities - Creditors Accounting Policy: Liabilities are recognised for amounts to be paid in the future for and Accruals goods and services received, whether or not billed to the Authority.

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

Net Fair Value

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

Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 8 - Financial Instruments

Liquidity Analysis

	2024	Maturity			Non-interest bearing	Total
		≤ 1 year	> 1 year ≤ 5 years	> 5 years		
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Amortised Cost						
Cash Assets		12,311	-	-	-	12,311
Receivables		-	-	-	2,804	2,804
Total		12,311	-	-	2,804	15,115
Financial Liabilities						
Payables		-	-	-	3,716	3,716
Borrowings		-	-	-	-	-
Total		-	-	-	3,716	3,716
	2023	≤ 1 year	> 1 year ≤ 5 years	> 5 years	Non-interest bearing	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Amortised Cost						
Cash Assets		7,816	-	-	-	7,816
Receivables		-	-	-	3,759	3,759
Total		7,816	-	-	3,759	11,575
Financial Liabilities						
Payables		-	-	-	4,153	4,153
Borrowings		-	-	-	-	-
Total		-	-	-	4,153	4,153

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 9 - Commitments for Expenditure

	2024 \$'000	2023 \$'000
Capital Commitments		

The Authority had no committed capital expenditure commitments as at reporting date to disclose.

Note 10 - Events Occurring After Reporting Date

There were no events that occurred after reporting date that requires to be disclosed.

Note 11 - Disclosure of Related Party Transactions

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 6 persons were paid the following total compensation:

Salaries, allowances & other short term benefits	454	499
Total	454	499

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Onkaparinga (Member Council)	8,562	281	Provision of waste disposal services
City of Holdfast Bay (Member Council)	1,365	74	Provision of waste disposal services
City of Marion (Member Council)	3,793	284	Provision of waste disposal services
Southern Materials Recycling Facility (Joint Venture)	2,721	282	Provision of waste disposal services
Southern Recycling Centre (Joint venture)	7,833	453	Provision of waste disposal services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 4. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 12 - Uniform Presentation of Finances

	2024 \$'000	2023 \$'000
Income		
<i>User charges</i>	16,474	15,283
<i>Investment income</i>	921	891
<i>Other</i>	324	399
<i>Net gain - equity accounted Joint Venture</i>	1,482	1,717
	<u>19,201</u>	<u>18,290</u>
Expenses		
<i>Employee costs</i>	1,199	1,151
<i>Finance costs</i>	-	-
<i>Materials, contracts & other expenses</i>	14,170	13,591
<i>Depreciation, amortisation & impairment</i>	1,266	1,397
	<u>(16,635)</u>	<u>(16,139)</u>
 Operating Surplus / (Deficit)	 2,566	 2,151
Net Outlays on Existing Assets		
<i>Capital Expenditure on renewal and replacement of Existing Assets</i>	(303)	(310)
<i>Depreciation, Amortisation, Impairment and Movement in Landfill Provisions</i>	1,266	1,397
<i>Proceeds from Sale of Replaced Assets</i>	-	-
	<u>963</u>	<u>1,087</u>
Net Outlays on New and Upgraded Assets		
<i>Capital Expenditure on New and Upgraded Assets</i>	-	(262)
<i>Amounts received specifically for New and Upgraded Assets</i>	-	-
<i>Proceeds from Sale of Surplus Assets</i>	-	-
	<u>-</u>	<u>(262)</u>
 Net Lending / (Borrowing) for Financial Year	 <u>3,529</u>	 <u>2,976</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2024

Note 13 - Equity Accounting Joint Ventures

Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services to operate the Southern Recycling Centre located on the Authority's landfill site.

	2024	2023
	\$'000	\$'000
The Authority's respective interests are:		
- interest in operating result:	50.00%	50.00%
- ownership of equity	49.99%	49.99%
- the proportion of voting power	50.00%	50.00%
 <u>Movement in Investment in Joint Operation:</u>		
Opening Balance	1,410	1,620
New Capital Contributions	-	-
Share in Operating Result	1,507	1,540
Equity Adjustment	-	-
Distributions Received	(1,550)	(1,750)
Share in Equity of Joint Operation	1,367	1,410

Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the financial statements for the financial year ended 30 June 2024

Note 13 (cont.) - Equity Accounting Joint Ventures

Southern Materials Recycling Facility (SMRF)

The Authority has entered into a joint venture arrangement with Re.Cycle (Adelaide) Pty Ltd to operate the Southern Material Recovery Facility located on the Authority's landfill site.

	2024 \$'000	2023 \$'000
The Authority's respective interests are:		
- interest in operating result:	50.00%	50.00%
- ownership of equity	50.00%	50.00%
- the proportion of voting power	50.00%	50.00%
 <u>Movement in Investment in Joint Operation:</u>		
Opening Balance	8,098	7,188
Capital Contributions (cash contribution)	-	733
Capital Contributions (transfer of plant assets)	-	-
Capital Contribution (conversion to loan)	-	-
Share in Operating Result	(25)	177
Share in Equity of Joint Operation	8,073	8,098

The Authority applies AASB 1058 when recognising income from Grants in line with the applicable treatment applied by not-for-profit entities. The Joint Venture recognises grant income on a different basis which has resulted in an inconsistent application of accounting policy between the entities on the timing of recognising income from grant revenues. As a result of this different application in accounting standards and policy on grant revenue recognition, this has resulted in an adjustment to the Share in Operating Result of \$0.154 million (decrease) (FY23: \$0.495 million increase) in the current financial year.

Expenditure Commitments

There are no capital construction commitments as at reporting date to disclose.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2024

Note 14 - Fair Value Measurements

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

SOUTHERN REGION WASTE RESOURCE AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2024

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2024					
Recurring fair value measurements					
Property, Plant & Equipment and Landfill Assets					
- Land	5	-	6,335	-	6,335
- Buildings	5	-	560	-	560
- Super Cell Capping	5	-	-	9,654	9,654
- Post Closure Rehabilitation	5	-	-	6,143	6,143
Total financial assets recognised at fair value		-	6,895	15,797	22,692

2023					
Recurring fair value measurements					
Property, Plant & Equipment and Landfill Assets					
- Land	5	-	6,335	-	6,335
- Buildings	5	-	560	-	560
- Super Cell Capping	5	-	-	5,426	5,426
- Post Closure Rehabilitation	5	-	-	6,143	6,143
- Future Restoration Costs	5	-	-	4,228	4,228
Total financial assets recognised at fair value		-	6,895	15,797	22,692

(b) Disclosed fair value measurements

The following tables provide the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2024

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	3	Cost Approach	Landfill assets unobservable inputs. The measure of these costs requires significant estimates and assumptions such as: discount rate, inflation rate, assessment of EPA requirements, the timing, extent and costs of the required activities and the estimated remaining airspace of the landfill.
There has been no change in the valuation technique(s) used to determine the value of parcels of land where there are restrictions as to use and sale of these assets.	3	Market Value	Land assets unobservable inputs. Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustments to account for these restrictions. These adjustments are usually unobservable inputs that are likely to have a significant effect on valuation.



Southern Region Waste Resource Authority

Audit & Risk Committee – Auditor Independence

Presiding Member Certification

I, David Powell, the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority Audit & Risk Committee, for the financial year ending, 30 June 2024, do hereby certify, for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011, that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside the scope of the audit functions under the Local Government Act 1999.

A handwritten signature in blue ink, appearing to read 'David Powell', is written over a horizontal line.

David Powell
Presiding Member
Southern Region Waste Resource Authority
Audit & Risk Committee

7 August 2024
Dated



SOUTHERN REGION WASTE RESOURCE AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2024

Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2024, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

A handwritten signature in blue ink, appearing to read 'T. Muhlhausler'.

Tim Muhlhausler CA, Registered Company Auditor

Director

26 September 2024

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5262
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA
PO Box 4067, Norwood South SA
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of SRWRA (the Authority), which comprises the statements of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2024, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Postponed revaluation of landfill capping and post closure liabilities

Without modifying our opinion, we draw attention to Note 1 part 8 of the financial report, which describes the postponed adoption of the revaluation of landfill capping and post closure liabilities. The Authority has made the decision to retain the existing liabilities totalling \$13.7 million in the balance sheet. The Authority expects these liabilities to be sufficient to meet its closure and post closure obligations. These circumstances impact the reliability of the reported provision balances and related amounts in the statement of comprehensive income. Our opinion is not modified in respect of this matter.

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.



CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5262
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA
PO Box 4067, Norwood South SA
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor

Director

26 September 2024



INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

To the members of the Southern Region Waste Resource Authority

Opinion

We have audited the compliance of SRWRA (the Authority) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2023 to 30 June 2024 have been conducted properly and in accordance with the law.

In our opinion, SRWRA has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Authority in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the period 1 July 2023 to 30 June 2024.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Authority's Responsibility for Internal Control

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the *Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5103
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA
PO Box 4067, Norwood South SA
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd

ABN 62 151 822 021

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

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

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

Limitations of Use

This report has been prepared for the members of the Authority in accordance with section 129 of the *Local Government Act 1999* in relation to the internal controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor

Director

26 September 2024



Southern Region Waste Resource Authority

Board Chairperson – Auditor Independence

I, Mark Booth, the person occupying the position of Chairperson of the Southern Region Waste Resource Authority Board, for the financial year ending, 30 June 2024, do hereby certify, for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011, that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside the scope of the audit functions under the Local Government Act 1999.

A handwritten signature in blue ink, appearing to be 'Mark Booth', is positioned above a horizontal line.

Mark Booth
Chairperson
Southern Region Waste Resource Authority

Dated 7 August 2024

Chief Executive Officer's Certificate of Compliance**Auditor Independence****Southern Region Waste Resource Authority**

I, Phu Nguyen, the person occupying the position of Chief Executive Officer of the City of Onkaparinga, for the financial year ending, 30 June 2024, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify, for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011, that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.



Phu Nguyen
Chief Executive Officer
City of Onkaparinga

Dated 20 August 2024

Chief Executive Officer's Certificate of Compliance

Auditor Independence

Southern Region Waste Resource Authority

I, Tony Harrison, the person occupying the position of Chief Executive Officer of the City of Marion, for the financial year ending, 30 June 2024, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify, for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011, that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.



Tony Harrison
Chief Executive Officer
City of Marion

06/08/2024

Dated

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.



Chief Executive Officer's Certificate of Compliance

Auditor Independence

Southern Region Waste Resource Authority

I, Roberto Bria, the person occupying the position of Chief Executive Officer of the City of Holdfast Bay, for the financial year ending, 30 June 2024, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify, for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011, that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside the scope of the audit functions under the Local Government Act 1999.



Roberto Bria
Chief Executive Officer
City of Holdfast Bay

7 August 2024
Dated

ATTENDANCE AT BOARD MEETINGS

BOARD MEMBERS	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
CHAIRPERSON Mark Booth	7	7
CITY OF ONKAPARINGA Kirk Richardson	7	7
CITY OF ONKAPARINGA Jordan Pritchard	7	7
CITY OF MARION Angela Allison	7	7
CITY OF MARION Ray Barnwell	7	7
CITY OF HOLDFAST BAY Roberto Bria	7	7
CITY OF HOLDFAST BAY John Smedley	7	5
DEPUTY BOARD MEMBERS		
Please Note: Deputy Members are only required to attend a Meeting when the Member is an apology		
CITY OF ONKAPARINGA Heidi Greaves	7	0
CITY OF ONKAPARINGA Jessica Tucker	4	2
CITY OF MARION Ian Crossland	7	0
CITY OF HOLDFAST BAY Monique O'Donohue	7	0
CITY OF HOLDFAST BAY Pamela Jackson	7	1

ATTENDANCE AT AUDIT & RISK COMMITTEE MEETINGS

	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
DAVID POWELL Presiding Member <i>Appointed December 2023</i>	3	3
SAM SPADAVECCHIA <i>Term completed February 2024</i>	2	2
JOSH HUBBARD <i>Appointed August 2023</i>	5	5
TIM O'LOUGHLIN <i>Appointed September 2023</i>	4	3
MARK BOOTH	5	5

PERFORMANCE AGAINST BUSINESS PLAN

Each year SRWRA prepares an Annual Business Plan, detailing its actions and measures, that is submitted to the Constituent Councils.

AIMS, OBJECTIVES AND KEY MEASURES

RESOURCE RECOVERY ACTIONS	STATUS
Grow the customer base for SRWRA and its Joint Venturers	Complete
Implement year 1 of the Communication and Education Strategy	In Progress
Progress the development of the Circular Economy Park	In progress
Investigate options to increase diversion from landfill	Complete
Seek opportunities to source landfill cell construction and capping material from customers	Complete
Maximise the use of recovered resources on site	Complete
OPERATIONAL EXCELLENCE ACTIONS	STATUS
Continuously review and improve workplace safety systems	Complete
Maximise remaining landfill airspace	Complete
Maximise the compatible use of buffer land	In Progress
Continuous improvement of litter capture on site	Complete
Conduct organisational review to ensure SRWRA is positioned to meet our strategic objectives and future business needs such as buffer land development/EcoPark	Complete
GOVERNANCE & RISK ACTIONS	STATUS



AIMS, OBJECTIVES AND KEY MEASURES

Maintain a contemporary suite of policies	In Progress
Work in accordance with the Risk Management Policy and Framework	Complete
Implement a Records Management System	In Progress
Review and update the Work Emergency & Evacuation Plan	Complete
Board and Committee meetings are delivered as per the agreed timing and schedule	Complete
The Annual Business Plan and Budget is prepared, reviewed, and reported and adopted in accordance with statutory timelines	Complete

WORK HEALTH AND SAFETY

LOST TIME INJURIES

At SRWRA safety is part of our culture, a value considered with each decision made by management and staff. SRWRA is committed to providing a healthy and safe work environment that minimises the risk of injury or illness arising from work activities.

SRWRA recorded one lost time injury (LTI) in 2023-2024 which is an increase over the previous twelve months when no LTI's were recorded.

Annual lost time injuries:

ANNUAL LOST TIME INJURIES

(Lost time injuries represent one complete shift or more of lost time)

2021 - 2022	2022 - 2023	2023 - 2024
1	0	1

INJURY MANAGEMENT

SRWRA received one worker compensation claim during 2023-2024. This is an increase in claims lodged this year compared to the previous year, which had zero compensation claims lodged.



PROCUREMENT

SRWRA is committed to a fair, transparent and accountable process when acquiring goods and services, consistent with Section 49 of the Local Government Act 1999.

Each year goods and services are procured to support the delivery of the Annual Business Plan and Budget. The SRWRA Board has adopted the Procurement Policy to govern all procurement activities, excluding the purchase and disposal of land and other assets owned by the Authority.

In certain circumstances, the Authority may, after approval from its Board, waive application of this Policy and pursue a method which will bring the best outcome for the SRWRA. The Authority must record its reasons in writing for waiving application of this Policy.

Annual procurement performance:

ANNUAL PROCUREMENT PERFORMANCE

NUMBER OF PROCUREMENT EVENTS	NUMBER OF PROCUREMENT POLICY WAIVERS
531	2

Key reasons for the granting of Procurement Policy waivers in the last 12 months include:

- the best value for money outcome for SRWRA
- the limited size of the market and the number of credible suppliers



SRWRA CONSTITUENT
COUNCILS



SRWRA

112 Bakewell Drive
Seaford Heights SA 5169

T 08 8327 0304

E info@srwra.com.au

W srwra.com.au/contact

Item No: 9.4

Subject: 2023-24 DRAFT ANNUAL REPORT

Summary

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

The 2023-24 Annual Report has been prepared to meet all statutory requirements. The Report shows that council has continued to deliver quality and improved services and facilities to its community.

Recommendation

That the Audit and Risk Committee recommends that Council adopts the 2023-24 Annual Report, which appears as Attachment 1 to this report, subject to design and minor alterations and the inclusion of the audited financial statements of Council along with those of Council's regional subsidiary, the Southern Region Waste Resource Authority.

Background

Section 131 of the *Local Government Act 1999* requires Council to prepare and adopt an Annual Report each year by 30 November. The Report must reflect the progress in reaching its strategic and financial goals in an appropriately governed manner.

A copy of the adopted Annual Report must be submitted by council to the Presiding Members of both Houses of Parliament, the Parliamentary Library, State Library and National Library as well as the SA Local Government Grants Commission by 31 December 2024.

Report

The 2023-24 draft Annual Report (which appears as Attachment 1) meets all the requirements of the *Local Government Act 1999* and provides an overview of Council's substantial achievements.

Refer Attachment 1

This Annual Report is part of a strategic planning and reporting framework that guides council's direction and measures our performance against the goals set out in the Strategic Plan titled *Our Holdfast 2050+*.

This report records our achievements in line with the ambitious program of work outlined in our Annual Business Plan 2023-24. It reports on our performance compared to last financial year's budget and strategic aims.

Achievements

This year was notable for the number of awards and accolades received by council. These included:

- The Signal Fires event that was held as a part of the 2023 Proclamation Day activities was named the winner of the Excellence in Community Partnerships and Collaboration, which was announced at the Local Government Professionals Australia 23rd Annual Leadership Excellence Awards.

This event included a series of signal fires which were lit on the beach along Holdfast Bay's coastline. The signal fires were part of a joint approach by Kurna Nation, Firesticks and council and took many months of planning and collaboration which culminated on 28 December 2023 in what was a poignant and significant cultural event that we are proud to have been involved with.

- Members of our Field Services team won a national award for Excellence in Sports Fields and Grounds Management presented by The Australian Sports Turf Managers Association.

The award recognised the work they do to maintain the excellent playing surface at Glenelg Oval, which plays hosts to both winter and summer sports, namely football and cricket, as well as school sports days and other community activities.

- The Holdfast Habitat Heroes, our environmental volunteers, received a special commendation in the Invasive Species Council's 2023 Froggatt Award.

These annual awards are given to those who have made a major contribution to protecting Australia's native plants and animals, ecosystems and people from invasive species and the Holdfast Habitat Heroes have been proactively working over the past 15 years to identify and control invasive species in the dunes.

- In September 2023, at the Institute of Public Works Engineering Australasia South Australia Excellence Awards, the Pine Gully Restoration project won the category of Excellence in Water Project. This was in recognition of the transformation and restoration of this hidden natural space for the community to enjoy through significant stormwater, revegetation, access and amenity improvements.
- The Glenelg Ice Cream Festival was a finalist in the Tourism Industry Council South Australia 2023 South Australian Tourism Awards, in the Festivals and Events category, which recognises festivals and events that enhance the profile, awareness and appeal of the destination they are held in, as well as creating economic impact, increased visitation and community involvement.
- At the recent SA Volunteer Awards, organised by Volunteering SA and NT, our Volunteer Services Coordinator was shortlisted for Volunteer Manager of the Year

award. This award honours a volunteer manager for their outstanding contributions to the profession and we are lucky to have more than 300 volunteers who contribute so much to our community.

Some highlights in support of the Council's Strategic Plan *Our Holdfast 2050+* included:

- Glenelg Oval Masterplan works were completed after three years. This was a \$58 million project which attracted funding from SACA, the AFL, Department of Education, the Local Government Infrastructure Partnership Program (LGIPP) through the SA Government and the Local Roads and Community Infrastructure Program (LRCI) through the Federal Government.
- Council has taken on responsibility for managing the Holdfast Bay and Glenelg North Community Centres. These will provide increased opportunities to increase their usage and develop these into multi-purpose hubs.
- The Kingston Park Kiosk was completed after two years of planning and construction. This \$1.4 million project was opened in March 2024 with the NEST Kiosk already proving extremely popular with locals and visitors.
- Council entered into an agreement for the Resilient South Regional Climate Action Plan. This was officially launched by Minister Susan Close, Minister for Climate, Environment and Water, and Mayors Amanda Wilson, Moira Were AM, Kris Hanna and Heather Holmes-Ross in March 2024.
- The development and rollout of council's Request Management System (RMS). The RMS is a centralised system to manage all community and internal requests. The design of RMS reduces reliance on emails and improves service delivery through better tracking and data-driven decision-making.
- The Brighton and Glenelg Libraries had 187,423 visits which is 5% up on the previous year. This means that 12,387 members average fifteen visits per year. Continuing a trend of increasing interest in digital mediums, there were 428,349 items borrowed, including physical items 326,494 items and 101,855 digital items.
- There were 18,571 children and families who took part in early literacy programs exploring new words with Wriggle and Rhyme and Words Grow Minds, discovering science in STEM sessions, fun holiday programs, Play and Stay Saturdays and testing your skill at the gaming zone.

In addition, the teams responsible for maintenance and renewal of our assets delivered the following:

- 5,576 linear metres of roads were resealed;
- 4,150 linear metres of kerbs were renewed;
- 3,927 linear metres of footpaths were repaired; and
- 91 kerb ramps were upgraded to meet *Disability Discrimination Act 1992* (DDA) requirements.

It is also noteworthy that on a normal day in 2023-24 in the City of Holdfast Bay:

- 1,224 items were borrowed from our libraries at Glenelg and Brighton;
- 535 people visited the libraries;
- 174 phone calls and 137 emails were responded to by our Customer Service team;
- our two Jetty Roads at Glenelg and Brighton were serviced by street sweepers;
- 60 separate cleaning services were conducted at council buildings;
- each of our 31 public toilet facilities were serviced and cleaned;
- 7,200 bins lifts for residential and business waste collection were completed;
- 3,736 pages were viewed on our website by over 1,500 users;
- 4 Development Applications were processed;
- 22 linear metres of roads were resealed;
- 24 square metres of kerb were renewed;
- 3 trees were planted.

These achievements have been accomplished within tight financial controls with all indicators well within targets.

The attached report will also be updated to include the audited financial statements of council along with those of Council's regional subsidiary, the Southern Region Waste Resource Authority. Both statements are the subject of a separate item in this Agenda.

They will be incorporated into the 2023-24 draft Annual Report once the Audit and Risk Committee has resolved to inform Council it has reviewed the General Purpose Financial Reports for the year ending 30 June 2024, as required under section 126(4)(a) of the *Local Government Act 1999*, and found them to present fairly the state of affairs of the council as required under the Local Government (Financial Management) Regulations 2011.

As in previous years, this year's Annual Report will be provided in an electronic format on the Council's website with a limited number of printed copies available upon request.

A copy of the adopted Annual Report must be submitted by council to the Presiding Members of both Houses of Parliament, the Parliamentary Library, State Library and National Library as well as the SA Local Government Grants Commission by 31 December 2024.

Budget

The cost of design, printing and publishing of the Annual Report is incorporated in the 2024-25 Budget.

Life Cycle Costs

There are no life cycle costs associated with this report.

Strategic Plan

The Annual Report describes progress toward achieving outcomes in Council's strategic plan *Our Holdfast 2050+*. It describes activities undertaken against the *2023-24 Annual Business Plan, Our Plan for Our Place*.

Council Policy

Not applicable

Statutory Provisions

The Annual Report is required by section 131 of the *Local Government Act 1999*.

Written By: Corporate and Service Planning Lead

General Manager: Strategy and Corporate, Sharon Wachtel

Our Holdfast Annual Report 2023-24



Acknowledgment to Country

The City of Holdfast Bay acknowledges the Kaurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kaurna people today.



Welcome to Our Holdfast

This annual report is part of a strategic planning and reporting framework that guides Council's direction and measures our performance against the goals set out in the City of Holdfast Bay strategic plan—*Our Holdfast 2050+*.

This report records our achievements in line with the ambitious program of work outlined in the *Our Plan for Our Place Annual Business Plan 2023–24*.

Our Vision

In Council's Strategic Plan *Our Holdfast 2050+* the vision is:

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

Contents

Our Holdfast	6
Our Community	7
Message From The Mayor	8
Message From The CEO	11
2023–24 Highlights	14
A Day In The Life	15
Quality Of Life Survey Results (2023)	16
Our Holdfast 2050+	19
Wellbeing	20

Sustainability	38
Innovation	58
Strategic Management	72
Council of the City of Holdfast Bay	84
Decision Making Structure	90
Corporation of the City of Holdfast Bay	100
Transparency	106
Audited Financial Statements	116
Southern Region Waste Resource Authority Annual Report	168



Our Holdfast

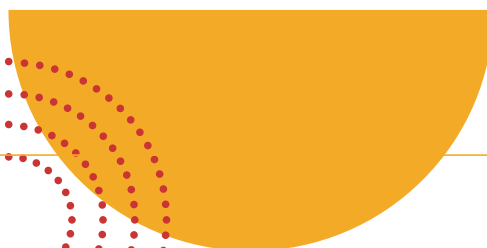
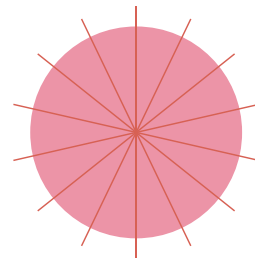
Adelaide's Favourite Coastal Destination

For 65,000 years, Aboriginal people have inhabited the vast lands of Australia. The coastal environment of Holdfast Bay, with its freshwater lagoons and abundant plant and animal resources, was used for millennia as a meeting place for cultural celebrations, ceremony, and trade by the local Kurna people. It continues to be a place of significant Kurna cultural heritage.

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

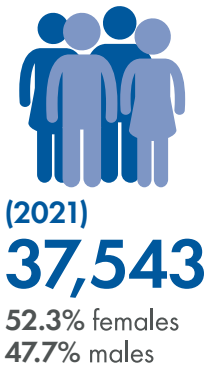
The Province of South Australia was proclaimed at Pathawilyangga in 1836, which became the municipality of Glenelg in 1855. Wituwaringga became the municipality of Brighton in 1858. In 1997, the City of Holdfast Bay was formed through the amalgamation of the Glenelg and Brighton councils.

Located just eleven kilometres from Adelaide's city centre and five minutes from Adelaide Airport, our city is now home to over 37,000 people and one of the most celebrated places to live, work and visit in the Adelaide metropolitan area. It boasts a beautiful natural environment; high-quality recreation and community facilities; superior health and education options; a vibrant tourism sector; thriving retail precincts; and a small light industrial area.



Our Community

TOTAL POPULATION



VEHICLE USAGE

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



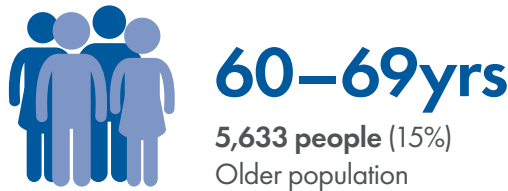
SNAPSHOT



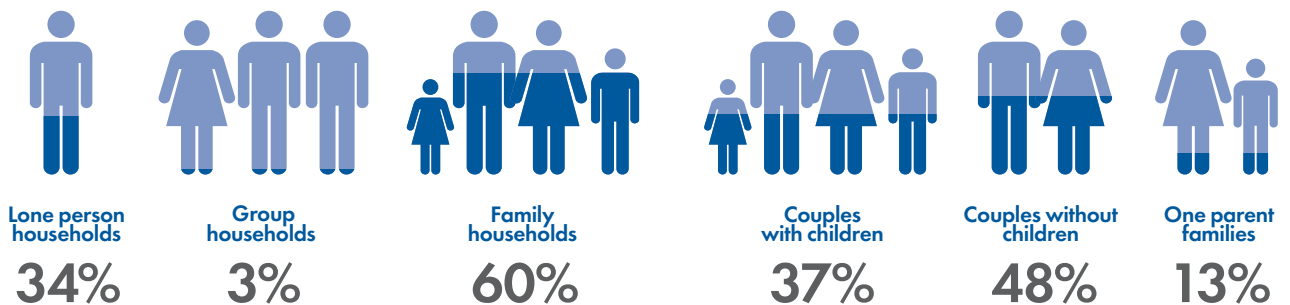
MEDIAN AGE



MOST COMMON AGE GROUP



HOUSEHOLD TYPES



OF THE 60% FAMILY HOUSEHOLDS

Source: ABS 2021

Message from the Mayor

Welcome to the City of Holdfast Bay's Annual Report for 2023–24.

Our achievement's year-on-year are always impressive and only when we look back and reflect on the past 12 months, do we realise just how many great things we have achieved – both as a Council and as a community.

This year, more so than before, we celebrated a number of firsts – including a world-first – across many different areas of Council's business.

For the first time in its history, the 2024 Adelaide Festival was launched outside the city and opened on a warm February night on Glenelg Beach with the Australian and world premiere of Baleen Moondjan.

This major event, by creative visionary Stephen Page, was a celebration of our First Nations' stories and culture and the sacred resilience of Country.

Events of this nature contribute to Council's strategic aspirations to be recognised as the most vibrant arts and culture hub outside of the city centre.

Glenelg Beach was also the site for another Australian debut as part of the Adelaide Festival program of events. This came in the form of a life-size, hyper-real sperm whale which 'beached' on our sandy shores over the March long-weekend.

Called 'Whale', the theatre piece blurred the line between reality and fiction and brought with it a powerful statement about the environment and climate change.

It also attracted more than 100,000 people to the Bay over a weekend and garnered significant media coverage, locally and internationally.

Glenelg also played host to another arts festival during the winter of 2023, thanks to a collaboration with the producers from Gluttony, of Adelaide Fringe fame.

The Glenelg Winter Arts Festival held at Colley Reserve marked a significant shift from the traditional ice-skating model to a vibrant cultural celebration which attracted approximately 25,000 attendees who enjoyed a diverse line-up of 39 shows and workshops.

This two-week event enhanced Glenelg's reputation as a dynamic off-season destination and importantly, integrated local culture and commerce by hosting food stalls by Jetty Road, Glenelg traders, which in turn supported local businesses and enriched the festival experience.

There was a significant injection into the local economy, with an estimated \$24.8 million spent in Glenelg during the festival period, which was a 14% increase compared to the previous year's winter event.

The festival's success in drawing both locals and tourists underscored its potential as a staple in Adelaide's cultural calendar.

When Council developed its vision for the city, contained in *Our Holdfast 2050+*, a priority was to ensure Holdfast Bay remains a welcoming and healthy place for all.

This spirit of inclusion was evident this year across a range of activities, but none more so than the Kaurua signal fires event to mark Proclamation Day and the accessible beach days held over the summer months.



On 28 December 2023, months of planning unfolded with a series of signal fires lit on the beach along Holdfast Bay's coastline, which followed the traditional Proclamation Day commemoration at the Old Gum Tree Reserve at Glenelg North.

Kurna Elders and the Kurna fire team from Firesticks - an Indigenous alliance across Australia reviving cultural burning and landscape management - with support from the City of Holdfast Bay, led this significant cultural event which the wider community was invited to take part in.

The signal fires were part of a joint approach by the Kurna Nation, Firesticks and Council to provide further knowledge, truth-telling and education to our community around the significance of Proclamation Day, which signifies the founding of South Australia.

The revival of this cultural practice by Kurna, which is a practice shared by many Aboriginal groups across Australia, acknowledged acts that took place in 1836, upon the arrival of colonial ships along South Australia's coastline.

The City of Holdfast Bay has built a respectful relationship with Kurna, based on trust and a shared vision – to present the truth of colonial South Australia and the truth from a Kurna perspective, equally.

Inclusion and accessibility were key features of the five accessible beach day events held over the 2023–24 summer months at Glenelg.

The City of Holdfast Bay partnered with Paraquod South Australia and community volunteers to support more than 35 individuals to access the beach. In January 2024, the events were relocated to the newly constructed Disability Discrimination

Act (DDA) compliant ramp close to the Glenelg Jetty, and after an initial two-week trial of leaving the accessible mats out around the clock, they remained available for the rest of the season.

Making our public realm accessible is a critical part of including everyone in our city and it was so lovely to see the joy on the faces of people able to access the beach, who previously couldn't do so.

Accessibility is a key feature of the improvements at Glenelg Oval, which have taken place over many years.

Most recently, stages three and four of the masterplan were completed with new public toilets, including an accessible toilet, along with improved wheelchair access, spectator viewing area with a dedicated wheelchair viewing area and new cricket practice facilities for the Glenelg District Cricket Club.

It was also great to see the Glenelg Football Club win the 2023 SANFL Grand Final, which provided a significant boost to community pride.

Next to the oval, Margaret Messenger Reserve was upgraded with new fitness stations, a 3x3 basketball court and mini soccer goals with improved connectivity to Glenelg Oval.

This year, we began work on a much-improved Seacliff amenities block, which again has a focus on accessibility for all.

The new building includes five unisex toilets, one disability toilet and shower, an outdoor public shower area and handwashing station and improved beach ramp access for pedestrians and surf club vehicles onto our southern beaches.

Message from the Mayor

An important aspect of the project is an upgrade of the area surrounding the new amenities building which will create continuous widened footpaths with more circulation space to improve access to the amenities area and beach for people with disabilities.

Another significant development in the area was the completion of the new kiosk at nearby Kingston Park.

Named Nest, it is located right next to the Brighton Beachfront Holiday Park with absolute beachfront views – and is accessible from the Coast Path or via the car park next to the holiday park.

Completed in April 2024, this beautiful new building includes indoor dining for 40 patrons, 42 seats in a shaded outdoor area, a takeaway servery, and both ambulant and disabled toilets.

Our connection to the coastline and our natural environment means that caring for our patch of the world is a constant area of focus in all that we do.

Council's comprehensive Green Living Rebates program was expanded further when we became the first Council on mainland Australia to offer rebates for e-bikes, which is helping us achieve our strategic goals of reducing community greenhouse gas emissions and increasing active transport.

The rebates came about when two electric cargo bike enthusiasts approached Council to suggest such a rebate and were pleasantly surprised that their idea was able to be instituted the next day.

Residents of the City of Holdfast Bay can now claim rebates of \$200 on e-bikes and regular cargo bikes. Rebates of \$300 are on offer for electric cargo bikes. This is now being promoted through local bike shops and was highlighted in an online feature article by the national organisation Bicycle Network.

Efforts to minimise waste sent to landfill are an important part of minimising climate change, but on the other side of the ledger we must also prepare for its impacts.

I was proud to launch the *Resilient South Regional Climate Action Plan 2024–29* alongside the Minister for Climate, Environment and Water, Susan Close, and the mayors of the cities of Marion, Mitcham and Onkaparinga in March 2024.

This plan provides a strategic roadmap for the next five years and is our collective commitment to continue to create a climate resilient region for southern Adelaide, with healthy and diverse natural environments, low emissions and connected communities.



Amanda Wilson
Mayor
City of Holdfast

Message from the CEO

I am delighted to provide this message for the 2024–25 Annual Report as acting Chief Executive Officer of the City of Holdfast Bay. I took on this role in August 2024 after the retirement of our former CEO Roberto Bria.

I had the pleasure of working with Roberto for eight years, firstly as a colleague when he was a General Manager like myself, and then for the past six years after he was appointed CEO.

Over my many years with City of Holdfast Bay, I have seen the professional, highly skilled and committed staff we are lucky to have in our organisation and who all strive to make Holdfast Bay a wonderful place to live, work, stay and play.

In this past year, it has been a delight to see that many of them have been nominated for, or won, significant accolades or awards for projects, collaborations and initiatives – all of which are well deserving of further recognition.

This year's awards and recognition were many and varied.

As mentioned in the Mayor's Message, the 2023 Proclamation Day events included a series of signal fires which were lit on the beach along Holdfast Bay's coastline.

The signal fires were part of a joint approach by the Kurna Nation, Firesticks and Council and took many months of planning and collaboration which culminated on 28 December in what was a poignant and significant cultural event that we are proud to have been involved with.

This event was named the winner of the Excellence in Community Partnerships and Collaboration, which were announced at the Local Government Professionals Australia 23rd Annual Leadership Excellence Awards.

Notably at these awards, the City of Holdfast Bay had three finalists in different categories, which is the equal second highest number of finalists in South Australia.

Members of Council's Assets team were finalists in the Excellence in Infrastructure Delivery award for the Pine Gully Restoration project.

And our Council-wide implementation of weekly green-lid FOGO (food organics garden organics) collections was among finalists for the Excellence in Environmental Leadership and Sustainability category.

On the national stage, members of our Field Services team won a national award for Excellence in Sports Fields and Grounds Management presented by The Australian Sports Turf Managers Association.

The award recognised the work they do to maintain the excellent playing surface at Glenelg Oval, which plays hosts to both winter and summer sports, namely football and cricket, as well as school sports days and other community activities.

At the recent SA Volunteer Awards, organised by Volunteering SA and NT, our Volunteer Services Coordinator was shortlisted for Volunteer Manager of the Year award.

This award honours a volunteer manager for their outstanding contributions to the profession and we are lucky to have more than 300 volunteers who contribute so much to our community.

In the past year, our volunteers have dedicated approximately 59,400 hours this past year, translating to an economic value of \$2.769 million. The contribution our volunteers make is invaluable and they are greatly appreciated by Council and our community.

This year, inclusive participation and integrating volunteers in diverse roles across the city was

Message from the CEO

the focus of the volunteer program, which resulted in expanded opportunities to support community members with disabilities.

A new initiative in collaboration with Minda Inc, to integrate people living with intellectual disabilities into volunteering roles, saw five volunteers successfully placed with plans for further expansion.

It also established reciprocal volunteering opportunities with Minda Inc to enhance the range of roles available and further enrich community service options.

The Holdfast Habitat Heroes, our environmental volunteers, received a special commendation in the Invasive Species Council's 2023 Froggatt Award.

These annual awards are given to those who have made a major contribution to protecting Australia's native plants and animals, ecosystems and people from invasive species and the Holdfast Habitat Heroes have been proactively working over the past 15 years to identify and control invasive species in the dunes.

In September 2023, at the Institute of Public Works Engineering Australasia South Australia Excellence Awards, the Pine Gully Restoration project won the category of Excellence in Water Project. This was in recognition of the transformation and restoration of this hidden natural space for the community to enjoy through significant stormwater, revegetation, access and amenity improvements.

The Glenelg Ice Cream Festival was a finalist in the Tourism Industry Council South Australia 2023 South Australian Tourism Awards, in the Festivals and Events category, which recognises festivals and events that enhance the profile, awareness and appeal of the destination they are held in, as well as creating economic impact, increased visitation and community involvement.

The Ice Cream Festival has become a staple on our summer event's calendar, with an estimated 40,000 people flocking to Jetty Road, Glenelg and the foreshore this year with plans now well underway for the 2025 event.

As well as awards and recognition, Council has been at the forefront of significant changes and has proven itself a leader time and time again.

The City of Holdfast Bay was the first council in South Australia to change its bin collection frequencies so that red-lid landfill bins are collected fortnightly and green-lid Food Organics Garden Organics (FOGO) bins are collected weekly.

This enabled our community to reach an outstanding 71% diversion of waste away from landfill – a South Australian first which has also prompted other councils to trial their own weekly FOGO bin collections.

This outstanding effort by our community also achieved a reduction in greenhouse gases that are produced when food and other organic items are sent to landfill.

Residents can now choose from several flexible waste collection options if they need to choose to upsize a bin or stay with the old service, but it is heartening to see 73% of residents participating in the sustainable service.

This commitment to reduce landfill was further supported by a grant from Green Industries SA for the installation of three trial public FOGO bins, which have been installed in Glenelg's Moseley Square and Chapel Plaza and next to the Brighton jetty.

These green FOGO bins are positioned with normal landfill and recycling bins, which have shelves on the side for 10c cans and bottles. All compostable items can go in these new bins,

including wooden cutlery, bamboo and cardboard food containers, compostable cups and food scraps. These bins make it easier to keep waste out of landfill, diverting appropriate contents to industrial composting for South Australian farmers.

As well as being a fabulous place to live, work and play for residents, we are in the unique position of being one of the most visited places in the metropolitan area.

Data from Tourism Research Australia shows that Holdfast Bay attracted more than 1.3 million visitors, who stayed 554,000 nights and contributed \$316 million in visitor expenditure towards the local economy.

The visitor economy continues to be important particularly for our traders and businesses. Most of these are small businesses that employ many local people and are supported by visitors and residents alike.

Creating a welcoming and healthy place for all also saw a range of activities aimed at younger people in our community. While older people do make up a significant proportion of our demographic, as a small geographic area with 10 schools, we also have an important component of young people in our city.

This year saw the launch of new youth programs, co-designed with members of the HoldUp Youth Committee, which specifically targeted teenagers and engaged 120 young participants in various activities.

Programs included entrepreneurial opportunities through the expansion of youth maker markets and a SWOTVAC (study without teaching vacation) care pack initiative, which engaged close to 300 senior high school and university students. This program was aimed at alleviating stress during the exam periods and promoting mental health awareness.

In 2023–24, two of the city’s community centres transitioned back to Council management. The Holdfast Bay Community Centre was previously managed by the YMCA and the Glenelg North Community Centre by the Glenelg Brass Band.

The move back to Council management created an opportunity to enhance the services provided and hopefully broaden their appeal to a wide cross section of the community. This strategic move ensures that these centres continue to deliver outstanding outcomes and contribute positively to our community's wellbeing.

The teams responsible for maintenance and renewal of our assets once again delivered an extraordinary number of projects across the city.

More than 5,576 linear meters of roads were resealed; 4,150 linear meters of kerbs were renewed; 3,927 linear metres of footpaths were repaired and 91 kerb ramps were upgraded to meet Disability Discrimination Act (DDA) requirements.

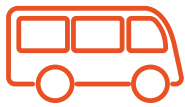
The construction of a signalised koala crossing on King George Avenue, Hove adjacent the McAuley Community School was also completed. This project significantly improved pedestrian safety for students and for people who frequent the Holdfast Bay Community Centre.



Pamela Jackson
Chief Executive Officer
(Acting)
City of Holdfast Bay

2023–24 Highlights

In 2023–24:



7,930

community transport trips helped residents get out and about



5,535

Holdfast Hounds were registered and 57 animals were reunited with their owners



551

people were supported to live safely and healthily at home with Alwyndor's home care packages



100%

renewable electricity used by Council



4,459

immunisations were administered at our local clinics



428,349

library items were lent



62

Youth Achievement sponsorship grants totalling \$9,250



34

Community Grants issued totalling \$41,010



297

invaluable volunteers contributed 59,400 hours within council programs (\$2.76 million economic value)



43,400

phone enquiries resolved



21

local businesses received shopfront grants

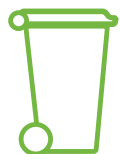


1,366,000

people visited Holdfast Bay

804

street trees were planted



70%

of waste was diverted from landfill



539

events held at Partridge House



1,000+

local businesses can be found on the Holdfast Bay Business Directory and MyHoldfast App

600,000+

people attended Holdfast Bay hosted events



17

bus stops improved



5,576

linear metres of road, 4,150 linear metres of kerb and 3,927 linear metres of footpath were maintained or replaced



964

development applications were processed



310

new dwellings were approved (valued at \$214 million)



A Day in the Life

Did you know that on a normal day in the City of Holdfast Bay:

Nearly
1,224
items are
borrowed from
our libraries at
Glenelg and Brighton



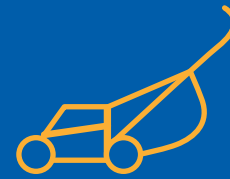
More than
198
people attend our
four Community
Centres



535
people visit
the libraries



32 trips on the
Community Wellbeing bus



Maintenance and other works
are carried out at Glenelg Oval
by our Open Spaces team

7,200
bins lifts for residential
and business
waste collection



**22 linear
metres**
of roads resealed

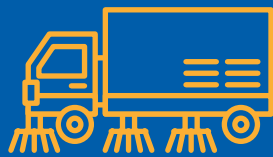


60
separate
cleaning services
are conducted at
council buildings



Each of our
31 public
toilet facilities
are serviced
and cleaned

Our two Jetty
Roads at Glenelg
and Brighton
are serviced by
street sweepers



**17
linear
metres**
of kerbs renewed



3
trees
planted



**16
linear
metres**
of footpaths
repaired

174 phone calls and
137 emails are
responded to by our
Customer Service team



3,736
page views on
our website

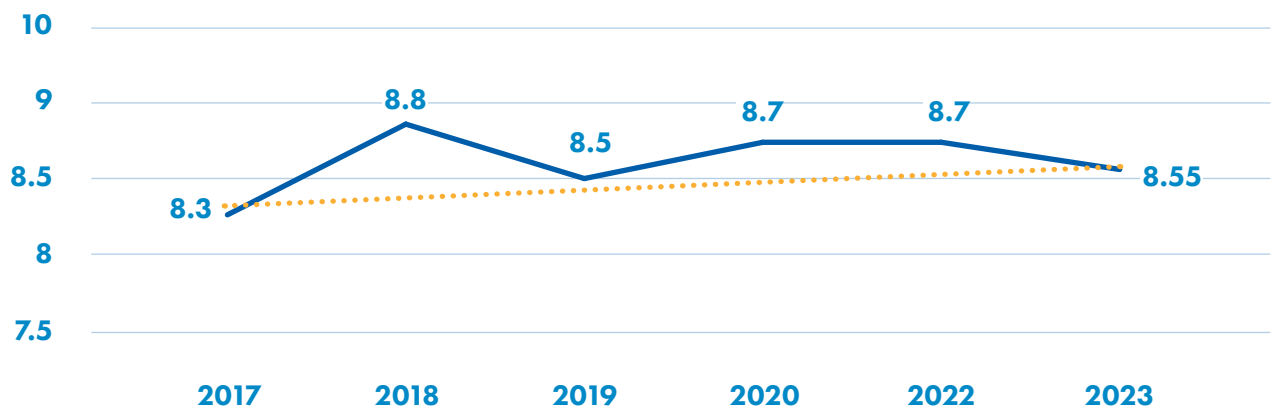


4 Development
Applications are
processed and
120 online forms
are received

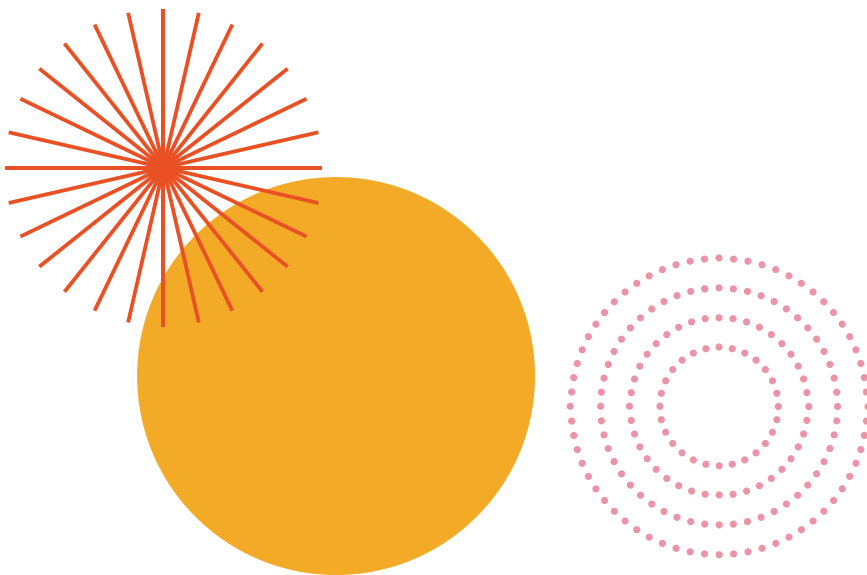


73 requests
completed
by our Field
Services team

Quality of Life Survey Results (2023)



The graph above shows that over the last six surveys the quality of life has remained very high with residents consistently rating Holdfast Bay as a great place to live.



How you rated your council out of 10 (2023):

COMMUNITY



8.6

Providing library services



8.3

Providing sporting facilities



7.5

Delivering services for the elderly and people with a disability



8.1

Providing programs and services that encourage a healthy and active lifestyle



7.8

Providing arts and cultural experiences

PLACEMAKING



7.1

Maintaining roads and kerbing



7.55

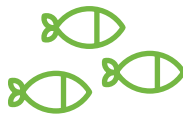
Maintaining cycle networks



8.7

Access to shops, services and open space

ENVIRONMENT



8.1

Maintaining beaches and coastal areas



8.2

Providing adequate waste management services



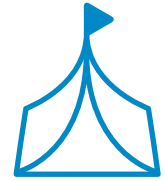
Overall rating of Holdfast Bay as a place to live

ECONOMY



7.8

Encouraging a diverse range of businesses and services in the area



7.85

Supporting and promoting tourism and events

CULTURE



6.95

Council provides good financial management and value for rates



7.2

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



8.3

Maintaining well laid out parks and reserves



7.6

Providing programs that foster social interaction and community wellbeing



8.0

Providing a sense of safety in neighbourhoods

This survey was conducted in May 2023 and reported in June 2023. In 2024–25 Council will institute a new type of community survey. As times have changed and people access information in very different ways it is important that our community surveys keep pace. The new survey will seek to engage a broader cross section of the community and focus more on the activities which Council provides or can influence.



Our Holdfast 2050+

In November 2021 Council adopted a new Strategic Plan titled *Our Holdfast 2050+*. This Plan came into effect on 1 January 2022.

This Strategic Plan was in direct response to changing conditions and being set up to respond to an uncertain future. While change has occurred throughout human history, we are living in a world characterised by:

- › V = Volatility: the nature, speed and dynamics of change, forces and catalysts.
- › U = Uncertainty: the lack of predictability, prospects for surprise, and awareness and understanding of issues and events.
- › C = Complexity: the multiplex of forces, no cause-and-effect chain and confusion.
- › A = Ambiguity: the haziness of reality, the potential for misreads, and mixed meanings of conditions.

These VUCA conditions are amplified by advancing technologies, changing needs and social values and increased expectations.

In developing *Our Holdfast 2050+*, Council considered what long term challenges may be expected and how to best address them. These include challenges such as climate change and infill development, which could have the potential to erode the quality of life in Holdfast Bay over the medium to long term.

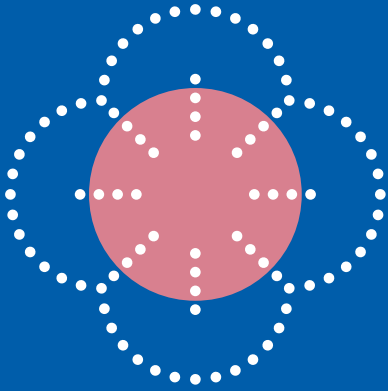
Our Holdfast 2050+ has a focus on community—the people of Holdfast Bay as well as important infrastructure and assets. This recognises the need for a long-term, ambitious vision while allowing sufficient flexibility to adapt as conditions change and as our knowledge improves. *Our Holdfast 2050+* captures the spirit of these aspirations for everyone who lives, works and plays in the City of Holdfast Bay. The vision for *Our Holdfast 2050+* is:

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

This is supported by three focus areas:

- › **Wellbeing**
Good health and economic success in an environment and a community that supports wellbeing.
- › **Sustainability**
A city, economy and community that is resilient and sustainable.
- › **Innovation**
A thriving economy and community that values life-long education, research, creativity and entrepreneurialism.

The focus of *Our Holdfast 2050+* is on the city as a whole and the communities that work, live and play within it. To deliver this Plan the operations of the Council itself requires its own focus.



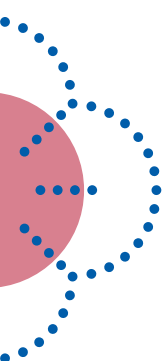
Wellbeing

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

Kaurna Heritage and Culture

The City of Holdfast Bay continues to foster and strengthen relationships with the Kaurna people to honour, promote and protect their culture, heritage and connection to the land. Some activities include:

- › Regular meetings were held with Kaurna Elders to discuss Council projects and cultural initiatives and deliver outcomes that strengthen our communities' understanding of Kaurna culture, connection to place and our shared history.
- › Welcome to Country and/or Acknowledgement of Country continue to be embedded in community events and civic ceremonies.
- › Council provided a variety of workshops and training including cultural awareness, cultural heritage workshops and arts and cultural activities. These initiatives encouraged cultural learning and sharing and provided a greater understanding and respect for Aboriginal heritage and culture and the significant sites throughout the city.
- › Kaurna Nation led the cultural focus of the 187th Proclamation Day ceremony at the Old Gum Tree on 28 December 2023, building upon the collaborative approach between Council and Kaurna to share our joint histories. This year's Proclamation Day commemorations for the first time, included a series of signal fires lit on the beach along Holdfast Bay's coastline. Kaurna Elders and the Kaurna Fire team from Firesticks – an Indigenous alliance across Australia reviving cultural burning and landscape management – with support from the City of Holdfast Bay, led this significant cultural event which the wider community were invited to take part in. At the 23rd Annual Local Government Professionals Australia Leadership Excellence Awards, Signal Fires won the Excellence in Community Partnerships and Collaboration award.
- › Identifying and managing cultural monitoring for projects on areas of Kaurna cultural heritage, as set out in The Heritage Research and Procedures Report.
- › Dual naming signage was applied on reserves and cultural sites throughout the city.
- › Reprinting and distribution of the 'On Kaurna Land' and Acknowledgement to Country cards that continue to be offered free to local residents, businesses and community organisations.



Wellbeing

Community Sport and Recreation

Club Development

Council continued to assist and support local sporting clubs and recreation groups to develop positive and sustainable club management. This was achieved through workshops that support strategic planning, volunteer management, financial management and succession planning. Council also worked with individual clubs including the Brighton and Seacliff Yacht Club to progress grant funding opportunities for facility upgrades.

Glenelg Oval Masterplan

Stages three and four of the Glenelg Oval masterplan were completed with the upgrades to Margaret Messenger Reserve and new playspace/fitness stations installed, along with a new 3x3 basketball court and mini soccer goals. New public toilets including an accessible toilet were also constructed, along with improved wheelchair access, spectator viewing areas and new cricket practice facilities for the Glenelg District Cricket Club.

Somerton Park Tennis Club

The upgrades to the Somerton Park Tennis Club commenced including the reconstruction of all six courts, new competition standard lighting and new fencing. The upgrades will be completed in time for the 2024–25 summer season and will enable the club to host night matches, training and social tennis.

Sporting and Community Club Leases and Licences

Council manages approximately 80 leases and licences that provide accommodation and facilities for the city's sporting and community groups. 25 of these tenancy agreements were renegotiated in the last 12 months, ensuring continuity of participation for the thousands of members and participants that rely on the many recreation and community clubs for their sporting and social pursuits.

Playspace and Reserve Improvements

In 2023–24, Council upgraded the following playspaces and reserves;

- › Paringa Reserve playspace was upgraded with new equipment, shelters and seating in September 2023
- › Margaret Messenger Reserve was upgraded with a new playspace, fitness equipment, 3x3 basketball court, mini-soccer goals and BBQ shelter.



Community Wellbeing

Community Transport

Community Transport services provided 7,930 one-way trips, providing essential connectivity for older residents to access critical services and participate actively in community life.

Highlights for the year included:

- › **Trips Provided**
Facilitated crucial connectivity through 7,930 one-way trips for older residents.
- › **Volunteer Involvement**
42 dedicated volunteers drove nearly all trips, underscoring the strong community involvement.
- › **Community Charters**
Successfully conducted 80 charters, offering a community-based transportation option for various community groups to participate in activities across Adelaide.
- › **Mobile Shower Pilot**
An eight-week pilot involved transporting mobile showers to support local emergency relief efforts, demonstrating our commitment to innovative community support solutions.

These activities support the strategic goals of enhancing mobility and accessibility for all residents, reducing social isolation, and fostering active ageing, which are key elements of the vision of *Our Holdfast 2050+* for a connected and inclusive community.

Volunteer Services

Volunteer Services engaged 297 volunteers who dedicated approximately 59,400 hours, translating to an economic value of \$2.769 million. This emphasised inclusive participation by integrating volunteers in diverse roles across the city.

Highlights for the year included:

- › **Inclusive Volunteering**
Expanded programs to support community members with disabilities, successfully integrating them into various volunteering roles, thereby enhancing service delivery and community engagement.
- › **Pilot Program with Minda Inc.**
Launching a new initiative in collaboration with Minda Inc. to integrate people with intellectual disabilities into volunteering roles, successfully placing five volunteers, with plans for further expansion.
- › **Reciprocal Volunteering Opportunities**
Establishing reciprocal volunteering opportunities with Minda Inc., enhancing the range of roles available and further enriching community service options.

These efforts advance the strategic objectives of promoting inclusivity, enhancing community engagement, and leveraging human capital to build a supportive, vibrant, and interconnected community, in line with the long-term goals of *Our Holdfast 2050+*.

We plan to strengthen our volunteer programs and community transport services, which are vital to maintaining a connected and accessible community. Enhancing these services will involve expanding our volunteer base and improving the efficiency and reach of our transport services. This will ensure that all residents, especially the elderly and those with mobility challenges, have access to necessary resources and community connections.

Wellbeing

Youth Initiatives

Our youth programs and events are designed to actively engage children and young people, contributing to the overarching strategic wellbeing outcomes. These initiatives prioritise youth participation, engagement, and co-design with the Council, providing platforms for young people to shape their community involvement and access opportunities tailored to their interests and needs.

Our targeted adolescent programming has successfully engaged a demographic historically harder to engage in Council programming, demonstrating our commitment to inclusivity and active youth engagement. These programs not only cater to the interests and needs of young people, but also encourage their active participation in community life.

Highlights for the year included:

- › **Engagement in Educational and Recreational Activities**

Successfully delivered four seasons of 'Play at the Bay' school holiday programming, engaging over 1,800 children and young people in a diverse range of educational, recreational, and creative activities.

- › **Youth Achievement and Recognition**

Administering 62 successful Youth Achievement Sponsorship grants, totalling \$9,250. These recognises and encourages the personal and academic achievements of young people within the community.

- › **Co-Design and Targeted Programming**

Launching new youth programs, co-designed with young people, which specifically targeted the 12–17 year-olds, engaging 120 young participants in various activities. This co-design process has been instrumental in ensuring that programs are relevant and appealing to our youth, leading to higher engagement and satisfaction.

- › **Innovation and Entrepreneurship**

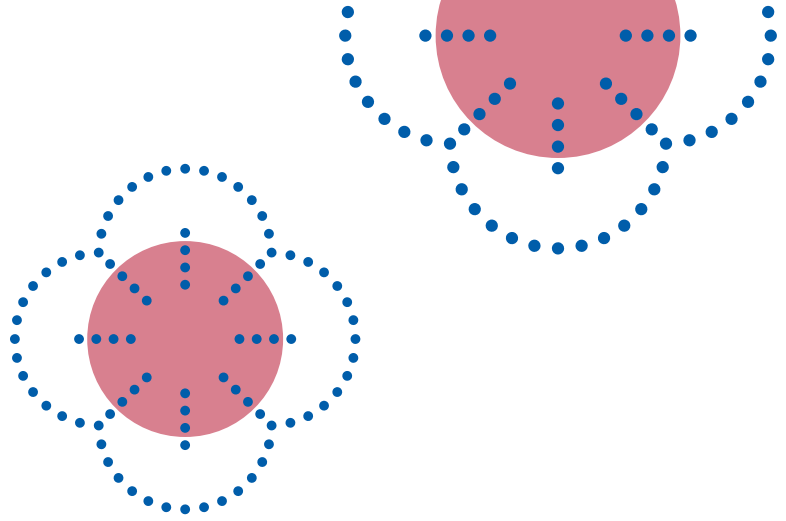
Facilitating innovation and entrepreneurial opportunities through the expansion of Youth Maker Markets, providing a platform for 11 young business owners to develop and showcase their entrepreneurial skills.

- › **SWOTVAC Care Pack Initiative**

Engaging close to 300 senior high school and university students in a co-designed SWOTVAC (study without teaching vacation) care pack initiative, aimed at alleviating stress during the main exam periods. This project not only supported students academically but also promoted mental health awareness. The success of this initiative demonstrates how targeted support can make a significant difference in the lives of young people at critical times in their educational journeys.

- › **Growth in Youth Volunteering**

Initiating new youth environmental volunteering roles, engaging up to 10 young people across two events, and actively involved young people in various youth network committees, fostering a strong sense of civic participation and community responsibility among participants.



› **Inclusivity in Community Events**

Actively contributed to inclusivity measures through the addition of dedicated outdoor calming sensory zones within large-scale events like the Ice Cream Festival, further enhanced by partnerships with organisations like the Deaf Butterfly Effect and Guide Dogs SA.

We collaborated with local schools to support education opportunities that promote civic participation, engaging over 100 students in three projects designed to enhance their community involvement and skills. In part these supported gender equity through partnerships with local high schools, facilitating participation of young people in significant events like the Adelaide International Women’s Day Breakfast.

The youth initiatives align with the strategic goals of enhancing youth engagement, fostering educational opportunities, and building pathways for young people to contribute to community life. This reflects the Holdfast Bay 2050+ vision of a dynamic community where young people are actively involved and valued

Community Centres

The City of Holdfast Bay proudly operates four community centres that serve as vital hubs for fostering engagement, connection, and wellbeing among our residents. These centres are:

- › Glenelg Community Centre
- › Glenelg North Community Centre
- › Brighton Over 50s Community Centre
- › Holdfast Bay Community Centre.

The Holdfast Bay Community Centre and Glenelg North Community Centre, which were previously managed by the YMCA and Glenelg Brass Band respectively, successfully transitioned to council management in 2023–24. This transition has allowed us to directly oversee and enhance the services provided. This strategic move ensures that these centres continue to deliver outstanding outcomes and contribute positively to our community's wellbeing.

Highlights for the year included:

- › **Enhanced Accessibility**
We increased onsite staff presence at Holdfast Bay Community Centre, improving service delivery and community interaction.
- › **Inclusive Initiatives**
Notable programs included the volunteer gardening group from Minda Inc, promoting inclusivity and active participation in community life.
- › **Digital Advancements**
Implementing the new digital booking platform, SpacetoCo, streamlining administrative processes and improving service efficiency.

Wellbeing

› **Community Engagement**

Successfully conducting multiple community events and workshops that significantly increased local participation and engagement.

Our community centres provided spaces that encourage social, mental, and physical engagement. This is integral for achieving the objective of our strategic plan that 'our residents and visitors feel safe, healthy, and connected no matter their age or ability'.

Community Grants

The Council allocated grants to a diverse array of initiatives designed to enhance community engagement, celebrate cultural diversity, advance environmental sustainability, and promote inclusivity. These grants aimed to boost community wellbeing, foster connections among community members, combat social isolation, and affirm our commitment to nurturing a supportive, vibrant, and dynamic environment.

Highlights for the year included:

› **Grants Awarded**

We distributed grants totalling \$41,010 across 34 projects that fostered community connection and enhanced public spaces.

› **Cultural Engagement**

Supporting events and projects that celebrated local heritage and fostered cultural connections, such as the "Bangladesh Night – A Tale of Bangladesh Through the Eyes of Children," which engaged young people in showcasing their cultural heritage and enhanced community pride.

› **Environmental Stewardship**

Funding sustainable practices and green projects, like the "Green Waste Recycling Through Worm Farms" at Townsend Park Retirement Village, which reduced green waste and promoted environmental education.

› **Health and Wellbeing**

Promoting active lifestyles and health awareness through community sports and health campaigns, exemplified by the "Shine a Light on Lung Cancer Community Walk," which raised significant awareness and funds for lung cancer research.

› **Community Inclusion**

Facilitating inclusive events such as the "Minda Community Christmas Carols and Markets," a vibrant, family-friendly gathering that included performances, market stalls, and activities that engaged the whole community, demonstrating the power of inclusion and collective support.

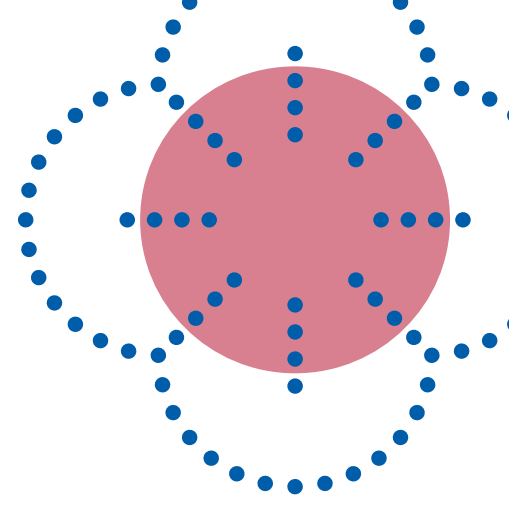
› **Educational Enhancement**

Enhancing educational and recreational facilities to support lifelong learning and community development, with projects like the "Seacliff Recreation Centre Open Day" that offered free trials of various sports to engage local youth.

› **Beautification and Safety Projects**

Improving public spaces through beautification projects and safety initiatives, making them more inviting and secure, such as the "Wall Art" project at Worn Again Op Shop in Glenelg that transformed a bland wall into a vibrant community feature.

These projects align with the strategic goals of enhancing wellbeing, fostering inclusivity, and promoting sustainability as outlined in *Our Holdfast 2050+*. By addressing these areas, the grants contribute directly to the vision of a dynamic, resilient, and culturally rich community.



In the upcoming year, we are dedicated to expanding our community programs and enhancing service delivery, while continuing to refine our strategic initiatives. A key focus will be on supporting impactful projects through our community grants, which have made substantial contributions to fostering community engagement, promoting environmental sustainability, and enriching cultural diversity. These initiatives have demonstrated significant benefits, from reducing social isolation to enhancing communal spaces and engaging our youth in meaningful co-design processes.

Other Community Wellbeing Activities

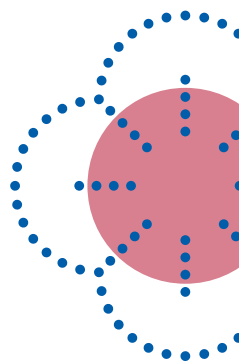
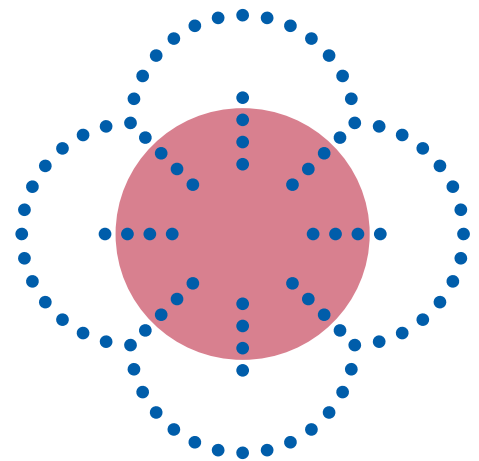
Street Meets

Council supported 12 local "Street Meets" events, enhancing community connectedness and reducing social isolation in collaboration with Play Street Australia as part of their 1,000 Play Streets campaign.

This year we facilitated internal changes in traffic management for these community events, which activated community volunteers and reduced council expenditures. This improved operational efficiency and community involvement.

Wellbeing Hub

We secured \$50,000 in seed funding from Preventive Health SA to establish a Wellbeing Hub at Holdfast Bay. This initiative supports a holistic approach to health and wellbeing, aligning with our strategic objective to enhance community health services and accessibility. Work has commenced on this initiative and will continue into 2024–25.





Alwyndor

Alwyndor's aim is to support Adelaide's southern metro community to live healthy, engaged and fulfilled lives through a range of personalised support services.



Alwyndor offers a continuum of care, including residential living, therapy and wellness services, and support at home services—ranging from nursing care to home maintenance and gardening.

Development of the 2024–27 Strategic Plan was a focus this year and delivery of initiatives and projects commenced in four themes:

- › Provide exceptional services and care
- › Maintaining a resilient, adaptive and sustainable business
- › Ensure a skilled and engaged workforce providing consistent person-centred experiences
- › Amplifying our impact.

Implementation of the new Strategic Plan for the next stages of Alwyndor’s business will commence in the new year.

Our strategic planning work included the development of a Digital Plan, a People Plan and a revised Work Health Safety Framework.

Residential Care

Alwyndor’s residential care includes 144 residential, respite, transitional care and care awaiting placement beds. In 2023–24 our residential care occupancy rate remained steady with an average of 96%.

Our strategic focus included planning for our new model of care for people experiencing dementia, a model of reablement and continued commitment to the quality end of life care. Our focus on food and the dining experience has continued with great outcomes for our resident’s health, wellbeing and quality of life.

Community Connections

2023–24 saw a targeted campaign to increase awareness of our range of Support at Home and Therapy and Wellness Services.

Our Support at Home service grew by 45% during the year to 551 home care packages and private clients. Home care packages include a full range of services from domestic support to complex clinical and end of life care. We have expanded our services as the selected provider for wider services, further increasing our footprint throughout the southern aged care region.

Therapy and Wellness programs are offered for individual clients and group settings at Alwyndor, in client homes, at the Holdfast Bay Community Centre, the Brighton Rugby Club, Kauri Community and Sports Centre and Hewitt Sports Centre. New services introduced this year include reformer pilates and massage.

Our services and classes also include:

- › Podiatry
- › Physiotherapy
- › Occupational therapy
- › Speech therapy
- › Exercise physiology
- › Yoga
- › Fit ball drumming
- › Circuit
- › Weights
- › Tai chi.

Day Respite

Our Day Respite program continues to grow in demand and offers half and full-day respite for carers by providing care and activities for loved ones. Indoor and outdoor activities are tailored to individual capability and need, and are provided together with any required clinical care and supports.

Project Delivery

We commenced the process of reviewing and selecting a Human Resources Information System and Payroll platform to be implemented in late 2024. This is a platform that is integrated, easy to navigate and ensures improved accuracy and efficiency in the management of our employee and volunteer information.

Residential Specialisation and Optimisation is a multi-pronged project to optimise the ageing process through reablement, dementia care and restructure of resident units and staffing. The Reablement project has commenced with resident therapy classes and the planning for delivery of a residential gym space designed for physical, mental and social wellbeing.

Adopted in April 2024, the Digital Plan and People Plan projects commenced. The People Plan's focus is on employee relations; remuneration and benefits; workforce planning; talent acquisition and management; and organisational development. Our revenue and client numbers have grown rapidly over the last four years and our Digital Plan will ensure integrated services through a considered, coordinated, and consistent approach to technology investment.



Mobile Health Service

We launched our new Mobile Health Service which brings Therapy and Wellness services to clients in their own homes. We provide a comprehensive assessment and treatment services including Occupational Therapy, Physiotherapy, Exercise Physiology, Speech Therapy, Podiatry and Nursing. Our two vans are fully utilised and are also stocked with equipment and supports for clients to trial. We will add to this fleet in 2024–25.

Accreditation

Alwyndor achieved full accreditation in all service delivery areas this year.

Customer Experience

As a part of our commitment to the very best customer experience we monitor the quality and consistency of care and service delivery and ensuring client choice and control. These include:

- › A net promoter score (NPS) which asks survey respondents ‘How likely are you to recommend Alwyndor to a friend?’ Data collection began in January 2021 with Alwyndor continuing to score well above the benchmark of +44 for aged care. In general, an NPS score of +70 – +100 is rated as excellent and Alwyndor’s last measure was +89.
- › A customer effort score assesses the ease of client entry into our services—noting that entry into the aged care system can be confusing and lengthy we are proud of our score of 4.8 out of 5. This demonstrates that we welcome new clients with minimal complexity and demands.

- › Support at Home and Therapy and Wellness services scored an average satisfaction rating of 95%. This rated performance in ‘creating a welcoming environment with caring staff who provide responsive services which promote independence’.

Aged Care Sector Reform

Alwyndor continues to respond to and implement the Federal aged care reforms with a focus on the development of appropriate governance systems and processes, policy and practice review and employee training and development.

Alwyndor complies with all requirements including the new Code of Conduct, the new National Quality Indicators and monitoring of the new satisfaction surveys in residential care.

A survey in early 2024 told us that residents feel safe and are treated with respect by staff, things are explained well, residents are encouraged to remain as independent as possible, and they would be very likely to recommend Alwyndor as a place of residence to others.

As required by the reform agenda, we implemented three Advisory Groups: a Quality Care Advisory Group consisting of community members and independent members who report to the Alwyndor Management Committee and two consumer groups, one in Residential and one in Community.

Wellbeing

Community Safety

The Community Safety team protects the health and safety of the local community and visitors. The team provides immunisation, environmental health, community safety and security services.

Some of highlights of the year were:

- › Provided 4,459 immunisations
- › Registration of 5,535 dogs
- › Reuniting 120 animals with their owners
- › 827 investigations for litter and local nuisance issues
- › 268 food safety assessments were undertaken. Allergen assessments have been included in the remit of food safety inspections and investigations. Nine food businesses required further enforcement action. Environmental Health Officers provided education to food businesses to assist them in meeting the new *Food Safety Standard 3.2.2a Food Safety Management Tools*
- › Patrolling traffic safety at schools up to twice a day during school days
- › Night patrols cover up to 150 km per night to keep a watch over our city and being available overnight to respond to complaints
- › 105 Mobile Food Vending Event Permits were issued
- › An extensive review of the new Temporary Street Traders Policy was undertaken and endorsed by Council
- › The number of immunisations has increased due to our new booking system and positive feedback has been received from the community in relation to the public immunisation clinics.

Beach Patrols

Regular beach patrols have continued this year, along the coast, to protect native wildlife (especially the hooded plovers) and encourage responsible dog ownership. As a result, there was a significant improvement in compliance with local laws.

Rough Sleepers

The Community Safety Officers have continued working closely with external agencies providing support for rough sleepers.

Immunisation

Higher levels of demand have been able to be met following improvements to the immunisation service.

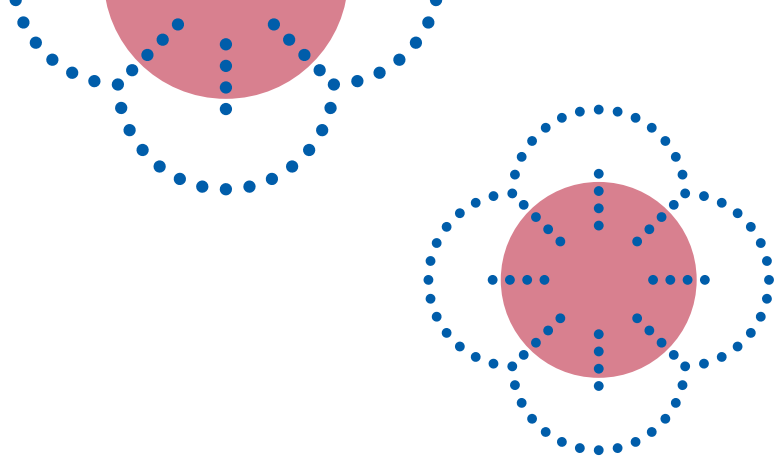
CCTV upgrades

We also contributed to community safety by providing CCTV and public lighting in our council that deters crime and helps to create a safe environment for residents and visitors.

Upgrades to the Brighton, Seacliff and Glenelg wireless infrastructure were completed, at a cost of over \$100,000.

Lighting Upgrades

Over \$600,000 was invested in upgrading, providing and maintaining our street lighting network. Across the city there are 3583 streetlights.



Development Services

Council's development assessment, development advice and building compliance services recognise opportunities while protecting the character and amenity of our suburbs. This year, we processed 964 development applications and approved 310 new dwellings with a construction value of \$214 million.

Greater Adelaide Regional Plan

The City of Holdfast Bay made a detailed submission to the Greater Adelaide Regional Plan Discussion Paper. This sought to protect the city's rich urban character and sensitive natural environment, whilst acknowledging the opportunities offered by its road and rail corridors to accommodate greater urban densities. Council's submission contributed to the Strategic Plan *Our Holdfast 2050+* by promoting the Vision of protecting our heritage and beautiful coast.

Cemeteries

The North Brighton and St Judes cemeteries are owned by Council with their daily operations managed by the Adelaide Cemetery Authority. Council continues to maintain the cemeteries, with ground improvements performed in the last 12 months, including new paths, repairs to collapsed gravesites and landscaping work to soften the environment. Grounds improvements will continue into the next financial year.

Memorial Programs

Council offers two popular programs to help members of the public commemorate their loved ones – the seaside stone memorials (granite sculptures by the Glenelg and Brighton jetties, with names engraved) and the plaques affixed on public benches. 227 benches currently have a commemorative plaque, most of them located on the beachfront.

Buildings and Facilities

The Buildings and Facilities team provided renewal, maintenance and operational support for the City of Holdfast Bay's building assets.

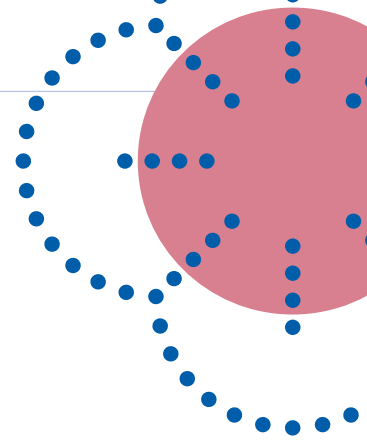
As part of the building portfolio, we operate 31 public toilet facilities that are available 17 hours every day of the year and are serviced daily. Council continually seeks to improve its public toilets for better accessibility, to promote public health and support community activities with these essential amenities for residents and visitors.

We delivered maintenance and cleaning services for Council buildings and facilities:

- › Cleaning – over 20,000 services at a cost of over \$750,000.
- › Maintenance and materials cost of over \$830,000.

Buildings and Facilities developed and tendered a revised cleaning specification. Some of the key deliverables under this revised specification will be:

- › Over 21,400 cleaning services this year across a range of building and Council assets.
- › Greater transparency around contract accountability and delivery of services.
- › More efficient response times and processing of reactive services requests.
- › Better management and alignment with service standards through training and auditing programs.



Council invested over \$1.5 million in renewal works to maintain community, sporting, civic and public facilities. These included:

Community Facilities

- › Glenelg Library – fit out and painting
- › Holdfast Bay Community Centre – fit out
- › Glenelg North Community Centre – exterior paving.

Heritage Assets

- › Rotunda roof replacement
- › Glenelg Town Hall – exterior repairs.

Sporting Facilities

- › Glenelg Oval Grandstand – repairs
- › Somerton Surf Club – new roller doors
- › Brighton Sport and Social Club – new auto doors.

Public Amenities

- › Broadway Public toilets – exeloo replacement
- › Gumtree Reserve Exeloo – internal finishes
- › Glenelg Town Hall – public toilet finishes.

Commercial

- › Glenelg Oval – Function Centre – toilets.

Administration Buildings

- › Glenelg Town Hall – air conditioning
- › Brighton Town Hall – air conditioning
- › Works Depot – lighting
- › Glenelg Town Hall – office accommodation.

Communications

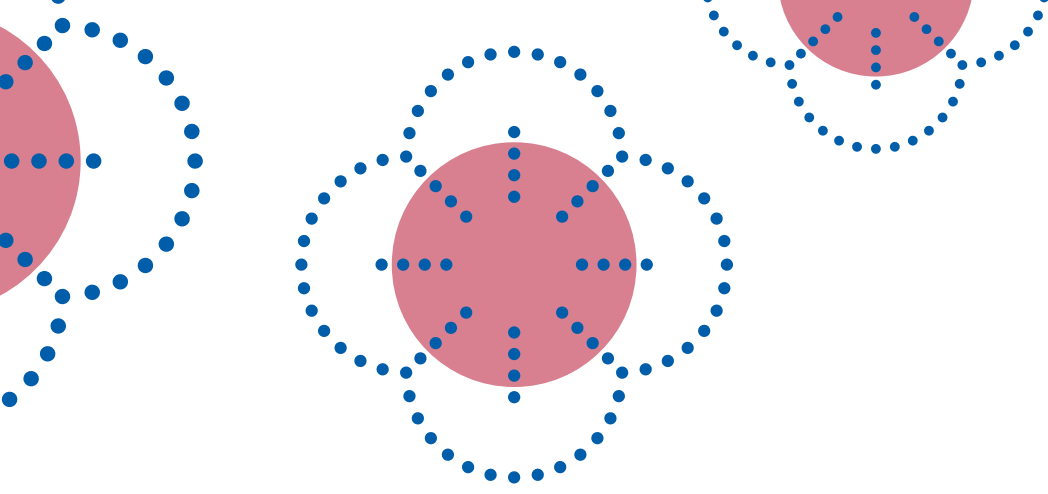
We are committed to communicating with our community in a clear and open way. This includes communicating via a range of traditional and digital media.

Our Place magazine

A quarterly council magazine, Our Place, is distributed to all ratepayers in Holdfast Bay and made available in the wider community. The magazine provides an overview of major projects, a comprehensive what's on events listing, tourism experiences, environmental initiatives and other council projects and activities.

Newsletters

More than 6,600 people subscribe to receive our regular e-newsletters, including the fortnightly Holdfast News which features the latest council news, project updates and upcoming events. There are 3,100 subscribers to Holdfast News which has an average open rate of 54%. There are also newsletters for our libraries, sports clubs, Alwyndor and a Creative Holdfast newsletter that focuses on arts, culture and history information.



Websites

We have five websites that provide information about and access to our services, events and projects. Holdfast.sa.gov.au has more than 600 pages of up-to-date information, over 300 events listed each year, and we receive over 44,000 online request forms a year via the website.

In 2023–24 we successfully implemented an upgrade to the website that included additional features including a mapping tool to report an issue, a bin collection day finder tool and all public toilets added to the interactive location map. An accessibility feature was added to our engagement website, YourHoldfast.

The table below shows how our various websites are used.

Website	Users	Page views
City of Holdfast Bay	381,735	903,591
YourHoldfast	25,548	422,95
Jetty Road, Glenelg	132,538	243,013
Alwyndor	31,014	150,774
Partridge House	12,691	70,005

Social Media

Social media and online platforms continue to be important tools to enable communication and engagement with our local community.

Facebook

Facebook is a staple social media platform used by a large proportion of the population, which we use to promote Council activities, major projects, events, exhibitions, library programs and community initiatives. In 2023–24:

- › At the end of June 2024, we had 14,010 Facebook followers and reached more than 500,000 Facebook accounts over 12 months.
- › We posted more than 400 times on our page, which included photos, videos and events.
- › The Facebook posts were shared 2,373 times by our followers.
- › A total of 37,241 likes or reactions, comments and shares.

Facebook posts about council’s accessible beach days were the most successful for the year.

In November 2023, a post to promote six future accessible beach days was shared 231 times and reached 142,834 accounts. It also garnered 276 comments and 2,088 reactions (likes and loves).

Instagram

Instagram is a tool we use to engage with our community with a particular focus on events; arts and culture; youth and library activations and tourism. In the 2023–24 year we:

- › Gained 477 more followers in the 12-month period, with 4,167 followers on Instagram to the end of June 2024.
- › Posted 139 on the Instagram page, complemented by 267 Instagram stories which are particularly useful for providing clickable links back to our website.
- › Published 37 reels, which are short-form videos with music, which were viewed 75,845 times.

Our most successful Instagram post for the 2023–24 year was in March 2024 with the Captain Boomer whale installation on Glenelg Beach, which was part of the Adelaide Festival. That video reached more than 7,993 Instagram accounts and was viewed more than 12,671 times. The video was also shared by 246 accounts.

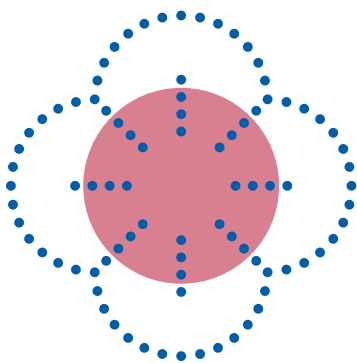
Marketing and Branding

In 2023–24 we undertook a comprehensive refresh of the corporate and tourism brands. This initiative involved aligning the brands with our Disability Access and Inclusion Plan (DAIP), enhancing accessibility, and ensuring a modern and cohesive approach. The City of Holdfast Bay logo was slightly adjusted to enhance accessibility and improve co-branding opportunities.

Marketing Campaigns

We undertook a wide range of marketing campaigns promoting various council services and events during 2023–24, including:

- › **Alwyndor Support at Home**
Promoting Alwyndor services to the community.
- › **Council Events**
Promoting major events such as New Year's Eve, Christmas Pageant, Glenelg Seafood Festival, Glenelg Ice Cream Festival, Brighton Winter Solstice and many library events.
- › **FOGO**
Raising awareness about our weekly Food Organics and Garden Organics collection program.



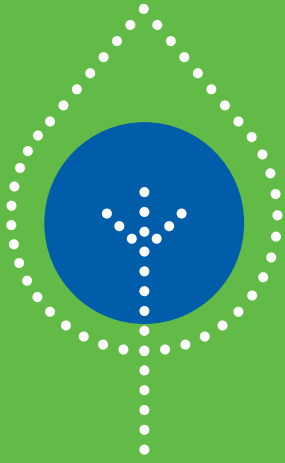
GLENELG BRIGHTON SEACLIFF



Stay

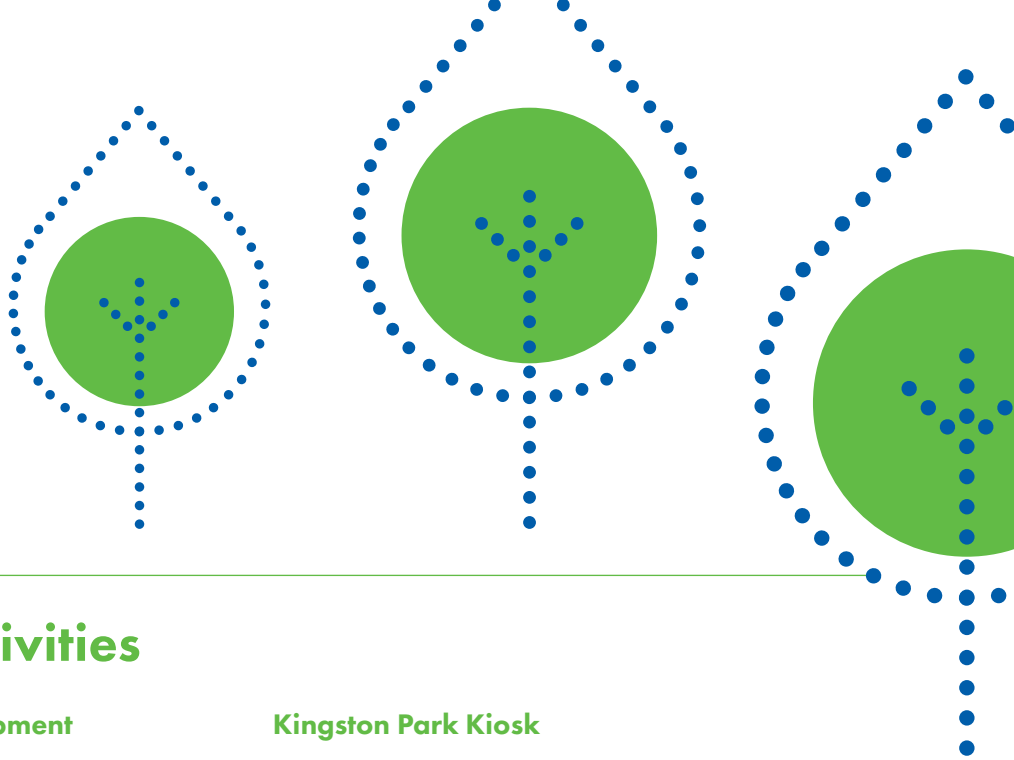
AND EXPLORE





Sustainability

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



Projects and Activities

Former Buffalo site redevelopment

Construction commenced in mid-2024 and includes:

- › Re-alignment of the water frontage and interface with Wigley Reserve
- › Treatment of existing foundations of the former Buffalo replica
- › Importing fill material, and levelling of the site
- › Extension of rock revetment wall
- › New pavement, balustrade and landscaping such as additional turf and native plantings
- › New improved lighting, furniture, signage and artwork.

The surrounding area will create a continuous footpath with more circulation space to improve access and connectivity to the playspace, kiosk, car park and pedestrian loop around the Patawalonga.

Sturt River Linear Path

The detailed design process continued including community consultation regarding the final path alignment with final designs due for completion in late 2024. Council will then be seeking external funding partners to assist in the path construction.

Kingston House Reserve Tennis Courts

Council received a State Government grant to undertake the resurfacing and install new fencing of the two public tennis courts at Kingston House Reserve. This project was completed in April 2024 and courts are now available for use by the community.

Kingston Park Kiosk

The construction of the Kingston Park kiosk, adjoining the Brighton Beachfront Holiday Park, was completed in April 2024 and is now a popular venue for locals and visitors. The new building includes:

- › Indoor dining for 40 patrons
- › 42 seats in a shaded outdoor area
- › A takeaway servery
- › Ambulant and disabled toilets.

Brighton Beachfront Holiday Park upgrades

The next stage of the upgrades at the Brighton Beachfront Holiday Park were completed including a new maintenance shed and storage facility to consolidate back of house functions and provide flexibility in the park for future cabin developments. Old cabins were sold to make way for future additional car parking and new cabins.

Seacliff Plaza Amenities Block

Construction of the new public amenities block commenced in April 2024. The new amenities building is located on the same level as the footpath and will include:

- › 5 unisex toilets
- › 1 disability toilet and shower
- › Outdoor public shower area and handwashing station
- › Improved beach ramp access for pedestrians and surf club vehicles.

Sustainability

An important aspect of the project is an upgrade of the area surrounding the new amenities building, which will create continuous widened footpaths with more circulation space to improve access to the amenities area and beach for people with disabilities.

Community Gardens

There has been a significant growth in the interest in community gardens and sustainable environmental practices within both private and public spaces. Membership within the two Holdfast Bay Community Gardens has grown. Program offerings have diversified to include composting, recycling, food systems, arts and craft, indigenous plantings, seasonal produce, food swaps, garden planning workshops, bee keeping and chickens.

Although interest is high, the number of community garden spaces has not increased in the last year as alternative gardening sites (verge gardens) and increasing home garden knowledge has shown greater demand.

Glenelg North Community Garden (on the corner of Kibby Avenue and Alison Street) and Brighton Community Garden on Bowker Road, continue to attract hundreds of community members each week.

Council also supports community gardens through funding and project development, governance direction and volunteer recruitment. The gardens deliver a large range of community led programs including:

- › Individual and community plots
- › Seasonal workshops and working bees
- › Diversity within the gardens to include children's and sensory gardens
- › Social programs including morning/afternoon teas, arts, craft and food classes.

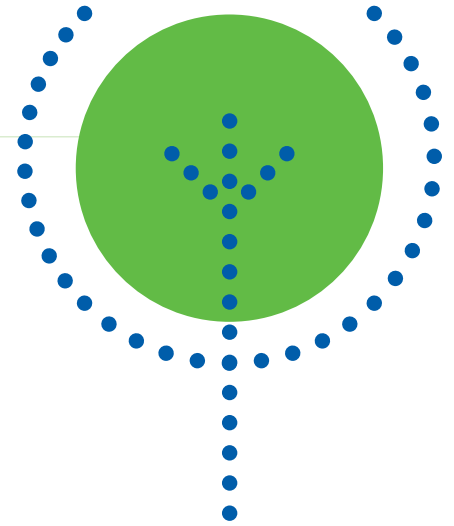
The gardens are a vibrant and inclusive environment to share sustainable practices and learn about topics such as wicking beds, chickens, bees, tree pruning and the benefits of working in an environmentally friendly way.

Shopfront Character and Heritage Grants

During 2023–24 a grant scheme continued to support the conservation of our city's heritage premises and the character of our retail precincts. Aimed at encouraging people who own heritage listed or retail precinct properties to invest in maintaining their buildings, the grants proved very popular and were instrumental in helping to fund many important projects that enhanced the city's streetscape appeal. The grants supported conservation work for 22 heritage listed buildings, and shopfront enhancements to 21 business premises in 2023–24.



Sustainability



Environment Strategy

Environment and Community: Thriving Together

This year, as a part of Council's Environment Strategy, staff undertook a range of actions to reduce our impact on the climate, improve and protect our nature, improve our coast, support our community to live sustainably and manage our resources sustainably. These included:

- › Maintenance and rehabilitation of natural reserves and coastal areas
- › Protection and improvement of habitats, including sand dunes, for native flora and fauna
- › Providing support for volunteer groups taking care of our natural reserves and dunes
- › Providing workshops and rebates for sustainable living
- › Holding Clean Up Australia Day and other community activities
- › Managing and improving waste collection services
- › Improving the diversion rate of household waste from landfill
- › Planting more than 800 trees
- › Continuing our participation in the Resilient South Regional Climate Partnership
- › Installing new water sensitive urban design features
- › Authorised Officer Training under the *Landscape South Australia Act 2019*, to access \$10,000 annually for pest plant and animal control from Green Adelaide.

Our Climate

Resilient South Regional Climate Action Plan 2024–29

The Resilient South Regional Climate Action Plan was officially launched by Minister Susan Close, Minister for Climate, Environment and Water, and Mayors Amanda Wilson, Moira Were AM, Kris Hanna and Heather Holmes-Ross in March 2024.

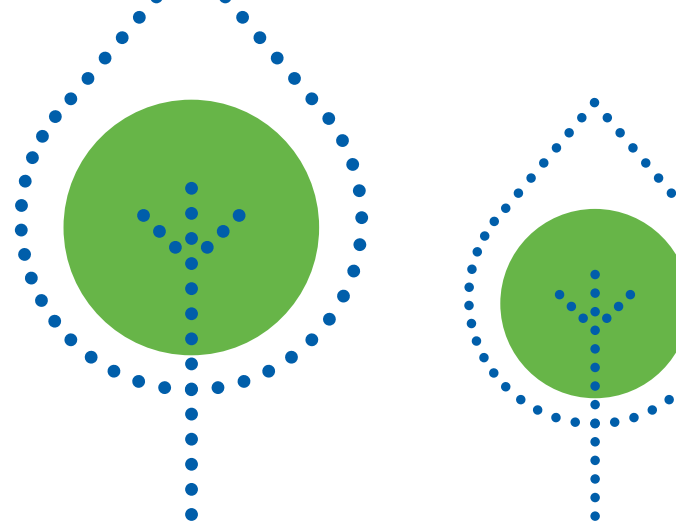
This plan is the Resilient South commitment to continue to create a climate resilient region for southern Adelaide, with healthy and diverse natural environments, low emissions and connected communities. The plan provides a strategic roadmap for the next five years.

Carbon Neutral Plan

In 2019, Council recognised that the world is in a state of climate emergency.

In response to this, Council endorsed a target to become a carbon neutral organisation by 2030 and developed a Carbon Neutral Plan, providing a roadmap towards this target through undertaking greenhouse gas reduction activities between 2022 and 2030.

Building on the earlier achievements of the Carbon Neutral Plan (Fleet Transition Plan and 100% certified renewable electricity), Council has employed a Climate Data Officer to track and maintain our greenhouse gas emissions data and support related emissions reduction projects. This has enabled us to better manage the greenhouse gas inventory and significantly improve the accuracy of our emissions reporting. Better tracking of our emissions enables better decision-making and allows us to be more effective in our decarbonising strategy.

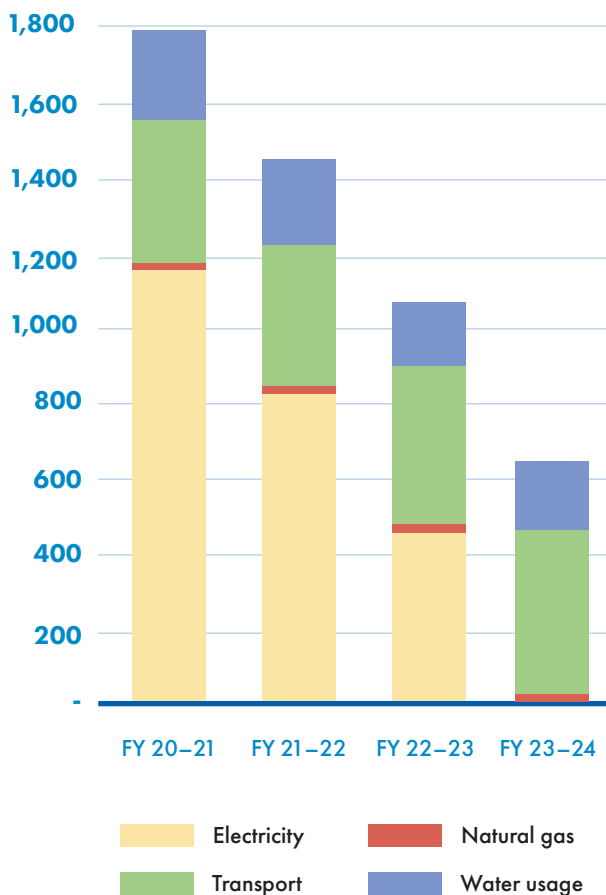


Our carbon footprint

Greenhouse gas emissions are currently being tracked from electricity, gas, water use and vehicle fuel. Our emissions have reduced from 1,784 tonnes CO₂-eq in 2020–21 (baseline year for the Carbon Neutral Plan) to 654 tonnes CO₂-eq in 2023–24.

Most of the reduction has come from recent solar panel installations and the purchase of certified renewable electricity from our electricity suppliers.

This is a 60% reduction in our scope one and two emissions. Scope one emissions are “direct emissions” from sources that are owned or controlled by the council. Scope two emissions are the emissions released into the atmosphere from the use of purchased energy. However, most of our emissions are defined as scope three that come from purchased goods and services, which are very difficult to capture. We will be working on this in the coming years, including improving our sustainable procurement policies and procedures.



Our Coast

Our beaches have been managed along with the Department of Environment and Water who undertake the annual sand pumping activity each winter. We have become a member of the newly formed Adelaide Coastal Councils Network to advocate and collaborate with other Adelaide metropolitan councils and state agencies.

Our Nature

Hooded Plovers

Holdfast Bay’s hooded plovers had two successful fledglings at the beginning of the season at Minda Dunes. These were believed to be the first chicks to fledge nationally. The pair had four nest attempts with nine chicks in total with seven lost to suspected predation or other factors and just two making it to fledging.

Natural Areas Rehabilitation and Maintenance

Holdfast Bay’s environment team partners with community volunteers, community groups and Green Adelaide to maintain and improve our natural areas.

Sustainability

Three gullies, the dunes and the Kingston Cliff Face represent most of our natural areas. They are important refuges for native animals and plants, including some regionally rare species.

This year weed control and revegetation took place with 3,683 new plantings at the following locations:

- › Barton Gully: 83 plants
- › Pine Gully: 79 plants
- › Dunes: 1,630 plants
- › Minda Dunes: 363 plants
- › Kingston Cliff Face: 56 plants
- › Kingston House Reserve: 800 plants
- › Bob Lewis Reserve: 225 plants
- › Seacliff Railcare sites: 233 plants
- › Sullivan Street WSUD: 36 plants
- › Tweeddale Reserve: 148 plants
- › Cedar Avenue: 30 plants.

Weed control was undertaken by contractors at the following sites:

- › Barton Gully
- › Gilbertson Gully
- › Pine Gully
- › Dunes
- › Cedar Avenue
- › Tweeddale Reserve
- › Yurlo Wirra
- › Kingston House Reserve
- › Railway Terrace/Caroona Avenue
- › Silver Avenue
- › Fordham and Bob Lewis Reserves
- › Rockwalls
- › Pine Avenue.

Additional declared weed removal was undertaken by contractors in:

- › Gilbertson Gully
- › Dunes.

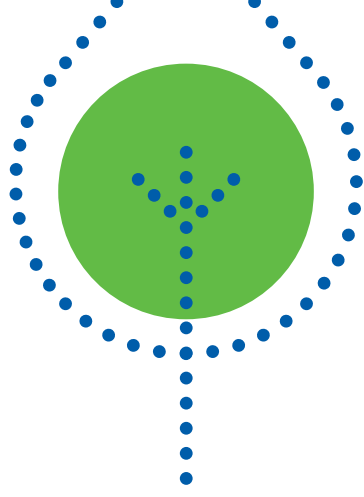
This year we gave away a total of 1,230 native plants to 188 residents through the Gazania Free Gardens Giveaway (a collaboration between Holdfast Bay, Green Adelaide and City of Marion), the NAIDOC Week Indigenous Plant Giveaway (a collaboration with Arts and Culture) and an additional Indigenous Plant Giveaway.

Pine Gully Masterplan

The Pine Gully revitalisation project provided significant stormwater, revegetation, access and amenity improvements to create an enhanced natural space for the community to enjoy. The project included stormwater pipe installation, a rock-lined channel, a new trail, stairs for community access and landscaping.

The project was finalised with mulch spread across the new area, 3,135 tube stock planted by contractors, new fencing installed and plants watered twice monthly from October 2023 to April 2024. Council secured a Green Adelaide grant for \$150,000 to contribute to the revegetation and trail works.

This project won an award from the Institute of Public Works Engineering Australasia.



Rewilding

The Green Adelaide coastal team and the City of Holdfast Bay undertook a rewilding project for painted dragons at Minda Dunes. Surveys will be undertaken in summer to check on survivorship and a second translocation is being considered.

Bitterbush blue butterflies were released at Minda Dunes from a donor site in the north of Adelaide, which will hopefully be successful at establishing a new coastal population.

There was a grand opening for a new butterfly habitat garden at Minda Dunes, developed by the Friends of Minda Dunes and supported by Green Adelaide.

We re-introduced several threatened plant species working with Green Adelaide and the South Australian Seed Conservation Centre.

Sustainable Resources

Weekly FOGO (Food Organics Green Organics):

The City of Holdfast Bay was the first council in South Australia to change its bin collection frequencies so that red landfill bins are only collected fortnightly and green FOGO bins are collected weekly. This enabled our community to reach an outstanding 71% diversion of waste away from landfill – a South Australian first. It has also achieved a reduction in greenhouse gases that are produced when food and other organic items are sent to landfill. Residents can now also choose from several flexible waste collection options if they need to choose to upsize a bin or stay with the old service. It is notable that 73% of households in Holdfast Bay participate in the sustainable service, and those participants have an 83% landfill diversion rate.

Public FOGO Bins

Funded by a grant from Green Industries SA, three public green (FOGO) bins were installed as a trial. One was installed in Moseley Square, one in Jetty Road, Glenelg and one near Brighton Jetty. All green bins are surrounded by normal landfill bins, which have shelves on the side for cans and bottles for the container deposit scheme. All compostable (not biodegradable) items can go in these new bins, including wooden cutlery, bamboo and cardboard food containers, compostable cups and food. As of 1 September 2024, more single use plastics will be phased out, including single-use coffee cups that are not recyclable or compostable. This will make it easier for people to dispose of all single-use food containers in these green bins and help to keep waste out of landfill, instead being diverted to industrial composting for South Australian farmers.

Water sensitive urban design

A new planted swale system was constructed at Sullivan Street, Somerton Park, reducing ponding and volume of stormwater run-off.

Tree inlets were installed in 36 locations, promoting efficient water drainage and supporting tree health.

Working Together

Holdfast Habitat Heroes

We work closely with our nature volunteers who contributed more than 774 hours (equivalent to \$36,083), over 41 volunteer sessions, looking after our natural areas. Two species of rare plants were planted as a part of four of these activities. We also provided our volunteers, residents and partner groups with three learning opportunities, including butterfly habitat, microbat data analysis and coastal gardens workshops in collaboration with City of Marion and Green Adelaide.

Sustainability

Other Volunteer Groups

Volunteer effort was also contributed by the Friends of Minda Dunes, Friends of Pine Gully, Friends of Sturt River Landcare and Railcare at Seacliff. All groups are supported by, and work in partnership with, Council. This year we also worked with Brighton and Seacliff Yacht Club, McAuley Community School, Home Schooling Network and staff. We also started running activities as part of Play at the Bay.

Community Planting Activities

This year six community planting events were held (Kingston House Reserve, Adelphi Crescent, Bob Lewis Reserve, Kauri Parade, Tweeddale Reserve and Seacliff Dunes). 63 volunteers attended contributing 567 hours, (equivalent to \$26,433) with 2,127 indigenous plants installed.

Sturt River Greening Project – Shannon Avenue Reserve

This project is ongoing and this year we worked in the Shannon Avenue Reserve:

- › Order of 2,500 indigenous tubestock
- › Community engagement held on site with 20 attendees
- › Removal of encroaching declared weed, athel pine, on SA Water land
- › Installation of 16 TreeNet inlets
- › Installation of 17 juvenile river red gums
- › Two treatments to remove kikuyu in garden bed area
- › Mulch installed.

Adelphi Crescent Verge Project

Trees For Life were successful in getting a grant from the Department for Infrastructure and Transport (DIT) to work with City of Holdfast Bay to add to our greening activities. The Environment and Open Space Teams collaborated with Trees for Life to green the verge on the corner of Adelphi Crescent and Brooklyn Avenue in Glenelg North with indigenous species. This involved:

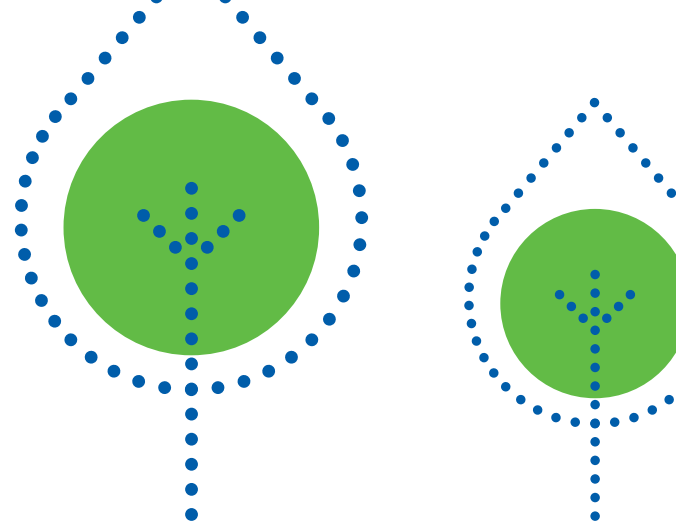
- › 1,122 indigenous plants
- › Communication with residents
- › Removal of weeds
- › Installation of mulch
- › Community planting event (reported in Events).

Green Living

We held a range of Green Living workshops and events:

- › Six Nature Festival events
- › Two Green Living workshops
- › One free compost giveaway event
- › Clean Up Australia Day
- › Meet the Machines
- › OzHarvest NEST 6-week training course.

We provided Green Living rebates to 92 residents, including a new e-bike rebate, which was the second most popular item after gas-to-electric appliances. This was the first year that our Green Living budget was used before the end of the year.



Economic Activation Plan

During 2023–24 an Economic Development Strategy was being developed that looks at an eight-year economic horizon for the city. Community consultation will occur during 2024–25 financial year to determine the aspirations of the strategy amongst the businesses, the community and key stakeholders.

The former Economic Activation Plan 2018–23 has completed 53 actions of a total 57 within the plan. These included supporting business through grants, training, access to data, precinct development, regional collaboration, tourism and business recovery and leveraging state and regional programs. Of the four actions not completed these were either reimagined or not achieved due to changes in priorities relating to the after effects of the pandemic.

In June 2023, there were 3,592 actively trading businesses, providing 14,340 jobs. Approximately 97% are small businesses employing less than 20 people, with more than half having a turnover of less than \$200,000. This is an increase from 2021 when 85% had a turnover of less than \$200,000.

The sectors employing the highest proportion of people were:

- › Health care and social assistance services
- › Accommodation and food services
- › Retail trade.

The sectors with the greatest employment growth in 2023 were health care and social assistance services and education and training.

Spending patterns for the city indicated Holdfast Bay outperformed national trends during the Spring and Summer months, suggesting events and attractions help stimulate the local economy. Night-time spending increased overall, driven by greater levels of winter spending.

The Southern Business Mentoring program, in partnership with the cities of Marion and Onkaparinga continues to support Holdfast Bay businesses to grow and prosper. The program was successful in obtaining a State Government grant through the Office of Small and Family Business's Small Business Strategy to deliver additional subsidised mentoring sessions and workshops. The program offered mentoring for general business, retail and tourism, digital and strategic marketing, human resources, sustainability and grants and tendering.

Glenelg Town Hall Pop Up space

The Glenelg Town Hall ground floor area provides temporary pop-up accommodation for small businesses interested in testing their product to market. The space serves as an incubator space for businesses to venture from home-based and market stall operations in a supported environment. Stores have ranged from homewares, gifts and accessories, fashion and small coffee cart operations. The flexible space is available for lease for up to six months.



Sustainability

Tourism and Marketing

The Tourism Recovery Plan 2023 was completed and reviewed with the report to be noted by Council in July 2024. The major objective of the Plan was to return visitation, nights stayed and visitor expenditure figures to pre COVID 19 levels as achieved in the 2019–20 financial year. Figures from Tourism Research Australia (year ending December 2023) show that Holdfast Bay had 1.366 million visitors, staying 554,000 nights and contributing \$316 million in visitor expenditure towards the local economy. Compared to pre-COVID levels:

- › Visitation was still down by 12%
- › Overnight Stays were down by 31%
- › Visitor Expenditure was up by 22%.

Overall, these results show that tourism for Holdfast Bay is doing well. Our domestic markets (intrastate and interstate) have come back to being on par with the results for 2019–20, while the international market is still recovering. The people who are visiting are spending a lot more while they are here but staying less nights. This means more work needs to be done to improve accommodation sales over the next 12 months.

The tourism branding for Holdfast Bay was updated in 2023–24. This improved branding was rolled out through signage (entry points, Moseley Square banner and Michael Herbert Bridge) and in all new marketing projects. These projects included:

- › Event Cinema advertising with Val Morgan
- › Adelaide Airport Welcome Sign advertising for LIV Golf and the AFL Gather Round
- › Print advertising with SA Life and SA Style magazines
- › Adelaide Concierge Map and Adelaide Visitor Guide.

Holdfast Bay was also chosen to host the 2024 Tourism Industry Council South Australia (TiCSA) South Australian Tourism Conference Welcome function, held in Mollys at the Colley Hotel in Glenelg.

The City of Holdfast Bay continues its relationship with the three other cities in the Western Adelaide Tourism Alliance (WATA), marketing the Western Adelaide region as Adelaide Beaches. We hosted a networking event in May 2024 with 75 attendees. The current WATA Tourism Destination Action Plan 2024 and Marketing Plan 2022–24 are currently under review. These plans will be updated over the next six months.



Sustainability

Events

Our community events are a vital contributor to the objectives of the *Our Holdfast 2050+*. This year, the city thrived with numerous events that bolstered community ties, attracted over 600,000 visitors, and showcased our commitment to environmental sustainability, cultural richness, and innovation. These events not only reinforced our community's cohesion but also aligned with our goals to enhance public spaces, support local economies, and maintain our cultural heritage, contributing significantly to the city's vision for a sustainable and inclusive future.

Sea to Shore: Glenelg Seafood Festival

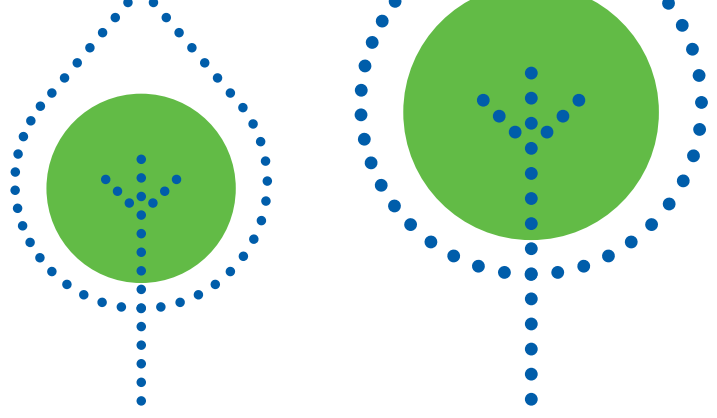
In 2023 the Sea to Shore Glenelg Seafood Festival returned for its second iteration to celebrate South Australia's rich seafood offerings. On 28 October from 11 am to 10 pm, the event unfolded along the Glenelg Foreshore and through Moseley Square into Jetty Road, attracting a total of 22,000 attendees. This year's Festival expanded its reach, featuring nine diverse food vendors on the foreshore and fifteen traders during the lively street party. Changes based on prior feedback enhanced the ease of movement from one venue to the next, reflecting a well-received evolution in event management.

The Festival directly boosts local tourism and economic activity, highlighting local culinary arts, and fostering community engagement and cultural celebrations. By bringing together local and external traders, the Festival also promotes Holdfast Bay's strategic vision of a connected,

vibrant, and economically sustainable community. The increased vendor variety and improved event layout contributed to a dynamic atmosphere, aligning with the strategic goals of enhancing public spaces and supporting the local economy.

Glenelg Christmas Pageant

On 26 November 2023, the Glenelg Christmas Pageant once again captured the hearts of the community, marking the festive season's start at Holdfast Bay. With events spanning from Jetty Road to Moseley Square, including the new addition of accessible viewing areas, the Pageant was a spectacle of joy and entertainment for all. This year, approximately 25,000 attendees enjoyed a diverse lineup of floats, performers, and the beloved visit from Santa. This was all under the cheerful commentary of Alex Schultz and PJ Oaten who hosted a Channel 44 broadcast of the event. The Glenelg Sunset Markets again added to the activities on offer. The day was not only a celebration but also a significant boost for local commerce and community spirit, aligning with the strategic goals of promoting Glenelg's unique attributes and fostering community engagement.



Proclamation Day

On 28 December 2023, the City of Holdfast Bay marked the 187th anniversary of South Australia's Proclamation Day with ceremonies that celebrated both historical and contemporary cultural narratives. This year's observance at the iconic Old Gum Tree included traditional Kurna ceremonies, with an overnight camp and a smoking ceremony, symbolising a deep respect for the original custodians of the land. This was followed by the innovative Signal Fires event at Kingston Park, engaging the wider community in an immersive learning experience about Kurna communication traditions during colonial times. Kurna Elders and the Kurna Fire team from Firesticks – an Indigenous alliance across Australia reviving cultural burning and landscape management – with support from the City of Holdfast Bay, led this significant cultural event.

At the 23rd Annual Local Government Professionals Australia Leadership Excellence Awards, Signal Fires won the Excellence in Community Partnerships and Collaboration award.

These ceremonies reflect the city's commitment to foster community inclusivity and preserve local heritage while promoting cultural awareness. The event's incorporation of Kurna traditions not only honoured the Aboriginal heritage but also aligned with the city's strategic objectives of enhancing community wellbeing and strengthening cultural identity. This collaborative approach in conducting Proclamation Day aims to ensure the sustainable cultural enrichment of the Holdfast Bay community, reinforcing the city's role as a leader in promoting an inclusive and culturally rich society.

New Year's Eve Celebrations

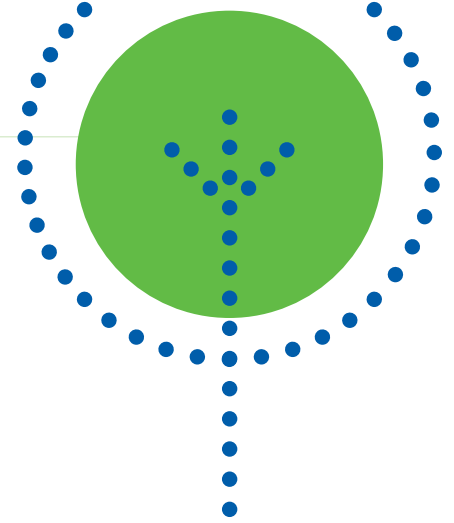
New Year's Eve 2023 in Glenelg and Brighton drew an estimated 60,000 revellers to a family-friendly, alcohol-free celebration highlighted by spectacular fireworks and lively DJ performances. This year's festivities featured enhanced crowd management and safety protocols, involving collaborations with local emergency services and government bodies. A detailed risk assessment and a fully operational Event Operations Centre ensured the night proceeded without major incidents, marking a return to the event's traditional size after last year's unusually high attendance. This mindful organisation and community engagement helped deliver a safe and joyous ringing in of the new year, underlining the event's role in fostering local community spirit and safety.

Glenelg Ice Cream Festival

The 2024 Glenelg Ice Cream Festival, held on 12 January, was a delightful culmination of community and culture, drawing a record crowd of 35,000 attendees. This vibrant event transformed Jetty Road into an ice cream paradise, aligning perfectly with the festive summer spirit of South Australia's favourite beach destination. Featuring an expanded array of 11 external traders and numerous local activations, the Festival offered a rich tapestry of flavours and experiences, catering to a diverse audience. Key highlights included family-friendly activities and a new Sensory Zone, enhancing accessibility and inclusivity. This Sensory Zone is designed for people who have a sensory dysfunction or a sensory processing disorder.

This successful event not only boosted local business but also reinforced Glenelg's reputation as a prime location for community engagement and economic vitality, embodying the strategic goals of fostering a thriving, inclusive community as outlined in the *Our Holdfast 2050+* strategic plan.

Sustainability



In September 2023, the Tourism Industry Council South Australia (TICSA) announced the Glenelg Ice Cream Festival as a finalist in the 2023 South Australian Tourism Awards.

Tour Down Under – Race Start

The 2024 Santos Tour Down Under Women's Stage 2, hosted in Glenelg, was a milestone event, marking its first inclusion as a UCI World Tour stage. This also highlighted the City of Holdfast Bay's commitment to gender equality in sports. Held on 13 January, the event attracted significant attendance with its 104.2 kilometre route featuring a challenging 2,079 metres of climbing.

The race amplified the festive atmosphere, drawing both locals and visitors to enjoy a blend of elite sports and community engagement. The event's seamless execution demonstrated effective management and bolstered Glenelg's reputation as a prime destination for major events. This successful integration of sports and local culture not only entertained but also significantly contributed to the local economy and community spirit. This aligns with the strategic objectives of fostering economic and social vibrancy in a thriving environment.

Australia Day

The 2024 Australia Day Ceremony at Jimmy Melrose Park on the Glenelg Foreshore witnessed the induction of 67 new citizens from 26 countries into the community. This significant occasion was highlighted by the announcement of the City of Holdfast Bay Australia Day award winners by Mayor Wilson. Recognitions included Peter Tidswell as Citizen of the Year and Josh Warne as Young Citizen of the Year. The Community Event of the Year was awarded to St Jude's Community Meal project,

and the Award for Active Citizenship recognized Greg and Richelle Patrick, Malcolm "Pip" Pearson, and Virginia Summers for their contributions. The ceremony, graced by distinguished guests such as Minister Penny Wong and other politicians, celebrated community contributions and the shared values that define Holdfast Bay, enhancing the city's vision of fostering a vibrant, inclusive community.

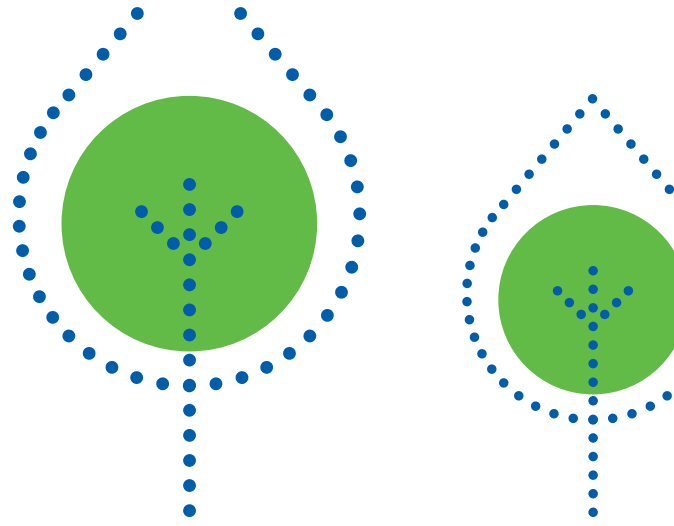
Brighton Street Parties

The 2024 Brighton Winter Solstice, held on 22 June attracted 7,720 attendees—a record for the event. This street party, now a hallmark of the winter season, effectively infused local businesses with substantial economic benefits, particularly in the dining and entertainment sectors. The event's alignment with the broader community vision was evident as it fostered local connectivity and vibrancy, enhancing Holdfast Bay's appeal as a destination.

Leveraging strategic collaborations, the festival incorporated diverse attractions from live music to children's activities, enriching the community's cultural tapestry and strengthening local business involvement. Such initiatives underscore the festival's role in promoting community wellbeing and economic sustainability.

Moseley Beach Club

The Moseley Beach Club completed its seventh season on the Glenelg foreshore from 2 December 2023 to 7 April 2024, with over 73,000 patrons attending. This season featured a fresh mix of Southeast Asian and European culinary influences, enhancing the beachside experience with delicious cocktails and food offerings. Notable was the "Taste of Greece" event series, which was particularly popular among both



locals and tourists, contributing significantly to the local economy. The Club enjoyed a growth of 9.23% compared to the previous year. This was bolstered by a 24.31% increased percentage of international visitors from 51 different nationalities.

The venue's infrastructure improvements, including extended boardwalks for better accessibility and improved site design resulted in a highly successful season. These efforts upheld the Club's reputation as a premier summer destination. Through strategic media engagements and social media platforms, the Moseley Beach Club effectively increased its brand visibility, reinforcing its role as a crucial component of Holdfast Bay's vibrant tourism sector.

MIX 102.3 Giant Wheel

The 2023 season of the MIX 102.3 Giant Wheel, a beloved Glenelg landmark, surpassed expectations, drawing over 103,118 riders—a 7% increase from the previous year. This season was extended by two weeks and included more than fifty uses of the wheelchair-accessible gondola, emphasising inclusivity.

Key events like the Seafood Festival, New Year's festivities, and the Ice Cream Festival highlighted the Wheel's role in Glenelg's vibrant community life. Notable also was the engagement in promotional events such as the Easter Egg Hunt and the Asia Street Food Festival, enhancing the Wheel's appeal to both locals and visitors.

The 2023–24 season's success is a testament to the Giant Wheel's integration into Glenelg's cultural fabric. This offers unique experiences that resonate well beyond the immediate thrill of the ride, contributing significantly to local tourism and community engagement.

Baleen Moondjan

For the first time ever, the Adelaide Festival launched outside the City of Adelaide and Glenelg was chosen as the place for this to occur. The 2024 Adelaide Festival through its highly anticipated presentation of Baleen Moondjan at Glenelg Beach splendidly showcased the City of Holdfast Bay's vibrant community spirit and commitment to fostering cultural richness. Held from 28 February to 2 March 2024, this event celebrated the artistic prowess of Stephen Page and attracted a large audience, highlighting Holdfast Bay as a premier cultural destination.

For this collaboration, the City of Holdfast Bay entered into a major sponsor agreement with the Festival. This provided significant exposure and enhanced community engagement, aligning seamlessly with the city's strategic objectives of cultural enhancement and community participation. The festival saw the City of Holdfast Bay stepping into a spotlight that showcased its coastal beauty and strengths in hosting major cultural events, bolstering its reputation both locally and nationally.

By hosting such an iconic event, the city not only reinforced its commitment to arts and culture but also drove substantial economic activity to the area, benefiting local businesses and the broader community. With 7,238 attendees over four nights, the event's success was also a testament to effective city planning and execution, reinforcing the City of Holdfast Bay's reputation as an ideal host for major national level events.

Sustainability

Glenelg Winter Arts Festival

The Glenelg Winter Arts Festival held at Colley Reserve from 6–23 July, 2023, marked a significant shift from the traditional ice-skating model to a vibrant cultural celebration, thanks to the innovative planning by Gluttony Food and Wine Pty Ltd. The event attracted approximately 25,000 attendees, with a strong ticket sale of 13,754 over 100 sessions, demonstrating robust community engagement and approval for the Festival's inaugural year.

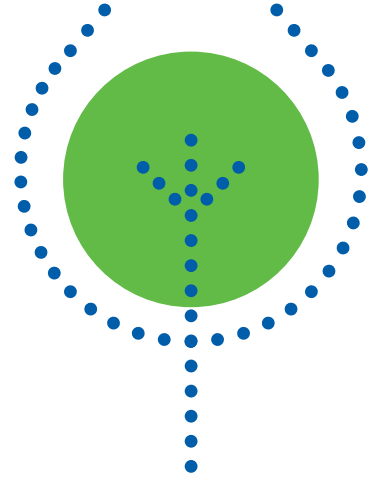
The Festival featured a diverse lineup of 39 shows and workshops, enhancing Glenelg's reputation as a dynamic off-season destination. Notably, the event integrated local culture and commerce, hosting food stalls by Jetty Road, Glenelg traders, which supported local businesses and enriched the Festival experience.

There was a significant injection into the local economy, with an estimated \$24.8 million spent in Glenelg during the Festival period—a 14% increase compared to the previous year's winter event. The Festival's success in drawing both locals and tourists underscored its potential as a staple in Adelaide's cultural calendar.

Masters Games Foreshore Fiesta

The City of Holdfast Bay successfully hosted the Masters Games Foreshore Fiesta on 12 October 2023. This event capitalised on the vibrant atmosphere of the XIX Australian Masters Games. This drew an enthusiastic crowd to the Glenelg Foreshore, which energised the local economy and community spirit. The event featured engaging activities including live music by the Baker Boys Band and DJ Ashlee Grindle and offered a variety of food and drinks catered by local traders. The festive environment was further elevated with fire pits and festoon lighting, creating a welcoming space for approximately 1,200 attendees. The event was open to the public fostering inclusivity and broad community engagement.

Supported by council and local businesses, the Foreshore Fiesta was a leisure and entertainment hub and promoted local commerce, proving its value as a significant city event. Feedback was overwhelmingly positive, indicating strong community and economic benefits. There were several suggestions made for future events around increased promotional activities to maximise local trader participation and visitor spending.



City Assets

Council staff manage, maintain, and develop community assets and infrastructure in an environmentally and financially sustainable way. These assets include buildings, roads, coastal assets, stormwater assets, open space and general plant and equipment. Ongoing services include:

- › Traffic management support, investigations, and installation of traffic calming devices
- › Asset management service including asset planning, data, systems, and Geographic Information System (GIS)
- › Stormwater planning and investigations
- › Coordination and delivery of our capital works program including renewals and new infrastructure
- › Maintaining buildings and facilities
- › Maintaining the Patawalonga River boat lock
- › Inspecting and resolving damage caused by developers and utility companies.

Traffic and Transport

Capital Renewal Program

In 2023–24 the Capital Works team delivered the following transport works across the city:

- › 5,349 linear metres of road reseal
- › 3,376 linear metres of kerb renewal
- › 715 linear metres of footpath renewal
- › 91 DDA compliant kerb ramps upgrades
- › Improvements to 17 bus stops.

King George Avenue Koala Crossing

The construction of a signalised koala crossing (flashing light school crossing) on King George Avenue adjacent the McAuley Community School was completed.

Asset Management

Resilient Asset Management

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

Stormwater Data Collection

Council completed a multi-year data collection across the city's underground stormwater network. This was completed one year early, and identified and removed any blockages or build-up of debris within our stormwater pits.

Transport Audit

As part of the annual condition assessment program, the Asset Management team undertook comprehensive data collection and condition assessments of road, kerb, footpath, kerb ramp, bus stop and bridge assets.

This data collection is critical for asset management planning to inform our renewal and upgrade programs across our transport assets to ensure we continue to provide a safe, efficient and sustainable transport network.

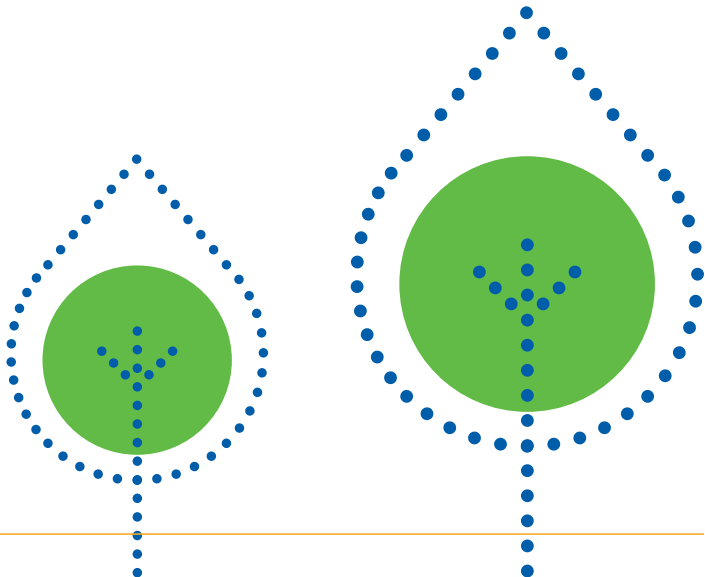
Sustainability

Field Services

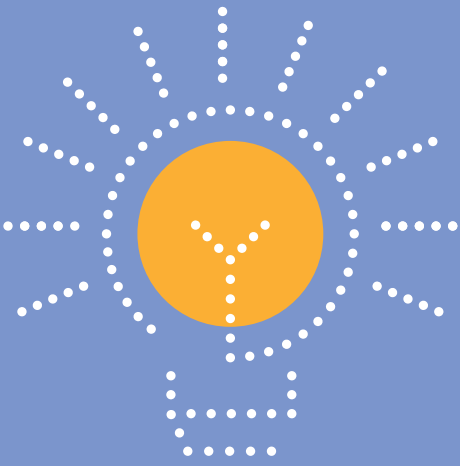
Field Services continues to deliver an intensive maintenance program as part of our commitment to enhancing the city's image and safety. The Field Services team is comprised of Civil Construction, Open Space and City Clean and Rapid Response who are responsible for maintaining this city and its pristine coastline, shopping precincts and open spaces.

During 2023–24 our Field Services team:

- › Continued to revise and develop our routine maintenance, open space and cleansing schedules to better meet community expectations
- › Maintained 56 areas – parks, reserves, sports ovals, significant verges (including Jetty Road Brighton and Anzac Hwy) and Partridge House and Lighthouse Church
- › Contributed to increasing biodiversity, working alongside the Environment team delivering projects and community events
- › Maintained services and facilities along our premier coastline to improve amenity for residents and visitors
- › Continued to develop our defect inspection program for our assets
- › Upgraded ageing open space facilities, which included bins, benches, showers and drinking fountains throughout the city
- › Planted over 800 new trees
- › Completed 6,390 customer requests
- › Completed 4,520 internal requests for work
- › Completed 7,171 maintenance schedules
- › Repaired 3,212 linear metres of footpath
- › Repaired 774.51 linear metres of kerbing
- › Repaired 227 linear metres of bitumen (pot holes)
- › Swept all streets a minimum of every four weeks.



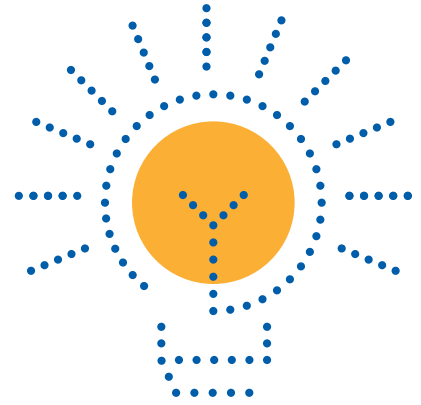




Innovation

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





Creative Holdfast

Summer and Winter Creative Holdfast Programs were produced which provided a range of arts, history and cultural events, workshops, talks, tours and exhibitions in Holdfast Bay.

Six public art works were installed throughout the city including:

- › The 'A Trip Down Flora Lane' mural along Esplanade at the Broadway
- › Screening artworks at NEST Kiosk, Kingston Park
- › The Return Sculpture installed along the Esplanade at Seacliff that was purchased by Council from the 2024 Brighton Jetty Classic event.

A significant number of actions from the Creative Holdfast Arts and Cultural Strategy (2019–2024), were delivered in 2023–24. These include the strategies to encourage and support local cultural activity, increase participation, develop the potential of artists, nurture local creative industry and support and promote cultural development.

Holdfast Bay History

Bay Discovery Centre and Visitor Services

Visitation

The Bay Discovery Centre (BDC) Museum, Gallery and Visitor Services area welcomed 69,409 people during the year, an increase of 14% on the previous year. The Museum had 44,219 visitors (up 16%) and the Visitor Services area gave tourism information and advice to 23,354 visitors (up 10%). We also had several group bookings and public programs attracting 1,836 people (up by 265%).

The Gallery received 28,188 (up 7%) visitors in 2023–24. The following exhibitions were held during the year:

- › Jam Factory icon Tom Moore – Abundant Wonder
- › Little Picassos – Postcards from the Heart
- › Sand Castles: Mansions and Estates of Holdfast Bay.

Donations

The Bay Discovery Centre Museum and Gallery area are a donation-based entity, with two donation boxes (one at the Gallery entrance and one on the stairs leading up to the Museum) and a Quest Electronic Donation machine (multiple choice for amounts). In 2023–24 the community donated \$23,374.13 towards BDC operations.

Innovation

Volunteer Program

The Bay Discovery Centre and Visitor Services are supported by 36 volunteers who contributed 3,255 hours of service. This equates to 90 hours per volunteer and the equivalent of 1.65 FTE staff members.

Visitor Services

A new Visitor Services Officer position (1.0FTE) was approved in June 2023. This position is shared by two staff members (both 0.5FTE) working a 7 day roster. The brochure area has been updated with a new design and updated tourism branding.

Public Programs and School Holidays

During 2023–24 the Visitor Services Officers worked closely with the Youth Coordinator to offer improved public programs and to enhance the children's offerings for the BDC during the school holidays. Public programs attracted 962 young people (up by 37%) during 2023–24. The BDC offered several free activities during each school holiday period which were well received and popular.

School and Community Group Tours

During the year, the Bay Discovery Centre Museum and Gallery received several group bookings attracting 874 people (up by 49%). The aim is to further grow these markets in the coming year.

Holdfast Bay History Centre

The Holdfast Bay History Centre celebrates and shares Holdfast Bay's unique history. Each year the Centre works to preserve its nationally significant collection to make it accessible to our community and ensure its safe keeping. During 2023–24, 21 volunteers dedicated over 1,500 hours to help deliver the Centre's extensive program. 838 records were digitised and made available to the public.

Enquiry Program

The History Centre received 190 enquiries from members of the public including general research enquiries, family history enquiries, donation enquiries and burial enquiries. 22 house history reports, raising \$660 in donations, were completed.

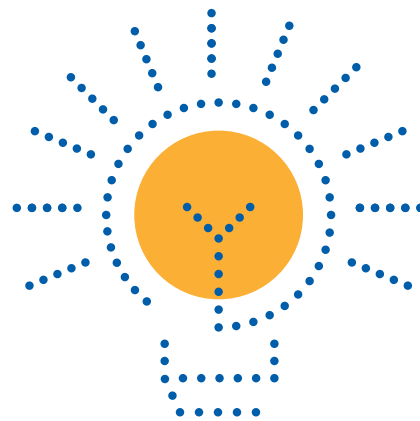
History Festival

The South Australia History Festival ran from 1–31 May 2024. In this Festival, Holdfast Bay offered 10 tours and/or workshops in collaboration with Cancer Council SA, Sacred Heart College, Partridge House and community members who opened their private residence. 292 people attended events throughout May, with 31% of attendees being local residents, 62% from Metropolitan Adelaide and 7% from regional South Australia.

Collection Donation Highlights

Donations remain predominantly driven by the generosity of the South Australian community. The following donation highlights were made via the public:

- › Carousel horse and Luna Park fortune telling scales donated by Sanderson family
- › Wedding dress and photographs donated by the Mawson family
- › Acquisition of Ron Blum photographic collection.



Libraries

Our welcoming library services at Brighton and Glenelg support wellbeing, sustainability and innovation through a community space that connects our community. We encourage sharing ideas, from a baby's first discovery of words and books to the stories and wisdom of our seniors.

There were 187,423 visits to the libraries an increase of 5%, with 428,349 items borrowed. Digital items borrowed increased by 23% to 102,855 through Libby, Borrow Box and Hoopla by using the Libraries SA app. Popular titles have fast turnover through express loans, exploring ideas from the First Nations and wellbeing collections and engaging minds with the high use borrowing of the toy library items and Nintendo Switch games.

Libraries encouraged community connection with 21,840 adults and children attending 1,057 learning programs and events, a 19% increase. Programs included Shut Up and Write, craft group, Writer's Week screening, Monday Movies and Book Clubs. Digital literacy one-on-one sessions to use your smart phone, using the photo scanning hub or Tech Talks on topics to avoid online scamming, understand AI or electric cars attracted 3,272 adults.

Firstival was held in July, a new event across SA public libraires encouraging the community to 'try something' for the first time. Holdfast featured cosy crime writer Amanda Hampton, World Chocolate Day and children enjoyed school holiday programs. With 501 participants, it created community connections and return visits throughout the year.

18,571 children and families explored early literacy with Wriggle and Rhyme and Words Grow Minds, discovering science in STEM sessions, fun holiday programs, Play and Stay Saturdays and testing their skill at the gaming zone.

The Learning team were successful in obtaining a \$5,500 grant in May 2024 from the *Libraries Board of South Australia* and *Words Grow Minds*, to develop early literacy kits and promote the Words Grow Minds early years development with our community.

This year's highlights included:

- › 12,387 members averaging 15 visits to the library per year
- › 428,349 items borrowed, including 326,494 physical items and 101,855 digital items
- › 178,423 physical visits to libraries, a 5% increase
- › 200 attended Youth Community Fair at the Brighton Library lawn
- › 1,300 participants at the library stand during the Christmas Pageant, Ice cream Festival and Winter Solstice events
- › 258 experimented with science and art at STEAM Club and 674 used microscopes at the discovery table in January
- › 501 attended *Firstival* events, 367 attending author talks; 184 at Writer's Week screening; 160 attending digital one-on-one training sessions; and 1,980 Book Club participants
- › 10,665 children attended early childhood programs, afterschool and holiday programs, and kindy visits, supported by 7,906 adults
- › Glenelg Library workroom was refurbished, planning for the library seating, and shelving is underway.

Innovation

Brighton Beachfront Holiday Park

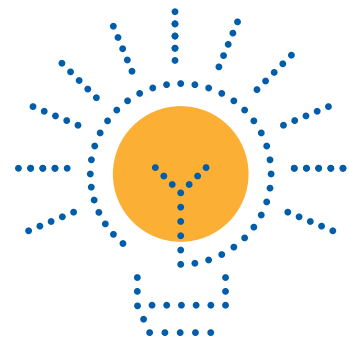
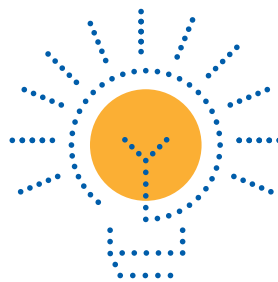
In a prime location with stunning views over the Gulf St Vincent, Brighton Beachfront Holiday Park continues to be a significant tourist asset for the City of Holdfast Bay. Results for the 2023–24 are:

- › Cabins income was 3% above year to date (YTD) budget – \$1,725,219
- › Site income was 2% above YTD budget – \$1,371,905
- › Shop income was down by 5% – \$27,559
- › Total income was \$3,206,944, 3% above YTD Budget
- › Cabin overall occupancy rate was 83.98%, 2.7% less than last year
- › Site occupancy averaged 81.36%, 0.12% higher than last year. This is well above State averages of 50% for powered sites and 65% for cabins, highlighting the Park’s popularity and high demand.

Income from the Park resulted in more than \$1.603 million in revenue to council. In February 2024, the newly built \$1.4 million kiosk opened for the community and visitors, seating up to 80 patrons and offering a range of food and beverages and take-away servery.

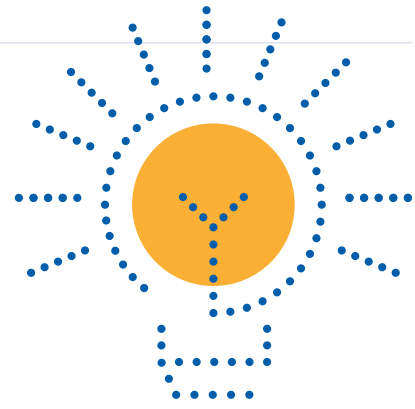
Partridge House

Partridge House is a much loved and valued community asset, offering residents and visitors memorable experiences. The beautiful gardens, elegant interiors and welcoming ambience provides a perfect backdrop for many weddings, community events and gatherings, funerals and a place for the community to recreate on the picnic area. There were 539 events hosted throughout the year including 307 community group events, 140 funerals, 28 weddings and 64 other events. Partridge House hosted a total of 518 events in 2023–24, including 303 community group events, 120 funerals, 22 weddings and 73 other events.





Innovation



Business Services

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

- › Business planning and improvement
- › Commercial and strategic services
- › Corporate communications and media management
- › Elected Member and CEO support
- › Finance
- › Governance and policy
- › Information and technology services
- › People and culture
- › Procurement
- › Property management and leases
- › Rates
- › Records management
- › Risk management
- › Work health and safety.

Strategy and Governance

The Strategy and Governance team provides a range of strategic and corporate governance functions including:

- › Strategy development
- › Business planning
- › Corporate reporting
- › Procurement
- › Risk management
- › Internal audit
- › Policy development and maintenance
- › Project Oversight Committee support
- › Delegations and authorisations
- › Advisory services.

The achievements and outcomes for the year include:

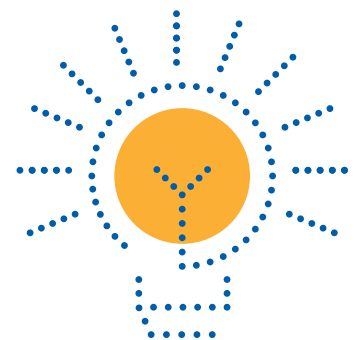
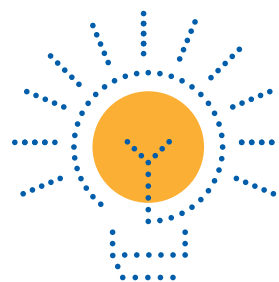
- › Developing and implementing a new Policy Development Framework and Manual
- › Reviewing and continuing to refresh a range of policies and procedures
- › Developed one of the first policies guiding organisational use of Generative AI in the local government sector in South Australia
- › Developing and implementing a new Project Management Framework and Manual, and Prioritisation Framework and Manual
- › Completing the review of all organisational delegations

- › Assuring accountability by managing the Internal Audit program, which included four internal audits across the organisation, including one regarding procurement and one regarding strategic planning
- › Pressure-tested updated business continuity plans and the organisational Crisis Management Plan
- › Commenced operations of the new Project Oversight Committee, transitioning from the previous Project Board.
- › Continuing the development of a Corporate Plan to operationalise the Strategic Plan, including identifying appropriate software to support forecasting and forward planning
- › Implementing a new tool to measure community satisfaction, which includes a module to measure service satisfaction at the point of interaction
- › Managed an unusually large engagement program relating to the 2024–25, Draft Annual Business Plan
- › Staff participated in several cross-sector networks and activities, providing Executive Officer support, Committee membership and providing a number of presentations.

High performing corporate functions enable the organisation to effectively deliver the objectives and aspirations of the Strategic Plan. Strategy and Governance ensures that policies and central practices are aligned with the Strategic Plan and facilitate its delivery.

This year, the use of Generative Artificial Intelligence (AI) was a particularly hot topic in local government. As well as developing one of the first policies in the sector to guide organisational use of AI, Strategy and Governance staff were involved in a range of discussions and presentations across the sector about the topic via the Risk Managers Network, the Governance Network, the General Managers' Network and the Business Improvement and Performance Network.

In November 2023, Council adopted a Prioritisation Policy and associated Framework and Manual. This body of work provides a comprehensive and objective methodology for assessing the many possible activities Council could be involved in. This helps to build a project pipeline and to support Elected Members in evidence-based decision-making.



Innovation

Financial Services

The Financial Services team provides services including strategic long term financial planning; annual budgeting and monitoring; rates administration; year-end financial accounting and audit; financial systems and internal control; payroll; and accounts payable/receivable.

Achievements for 2023–24 include:

- › Preparing a Long Term Financial Plan which modelled Council’s financial position through to 2034
- › Budget revisions through the year and the preparation and adoption of the 2024–25 budget
- › Rate modelling, notice generation and distribution for 21,064 properties. This included 19,202 residential properties with 28% of properties paying the minimum rate of \$1,153
- › Annual financial statements, audit finalisation and adoption for 2022–23
- › Processed over 12,000 invoices with a total value in excess of \$38 million
- › Contribution to an Internal Audit on Council’s procurement processes.

Innovation and Technology

The council's commitment to innovation and technology is underpinned by the work of the Innovation and Technology Services (ITS) team. The ITS team's mission is to foster innovation, support business transformation, and ensure a seamless flow of technology services. The ITS clientele includes our staff, the community we serve, our business partners, and Alwyndor.

Key Areas of Responsibility

ITS supports the organisation by:

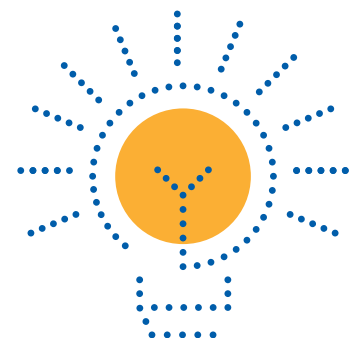
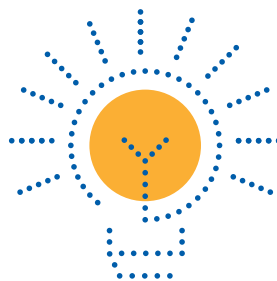
- › **Facilitating transformation:** Guiding change implementation, maintenance, support, and enhancement of corporate systems. They also facilitate the transformation of corporate systems, functions, and processes to keep the organisation ahead of the curve.
- › **Corporate system and Information and Communication Technology (ICT) infrastructure:** Committed to providing service and support for corporate systems, ICT infrastructure, and core corporate applications.
- › **Business continuity:** Guardians of business continuity in corporate systems and technical ICT infrastructure, ensuring all ICT operations remain resilient.
- › **Security matters:** Ensuring the security of robust ICT infrastructure and corporate systems.
- › **Data and Information Management:** Managing data and information, ensuring they are well-preserved and secure.

Internal services provided by ITS includes:

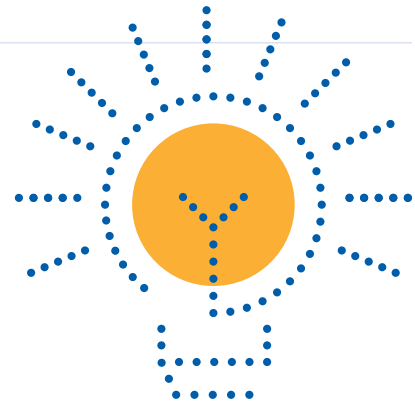
- › **ICT support and maintenance:** Providing comprehensive internal ICT support and maintenance needs.
- › **Guidance and expertise:** Offering valuable ICT technical and business guidance to all areas of the organisation, maximising technology resources.
- › **Business intelligence:** Unlocking the power of data with business intelligence services that span across the organisation.
- › **Digital transformation:** Leading the charge with the Digital Transformation roadmap and project delivery, helping the organisation confidently embrace the future.
- › **Business analysis and improvement:** Engaging in business analysis, requirements development, and change management to help the organisation continuously improve its systems and processes.
- › **Data and information management:** Covering the organisation's information and data management needs.

External Services supported by ITS include:

- › **Customer experience:** Managing customer requests and providing support to meet their needs. This is via the implementation of the new Request Management System.
- › **Community support:** Extending services beyond our organisation by offering ICT support to Elected Members and the community.



Innovation



Key Achievements

Contractor Management

This project streamlined contractor management by modernising manual processes for assessing and maintaining contractor compliance, such as qualifications, licences, and insurance. The project improved reporting and aligned business processes with industry standards. The business benefits include improved efficiency, reduced manual workload, enhanced WHS management, and streamlined contractor data reporting.

Information Management

The project focused on establishing a robust information and records management framework and systems and ensuring that the City of Holdfast Bay complies with the *State Records Act 1997* and other relevant legislation. The project has achieved the goal of maintaining an accessible, secure, and accurate repository of council records to support transparent governance and evidence-based decision-making. The benefits include enhanced compliance with legal requirements, improved transparency, and preserving the council's corporate memory.

Request Management System (RMS)

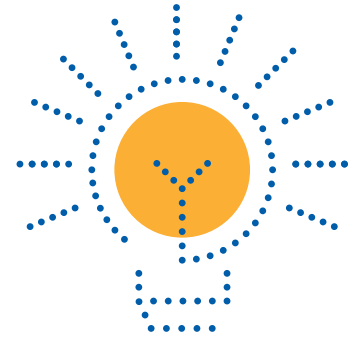
This initiative introduces a centralised system to manage all council requests, both internal and external. The design of RMS is to increase productivity by reducing reliance on emails and improving service delivery through better tracking and data-driven decision-making. The key benefits include increased productivity, better management of requests, real-time reporting, and data-driven decision-making.

Data Analytics – Cleaning Contract Dashboard

This project involved developing a dashboard to analyse data from cleaning contracts. It enables the Council to monitor contract performance, highlight missed services, address poor service delivery, optimise cleaning schedules, and ensure the efficient use of resources based on data insights. The benefits include improved oversight, accountability, and optimised contract management.

Community Centres

Now that council has taken on management of two community centres, ITS provides IT support, public internet, and AV equipment to the community centres reflects the council's commitment to enhancing accessibility and connectivity for residents. The ITS team ensures that community members can easily access digital services, participate in educational programs, and engage in various community activities by equipping these centres with robust technology infrastructure. The benefits of this initiative include improved digital inclusion, enhanced community engagement, and the ability to support a broader range of events and programs, thereby fostering a more connected and informed community.



Customer Experience

Council operates a face-to-face customer enquiry service between 8.30 am and 5.00 pm Monday to Friday from the Civic Centre at Brighton and the Glenelg Library (excluding public holidays) and 24-hour, seven-day phone and online services.

In the 2023–2024 year:

- › The contact centre team answered 43,400 phone calls with an average of 2 minutes 29 seconds talk time
- › Calls were answered immediately 95.5% of the time
- › Calls on hold were answered within 24 seconds and abandoned calls reduced by 20%
- › Phone call responses met 97% resolution on the first call
- › 34,072 requests and online forms emailed to mail@holdfast.sa.gov.au were actioned.

To continuously improve customer experience, we will:

- › Design our approach with our customers
- › Reduce customer effort
- › Keep customers informed
- › Focus our investment on channels our customers prefer
- › Ensure respectful conversations and inclusion for all.

Council's customer Request Management System (RMS) commenced across all service areas. RMS provides greater information for customers to be notified of the progress of the request, reduces duplication and increases resolution of the request. 22,060 requests were added this year and 97% were completed, with the top requests being Rates, Infringements, Waste, Trees and Strategy and Governance.

A portal is being developed for customers to add and track their requests. This will provide real time information to residents on the progress of their request and assist council teams to manage responses and resources effectively.

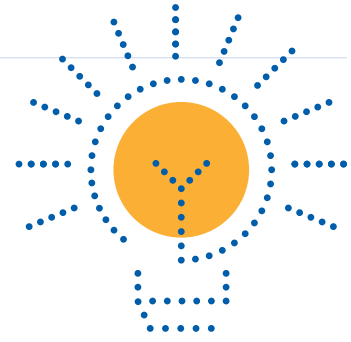
Customer Experience Plan

Council provides a wide range of services to many different types of customers, including residents, businesses, community and sporting groups, visitors and tourists.

To provide the foundation for a world-class, customer-centred experience, we are developing a Customer Experience Plan. The focus has been to develop and use the request management system. The data the system is providing is guiding the development of the Customer Experience Plan including:

- › Seeking ways to improve our service to customers
- › Ensuring the Council is easy to do business with
- › Two-way engagement through listening and informing
- › Creating positive experiences for customers.

Innovation



People and Culture

The People and Culture function plays a crucial role in fostering a positive work environment prioritising employee culture, engagement, inclusion and the health and safety of our people.

Council is building an inclusive and diverse culture to reflect our multicultural and intergenerational workforce. This is supported by adapting to programs, professional development opportunities and wellbeing to support the employee experience and maintain a sustainable workplace.

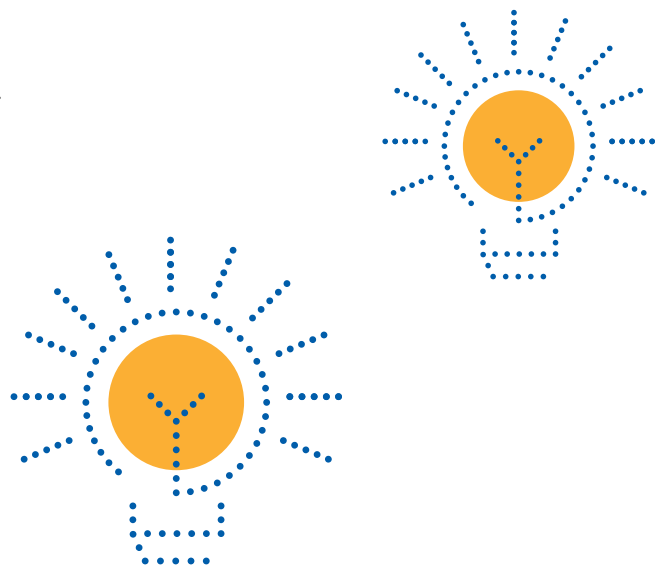
Our focus remains on enforcing and engaging in Work Health and Safety (WHS) practices and systems. This will establish a holistic approach for a strong and thriving culture to uphold employee welfare (both physical and mental health) and drive business performance.

The team continues to partner with Leadership to support attracting diverse talent that aligns with council's purpose and strategic vision. This partnership approach is essential for embedding a culture of transparency, open communication and fostering an environment where employees feel valued and heard.

Our Leadership promotes recognition, process improvement, clarity and enhances capabilities throughout the organisation.

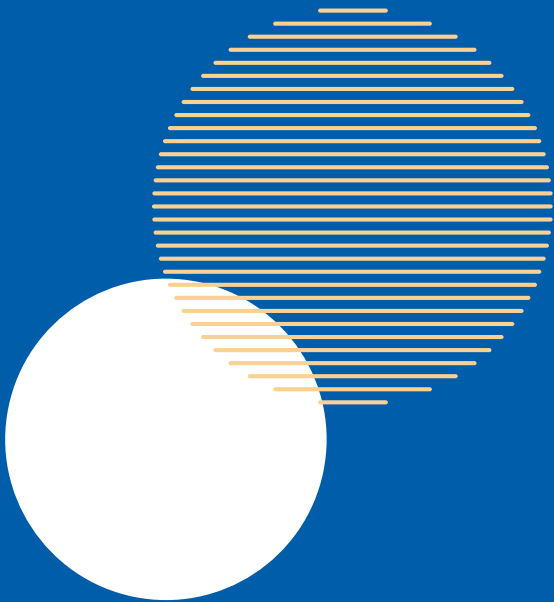
Our people and culture function has made significant strides by successfully implementing a comprehensive People Plan across the organisation. This focuses on five pillars:

1. Effectively planning and attracting the right talent
2. Enhancing retention through robust talent management and meaningful interactions
3. Driving transformation with innovative human resource practices
4. Fostering a positive culture and prioritising wellbeing
5. Developing the necessary capabilities to address the future needs of our community and help to deliver our strategic priorities.





Strategic Management



How We Measure Our Performance

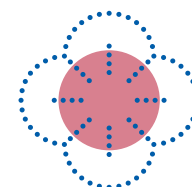
Council assesses its financial performance against measures established in its *Long Term Financial Plan*. As required under the *Local Government Act 1999*, we prepare a range of reports each financial year, including monthly financial statements, budget updates, four comprehensive annual budget reviews and audited financial statements.

Strategic measures are used to track our progress towards achieving community objectives and improve our internal services. Information for these reports comes from a range of sources, including community surveys and a Business Confidence Survey.

Council's strategic plan, *Our Holdfast 2050+* includes three focus areas. In 2023–24 progress against the objectives in each of these focus areas was gathered as shown in the following tables:



Strategic Management



Wellbeing

Highlights for 2023–24:

- › Glenelg Oval Masterplan works were completed after three years. This was a \$58million project which attracted funding from SACA, the AFL, Department of Education, the Local Government Infrastructure Partnership Program (LGIPP) through the SA Government and the Local Roads and Community Infrastructure Program (LRCI) through the Federal Government.
- › Council has taken on responsibility for managing the Holdfast Bay and Glenelg North Community Centres. These will provide increased opportunities to increase their usage and develop these into multi-purpose hubs.

Objectives 2020–2030

Measures

Baseline / Notes

Apply the principles of universal design and social inclusion to all Council activities

All project plans and policies address universal design and social inclusion

This matches the intent of the Disability Access and Inclusion Plan 2020–2024, which is reported to council annually.

The designs for the redevelopment of Glenelg Oval stages 3 and 4 incorporated universal design principles including Disability Discrimination Act (DDA) compliant pathways, undercover viewing areas and public toilet. Adult fitness equipment was selected to be used and accessed by all ages and is placed on sealed rubber surface for ease of access.

Council has also installed and upgraded approximately 170 DDA compliant kerb ramps, 30 bus stop improvements, and public toilet upgrades to meet DDA standards.

We have also focused on training staff and contractors on universal design principles and reviewing accessible parking availability.



Objectives 2020–2030

Measures

Baseline / Notes

Assist the city’s mainstreet precincts in becoming dementia-friendly

The number of businesses recognised as dementia-friendly increases year on year

A joint Council-Alwyndor program is being developed.

Increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate

The number of participants in formal engagements increases year on year

In 2023–24, we received 2,131 submissions in formal community engagements (compared to 686 in 2022–23). 6,560 people downloaded material from the engagements to view. A total of 25,548 people were involved in community engagement, compared to 3,998 in the previous year.

Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances

The proportion of mixed-use developments increases

Fourteen new businesses have been approved to operate in mixed use neighbourhoods in 2023–24, compared to 11 for 2022–23 and 17 for the 2021–22 year.

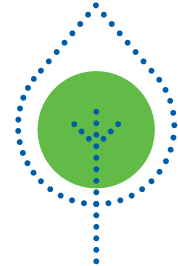
Establish community hubs that integrate community support, recreational, and commercial services in multi-purposes spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Island people and people from culturally and linguistically diverse backgrounds

Utilisation of council owned buildings increases

The designs for the redevelopment of Glenelg Oval stages 3 and 4 created a multi-purpose community hub for recreation and organised sports to be used by all ages and abilities. Supporting infrastructure such as BBQ shelters, public toilets and DDA compliant pathways ensure it is a fully inclusive public space.

Council has taken on responsibility for managing two community centres. As council-managed facilities, there are greater opportunities to increase their usage and develop these into multi-purpose hubs.

Strategic Management



Sustainability

Highlights for 2023–24 were:

- › The Kingston Park Kiosk was completed after two years of planning and construction. This \$1.4 million project was opened in March 2024 with the NEST Kiosk already proving extremely popular with locals and visitors.
- › Council entered into an agreement for the Resilient South Regional Climate Action Plan. This was officially launched by Minister Susan Close, Minister for Climate, Environment and Water, and Mayors Amanda Wilson, Moira Were AM, Kris Hanna and Heather Holmes-Ross in March 2024.
- › The Pine Gully Master Plan works were completed in 2023–24. The Institute of Public Works Engineering Australasia (IPWEA) recognised the Pine Gully project which won their Excellence in Water Award at the South Australia Excellence Awards.

Objectives 2020–2030

Measures

Baseline / Notes

Become a carbon-neutral council by 2030

Emissions from council operations decrease each year or are offset

A *Carbon Neutral Plan* was adopted by Council in August 2022. This includes a plan for council operations to be carbon neutral for Scope 1 (direct) and 2 (indirect from energy use) emissions by 2030.

Council started purchasing 100% renewable electricity from 1 January 2023. This eliminates our scope 2 emissions.

We also developed a *Fleet Transition Plan* in 2022–23, to understand more about transitioning our fleet to electric vehicles. Work is underway for this transition to take place.

Objectives 2020–2030

Measures

Baseline / Notes

Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature and improving walkability to support healthy ageing

Number of kilometres of street prioritised for active transport increases, measured every five years

Work is continuing on the development of a *Movement and Transport Plan* which was the subject of community consultation in April 2024. This Plan will provide guidance for appropriate streets to target for active transport.

Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options

Programs supporting community safety are developed and implemented

In 2023–24, council continued to be active in lobbying for increased police presence in the city, particularly in Glenelg. Council staff are in very regular contact with SAPOL to resolve issues.

Council's night patrols cover up to 150 km per night to keep a watch over our city and being available to respond to complaints.

Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing

Walkability score increases in all Holdfast Bay suburbs, measured using a 'citizen science' approach every three years

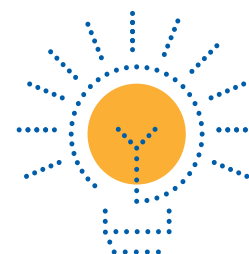
A citizen science program is being developed based on the Healthy Urban Neighbourhood Transition Tool.

Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kaurna people as well as innovation

Number of community gardening spaces increases each year

There are two formal Community Gardens in the city; North Brighton and Glenelg North. Many 'informal' garden spaces such as verges are being taken up as community garden spaces. A baseline for this measure will be established in 2024–25.

Strategic Management



Innovation

Highlights for 2023–24 were:

- › The development and rollout of council’s Request Management System (RMS). The RMS is a centralised system to manage all community and internal requests. The design of RMS reduces reliance on emails and improves service delivery through better tracking and data-driven decision-making.
- › The Brighton and Glenelg Libraries had 187,423 visits which is 5% up on the previous year. This means that 12,387 members average 15 visits per year. Continuing a trend of increasing interest in digital mediums, there were 428,349 items borrowed, including 326,494 physical items and 101,855 digital items.
- › There were 18,571 children and families who took part in early literacy programs exploring new words with Wriggle and Rhyme and Words Grow Minds, discovering science in STEM sessions, fun holiday programs, Play and Stay Saturdays and testing their skill at the gaming zone.

Objectives 2020–2030

Measures

Baseline / Notes

Facilitate growth in the number of home-based businesses where practical to reduce transit distances

The number of home-based businesses increases as reported via Census data

The latest business count data from the ABS estimates that on 30 June 2023 there were 3,592 businesses in Holdfast Bay. This is an increase of 87 or 2.3% since 2021.

Data for home businesses is not readily available but is likely to reflect a similar upward trend.



Objectives 2020–2030**Measures****Baseline / Notes**

Maximise the value of public buildings, including libraries, to support innovation by creating co-working spaces and technology/prototyping/maker spaces and hubs

Utilisation of council buildings increases

The library services at Brighton and Glenelg saw 21,840 participants in programs which is a 19% increase on 2022–23. Library visits increased by 5% to 187,423 in 2023–24.

Maker and tech hub programs have increased at Glenelg and Brighton Libraries with the addition of a photo scanning hub, Cricut cutting machine, 3D printer, craft group and Shut Up and Write sessions.

The Holdfast Bay Community Centre management is exploring the integration of maker spaces to support innovation and community engagement.

In December 2023 Council considered a detailed report and decided not to proceed with developing a council-run business hub/co-working facility at this time.

Partner to establish an innovator/entrepreneur in residence program that includes local schools and encourages life-long learning across the population

Program participation rates trend upwards

Program to be developed in collaboration with schools.

Partner to develop a centre of excellence in hospice care and dying well

Amount of support attracted is sufficient to establish a centre

A joint program with council, Alwyndor and other partners to be developed.

Partner to facilitate the provision of technology infrastructure to support creative and emerging industries, including mobility as a service, start-ups and other entrepreneurial activities

Number of start-ups, creative and technology-related businesses in the city increases

In line with ABS data nationally, businesses have increased by 7% eclipsing what occurred in 2020 and 2021.

Professional, Scientific and Technical Services are included in the top six industry sectors that account for 69.9% of total businesses within Holdfast Bay and attributing to 9.2% of the workforce.

Strategic Management

2024–25 Projects

In 2024–25, council will fund and undertake several major projects to support the vision and objectives outlined in its strategic plan, *Our Holdfast 2050+*. These include:

Jetty Road, Glenelg

Jetty Road, Glenelg will be transformed into a modern, vibrant and world-class destination as part of a multi-million dollar project that will start in Spring 2024 and continue for three years.

The project will be undertaken in three zones – City, Transition and Coast – to minimise disruption to traders, residents and visitors.

Renewal works will start in Spring 2024 in the City zone, which begins at the Brighton Road intersection and extends west to the Partridge Street/Gordon Street intersection.

City zone plans include:

- › A new entry statement at the Brighton Road corner to create a sense of arrival
- › Installation of new continuous paved footpaths
- › Enhanced pedestrian safety with Disability Discrimination Act compliant and improved pedestrian areas
- › Improved stormwater to reduce ponding on the footpaths, parking bays and the road
- › Increased greenery and use of water sensitive urban design elements to reduce urban heat
- › Beautifying the existing street amenities and retaining its current function.

Stormwater upgrades – Tarlton Street

This continuing stormwater infrastructure upgrade will decrease the likelihood of flooding in a high-risk flood zone. It was identified as a priority from the *Stormwater Management Plan* and *Stormwater Implementation Plan* and is part funded by the Federal Government.

Sport and Recreation Infrastructure Planning

In recent research and community engagement we have consistently found a need for informal sport and recreation infrastructure, often coupled with upgrades to playspaces.

This planning will help to deliver more accessible and versatile facilities that cater to a wide range of recreational interests. This is in line with the *Playspace Action Plan 2019–2029* that aims to enhance playspaces for diverse community needs.

Cricket Club Chairlift

The Glenelg District Cricket Club (GDCC) is in a two-storey clubroom building in the north-western corner of the Glenelg Oval precinct. Up to date, there were no means by which a mobility impaired person could access the first floor, as there was no ramp to the first floor nor was there a lift in the building. This restricted the ability of the Club to hire the venue for various functions and was restrictive on who could visit the clubrooms to spectate cricket.

Council will contribute toward a stair chairlift, mounted to the balustrade and hand rails of the internal stairwell. This enables patrons with restricted mobility access to the first floor. The new installation of the stair chairlift delivers on some of Council's *Disability Access and Inclusion Plan (DAIP) (2020–24)* actions, including improving accessibility to council buildings, services and facilities.

Wheatland Street Pocket Park

There is a small piece of land on the corner of Wheatland Street and Kauri Parade at Seacliff, which is currently covered in part by shrubs and in part by dolomite. The part that is covered by dolomite is used for unsanctioned car parking. Given Council's desire to increase greening, and the challenges of doing so in Seacliff due to the geography and dense infrastructure, this location provides a rare site to create some public green space. This project would be delivered using internal resources from the Depot, thereby maximising the value of the budget.

Review of Stormwater Management Plan (joint with City of Marion)

The existing Stormwater Management Plan: Coastal Catchments Between Glenelg and Marino (SMP) 2014 is a coordinated approach to the management of stormwater with the City of Marion. This SMP is 10 years old and due for renewal. The City of Marion have agreed to fund \$50,000 in 2024–25, along with matched funding from City of Holdfast Bay and the Stormwater Management Authority, to undertake a review and refresh of the SMP.

This will inform our stormwater implementation plan and capital works upgrades across the city to reduce flooding risk and improve water quality.

Strategic Management

Biodiversity Assessment

The Environment Strategy 2020–2025 includes a target to increase the average biodiversity score from 12.8 in 2018 to 14 by 2025.

Since 2018 council has engaged an Urban Greening Officer, as well as undertaking large-scale weed control and revegetation projects in the dunes, gullies, and along the Sturt Creek. With this and other biodiversity work undertaken we anticipate the score to have increased, thereby demonstrating the value of this work.

The desired outcome of this project is to know the current state of our biodiversity, compared to 2018 and whether we have reached, not reached, or exceeded our 2018 biodiversity score.

Resilient South Funding

Resilient South (RS) is an award-winning regional climate partnership between the Cities of Holdfast Bay, Marion, Mitcham and Onkaparinga, and the state government. It was formed in 2011 and is one of four such partnerships in the Adelaide and Fleurieu region. Council's contribution will ensure that the Regional Coordinator role continues for the duration of the *Regional Climate Action Plan 2024–2029*. In turn this will help to ensure that many of the actions in the plan will be delivered.

Street Light Conversion Plan

In 2018–19 the City of Holdfast Bay converted around 2,300 of its 3,400 streetlights over to LED. There has been a 259 tonne decrease in council's CO2 greenhouse emissions through this work. We will develop a plan for the conversion/transition to LED of our remaining streetlights, which will include:

- › prioritised delivery schedule
- › highlight our compliance or deficiency risks
- › budget forecasts
- › any return-on-investment, in the form of energy savings.

Movement and Transport Plan Implementation

The Movement and Transport Plan is currently under development. This is an indicative allocation to fund initiatives in this Plan. Allocation of funding this financial year will enable prompt implementation of actions and outcomes from the Movement and Transport Plan in an agile way.

Patawalonga Frontage Irrigation Upgrade

The current irrigation mainline that delivers quality water to the coastal reserves in Glenelg, is an ageing infrastructure that is approximately 20–25 years old. This project will create an irrigation system that is not only fit-for-purpose but also cost-effective and environmentally sustainable. The outcome will be a new resilient and sustainable irrigation system designed for the future, operating on recycled water with mains back up in strategic locations.

EV Charging Infrastructure for Council Fleet

Council's Carbon Neutral Plan includes an action to electrify our fleet and a *Fleet Transition Plan (FTP)* was developed and endorsed by council in 2023. To facilitate the electric vehicles, charging infrastructure will be required at Brighton, Glenelg and Depot offices. This project establishes two electric vehicle charging stations, one at Glenelg and one at the Depot.

Wayfinding at Kingston Park

An assessment was made of signage at the entry of the access road, to indicate the key attractions within the precinct, being the Holiday Park, Kiosk and Tjilbruke Spring.

It is recommended that a precinct sign, similar to other precincts within the City, such as Brighton Oval, would be appropriate for the location. The sign would include the various attractions within the precinct.

Sharing the National Collection

Council have applied to take part in the National Gallery of Australia's (NGA) Sharing the National Collection initiative. Negotiations are under way to finalise the loan of appropriate artworks.

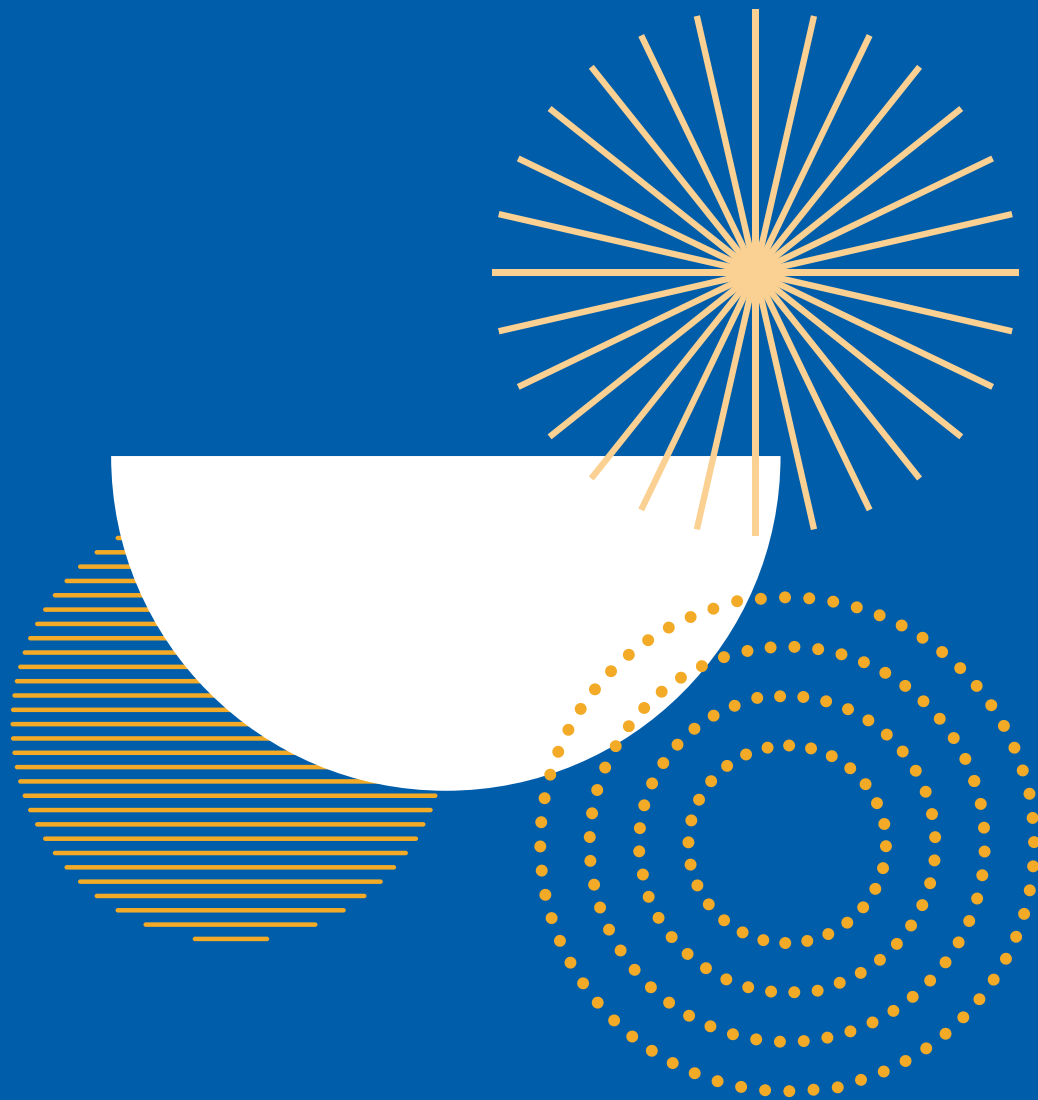
The program is fully funded by NGA, and this important partnership will enable City of Holdfast Bay to display a high calibre of artwork that would be otherwise out of reach as an individual council.

The allocation of funds from City of Holdfast Bay will be to upgrade lighting to showcase the public artwork at night and to increase safety and security of the installation location in the Glenelg area.

Technology and Innovation Capital Projects – Various ICT Improvements

A range of technology projects aimed at improving efficiency and effectiveness in core business functions, including asset management and corporate planning. These projects will assist in planning and managing the work of council and essential in ensuring security of information and data.

Council of the City of Holdfast Bay



Elected Members



Mayor
Amanda Wilson

Brighton Ward



Jane Fleming

Glenelg Ward



Rebecca Abley

Seacliff Ward



Annette Bradshaw

Somerton Ward



William Miller



Robert Snewin



Allison Kane



Clare Lindop



Monique O'Donohue



Anthony Venning



Bob Patton



Susan Lonie

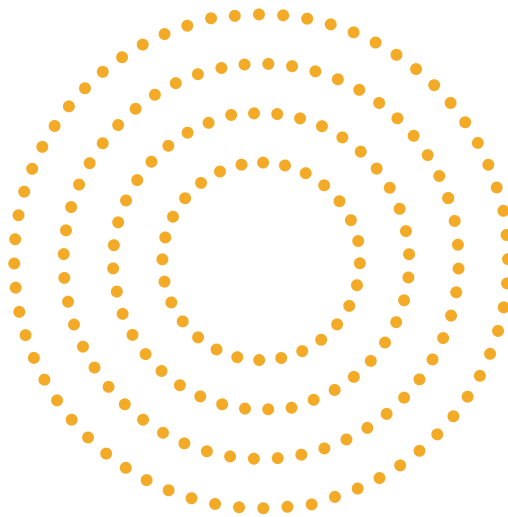


John Smedley

Council of the City of Holdfast Bay

Composition of Council

Our Council consists of the Principal Member (Mayor) and twelve councillors. Our city is made up of four wards, each electing three councillors, with the Mayor elected by the whole city. Elections are held every four years, with the next periodic election in November 2026.



Elected Member Attendance at Council Meetings

Number of General Council Meetings held:	22
Number of Special Meetings of Council held:	0
Total	22

Elected Member	Notes	Meetings Attended
Mayor		
Amanda Wilson		20
Seacliff Ward		
Annette Bradshaw ⁵		20
Clare Lindop	Deputy Mayor November 2022 – November 2023	19
Susan Lonie	Deputy Mayor November 2023 – Current	21
Brighton Ward		
Jane Fleming ¹		16
Robert Snewin		21
Anthony Venning		22
Somerton Ward		
Monique O'Donohue ²		18
William Miller ⁶		19
John Smedley ³		19
Glenelg Ward		
Rebecca Abley ⁴		21
Allison Kane		22
Bob Patton		21

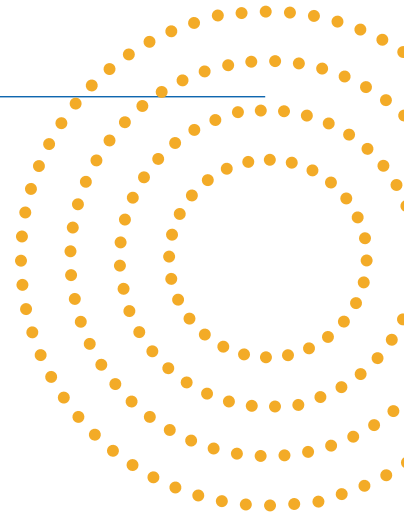
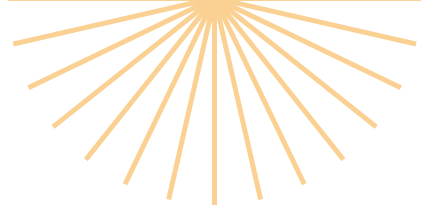
1. Council approved Leave of Absence for Councillor Fleming for the period 25 July–29 August 2023.
2. Council approved Leave of Absence for Councillor O'Donohue for the periods 11–20 July 2023 and 9–24 April 2024.
3. Council approved Leave of Absence for Councillor Smedley for the period 9 May–10 June 2024.
4. Council approved Leave of Absence for Councillor Abley for the meeting 26 September 2023.
5. Council approved Leave of Absence for Councillor Bradshaw for the meeting 28 November 2023.
6. Council approved Leave of Absence for Councillor Miller for the meeting 10 October 2023.

Council of the City of Holdfast Bay

Allowances

Elected Member	Allowances 1 July 23 – 30 June 24	Allowance from Council Committees	IT Allowance	Total
Mayor				
Amanda Wilson	\$94,454.96		\$1,165.00	\$95,619.96
Seacliff Ward				
Annette Bradshaw	\$23,613.71		\$1,165.00	\$24,778.71
Clare Lindop ¹	\$26,209.85		\$1,165.00	\$27,374.85
Susan Lonie ²	\$26,921.02		\$1,165.00	\$28,086.02
Brighton Ward				
Jane Fleming ³	\$23,613.71	\$3,860.00	\$1,165.00	\$28,638.71
Robert Snewin ⁴	\$23,613.71	\$2,830.00	\$1,165.00	\$27,608.71
Anthony Venning	\$23,613.71		\$1,165.00	\$24,778.71
Somerton Ward				
William Miller	\$23,613.71		\$1,165.00	\$24,778.71
Monique O'Donohue	\$23,613.71		\$1,165.00	\$24,778.71
John Smedley ⁵	\$23,613.71	\$5,903.45	\$1,165.00	\$30,682.16
Glenelg Ward				
Rebecca Abley	\$23,613.71		\$1,165.00	\$24,778.71
Allison Kane	\$23,613.71		\$1,165.00	\$24,778.71
Bob Patton	\$23,613.71		\$1,165.00	\$24,778.71

1. Deputy Mayor November 2022 – November 2023.
2. Deputy Mayor November 2023 – June 2024.
3. Council Assessment Panel Member.
4. Council Assessment Panel Member.
5. Audit and Risk Committee Chair.



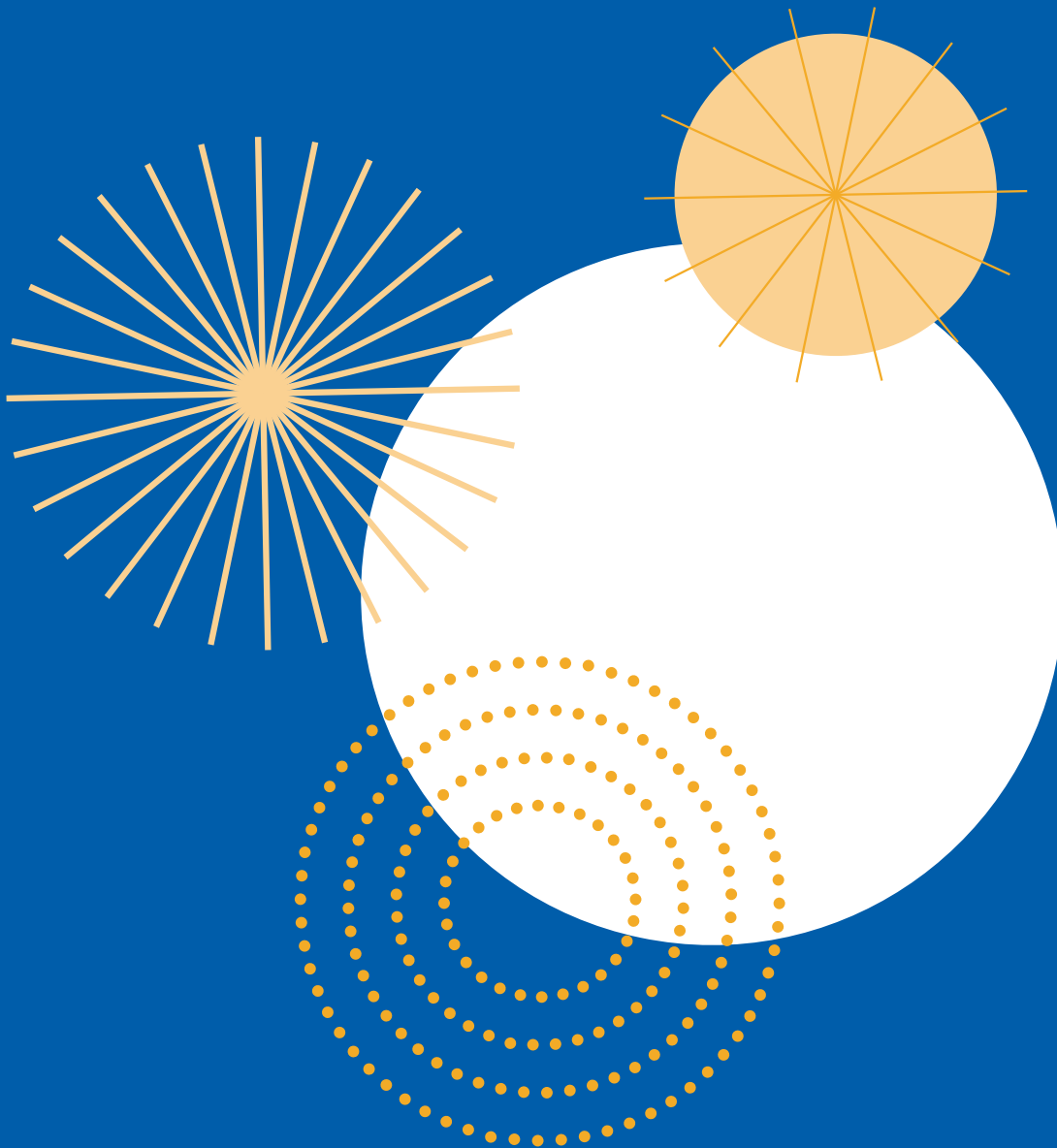
Member Behaviour

In 2023–24, in accordance with *Schedule 4, Clause 1 and Clause 2 of the Local Government Act 1999*, there were no contraventions of the Member’s behaviour requirements as outlined in *Chapter 5 Part 4 Division 2 (Member behaviour)* or section 75G (*Health and Safety Duties*).

Training and Development

	All Elected Member	Mayor Wilson	Cr Kane	Cr Abley	Total
All of Council					
Workshop training only – inhouse and provided by Leadership Team	Nil additional cost				
Council Delegate Activities					
LGA Conference registration and LGFA Annual General Meeting		\$275.00			\$275.00
Australian Local Government Association, National General Assembly Registration		\$1,120.00		\$1,120.00	\$2,240.00
LGA Training – Life’s a Beach – The Role of a Council in Managing the Foreshore		\$410.00			\$410.00
Adelaide Economic Development Agency Summit			\$195.00		\$195.00
Total training and development expenditure		\$1,805.00	\$195.00	\$1,120.00	\$3,120.00

Decision Making Structure



Provisions for Meeting Procedures

The *Local Government Act 1999* is the primary legislation for the operation of Local Government in South Australia and its provisions are supported by *Local Government (General) Regulations 2013*.

All Council and Committee meetings are conducted in accordance with the *Local Government Act (Procedures at Meetings) Regulations 2013*. Meetings for the Council Assessment Panel are convened under the *Planning, Development and Infrastructure Act 2016*.

Decision Making Structure

Council Committees and Panel

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

Two statutory bodies

- › Audit and Risk Committee
- › Council Assessment Panel.

One management committee

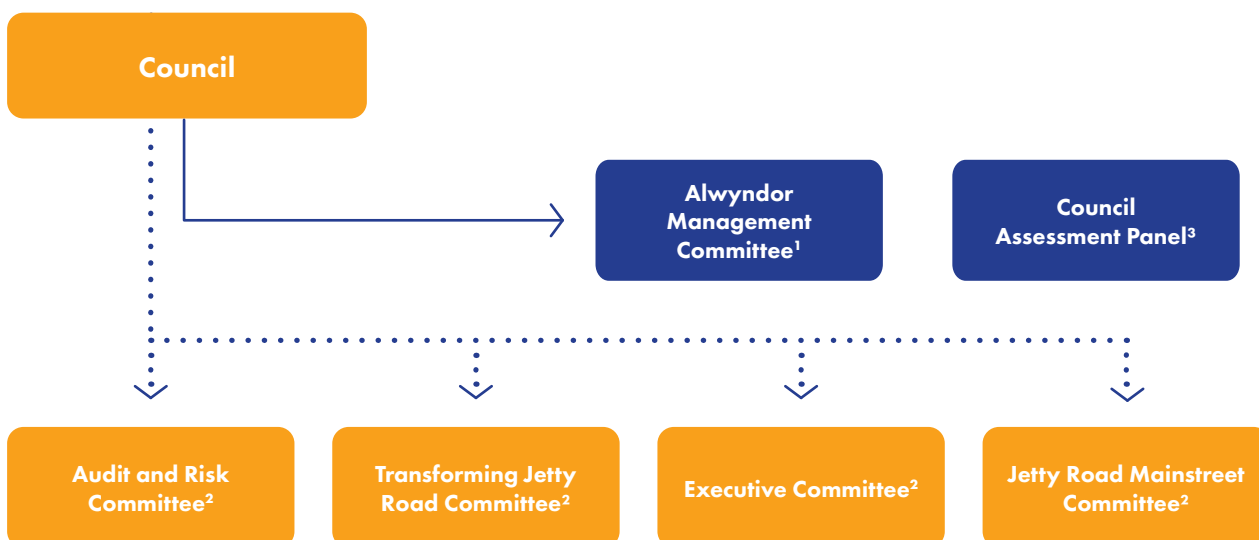
- › Alwyndor Management Committee.

Three advisory committees

- › Transforming Jetty Road Project Committee
- › Executive Committee
- › Jetty Road Mainstreet Committee.

Committee meetings are open to the public unless confidential matters are considered. Notices of meetings, agendas, reports and minutes are available www.holdfast.sa.gov.au/council/council-committees

Council's current committee structure is shown below:



1. Delegated authority from Council to make decisions within budget and terms of reference.
2. Advisory body with no delegated authority.
3. Established under the *Planning, Development and Infrastructure Act 2016* with members appointed by Council but operated as an independent decision making body.

Council

Throughout 2023–24, Council met on the second and fourth Tuesdays of the month, except in December 2023 and January 2024 when it met once.

Delegations

In accordance with sections 44 and 101 of the *Local Government Act 1999*, Council delegates relevant powers and duties to the Chief Executive Officer, who may sub-delegate to individual officers or committees. Council also delegates powers to the Alwyndor Management Committee to make decisions within the Committee's terms of reference. Delegations and individual sub-delegations are reflected in the Delegations Schedule.

Audit and Risk Committee

The Audit and Risk Committee operates under Section 126 of the *Local Government Act 1999* and oversees Council's risk management and internal control frameworks. The Committee reports to the Council on a regular basis to confirm that these frameworks are in place and operating effectively. The Committee also reviews the Council annual financial statements, Annual Business Plan and Long-Term Financial Plan.

The Committee comprises two Elected Members including the Presiding Member. The independent members each received an allowance per meeting attended of \$486.00 per meeting (July 2023–November 2023) and then \$515.00 per meeting (November 2023–June 2024).

The Committee Members from July 2023 to June 2024 were:

- › Councillor John Smedley (Presiding Member)
- › Councillor Bob Snewin
- › Ms Paula Davies
- › Mr David Powell
- › Ms Corinne Garrett.

Audit and Risk Committee 2023–24 Annual Report to Council

From 30 November 2023 under section 126(9) of the *Local Government Act 1999*, Council is now required to 'ensure that the annual report of its audit and risk committee is included in its annual report.' This section constitutes the annual report of the Audit and Risk Committee for the financial year 2023–24.

As per the Terms of Reference, the role of this Committee is to 'provide suggestions and recommendations to Council on matters relating to financial governance', including:

- › Financial reporting
- › Strategic management plans and the annual business plan
- › Internal controls and risk management systems
- › Public interest disclosures
- › Internal and external audits
- › Economy and efficiency audits and reporting responsibilities.

To ensure that the Committee acts appropriately and meets the requirements of the *Local Government Act*, the Terms of Reference are reviewed each year, with amendments made as needed.

Decision Making Structure

Work Program 2023–24

The Audit and Risk Committee is required to meet at least quarterly throughout the year, however for 2023–24, seven meetings were held.

Regular quarterly meetings were held, plus three special meetings relating to:

- › A review of key frameworks, including policy development, project management, prioritisation and service reviews (November 2023)
- › The Jetty Road Gelnelg Masterplan (February 2024)
- › The draft 2024–25 Annual Business Plan and the draft Long Term Financial Plan 2024–34 (April 2024).

Regular Quarterly Reporting

Progress reports on key topics are provided quarterly. These include standing items, risk management and internal audit reporting.

Reporting on standing items provides updates against a range of matters, including:

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

Key discussions relating to standing items during 2023–24 included:

- › Detailed budget reviews
- › Quarterly financial statements and reporting
- › External Auditors feedback on the financial statements
- › One public interest disclosure matter relating to volunteer conduct

- › One complaint regarding Elected Member conduct
- › Confirmation of the annual meeting schedule.

The Quarterly Risk Management report provides updates on all strategic and high-rated operational risks, identifying movement in the risk profile, and highlighting progress against the annual risk work program.

The annual risk management workplan also included:

- › Feedback on the rolling review of corporate risk registers
- › Reporting on Senior Leadership discussions relating to new/emerging risks and opportunities
- › Focussed work on specific risk areas for the 2023–24 year including:
 - › Event management
 - › Asset management
 - › Project management
 - › Climate risk identification
 - › Emergency management.

The quarterly Internal Audit Reports provide assessments against the approved three-year internal audit program, as well as tracking outstanding actions from previous internal audits undertaken.

Currently, the program is in year two of the program which originally included:

- › Procurement and Contracting Audit (completed)
- › Strategic Planning Alignment (completed)
- › Fraud Detection–Alwyndor (in progress)
- › Asset Management–Buildings (deferred).

Due to a conflict of work programming already underway, the Asset Management–Buildings Internal Audit has been delayed, and is replaced with the Carbon Neutral Plan audit, for which a scope has been agreed and discovery has commenced.

Annual Reporting

Reporting for activities that occur annually included:

- › Annual review of investment performance
- › Annual insurance and claims
- › Annual review of loans receivable (confidential)
- › Alwyndor – annual investment portfolio (confidential)
- › Audited Financial Statements 2022–23
- › Long Term Financial Plan 2024–34 (LTFP)
- › Annual debtors report
- › Draft Annual Report (2022–23) review
- › Terms of Reference review
- › External auditors annual reflection
- › Draft 2024–25 Annual Business Plan (ABP)
- › Post public consultation ABP and LTFP
- › Annual business continuity report
- › Council’s budget position
- › Rating policy review.

Ad Hoc Reporting

The Audit and Risk Committee also provides a value-added forum for review of a range of broader governance matters, which are presented on an ad-hoc basis.

Such items presented for the Committee’s consideration included:

- › Changes to accounting treatments
 - Library Materials
- › Policy Development Policy and Policy Development Framework and Manual
- › Project Management Policy and Project Management Framework and Manual
- › Prioritisation Policy and Prioritisation Framework and Manual
- › Service Review Policy and Service Review Framework and Manual
- › Organisational Generative AI Use Policy
- › Jetty Road, Glenelg Masterplan Stage 2 – Prudential Report
- › Financial Governance Report
- › Procurement policy exemptions
- › Significant procurement plans, such as that for the Transforming Jetty Road, Glenelg project
- › Service Reviews – traffic management for events
- › Glenelg Football Club loan
- › Treasury Management Policy
- › Financial Hardship Policy and Procedure
- › Entertainment and Hospitality Policy.

Decision Making Structure

Council Assessment Panel

The Council Assessment Panel (CAP) is an autonomous authority that considers development applications and makes development decisions. CAP is established under section 83 of the *Planning Development and Infrastructure Act 2016 (The PDI Act)*. It has delegated powers that are administered in accordance with the Act's statutory requirements.

CAP consists of one substantive and one deputy Elected Member who is appointed by the Council, and four independent members. The Council Assessment Panel met on the fourth Wednesday of the month as required. During 2023–24, the Panel met each month with the exception of December 2023 and March 2024.

In 2023–24 the Presiding Member received \$582 per meeting from July–December 2023 and \$610 per meeting from January 2024–June 2024. Ordinary independent Panel members (including Council members) received \$463 per meeting from July – December 2023 and \$515 per meeting from January 2024–June 2024.

In 2023–24, the Panel comprised:

- › Yvonne Svensson (Presiding Member)
- › Councillor Jane Fleming (Substantive member)
- › Councillor Robert Snewin (Deputy member)
- › Sarah Reachill
- › Terry Sutcliffe
- › Colleen Dunn.

Transforming Jetty Road Committee

Council established the Transforming Jetty Road Project Committee to provide strategic oversight of the project. The Committee will provide high level advice and recommendations to Council relating to design outcomes, community consultation, budget and project governance. The Committee will meet bi-monthly and as required to meet project milestones.

In 2023–24, the Committee comprised:

- › Mayor Amanda Wilson (Chair)
- › Councillor John Smedley
- › Councillor Allison Kane
- › Councillor Susan Lonie
- › Ms Gilia Martin, Chair, Jetty Road Mainstreet Committee
- › Mr Chris Morley, Jetty Road Mainstreet Committee
- › Mr Con Maios, Jetty Road Landlord
- › Mr Russell Troop, Department of Infrastructure and Transport.

There are no allowances or sitting fees paid to members of this Committee.

Jetty Road Mainstreet Committee

The Jetty Road Mainstreet Committee is an advisory committee of Council. The Committee advises Council on enhancing and promoting the Jetty Road Glenelg Precinct as a vibrant shopping, leisure and recreation area with year-round appeal to residents and visitors. Activities are funded through the collection of a separate rate.

In 2023 Jetty Road launched a new brand strategy, introducing the new tagline 'More to Love'. The brand emphasises there is more on offer and to experience, and plenty more to love such as the connection to the environment, the community and family and friends.

Through the separate special rate collected to enhance and promote Jetty Road Glenelg Precinct the funds support the successful Glenelg Winter Arts Festival, Sea to Shore Seafood Festival, Glenelg Christmas Pageant, Ice Cream Festival and the popular Jetty Road Magazine and several other initiatives throughout each year.

The 2023–24 Committee comprised of 13 persons who are a mix of Jetty Road Glenelg Precinct business owners and commercial property owners (nine positions), Elected Members of Council (two positions) and independent members (two positions). Members are appointed on a two-year term with the current term running from 1 April 2023–31 March 2025. In January 2024, there was a call for Independent Members with the two positions filled from 1 March 2024.

The Committee Members for 2023–24 were:

- › Gilia Martin, Attitudes Boutique (Chair)
- › Councillor Rebecca Abley
- › Councillor Allison Kane
- › Angus Warren, Beach Burrito (Deputy Chair))
- › Tony Beatrice, Cibo Espresso
- › Adoni Fotopoulos, Ikos Holdings Trust
- › Chris Morley, Echelon Studio – Architecture and Design
- › Damien Murphy, Glenelg Finance
- › Anthony Chhoy, Chatime (until April 2024)
- › Bayley Millard, Yo-Chi
- › Shannon Smith, Royal Copenhagen Glenelg and Brighton (until May 2024)
- › Corey Brown, Independent Member (from 1 March 2024)
- › Stacey Mills, Independent Member (from 1 March 2024).

There are no allowances or sitting fees paid to members of this Committee.

Decision Making Structure

Executive Committee

The Executive Committee is established under Section 41 of the *Local Government Act 1999*. The Committee meets as required to:

- › Recommend to Council the form and process of the Chief Executive Officer's annual performance appraisal
- › Undertake the annual performance appraisal
- › Provide a report and to make recommendations to Council on any matters arising from the annual performance appraisal.

The Committee is comprised of the Mayor, Deputy Mayor and an Elected Member from each Ward.

The Committee Members in 2023–24 were:

- › Mayor Amanda Wilson (Chair)
- › Deputy Mayor Susan Lonie (Deputy Mayor from November 2023)
- › Councillor Clare Lindop – Seacliff Ward (Deputy Mayor until November 2023)
- › Councillor Bob Patton – Glenelg Ward
- › Councillor Jane Fleming – Brighton Ward
- › Councillor Monique O'Donohue – Somerton Ward
- › Ms Christine Molitor (Independent Advisor).

The Independent Advisor, is now required by the *Local Government Act 1999* and is paid a consultancy fee.

Alwyndor Management Committee

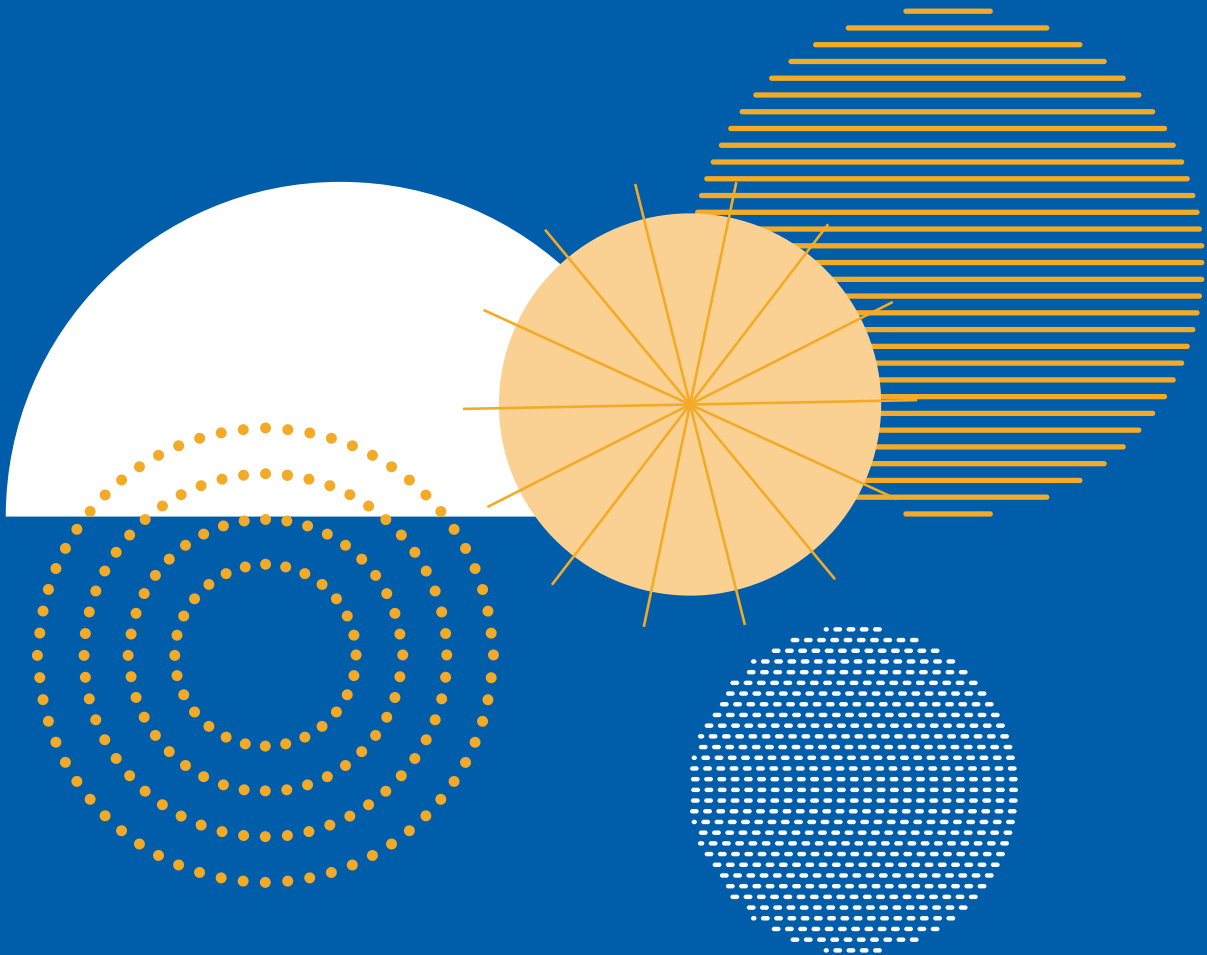
The Alwyndor Management Committee oversees the governance of Alwyndor. In 2023–24 the Committee consisted of two Elected Members and six independent members. Independent members received \$486 per meeting from July–October 2023, and \$514 per meeting from November 2023–June 2024. The Chair received \$607 per meeting from July–October 2023 and \$643 per meeting from November 2023–June 2024.

In 2023–24 the Committee members were:

- › Mr Kim Cheater (Chair)
- › Councillor Susan Lonie
- › Councillor Bob Snewin
- › Ms Julie Bonnici
- › Ms Jo Cottle
- › Professor Judy Searle
- › Professor Lorraine Sheppard
- › Ms Trudy Sutton
- › Mr Kevin Whitford.



Corporation of the City of Holdfast Bay



Our Values

Our ARISE values and behaviours are the way we achieve our vision.

Achievement

Deliver agreed outcomes for our community.

Respect

Act with honesty and integrity.

Innovation

Seek better ways.

Simplicity

Easy to do business with.

Engagement

Provide opportunities for all to participate.



Organisational Structure (as at 30 June 2024)



Roberto Bria
CEO



Frank Primerano
Project Director
Jetty Road Project

Assets and Delivery



Pamela Jackson
General Manager Assets
and Delivery (Acting)



James Mitchell
Manager
Engineering



Bill Blyth
Manager Field
Services



Matthew Rechner
Manager Public Realm
and Urban Design



Mathew Walsh
Manager Building
and Facilities

Community and Business



Marnie Lock
General Manager
Community
and Business



**Regan
Forrest**
Manager City
Activation



Brendan Kelly
Manager
Community
Wellbeing



Tania Paull
Manager Customer
Experience and
Library Services



Adrian Hill
Manager
Community
Safety



Michelle Logie
Manager
Communications and
Engagement

Strategy and Corporate



Sharon Wachtel
General Manager
Strategy and
Corporate (Acting)



Cadel Blunt
Manager
Finance



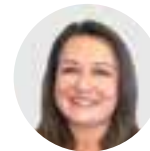
**Linda
Gentilcore**
Manager
People and
Culture



Robert Zanin
Manager
Innovation and
Technology

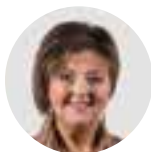


**Anthony
Marroncelli**
Manager
Development
Services



Ania Karzek
Manager
Strategy and
Governance

Alwyndor



Beth Davidson-Park
General Manager
Alwyndor



Rafa Mirzaev
Chief Financial
Officer



Natasha Stone
Manager
Residential Services



Molly Salt
Manager Community
Connections



Lisa Hall
Manager People
and Culture

Corporation of the City of Holdfast Bay

Senior Leadership Team

The governance and decision framework is led by a Senior Leadership Team. As at 30 June 2024 this comprised:

- › Chief Executive Officer, Roberto Bria
- › General Manager Alwyndor, Beth Davidson-Park
- › Acting General Manager Assets and Delivery, Pamela Jackson
- › General Manager Community and Business, Marnie Lock
- › Acting General Manager Strategy and Corporate, Sharon Wachtel.

Senior executive salary packages include the following benefits:

- › A competitive salary
- › The option of a fully maintained vehicle or novated vehicle lease
- › Employer-sponsored superannuation contributions
- › Membership of professional associations.

Senior Leadership Team as at 30 June 2024

	Female	Male	Salary Range
CEO		1	\$294,841
General Manager	4		\$190,000 – \$218,000

Staff Profile

Number of Employees as at 30 June 2024	Male	Female	Total
Municipal Employees	97	113	210
Alwyndor Employees	106	373	479
Total	203	486	689

In 2023–24, for the Municipal employees:

- › Total headcount at 1 July 2023 was 208
- › Total headcount at 30 June 2024 was 212
- › Total new hires was 35
- › Total departures was 31.

Work Health and Safety (WHS)

A four-year WHS Plan (2024–2027) was endorsed by the Senior Leadership Team with the following focus areas:

- › WHS Management and Training Systems
- › Safety Culture and Wellbeing
- › WHS Internal Audits
- › WHS Contractor Management.

The purpose of the Plan is to uphold council's aspiration and align with our culture and values to support Council's policy commitments for the provision of a safe system of work for all workers.

In 2023–24 the following key measures were realised for work health and safety

- › Total Hazards – 64
- › Total Incidents – 190
- › Total Injuries – 89.

Note: This includes totals for Alwyndor.

The Local Government Association Workers Compensation Scheme (LGAWCS) provides the City of Holdfast Bay with a fully integrated Claims, Return to Work and Work Health Safety Service. Claims are determined and coordinated by LGAWCS as our Insurer.

There was a renewed focus at council on compliance and reporting throughout the year. Emphasis was placed on adopting the latest WHS regulations concerning Psychosocial Risks and Hazards. This commitment will remain an integral part of our ongoing requirements.

Council achieved 100% of our Risk Evaluation Action Plan and steady progress on our Hazard Management Plan.

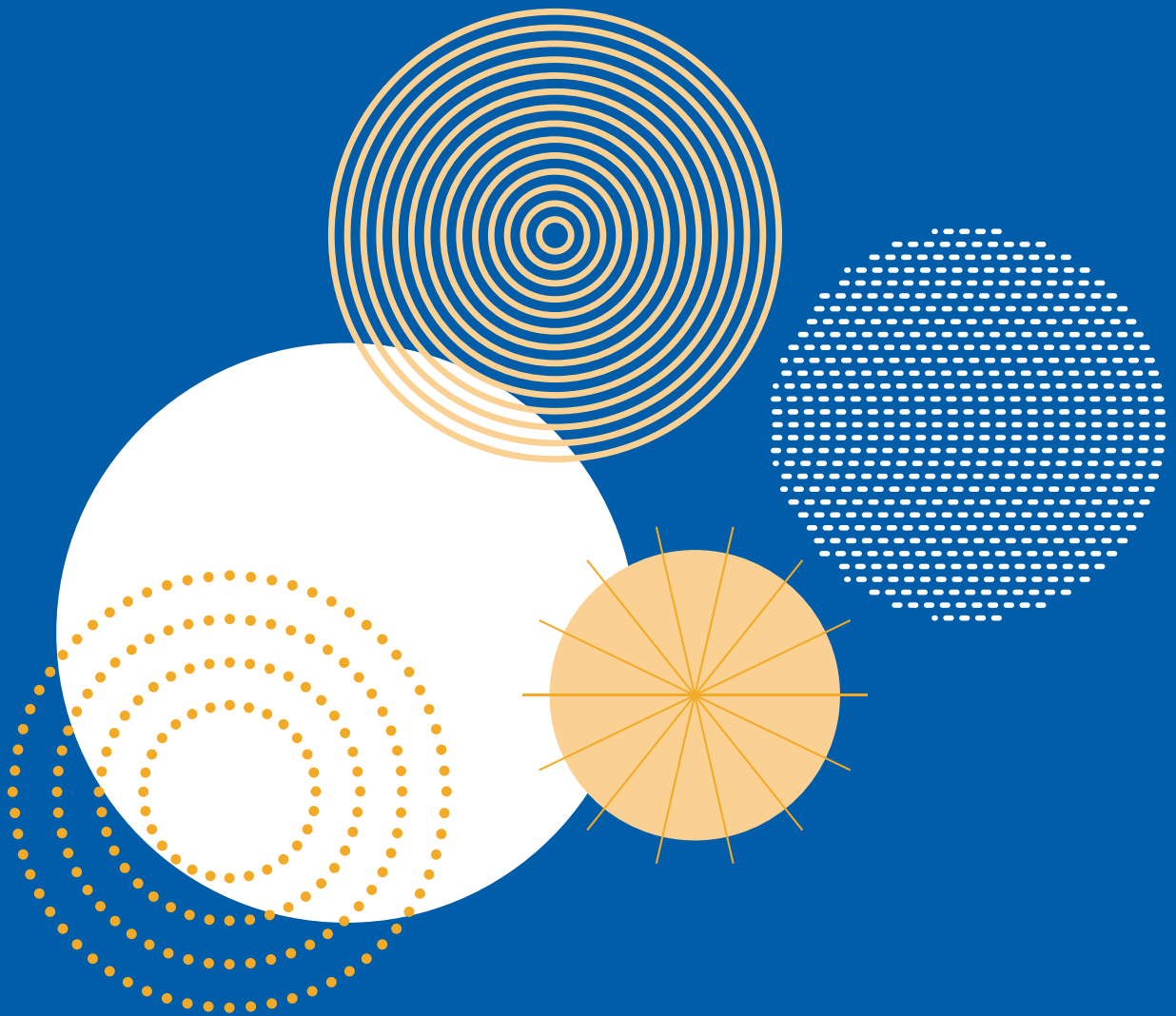
Workforce Capability

Council (excluding Alwyndor) invested \$160,000 directly into enhancing workforce skills to align to current and future demands, also covering essential mandatory training to comply with legislative requirements. There was a shift of emphasis from training to a learning approach to broaden development opportunities and cost effectiveness.

Amid the numerous regulatory and legal changes, there was a concerted effort to ensure that our staff remained informed and shared learnings about emerging trends involving changes and necessary requirements beyond mere compliance to meet growing community expectations.

Voluntary employee turnover (excluding casual employees) was 9.6% for council and 25.33% for Alwyndor.

Transparency



Community Engagement

We value the involvement of our community, and we are committed to ensuring the community's views help inform Council's decision-making.

Community engagement is an integral part of the planning of our projects and new initiatives and plays a vital role in enabling us to achieve the community's vision for the City of Holdfast Bay.

There were 16 targeted community engagements held throughout the year. We invited people to share their views through a variety of methods, including online hubs, drop-in sessions, focus groups, and surveys.

To find out more or to follow projects of interest visit www.yourholdfast.com.

Community Land Management Plans

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

The terms and conditions for several licences and leases were resolved by Council in 2023–24, including those for the Somerton Surf Life Saving Club Bistro, the Glenelg Football Club at Glenelg Oval, and the new Kingston Park Kiosk.

Transparency

Registers and Codes

The following documents are available to the public:

Registers

- › Register of Interests (Elected Members)
- › Register of Gifts and Benefits (Elected Members)
- › Register of Allowances and Benefits which includes the Register of Training and Development (Elected Members)
- › Register of Conflicts of Interest (Elected Members)
- › Register of Mandatory Training (Elected Members)
- › Register of Remuneration, Salaries and Benefits (Employees)
- › Register of Gifts and Benefits (Employees)
- › Register of Community Land
- › Register of Community Leases
- › Register of Public Roads
- › Register of By-Laws and certified copies
- › Register of Fees and Charges
- › Register of Facilities
- › Record of Delegation.

Codes

- › Behavioural Standards (Code of Conduct) (Council Members)
- › Code of Practice – Meeting Procedures
- › Code of Practice – Access to Meetings and Documents
- › Code of Conduct (Employees).

Gifts Funded By Council

Schedule 4 of the *Local Government Act 1999* requires the Annual Report to provide a summary of the details (including the cost) of any gifts above the value of \$50 provided to Elected Members or employees that were funded in whole or in part by the council. The following table provides details of such gifts:

Description of gift	Recipients of gift	Value of gift for each individual
20, 25 and 30 year service and retirement recognition glassware	7 Employees	\$76.00
10 and 15 year service recognition glassware	4 Employees	\$58.50

Legal Fees

In the 2023–24 financial year Council incurred legal costs totalling \$319,842. This was made up of:

- › Appeals – \$98,172
- › Enforcement – \$40,394
- › Advice – \$181,276.

In the same period, legal fees for Alwyndor were \$64,665.

Credit Card Use

In the 2023–24 financial year the total expenditure via credit cards was \$221,699.50. This expenditure is tightly controlled and in accordance with relevant legislation and regulation along with council policies and procedures.

Interstate Travel

Mayor Wilson and Councillor Abley travelled interstate for the Australian Local Government Association National General Assembly along with the CEO. Interstate travel and accommodation costs were as follows:

- › Mayor Wilson – \$2,750
- › Councillor Abley – \$2,933
- › Chief Executive Officer Roberto Bria – \$1,966.

There was no other interstate travel for Elected Members or employees in the 2023–24 year.

Internal Review of Council Actions

We received four requests in 2023–24 to review Council decisions in line with section 270 of the *Local Government Act 1999–Internal Review of Council Decisions*. Following reviews, the original decisions of Council in all cases were upheld.

Year	Number of Reviews
2023–24	4
2022–23	0
2021–22	1
2020–21	1
2019–20	3
2018–19	4
2017–18	5
2016–17	1
2015–16	3

Transparency

Freedom of Information

During 2023–24, Council processed 12 Freedom of Information (FOI) requests.

Information on the FOI process, application forms, fees and access to documents is available from council's accredited FOI officer. If required, this officer will assist anyone seeking to amend council records containing their personal affairs. More FOI information and application forms are available from council in person and on the council and State Records websites.

A member of the public wishing to amend the council's records concerning their personal affairs may email governance@holdfast.sa.gov.au or phone (08) 8229 9999 and speak with an accredited FOI officer.

In accordance with section 9 of the *Freedom of Information Act 1991*, Council must make available for public inspection an annual 'Information Statement' that provides an overview of its structure, functions and documents.

Independent Auditors

The *Local Government Act 1999* provides that auditors be appointed on the recommendation of the Audit Committee for a term no longer than five years.

As of 1 July 2020, Dean Newbery were appointed as Council's external auditors for a period of five years. For the 2023–24 external auditing services for both Municipal and Alwyndor operations, Dean Newbery were paid \$30,500 (excluding GST) for the annual audit of Council's financial statements.

Local Nuisance and Litter Control

In 2023–24 in accordance the *Local Nuisance and Litter Control Act 2017*, 827 complaints were registered (a 70% increase on the previous year), eight abatement notices were provided, and three expiation notices were issued.

	Dust	Noise	Smoke	Odour	Animals	Light	Litter	Litter (Asbestos)	Unsanitary Conditions	Unsanitary	Bill Posting	Total
Complaints	18	94	13	18	73	8	570	0	7	15	11	827
Abatement Notices							1			7		8
Expiations							2			1		3

National Competition Policy

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

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

In 2023–24 Council continued to maintain the following significant business activities:

› **Category One**

- › Alwyndor.

› **Category Two**

- › Brighton Caravan Park
- › Partridge House
- › Kauri Parade Sporting Complex
- › The Glenelg Visitor Information Centre
- › Partridge Street Car Parks.

Competitive Tendering

Tenders are called for contracts above \$100,000 (ex GST), provided council is of the reasonable opinion that a competitive process is practicable and will deliver greater benefit than other methods. Tenders are also used for contracts of a lesser amount where the process is most appropriate. All tendering is managed within the following procurement principles:

- › Value for money
- › Transparent, accountable, fair and ethical
- › Social responsibility
- › Environmental sustainability
- › Buy local
- › Work health and safety.

Transparency

Representation Quota

Our Council is divided into four Wards, with three councillors representing each ward, plus a Mayor. The details for the City of Holdfast Bay elector representation ratios are below, alongside comparative data for councils of a similar population size.

Council	Members (including Mayor)	Total Electors	Representation Quota*
Norwood Payneham and St Peters	14	26,064	1:1,861
Unley	13	28,002	1:2,154
Holdfast Bay	13	28,679	1:2,206
Burnside	13	32,324	1:2,486
West Torrens	15	43,198	1:2,879
Campbelltown	11	37,148	1:3,377
Mitcham	13	49,608	1:3,816
Average			1:2,679

Council is required to conduct a review of representation at least once in every eight years or within a period specified by the Electoral Commissioner.

Council was required by the Minister for Local Government to undertake a Representation Review in October 2020 and October 2021. The review process involved two stages of public consultation as prescribed by the *Local Government Act* allowing the opportunity for public submissions.

* Representation quota for the purposes of Schedule 4 of the *Local Government Act 1999*. Data derived from information provided by the Electoral Commission of SA.

Number of Items Discussed in Confidence

The *Local Government Act 1999* requires that Council meetings be held in a public place.

The Act provides for occasions where the need to keep information or discussion confidential outweighs the need for public access.

In 2023–24, Council was satisfied of the necessity to consider items in confidence under section 90(2) of the *Local Government Act 1999* on 35 occasions.

The grounds for these matters to be heard in confidence are detailed in this table. There can be multiple grounds for each confidential item.

Grounds for Confidential Orders	Number of Grounds for Confidential Orders
A Personal Affairs	7
B Commercial Advantage	10
C Trade Secret	0
D Commercial Information not a trade secret	17
E Security/safety	0
F Maintenance of Law	1
G Breach of Law	3
H Legal Advice	1
I Litigation	1
J Minister of the Crown	5
K Tenders for the supply of goods	2
M Amendment to the Development Plan	0
N <i>Freedom of Information Act 1982</i>	0
O Proposed Award Recipient before the presentation of the award	0
Total	47

Transparency

Confidential Orders From Previous Years Released – 2023–24

In 2023–24 some items held in confidence from previous years were publicly released. The grounds of each confidential order that was released appears in the table on this page. This table does not include items discussed in confidence in 2023–24 and released from confidence in the same year.

130 confidential reports were released in 2023–24, noting that there can be multiple grounds for each confidential order.

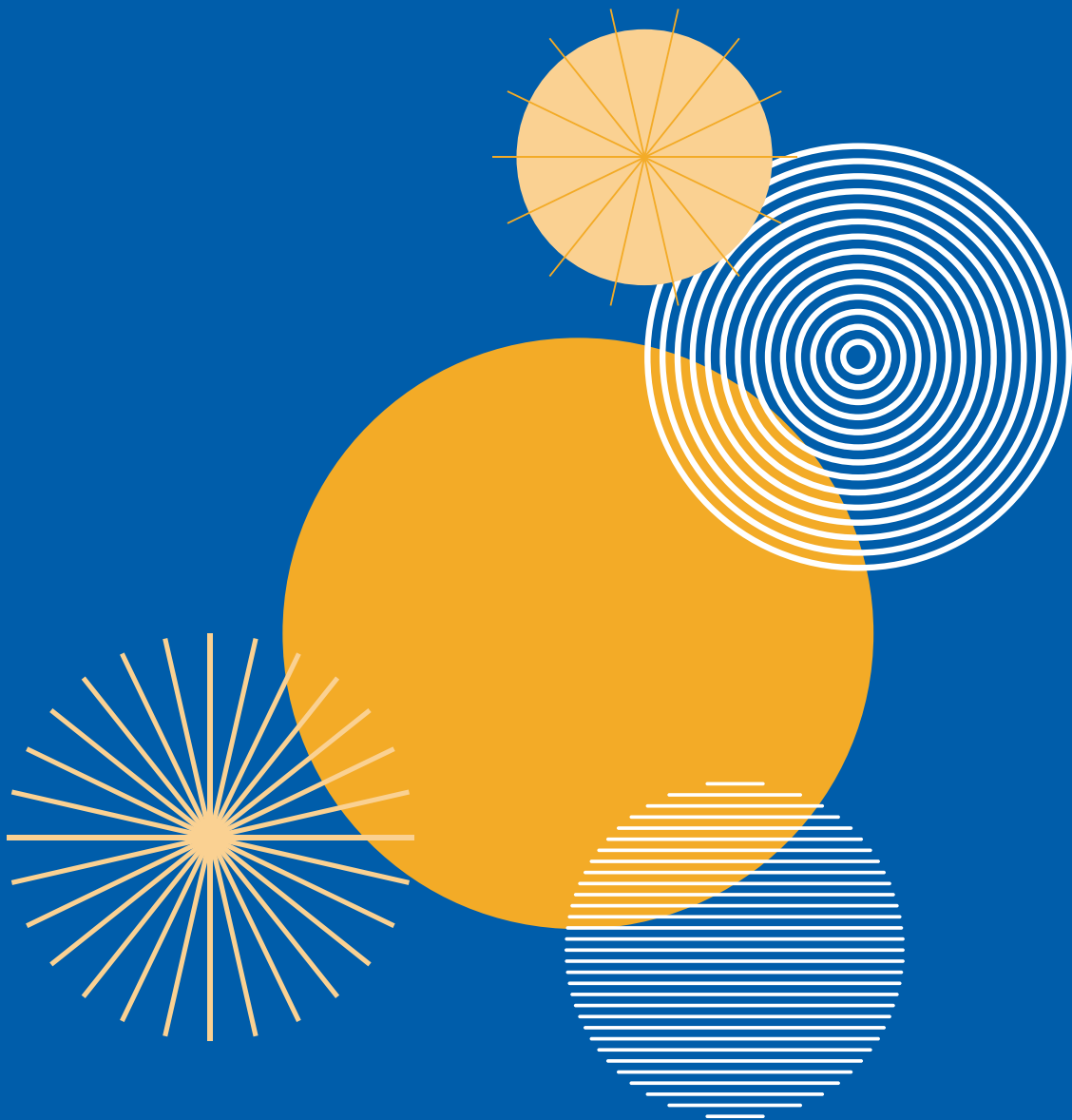
Confidential Order Categories	Number of grounds under each confidential order
A Personal Affairs	12
B Commercial Advantage	59
C Trade Secret	1
D Commercial Information not a trade secret	76
E Security/Safety	9
F Maintenance of Law	0
G Breach of Law	3
H Legal Advice	3
I Litigation	1
J Minister of the Crown	4
K Tenders for the supply of goods	4
M Amendment to the Development Plan	0
N <i>Freedom of Information Act 1982</i>	0
Proposed Award	
O Recipient before the presentation of the award	0
Total	172

Items Retained in Confidence

Following the release of items held in confidence as listed previously, this table reflects those items from previous years that remain in confidence. The total for 2023–24 provided here is not the same as that provided in the previous table as some items can be held in confidence and released in the same financial year.

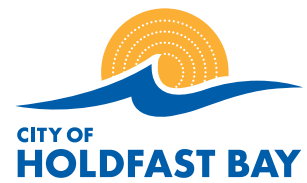
Year	Number of Items
2003–04	0
2004–05	0
2005–06	0
2006–07	0
2007–08	0
2008–09	2
2009–10	0
2010–11	0
2011–12	1
2012–13	2
2013–14	0
2014–15	0
2015–16	3
2016–17	4
2017–18	16
2018–19	1
2019–20	6
2020–21	12
2021–22	28
2022–23	32
2023–24	37

Audited Financial Statements



Southern Region Waste Resource Authority Annual Report





Brighton Civic Centre
24 Jetty Road
Brighton SA 5048

Post
PO Box 19
Brighton SA 5048

T (08) 8229 9999
F (08) 8298 4561
mail@holdfast.sa.gov.au

holdfast.sa.gov.au

Item No: 9.5

Subject: END OF FINANCIAL YEAR DEBTORS

Summary

This report is to provide Audit and Risk Committee with an annual update in relation to outstanding balances in Rates Debtors and Sundry Debtors in line with end of year financial statements.

Recommendation

That the Audit and Risk Committee notes this report.

Background

Council has three main debtor categories that it manages:

1. Rates Debtors
2. Sundry Debtors
3. Infringement Debtors

Debtor outstanding balances appear on the Financial Statements under Trade and Other Receivables and on Note 5(b) as Rates – General and Other, and Debtors - General. There is also a separate line for Council Rates Postponement Scheme.

Report

Rates Debtors

Rates Debtors have increased from a balance of \$757,731 (1.87% of total annual rates) at 30 June 2023 to \$925,008 (2.12% of total annual rates) at 30 June 2024. This balance has subsequently reduced, so that by 30 September 2024 the amount still owing from previous financial years is \$465,061.

Rates postponed has decreased from \$48,000 to \$39,000. This amount refers to the accumulation of rates levied, and the prescribed interest component, for those who have applied and are eligible for the Council Rates Postponement Scheme.

Refer Attachment 1

Sundry and Infringement Debtors

The total for Debtors – General on the financial statements includes amounts for outstanding fines (parking, animal and statutory), sundry debtors, invoices raised in 2024-25 but relating to 2023-24 transactions, and Alwyndor debtors included on consolidation of financial statements.

Council's Sundry Debtors totalled \$330,975 as at 30 June 2024 compared to \$448,280 last financial year. Of this amount \$107,941 (excluding Partridge House prebookings) was overdue for more than 90 days, an increase from \$85,903 as at 30 June 2023.

Refer Attachment 2

Infringement Debtors have increased from a balance of \$670,174 as at 30 June 2023 to \$944,162 at 30 June 2024. Amounts owed under Infringements (mostly parking related fines) are lodged with the Fines Enforcement and Recovery Unit (FERU) who manage overdue fines and debt issued by government agencies across South Australia.

Debt Collection Process

Sundry Debtors

The debt recovery process includes the following key steps:

- Statements sent out directly to debtors at the end of every quarter.
- Follow up phone calls, and emails are sent to debtors as required.
- Final notices are sent every month for debts outstanding for more than 60 days demanding payment within 14 days of the date of the notice.
- Outstanding debt due more than 60 days is referred to the originating officers for follow-up with the debtor.
- Payment plans are put in place if appropriate to enable collection of outstanding debt.
- If no payment is received debtors are passed on to council's debt collector for further follow up regardless of the amount (except for sporting clubs and community organisations).
- Where the charge relates to goods or service incurred on the land (i.e., directly related to the property), amounts can be transferred to the landowner's Rates account.

Rates Debtors

Rates debt recovery is largely governed by the Local Government Act and outlined in the Council Rating Policy:

- Under section 181 (8) of the Local Government Act, Council is required to impose a penalty of 2% fine on any rates payment not paid by the instalment or applicable due date. Council will issue overdue fines notices for payment of rates when rates are unpaid by the due date after providing a grace period of at least three working days. After each full month from the due date, interest is charged on any balance not paid.
- Should rates remain unpaid more than ten calendar days after the issue of the overdue notice and the amount is greater than half the residential minimum rate of the applicable financial year, council will refer the debt to a debt collection agency.

- Collection fees charged by the debt collection agency will be passed on to the relevant property by council. All fees and court costs incurred are recoverable from the ratepayer.
- Under section 184 of the Local Government Act, council has the power to sell property where rates have been in arrears for three years or more. To date, council has not enforced this action.

Council has in place a Financial Hardship Policy and Procedure which ensures rate relief assistance is provided in a consistent, equitable, fair, responsive, and confidential manner.

Under section 182A (1) of the Local Government Act, senior ratepayers may be eligible for a postponement of rates.

Alternative payment arrangements can be entered into on agreement with council. Unless this arrangement is made under Council's Financial Hardship Policy, these ratepayers will continue to have fines and interest charged on the outstanding amount in accordance with section 181 of the Local Government Act.

Budget

Not applicable

Life Cycle Costs

Not applicable

Strategic Plan

Not applicable

Council Policy

Rating Policy
Council Financial Hardship Policy

Statutory Provisions

Local Government Act 1999, Division 9

Written By: Financial Accountant Lead

General Manager: Strategy and Corporate, Ms S Wachtel

Council Rates Debtors Breakdown

Attachment 1

<i>Debt Type</i>	<i>Note</i>	<i>30-Jun-24</i>	<i>% of Total Annual Rates</i>	<i>30-Jun-23</i>	<i>% of Total Annual Rates</i>
Overdue Rates	1	638,124	1.47%	504,594	1.25%
Prior Year Arrears	2	168,075	0.39%	143,580	0.36%
Jetty Road Mainstreet Rate	3	4,513	0.01%	6,901	0.02%
Regional Landscape Levy	4	25,006	0.06%	21,839	0.05%
Fines and Interest	5	35,352	0.08%	23,952	0.06%
Legal Fees	6	15,253	0.04%	8,573	0.02%
Postponed	7	38,685	0.09%	48,292	0.12%
TOTAL		925,008	2.12%	757,731	1.87%
Total Annual Rates		43,545,928		40,423,559	

Note 1: Overdue Rates

Overdue Rates represent the total amount of rates levied in the current financial year that remain unpaid.

Note 2: Prior Year Arrears

Prior Year Arrears represent rates levied in previous financial years that remain unpaid.

Note 3: Jetty Road Mainstreet Rate

Jetty Road Mainstreet Rate represents the total unpaid amount of the separate rate raised to Jetty Road, Glenelg traders.

Note 4: Regional Landscape Levy

Regional Landscape Levy (previously known as the National Resources Management Levy) represents the total unpaid amount of the special levy collected on behalf of the SA Government.

Note 5: Fines and Interest

Fines and Interest represent the fines and interest applied to overdue and prior year rates and are currently outstanding.

Note 6: Legal Fees

Legal Fees represent any legal fees and court costs that have been incurred by Council in the collection of rates. These amounts represent costs that have been on-charged to the defaulting ratepayers and are currently outstanding.

Note 7: Postponed

Postponed rates represent any rates amount due by seniors that have been granted a deferral, until the eventual sale of their property, as allowable under the Local Government Act. Interest is charged on these deferred rates and is recoverable when the property ownership changes.

Council Sundry Debtors Breakdown

Attachment 2

<i>Charge Type</i>	<i>Total</i>	<i>60+ Days</i>	<i>90+ Days</i>	<i>% of Total 90+ day balance</i>
Debenture Loan	3,960.22	-	-	0.0%
Food Inspections / Annual & City Permits	12,025.00	700.00	8,483.00	70.5%
Foreshore / Reserves Hire	2,703.70	-	146.00	5.4%
GCC Hire	1,880.00	-	-	0.0%
Hoarding Fee	86,005.50	54,787.00	31,218.50	36.3%
Miscellaneous charges	74,862.01	8,808.17	12,263.92	16.4%
Outdoor Dining Fees	41,445.51	21,721.24	19,628.78	47.4%
Partridge House Funeral-Room/Equipment Hire	1,900.00	-	100.00	5.3%
Partridge House Community Hire	1,582.50	-	675.00	42.7%
Partridge House Private Function-Room Hire	6,367.50	620.00	2,872.50	45.1%
Partridge House Wedding-Room Hire	26,195.00	2,025.00	20,595.00	78.6%
Pre-Payments	- 1,214.00	-	-	0.0%
Property Rentals / Lease	61,043.01	5,587.40	25,781.27	42.2%
Seaside Memorial Fees	3,110.00	-	3,110.00	100.0%
Uniform	- 5.50	-	-	0.0%
User Charges	9,114.24	1,428.24	7,309.00	80.2%
TOTAL	330,974.69	95,677.05	132,182.97	

Item No: 9.6

Subject: STRATEGIC PLAN REVIEW

Summary

Section 122(4)(b) of the *Local Government Act 1999* (the Act) requires that Council “undertake a comprehensive review of its strategic management plans within two years after each general election of the council”.

A review of *Our Holdfast 2050+* has commenced, however, pursuant to section 126 (4) (b) of the Act, the “functions of a council audit and risk committee include...proposing, and providing information relevant to, a review of the council's strategic management plans.”

As the last general election was in November 2022, a review must be completed before the end of November 2024. The Audit and Risk Committee is therefore invited to provide any comments or input to the review, before a report is finalised and presented to Council in November.

Recommendation

That the Audit and Risk Committee advises Council it has:

- 1. noted the progress of the review of the Strategic Plan, *Our Holdfast 2050+*; and**
 - 2. has provided input to the Review Report.**
-

Background

Section 122(4)(b) of the *Local Government Act 1999* (the Act) requires that Council “undertake a comprehensive review of its strategic management plans within two years after each general election of the council”.

As the last general election was in November 2022, a review must be completed before the end of November 2024.

Report

Council’s Strategic Plan titled *Our Holdfast 2050+* commenced operation in January 2022, following a statutory review in 2020. That review had found that conditions had changed substantially since the previous strategic plan had been adopted, and therefore a comprehensive reconstitution of the plan was undertaken. This resulted in the creation of *Our Holdfast 2050+* which is Council’s long-term vision for the city.

Section 122(4)(b) of the Act requires that Council “undertake a comprehensive review of its strategic management plans within two years after each general election of the council”.

As the last general election was in November 2022, a review must be completed before the end of November 2024.

At a workshop in March 2024 Council considered the scope of the review. At this workshop it was acknowledged that the review will need to comply with all requirements of the Act. It was also noted that Council invested a significant amount of energy into the Plan's vision, which provides a clear horizon for the organisation to align to. It is not intended that the vision will be revisited.

Considering this, it was determined that this will essentially be a desk top review. There would be an appropriate level of community consultation with relatively minor updates anticipated.

Taking this scope into consideration, this review the will include:

- A review of the global and local conditions to assess if they are substantially changed over the last two years.
- An assessment of the progress made already on the current plan and any issues that have arisen.
- Consideration of the Strategic Planning Alignment Internal Audit conducted by Galpins and provided to council in May 2024.
- An internal review focusing on the shorter-term specific content along with the 2020-30 objectives and measures to strengthen connection with Council priorities and capacity.
- A community engagement that will provide an opportunity to contribute to the review and consider how it applies to their neighbourhood.

This review process is well underway, however, pursuant to section 126 (4) (b) of the Act, the "functions of a council audit and risk committee include...proposing, and providing information relevant to, a review of the council's strategic management plans." The Audit and Risk Committee therefore is requested to note the preliminary results of these review activities, suggest changes if necessary and support its presentation to Council for their consideration.

Global and Local Conditions

The global and local conditions that were considered in the development of *Our Holdfast 2050+* and the *2024-25 Annual Business Plan* have been revisited, utilising the Global megatrends identified by PWC as the basis for testing relevance. In short these megatrends are:

- Climate Change – Need to reduce carbon emissions. Greenhouse gas levels worsen, temperatures are rising more extreme weather events.
- Technological disruption - Transformative technology enables huge value creation, but harmful consequences will be difficult to mitigate.

- Demographic Shifts - Median age is increasing, social systems may break down, lack of workers in critical areas and strain on social safety nets.
- Fracturing world - More nation states are competing for influence in the world. Most countries are focusing inwards.
- Social Instability – Social and economic polarisation, disruption, demographic change, eroding trust and greater social unrest.

These global trends can be translated into local concerns and responses. Administration has found that these conditions have not changed substantively since *Our Holdfast 2050+* was developed. As such, the current vision and framework of the strategic plan, which was adopted two years ago, are considered valid and the long-term strategic direction is recommended to be maintained at this time.

Notwithstanding this view, it is important that Council receives the views of the Audit and Risk Committee regarding their strategic plan for the city. A copy is provided for reference as Attachment 1 and is available online (https://www.holdfast.sa.gov.au/assets/general-downloads/Council/Strategy-and-plans/Holdfast-2050_v12FA_accessible-version_DIGITAL.pdf).

Refer Attachment 1

Progress and Issues

The Council's Annual Report includes detail of the progress being made in pursuit of *Our Holdfast 2050+*. For further information, the 2023-24 draft Annual Report is the subject of a separate agenda item for this meeting.

One issue identified is what makes up 'strategic management plans' under section 122 of the *Local Government Act 1999* and therefore what needs to be reported on annually. Advice is being sought as to whether the proposed Asset Management Strategy alone satisfies the provision of the Act, or whether the proposed Asset Management Strategy and the five proposed Asset Management Plans combined do this.

Secondly, there are several 2020–2030 measures with limited or no data. Furthermore, there are some objectives which are currently being considered for revision. While the objectives within the current plan are all worthy, some are not practical for Council to influence an outcome. These are addressed in more detail later in this report.

Strategic Planning Alignment Internal Audit

As part of the Internal Audit Program for 2023-24, a review of City of Holdfast Bay's strategic planning landscape was conducted.

The objective of this audit was to:

- evaluate the Council's strategic planning landscape to establish whether the systems and processes being developed align to better practice and are likely to support achievement of intended outcomes in the Plan, and

- review the effectiveness of the alignment of the supporting strategic planning and reporting framework to assist achieving of the Plan.

The audit noted this good practice:

- The Our Holdfast 2050+ Plan is a visionary document that intends to provide a forward-focus for the Council beyond the mandatory four-year period.
- CHB have requested this review before the new Strategic Planning Framework has been completed. This represents a positive approach to internal audit, and to obtaining independent insight into the framework.
- A Prioritisation Framework has been developed to support decision-making about projects and programs to be pursued going forward. This represents innovative thinking and includes criteria used to prioritise potential initiatives, strengthening transparency in decision-making and reducing the likelihood of lesser-value projects being prioritised over others.
- Work is underway to develop the new Corporate Plan. The intent of this is to translate the longer term aims of the Our Holdfast Strategic Plan into medium-term actions, and to strengthen medium-term planning in general.
- Strategy and Governance have developed additional documents to support implementation of the Strategic Plan, including the Service Review Manual and Project Management Framework. These represent significant work and aim to support council's to achieve objectives. The Project Management Framework in particular aligns to better practice and the 'Initiate' phase requires a project to have been assessed for priority (per the Prioritisation Framework). As they are recent documents, users may not yet be aware of how they work.

It is noted that since the audit fieldwork was completed in January 2024, some improvements identified above have already been undertaken.

The recommendations arising from this audit included:

- clarifying governance arrangements around Strategic Plan, ownership of objectives and reporting.
- timing of update of supporting strategic plans and alignment with the Strategic Plan.
- continuing work in relation to key performance indicators/measures of success.
- clearly demonstrating compliance with more administrative/minor elements of section 122 of the Local Government Act. In particular the Strategic Management Plan *should address the strategic planning issues within the area of Council, with reference to any relevant state planning policy or regional plan under the Planning, Development and Infrastructure Act 2016, and set out Council's priorities for the implementation of planning policies*

All these matters are addressed in this review.

Internal review

The internal review is continuing. At the time of writing, it has included three workshops with key staff and a 'deep dive' discussion with the Senior Leadership Team (SLT). There has also been one to one follow up from these sessions.

Some of the outcomes of the internal review include the need for:

- a simple explanation of how *Our Holdfast 2050+* fits within the overall planning framework and descriptions of the various elements of this.
- a diagram showing how the three focus areas interrelate.
- inclusion of some areas of council strategy that are not adequately represented.

The major focus of the internal review has been to consider the 2020-30 Objectives and Measures. These are considered later in this report.

A combined SLT and Leadership Team workshop will be held on 18 October to consider the review outcomes and the views of the Audit and Risk Committee. This will contribute to the final report to Council.

A report of these review activities will be made to Council for its meeting on 26 November. This will include any recommendations for changes to *Our Holdfast 2050+*.

Community engagement

Pursuant to section 122(6), of the Act, "A council must adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the....review of its strategic management plans".

There were two main elements of community engagement. The first was a workshop with students from Glenelg Primary School. The second element was an advertised broad engagement which included a page on Your Holdfast and a further invitation for submissions via email, mail or discussion with relevant Council staff.

The workshop with Year 6 students from Glenelg Primary School was insightful. They were asked:

- What are you most worried about?
- What kind of world do you want?

The broader community engagement was undertaken between Thursday 12 September 2024, and Friday 4 October 2024.

The consultation asked the following questions:

1. Tell us what you think of council's long-term vision for our City? ie, *Protecting our heritage and beautiful coast, while creating a welcoming and healthy place for all in South Australia's most sustainable city.*
2. From the current objectives and aspirations, what should council prioritise for the next 10 years in each focus area?
3. Do you have any comments about hopes, concerns or challenges in your neighbourhood for the next 10 years?

Reflections on Community Engagement

The workshop at Glenelg Primary School produced some interesting thoughts which are summarised below.

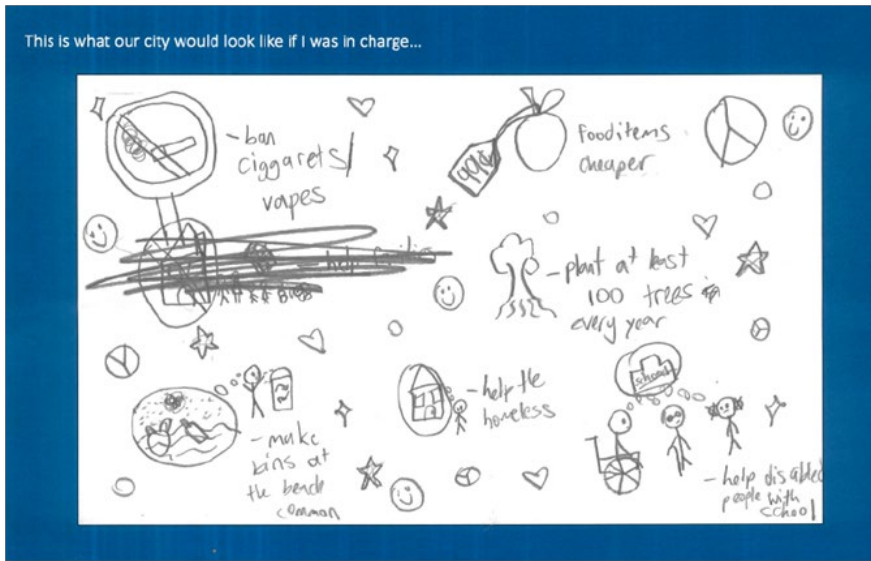
What are you most worried about?

- AI
- Inflation
- Deforestation
- War
- Pollution
- Starvation and food supply
- Extinction of animals
- Extinction of humans
- Climate change
- Global warming
- Extraction of resources
- Drought

What kind of world do you want?

- Resourceful
- Everyone has equal voice
- Respectful- fair
- Harmony and peace
- Everyone has enough to live
- Kind and peaceful
- No inflation/shrinkflation
- Sustainable world
- Ecofriendly- wildlife friendly- more trees- more plants and trees
- No wars
- Human and environmentally friendly world
- Healthy and fit

The students were also asked to draw 'what the city would be like if I was in charge'. Again, the results of this are insightful and two examples are shown on the following page.



The Glenelg Primary School information shows that young people are well aware of global and local conditions impacting on society today. They also showed how this perspective translates into hopes for their local community which covered issues of inclusion, safety health and accessibility.

This broader community engagement produced a limited response with twelve submissions from nine individuals via Your Holdfast and email. There was also one written submission from the Conservation Council SA. The feedback was quite polarised, and the verbatim responses are shown in Attachment 2.

Refer Attachment 2

There were three people whose submissions raised very similar issues in the same language. These indicated core positions which included:

- Challenges to the 'ideological position' of Council in areas such as:
 - Aboriginal and Torres Strait Islander issues and the Welcome to Country
 - Responses to Climate Change

- Opposition to reduction of car usage and increased focus on active transport (walking and cycling).
- Challenges to Council current policy and financial management, preferring a small government 'roads, rubbish and libraries' response and citing concerns such as:
 - The Transforming Jetty Road Glenelg project
 - Support and loans for sporting clubs
 - Council's level of debt and financial management
 - Council's role in events.

Alternatively six submissions endorsed the strategic vision, objective and measures, in particular on issues such as:

- community hubs and pursuing wellbeing;
- sustainability measures.

Others sought Council to increase their focus on:

- active and safe transport infrastructure;
- heritage protection;
- community infrastructure that is fit for purpose;
- investment in libraries; and
- higher targets for tree canopy coverage and greening.

The community feedback has helped to shape the revised 2020-30 objectives and measures by:

- having clearer objectives written with a community lens;
- inclusion of objectives in waste, heritage, development, libraries, community centres and biodiversity.

Proposed Changes

In line with the Council workshop in March, it is proposed that the vision and general framework of *Our Holdfast 2050+* is retained. There are several changes that are proposed including:

- a simple explanation of how *Our Holdfast 2050+* fits within the overall planning framework be included.
- descriptors of the various elements of *Our Holdfast 2050+* be included.
- a diagram showing how the three focus areas interrelate be included.
- waste, health and development be included in the 2020–2030 Objectives and Measures.
- the 2020–2030 Objectives and Measures be updated.

- the roles of council for each 2020-30- Objective and Measure be identified. These roles are described as leading, building, managing, advocating, educating, providing services, regulating, collaborating and coordinating.
- the 'owner' for each 2020 – 30 Objective be identified for internal governance (although not included in the public version of the plan).

The most significant changes are proposed in updating the 2020 – 30 Objectives and Measures. From the internal review it was acknowledged that some of the objectives are too specific while others are quite broad and could be adjusted to provide clearer direction.

An early draft of proposed changes to the 2020–30 Objectives and Measures appears as Attachment 3.

Refer Attachment 3

It is acknowledged the development of a Corporate (Four Year Delivery) Plan is required, especially to enable administration to operationalise the Strategic Plan. This is expected to be completed in 2024-25.

It is also proposed that a formal arrangement for the monitoring and reporting on progress of *Our Holdfast 2050+* be instituted. The form of this is yet to be determined and will be the subject of further investigation.

Next Steps

A combined SLT and Leadership Team workshop will be held on 18 October to consider the review outcomes and the views of the Audit and Risk Committee. This will contribute to the final Review Report to Council which will be considered by Council at its meeting on 26 November. This will include any recommendations for changes to *Our Holdfast 2050+*.

Budget

There are no direct budgetary implications arising from this report.

Life Cycle Costs

Not applicable

Strategic Plan

Statutory compliance

Council Policy

Not applicable

Statutory Provisions

Local Government Act 1999

Written By: Corporate and Service Planning Lead

General Manager: Strategy and Corporate, Ms S Wachtel



OUR HOLDFAST 2050+

STRATEGIC PLAN

CONTENTS

**Marni niina pudni
Kaurna yarta-ana 4**

Foreword 7

Vision 10

Wellbeing 12

Sustainability 14

Innovation 16

**Strategic
Alignment 18**

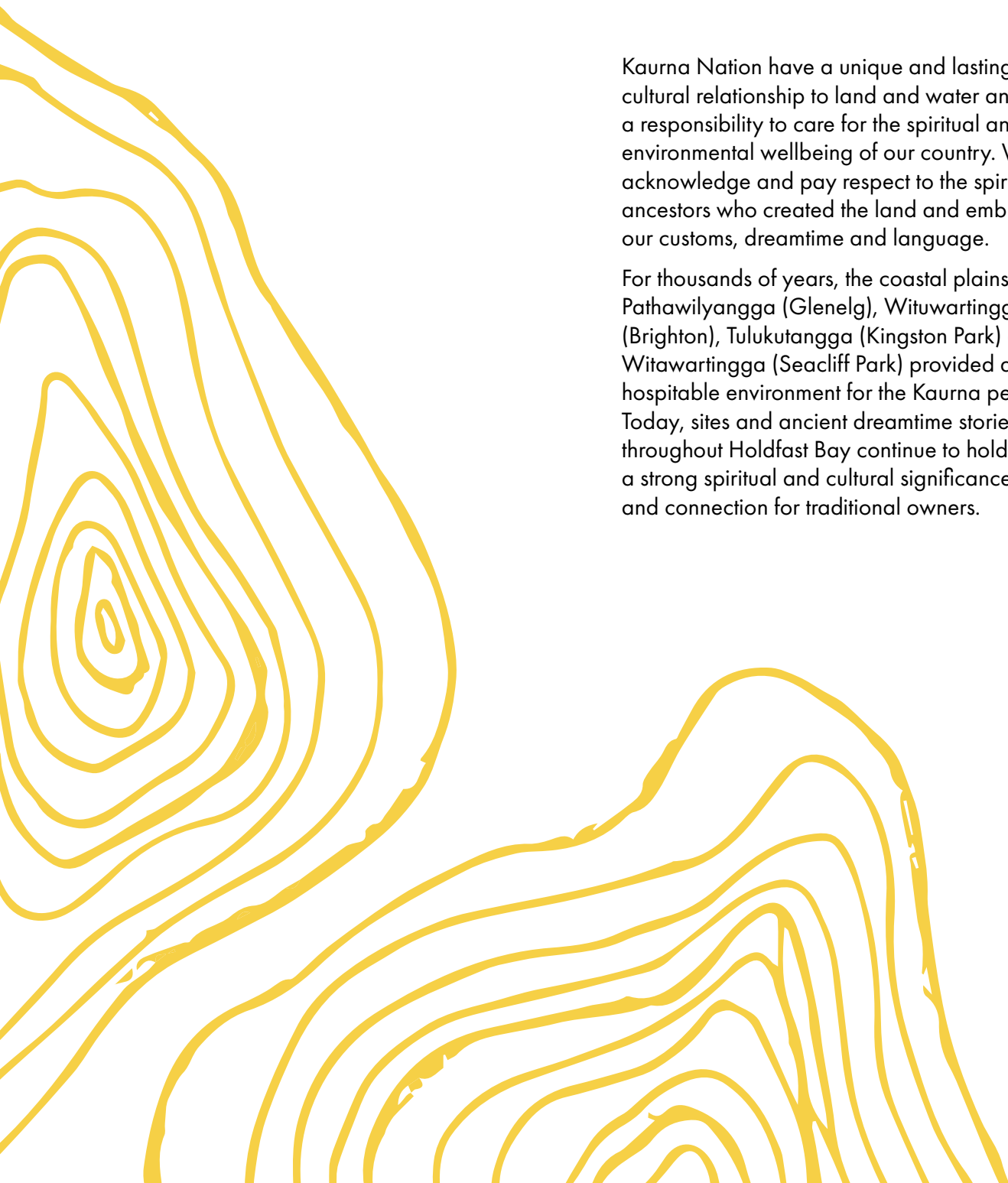
**The many roles
of Council 22**

Marni niina pudni Kaurna yarta-ana

WELCOME TO KAURNA COUNTRY

Kaurna Nation have a unique and lasting cultural relationship to land and water and a responsibility to care for the spiritual and environmental wellbeing of our country. We acknowledge and pay respect to the spirit ancestors who created the land and embrace our customs, dreamtime and language.

For thousands of years, the coastal plains of Pathawilyangga (Glenelg), Wituwaringga (Brighton), Tulukutangga (Kingston Park) and Witawaringga (Seacliff Park) provided a hospitable environment for the Kaurna people. Today, sites and ancient dreamtime stories throughout Holdfast Bay continue to hold a strong spiritual and cultural significance and connection for traditional owners.





The Tjilbruke Spring site located along the Kingston Park Coastal Reserve is of great cultural importance to the Kurna people and to the wider Aboriginal population. The sacred spring site is part of the extensive Tjilbruke Dreaming Story and a place of reflection and mourning, which remains sacred to the Kurna people today. In 2019, Kurna Nation held a special Repatriation Ceremony at Kingston Park to lay to rest the remains of eleven Old People, which had been returned for reburial to country from the Natural History Museum, United Kingdom and the South Australian Museum.

It is important that Aboriginal people continue to be the custodians of country and have a voice and active role in the protection, rejuvenation and care of culturally significant sites. Over the years, Kurna Nation and Council have forged a partnership built on trust, respect and reconciliation with a strong focus on truth-telling and our joint history. Together we embrace the opportunity to sit at the table and work to deliver goals, projects and initiatives that strengthen our shared cultural heritage.

– **Kurna Nation**


“Once you start that journey with accepting each other’s truths, accepting the truths of the past, then you start that journey of talking together, walking together.”

Kurna Elder Jeffrey Newchurch
Kurna Yerta Aboriginal Corporation
(KYAC) Chair



**MESSAGE FROM
THE MAYOR**

What ambitions
do we have for
our city today,
tomorrow and
beyond?



This is the question we asked as we developed our strategic plan.

Engineer and futurist Jacque Fresco said, “while we cannot predict the future, we will most surely live it. Every action and decision we take—or don’t—ripples into the future.”

Such ripples are particularly meaningful to us as a coastal community. We need to consider the long-term challenges we face—like climate change and rising sea levels—and how these will affect our community and environment.

As responsible community leaders, we must start acting on these challenges now. It’s up to us to take immediate action to protect the future of our city for our children, grandchildren and great-grandchildren.

It’s not an easy task, but it is an essential one.

I believe we are fortunate to call Holdfast Bay home with its significant heritage, amazing coast, and a strong community with valuable ideas and willingness to work together to achieve great things. These strengths are reflected in the vision articulated in this strategic plan.

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

This document puts forward the key strategies to support us in achieving our vision over the next ten years. It also provides ‘sign posts’ to guide our decision-making into the future.



Amanda Wilson

Mayor
City of Holdfast Bay





**A MESSAGE
FROM THE CEO**

Careful planning
for the future is
a vital function
of all councils.



Council is required by law to periodically review its strategic and future plans.

The 2021 review was influenced by the COVID-19 pandemic which caused much disruption and uncertainty. The pandemic prompted us to re-examine our priorities and contemplate what may be possible in the future.

In developing this strategic plan, Council considered what challenges we might expect and how to best address them. These challenges include climate change and infill development, which both have the potential to erode people's quality of life in Holdfast Bay over the medium to long term.

These forces cannot be stopped, but we can choose to use them as opportunities for positive change and respond with decisive action.

This strategic plan has an increased focus on community—the people of Holdfast Bay as well as our infrastructure and assets.

We recognise the need for a long-term, ambitious vision while allowing sufficient flexibility to adapt as conditions change and as our knowledge improves.

This strategic plan captures the spirit of these aspirations for everyone who lives, works and plays in the City of Holdfast Bay.



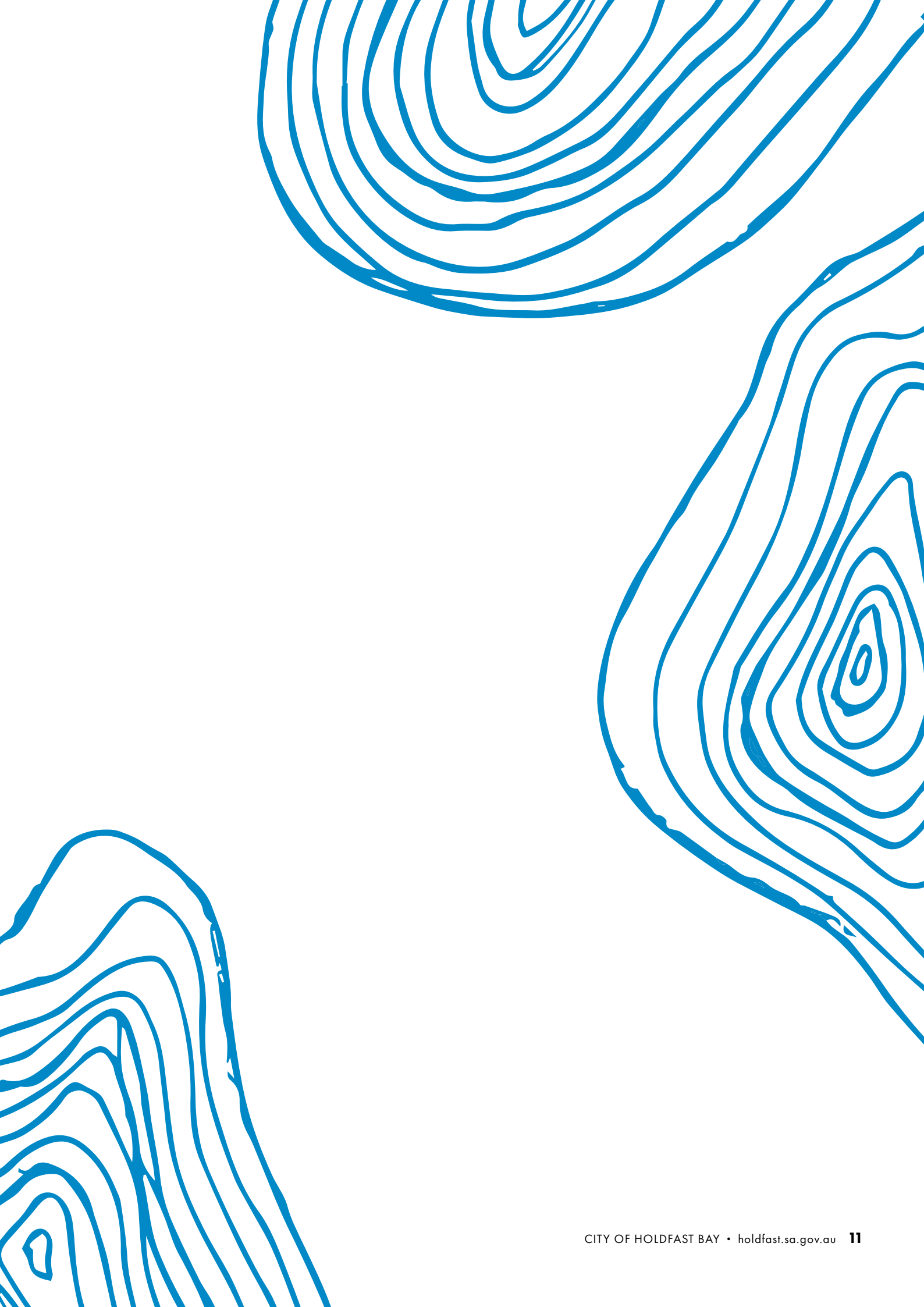
Roberto Bria

Chief Executive
Officer
City of Holdfast Bay

VISION

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







WELLBEING

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

Our residents and visitors feel safe, healthy and connected no matter their age or abilities.

This includes feeling connected to where they live, being able to offer their expertise, voice their views, and collaborate with Council and each other to implement ideas.

There are local public spaces that are welcoming and accessible, and people feel nurtured by nature.

Arts and culture create vibrancy, celebrate creativity, and encourage people to connect with country, place, and each other.

Multi-use recreation spaces are designed for use by people of all ages and abilities.

Technology is used to enable independence, improve convenience and support health and sustainability.

People's physical and mental wellbeing are important considerations in driving development.

Geraldton Wax
*Chamelaucium
uncinatum*



OBJECTIVES: 2020 – 2030

MEASURES

› Apply the principles of universal design and social inclusion to all Council activities	All project plans and policies address universal design and social inclusion
› Assist the city's mainstreet precincts in becoming dementia-friendly ¹	The number of businesses recognised as dementia-friendly increases year on year
› Increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate	The number of participants in formal engagements increases year on year
› Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances	The proportion of mixed-use developments increases
› Establish community hubs that integrate community support, recreational, and commercial services in multi-purposes spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Island people and people from culturally and linguistically diverse backgrounds	Utilisation of council owned buildings increases

ASPIRATIONS

2030s

- › Our beaches and Council-controlled public areas are accessible and inclusive
- › A range of sustainable housing options is available to enable social and cultural diversity and affordability without negatively affecting the heritage values of the city
- › Local arts and culture are celebrated and supported, while barriers to participation (such as costs, infrastructure, access to audiences, etc) are lowered, to encourage typically excluded demographics to participate
- › Our play spaces are intergenerational and inclusive for all abilities

2040s

- › We have the highest physical activity rates in Greater Adelaide (as reported in the National Health Survey) by facilitating active transport options such as walking and cycling, and supporting sports and recreation infrastructure and programs
- › We are the leading city in Greater Adelaide for the use of assistive technologies in public areas
- › The City of Holdfast Bay is recognised as the most vibrant arts and culture hub outside of Adelaide city centre

2050s+

- › Holdfast Bay is internationally recognised as a leader in inclusion and participation
- › We are the healthiest city in South Australia as measured by Population Health Profiles

1. The Dementia-Friendly Community Program is an Australian Government funded program administrated by Dementia Australia.



SUSTAINABILITY

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

Sustainability means that we carefully manage our resources for the benefit of future generations while maintaining our quality of life.

We encourage socially responsible, sustainable and innovative economic development (including circular, blue and green economies) by supporting local, inclusive, Aboriginal and green businesses, and innovators.

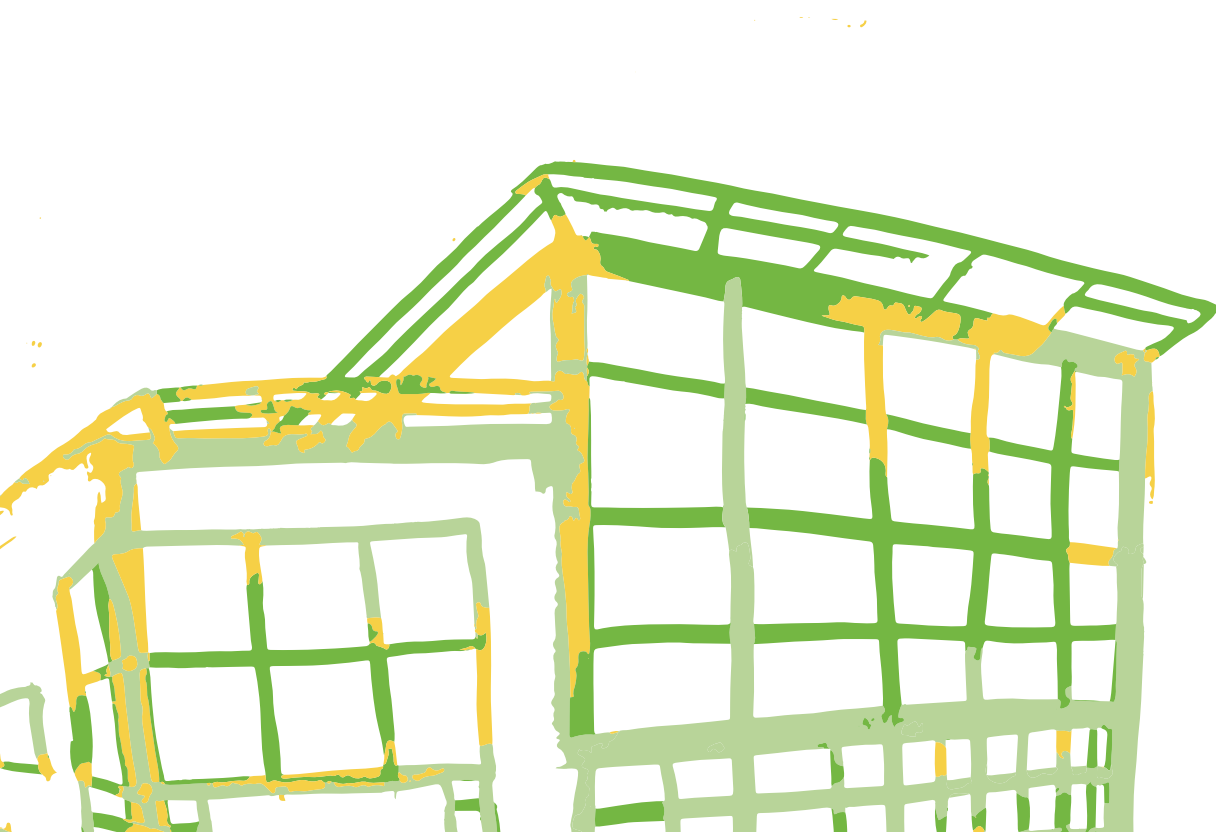
We preserve resources and minimise our individual and collective environmental footprint as we live and travel around our city.

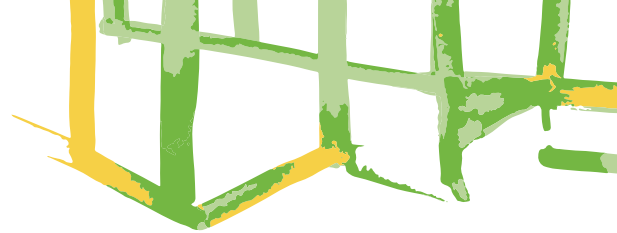
Safe and accessible public spaces are valued.

Heritage is honoured, alongside new developments in the fields of architecture, design and sustainability.

Legacies are celebrated through philanthropic partnerships that provide opportunities for people to co-invest in the city.

Multi-faceted, green, mixed use neighbourhoods are connected to each other through a range of healthy modes of transport.





OBJECTIVES: 2020 – 2030

MEASURES

› Become a carbon-neutral council by 2030	Emissions from Council operations decrease each year or are offset
› Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature and improving walkability to support healthy ageing	Number of kilometres of street prioritised for active transport increases, measured every five years
› Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options	Programs supporting community safety are developed and implemented
› Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing	Walkability score increases in all Holdfast Bay suburbs, measured using a 'citizen science' approach every three years
› Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kurna people as well as innovation	Number of community gardening spaces increases each year

ASPIRATIONS

2030s

- › We have achieved our key environmental objectives, including becoming a carbon-neutral community and increasing our tree canopy to 16.8 per cent
- › Local businesses have adopted sustainable practices and technologies, and we have attracted more green businesses
- › Stormwater discharge has been reduced and more stormwater is re-directed for use on Council-controlled property
- › The amount of waste sent to landfill has reduced by 75 per cent on 2020 levels

2040s

- › Council properties feature green roofs and vertical gardens where feasible
- › The majority of businesses in the city employ a circular or cradle to cradle philosophy (including for their supply chain) to minimise waste where possible
- › 30 per cent of the city's local roads are set aside for active transport and green space

2050s+

- › 80 per cent of local trips are undertaken using active transport
- › We send zero waste to landfill



INNOVATION

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

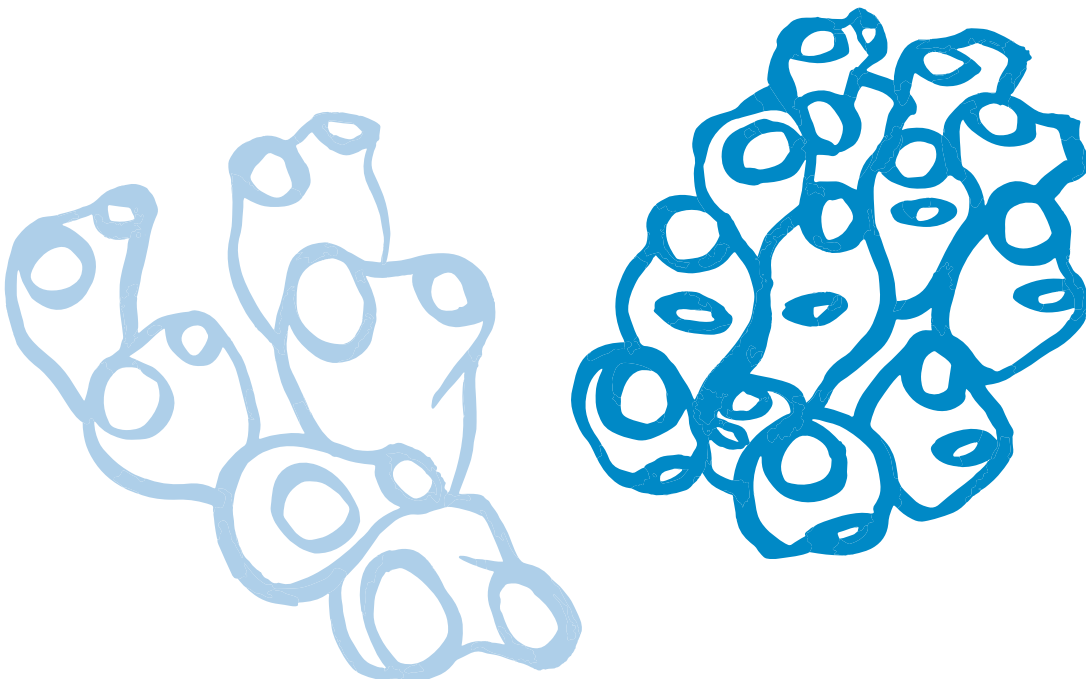
We apply creativity in all aspects of thought and action to build an economy and community that are inclusive, diverse, sustainable and resilient.

We work with our schools and tertiary education providers to extend education opportunities and encourage lifelong learning, entrepreneurialism, experimentation and 'citizen science' approaches.

We welcome entrepreneurs to use the city's assets, develop and implement creative ideas to solve our problems, enhance our city and strengthen our competitive advantage.

Cutting edge technologies support economic diversity and provide opportunities for everyone to get involved.

New forms of cooperation evolve in transport, housing, energy supply, waste management and other fields to enable resource sharing and sustainable development.



OBJECTIVES: 2020 – 2030

MEASURES

› Facilitate growth in the number of home-based businesses where practical to reduce transit distances	The number of home-based businesses increases as reported via Census data
› Maximise the value of public buildings, including libraries, to support innovation by creating co-working spaces and technology/ prototyping/maker spaces and hubs	Utilisation of Council buildings increases
› Partner to establish an innovator/entrepreneur in residence program that includes local schools and encourages life-long learning across the population	Program participation rates trend upwards
› Partner to develop a centre of excellence in hospice care and dying well ²	Amount of support attracted is sufficient to establish a centre
› Partner to facilitate the provision of technology infrastructure to support creative and emerging industries, including mobility as a service, start-ups and other entrepreneurial activities	Number of start-ups, creative and technology-related businesses in the city increases

ASPIRATIONS

2030s

- › Holdfast Bay is recognised as a start-up hub within Greater Adelaide
- › A number of education and research and development hubs are established in the city
- › Conditions exist for early adoption and experimentation with beneficial technologies, including green technologies and smart technology that supports wellbeing and community connections to eliminate social isolation
- › The Kurna people's cultural and spiritual relationship to the area is honoured in meaningful, collaboratively agreed ways

2040s

- › We lead the way in open government, using digital tools to create transparency and enable direct participation
- › Products manufactured in the City of Holdfast Bay are durable and recyclable, and their production processes are essentially waste and pollutant-free
- › 'Urban labs' at neighbourhood level have been created to pilot new ideas and build local connections in our community

2050s+

- › Sustainable and inclusive sea-based infrastructure supports tourism and increased business opportunities
- › Council owned buildings adapt to innovative uses and support healthy and active living

2. Dying well refers to support and programs that enable choice in end of life care.





STRATEGIC ALIGNMENT

Council's strategic plan is subject to global, national and state commitments and provides a framework for subject-specific Council plans.



WELLBEING

COUNCIL PLANS

- › Open Space and Public Realm Strategy 2018–2030
- › Disability Access and Inclusion Plan 2020–2024
- › CoHB Regional Public Health Plan 2020–2025
- › Animal Management Directions Plan 2017–2021
- › Playspace Action Plan 2019–29
- › Creative Holdfast Arts and Culture Strategy 2019–2024
- › Youth Action Plan 2018–2023
- › Glenelg Oval Masterplan
- › Environment Strategy 2020–2025

STATE AND NATIONAL PLANS

State Plans

- › Health and Wellbeing Strategy 2020
- › Public Health Plan 2019–2024
- › The 30 Year Plan for Greater Adelaide
- › Healthy Parks Healthy People South Australia 2021–2026

National Plans

- › National Children’s Mental Health and Wellbeing Strategy

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS





SUSTAINABILITY

COUNCIL PLANS

- › Environment Strategy 2020–2025
- › Open Space and Public Realm Strategy 2018–2030
- › Tourism Plan 2023
- › CoHB Regional Public Health Plan 2020–2025
- › Economic Activation Plan 2018–2023
- › Integrated Transport Strategy (in development)
- › Housing Strategy (in development)
- › Animal Management Directions Plan 2017–2021

STATE AND NATIONAL PLANS

State Plans

- › 30 Year Plan for Greater Adelaide
- › 20 Year State Infrastructure Strategy
- › Climate Change Action Plan 2021–2025
- › Circular Economy Plan 2020–2025
- › Green Adelaide: A new approach to managing our urban environment

National Plans

- › Australian Infrastructure Plan
- › Infrastructure Australia Urban Transport Strategy 2013

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS





INNOVATION

COUNCIL PLANS

- › Economic Activation Plan 2018–2023
- › Tourism Plan 2023
- › Environment Strategy 2020–2025
- › Creative Holdfast Arts and Culture Strategy 2019–2024
- › Youth Action Plan 2018–2023
- › Disability Access and Inclusion Plan 2020–2024

STATE AND NATIONAL PLANS

State Plans

- › Growth State agenda and priority industry sector strategies
- › Hi-Tech Sector Plan 2030
- › EXCITE Strategy
- › The South Australian Visitor Economy Sector Plan 2030
- › Creative Industries Strategy 2020
- › Circular Economy 2020–2025

National Plans

- › Australia 2030: Prosperity through Innovation
- › Technology Investment Roadmap
- › Australia’s National Hydrogen Strategy

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



THE MANY ROLES OF COUNCIL

Council plays a central role in planning for the development and future requirements of our city. We also provide a broad range of services and facilities in response to the needs and priorities of our community. Our many roles include:



BUILDING

We build and maintain community infrastructure and amenities such as footpaths, parks, playgrounds, public buildings, and sporting facilities.



EDUCATING

At times, we undertake an educational role to assist the community, for example educating households about waste recycling.



MANAGING

We manage infrastructure on behalf of the community and other tiers of government, including stormwater infrastructure, jetties, and roads.



LEADING

We seek to lead by planning and investing in ways that consider current and intergenerational needs and aspirations.



ADVOCATING

We advocate for and with the community, promoting the needs and interests of the Holdfast Bay community to state and federal governments and other bodies.



PROVIDING SERVICES

We provide a wide range of services, including aged care and disability support, business and community programs, libraries, events and visitor services such as the Bay Discovery Centre.



REGULATING

We establish by-laws and administers several state and Commonwealth acts.

As the layer of government closest to the community, we aim to be accessible and responsive to the needs and aspirations of residents and businesses.

To ensure that we understand our community's views, we provide a range of opportunities for people to get involved and share their ideas.



COLLABORATING

We build networks and partnerships with other councils (for example, the Southern and Western alliances), other tiers of government, community groups and the private sector to ensure consistency and achieve economies of scale.

Council routinely seeks to engage the community on projects, significant strategies and policies via a number of tools, including the website www.yourholdfast.com.

Depending on the nature of the project or activity, we may also create displays, hold workshops, undertake surveys, or invite written submissions to gather community input.



COORDINATING

We help to bring services together and connect people to services provided by other tiers of government, not for profit, and private providers.

In addition, this strategic plan foreshadows new ways to engage, for example, through citizen science approaches and encouraging more people to use council buildings and civic spaces.

If you have any ideas about how we can engage with you or views about council services or facilities, you can email us at mail@holdfast.sa.gov.au or telephone 8229 9999.



PO Box 19
Brighton, SA 5048

T (08) 8229 9999

F (08) 8298 4561

mail@holdfast.sa.gov.au

holdfast.sa.gov.au

yourholdfast.com

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
Thank you for providing this opportunity.	<p>I love the acknowledgement of the Kaurna people and that their continuing heritage is honoured, the community hubs, inclusion and dementia friendly plans, the regeneration and planting of trees along the Sturt River and the street gardens that are flourishing in the neighbourhood, the reduction in waste to landfill with the aim of 'zero' in the future, the aim to become a carbon-neutral community and increasing our tree canopy to 16.8 per cent, the innovation for business and the inclusion of global, national and state commitments.</p> <p>I also love 'Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kaurna people as well as innovation'.</p> <p>It makes me very proud to be residing in the City of Holdfast Bay Area on Kaurna Land and that the Council seems to be a leader among Councils on so many important and valued issues. Well done!</p>	They are all of equal importance really.	Once again are all of importance.	Once again are all of importance.	I love what the council has planned and my concerns have also been addressed in the plan. I think the plan has captured the hopes and concerns of the community very well. Thank you.
My hope is that the Women of Holdfast Bay continue to follow the lead of Susan Benny. Strong leadership, contribution to community outcomes and powerful advocate for fairness, inclusion and empowerment.	That is why I moved here	I define community hubs as community facilities supported by Council that is open to all (inclusive and accessible), provides a range of activities to meet different needs, activities are driven by community input to meet community needs and enables community connection. this could include community centres, libraries and some sporting clubs but not all. CHB has invested heavily in sporting infrastructure but I dont see a balance of investment in community hub infrastucture even though I believe they reach and engage more residents of holdfast bay. Our libraries and community centres and not fit for purpose for today s requirements. The Brighton Library requires renewal.	Ranked carbon neutral council the lowest as it is not a community objective belongs in Corporate plan as a stepping stone to a community objective.Big supporter of active transport, I walk a lot and have a e scooter that I am waiting to use as soon as legislation is changed. Also have bike but limited use due to limited cycling trails. Esplanade should become one way and timed parking only on house side to enable additional bike/ scooter trail and free up coastal trail for pedestrian use. I support 40k to increase safety on western side of brighton road to coast for whole city. I support the development of Brighton road village to be a mixed use hub, Edwards Street lights are an improvement.	As said Libraries are not fit for purpose need to be resource and learning centre/ working hub and include community rooms. I would like to establish a university of the third age at a refurbished library that supports life long learning and curiosity and engagement in the world.	

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
<p>We really want a council to do the things they are meant to do. Roads, Rubbish, Library's . We dont want a council that thinks spending money on events and giving huge amounts of money to clubs (GFC for example) that are trading insolvent is a council responsibility. We want financially responsible management not huge debt. If you cant afford it you cant have it.</p> <p>SECOND SUBMISSION</p> <p>I really want the Holdfast Council to focus purely on what councils are meant to do, roads and rubbish. Stop with the ever increasing "Welcome to Country" rubbish. I am not happy being welcomed to my own country at every council event.</p> <p>Stop with the "Acknowledgement of Kauri land". Enough is enough. We are sick of it especially when it appears on every bit of council written and electronic piece of communication. Stop with the "Events" that seem to be ever increasing as well as the cost of these Events. This is not a council job. Stop it. Stop councillors spending at their leisure on dream projects and putting the rate payers into ever increasing debt. Stop the council having so many meetings "in Confidence". Stop the council borrowing money then lending it to sporting clubs. Stop the council wasting our money by forgiving debts owed to council. We would really like to see some basic council stuff done by council not all of this peripheral money wasting whims of councillors and bias toward clubs and schools they have affiliations with. We want just plane honesty in our council and councillors. Also I didnt see anywhere in the 2050 plan to consider reducing the number of councillors down from 12 or any reference to reviewing the amalgamation with Marion Council or any other council.</p>	<p>Thank you to the City of Holdfast Bay for its invitation to review the Our Holdfast 2050+ Strategic Plan and share my thoughts. In essence:</p> <ul style="list-style-type: none"> · I am sick and tired of being “welcomed” to my own country and by inference, the relentless shaming of our country’s history. · Council continues its ideological war on private car ownership arising from its myopic obsession with a supposed “climate emergency”. · Council’s ambition should be for it to listen to all its ratepayers, reduce its financial impost on ratepayers and provide only necessary services rather than continuing to expand its remit. <p>My specific comments are as follows: Marni niina pudni Kaurna yarta–ana Page 4 & 5</p> <ul style="list-style-type: none"> · “Welcome to Kaurna country” <ul style="list-style-type: none"> o The 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 editions of the Annual Business Plan, the Events Strategy 2021-25, the Tourism Recovery Plan 2023 and the Environment Strategy 2020-25 all provide a one paragraph acknowledgement of Kaurna peoples. o Why does this draft document allocate two pages to welcome to country? <ul style="list-style-type: none"> · “...the coastal plains of Pathawilyangga (Glenelg), Wituwaringga (Brighton), Tulukutangga (Kingston Park) and Witawaringga (Seacliff Park)...” o Why is Council endorsing the renaming, by stealth, of place names in the City of Holdfast Bay? o Is this a policy of the Council? · “...a strong focus on truth-telling...” o In October 2023 Australians comprehensively rejected the Labor Party inspired, grievance and separatist proposition that was presented to the nation in the 2023 Voice Referendum. o Why is Council endorsing the inclusion of the aboriginal activist, Orwellian double-speak phrase of “truth-telling”, which forms the tripartite with treaty and reparations? o Does Council support treaty and reparations for Kaurna people? o Is this a policy of Council? · “It is important that Aboriginal people continue to be the custodians of country...” <ul style="list-style-type: none"> o This exclusionary and discriminatory statement is designed to foster division and generate guilt among other Australians. o The “country” of the City of Holdfast Bay belongs to all of us, not just some of us on the basis of a hierarchy of descent or privilege of origin. o Does Council support the right of all Australian-born people to be recognized and acknowledged as a “custodian of country”? <p>Wellbeing Page 12 & 13</p>		<p>The footpath development along the esplanade has been great however it is shared with push bike users. Some of those bike riders are speeding with little regard to the pedestrians and disabled people using the same path. Why didn't council consider this in the plan and now deal with the speedsters appropriately rather than saying "well, we built it but we dont know how to police it. Work it out between yourselves".</p>		<p>Yes. Irresponsible councillors spending our money on their icons and favourite clubs and giving away money to clubs that have poker machines, alcohol sales, well paid officials, well paid players but still cant pay back loans. How can this happen? How can this be prevented?</p>

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
	<ul style="list-style-type: none"> · “Local arts and culture are celebrated and supported, while barriers to participation (such as costs, infrastructure, access to audiences, etc) are lowered, to encourage typically excluded demographics to participate” <ul style="list-style-type: none"> o Is Council suggesting that ratepayers cover costs for participants from financially excluded demographics? If so, why? Sustainability Page 14 & 15 · Council continues its ideological war on private car ownership <ul style="list-style-type: none"> o “Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature...” § Which streets will be ‘reclaimed’? § Why are children being encouraged to play in the streets rather than at a designated playground? § Does Council commit to: <ul style="list-style-type: none"> · retaining and maintaining all existing playgrounds? · Ensuring no playgrounds are sold for housing development? o “30 per cent of the city’s local roads are set aside for active transport and green space.” § How was the quantum of 30% determined? § How many kilometres of streets will be closed to private vehicle traffic? § Which local roads will be closed? o “80 per cent of local trips are undertaken using active transport.” § Does Council rule out the introduction of any measures that give effect to a ‘15 minute city’? · “Support the creation of safer places by improving the public realm...” <ul style="list-style-type: none"> o Please provide examples as to how the public realm be improved to create safer places? o Does this measure include an expansion of Council’s already significant CCTV network? o Does the Council rule out the using facial recognition on its CCTV network? · “Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kurna people...” <ul style="list-style-type: none"> o Which parcels of Council owned land will be allocated to community gardening? o Please provide examples of the long-held knowledge of Kurna people with respect to community gardening? o Why are only Kurna people exclusively singled out for their knowledge of community gardening? · “...becoming a carbon neutral community...” <ul style="list-style-type: none"> o The City of Holdfast Bay now wants to enforce its green zealotry on individual ratepayers while allowing housing blocks to be subdivided and multiple dwellings put on the 				

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
	<p>same area and obviously covering more of the footprint with buildings, concrete and paving. This also causes more rain water run off and the associated stormwater problems for the area.</p> <ul style="list-style-type: none"> o Does Council rule out the imposition of fines, imposts or any other policy measures on individual ratepayers to ensure they become “carbon neutral”? · “The amount of waste sent to landfill has reduced by 75 per cent on 2020 levels” / “We send zero waste to landfill.” o Does Council commit to ensuring that householder participation in FOGO remains voluntary and the right of households to weekly rubbish collection? o Does Council commit to ruling out any further rate increases or the application of a fee, surcharge or any other impost on ratepayers to force them to reduce waste sent to landfill? <p>Innovation Page 16 & 17</p> <ul style="list-style-type: none"> · “Partner to develop a centre of excellence in hospice care and dying well.” o Where will the centre of excellence be located? · “The Kurna people’s cultural and spiritual relationship to the area is honoured in meaningful, collaboratively agreed ways” o Why is the cultural and spiritual relationship to the area of non-Aboriginal people less important than those of Kurna people? o Does Council acknowledge that all residents are entitled to have their respective cultural and spiritual relationship to the area honoured? <p>Does the Council plan to lend money to Local clubs and later forgive any loans the clubs don't repay such as the Loan associated with the Glenelg Football club. What is councils policy on this for the 2050+ policy</p> <p>What is councils policy moving to 2050+ on community consultation bearing in mind the disastrous lack of consultation for the Jetty Road Glenelg Upgrade and the subsequent legal representation by rate payers to council who continue to ignore the majority of ratepayer.</p> <p>What is councils policy moving to 2050+ on financial responsibility for councillors to act responsibly with ratepayers money, bearing in mind the biggest debt ever of Holdfast council of \$29m being doubled by adding another 30m for the Jetty Road Upgrade?</p> <p>What the policy to prevent councillors deciding to move the goal posts when they feel like it to increase the dept from 75% to 100% then deliberately exceeding that 100% as they see fit.</p> <p>What is the policy for "Events" and the increasing amount of money council are spending on these Events that bring no financial return to the ratepayers.</p> <p>How much money is council going to spend on legal advice to representations from ratepayers and community groups</p>				

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
	<p>rather than involving the community groups to keep them involved and listen to what the ratepayers are saying and what they want? Seems to be a lot of fluffy words in the 2050+ plan but we want to see some real commitment to look after the current ratepayers. I look forward to your response to the questions I have raised in this email.</p>				
<p>Acknowledge that I am Council employee and work in rec and sport so providing 'light on' feedback as we deep dive into these areas at work.</p>	<p>Long term vision is appropriate to objectives and aspirations of the Strategic Plan.</p>	<p>Acknowledge the wellbeing priorities however they overlook existing sport and recreation spaces that are not fit for purpose and require investment to meet the objectives of not only universal design and inclusion but also contemporary expectations regarding facility and infrastructure provision.</p>			<p>Challenges are people living alone, protecting our beaches and environment and providing inclusive and welcoming spaces.</p>
<p>Thanks for the opportunity to give feedback</p>	<p>Sounds great - curious about what makes a place SA's most sustainable city?</p>	<p>I think your vision is very related to wellbeing - so making this a core part of what you do is important. Bring them on</p>			<p>I would love to see more examples and support of 'local' skills, innovation and activities - rather than a focus on big events</p>
	<p>As I read the plan, I could no find any detail given to heritage areas. I could find no detailed plan which emphasised the importance of Glenelg in the heritage, as one of the birthplaces for South Australia. There are a number of key buildings in the area and I would like more mention paid to these in the strategic plan. I understand about the mention of Heritage and Coast, but no detail about the buildings and potential long term tourism that these could bring. Whilst I understand that Jetty Road will be improved regarding traffic management, Augusta Street and Torrens Square need to be a priority for traffic flow, as there is no safe crossing for families with children or other adults. I was born in Glenelg and have continuing links with community engagement in the area. Even though I no longer live in the Council boundaries, Glenelg is my major centre of activities and shopping.</p>			<p>As per my overall comments, I would like to see more made of the heritage buildings and local heritage streets and maintain some of the older neighbourhoods as an opportunity for innovation and tourism.</p>	

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
	<p>Let’s have some real goals for council for the next 30 years Stop trying to be entrepreneurs and run “ events” that is not what councils are supposed to do. Have real financial management placed on our elected dreamers. You can’t spend money if you haven’t got it. Borrowing money is not an option. Stop the ridiculous “welcome to our own country” Stop the on going continuous annoying reference to “recognition of the traditional owners the Kaurna”. Enough is enough but council have it on every letter, email, publication, even at the bottom of this email, etc How about this as a future goal... Reduce the number of councillors. We are a small council with huge number of councillors. Efficiency gains there. Consider amalgamation with Marion Council or any other council. More cost savings there. Reduce the amount of Events sponsored by council. More savings. Now there are a few items that should be in our long term plan.</p>				
	<p>NOTE - same submission via Your Holdfast and in email to Elected Members General comments• I am sick and tired of being “welcomed” to my own country (Glenelg South) and by inference, the relentless shaming of our country’s history. • Council continues its ideological war on private car ownership arising from its myopic obsession with a supposed “climate emergency”.• I do not want the Council to profit from state-sanctioned suicide (euphemistically described as a “...dying well...”) at Alwyndor or any other premise within the City boundary. • Council’s ambition should be for it to listens to all its ratepayers, reduce its financial impost on ratepayers and provide only necessary services rather than continuing to expand its remit. Marni niina pudni Kaurna yarta–anaPage 4 & 5 • “Welcome to Kaurna country”o The 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 editions of the Annual Business Plan, the Events Strategy 2021-25, the Tourism Recovery Plan 2023 and the Environment Strategy 2020-25 all provide a one paragraph acknowledgement of Kaurna peoples. o Why does this draft document allocate two pages to welcome to country? • “...the coastal plains of Pathawilyangga (Glenelg), Wituwartingga (Brighton), Tulukutangga (Kingston Park) and Witawartingga (Seacliff Park)...”o Why is Council endorsing the renaming, by stealth, of place names in the City of Holdfast Bay?o Is this a policy of the Council?• “...a strong focus on truth-telling...”o In October 2023 Australians comprehensively rejected the Marxist-inspired, grievance and separatist proposition that was presented to the nation in the 2023 Voice Referendum. o Why is Council endorsing the inclusion of the aboriginal activist, Orwellian double-speak phrase of “truth-telling”, which forms</p>				

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
	<p>the tripartite with treaty and reparations? o Does Council support treaty and reparations for Kurna people?o Is this a policy of Council?• “It is important that Aboriginal people continue to be the custodians of country...”o This exclusionary and discriminatory statement is designed to foster division and generate guilt among other Australians. o The “country” of the City of Holdfast Bay belongs to all of us, not just some of us on the basis of a hierarchy of descent or privilege of origin.o Does Council support the right of all Australian-born person to be recognized and acknowledged as a “custodian of country”?WellbeingPage 12 & 13• Geraldton Wax (Chamelaucium uncinatum) is a native plant from Western Australia, not South Australia. • “Local arts and culture are celebrated and supported, while barriers to participation (such as costs, infrastructure, access to audiences, etc) are lowered, to encourage typically excluded demographics to participate”o Is Council suggesting that ratepayers cover costs for participants from financially excluded demographics? If so, why?SustainabilityPage 14 & 15• Council continues its ideological war on private car ownershipo “Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature...”§ Which streets will be ‘reclaimed’?§ Why are children being encouraged to play in the streets rather than at a designated playgrounds?§ Does Council commit to:• retaining and maintaining all existing playgrounds?• Ensuring no playgrounds are sold for housing development?o “30 per cent of the city’s local roads are set aside for active transport and green space.”§ How was the quantum of “30%” determined?§ How many kilometres of streets will be closed to private vehicle traffic?§ Which local roads will be closed?o “80 per cent of local trips are undertaken using active transport.”§ Does Council rule out the introduction of any measures that give effect to a ‘15 minute city’?• “Support the creation of safer places by improving the public realm...”o Please provide examples as to how the public realm be improved to create safer places?o Does this measure include an expansion of Council’s already significant CCTV network?o Does the Council rule out the using facial recognition on its CCTV network?• “Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kurna people...”o Which parcels of Council owned land will be allocated to community gardening?o Please provide examples of the long-held knowledge of Kurna people with respect to community gardening?o Why are only Kurna people exclusively singled out for their knowledge of community gardening?• “...becoming a carbon neutral community...”o The City of Holdfast Bay now wants to enforce its green zealotry on individual ratepayers.o Does Council rule out the imposition of fines, imposts or any other</p>				

Comments received – 2024 Strategic Plan Review

General comments	Tell us what you think of Council’s long-term vision for our city?	Comments about the wellbeing priorities	Comments about the sustainability priorities	Comments about the innovation priorities	Hopes, concerns or challenges in your neighbourhood
	<p>policy measures on individual ratepayers to ensure they become “carbon neutral”? • “The amount of waste sent to landfill has reduced by 75 per cent on 2020 levels” / “We send zero waste to landfill.”o Does Council commit to ensuring that householder participation in FOGO remains voluntary and the right of households to weekly rubbish collection?o Does Council commit to ruling out any further rate increases or the application of a fee, surcharge or any other impost on ratepayers to force them to reduce waste sent to landfill?InnovationPage 16 & 17• “Partner to develop a centre of excellence in hospice care and dying well.”o Why is Council seeking to profit from state sanctioned suicide, euphemistically described as a “...dying well...”?o Where will the centre of excellence be located? o Will it be located at Alwyndor? • “The Kurna people’s cultural and spiritual relationship to the area is honoured in meaningful, collaboratively agreed ways”o Why is the cultural and spiritual relationship to the area of non-Aboriginal people less important than those of Kurna people?o Does Council acknowledge that all residents are entitled to have their respective cultural and spiritual relationship to the area honoured?</p>				
<p>I found this a most disappointing document.</p> <p>Just a series of motherhood statements and objectives.</p> <p>what is Council actually intending to do?</p>					
<p>See submission - Conservation Council SA</p>					



Conservation Council SA

Project Team
Our Holdfast 2050+ Strategic Plan
City of Holdfast Bay
BRIGHTON SA, 5048
By email: mail@holdfast.sa.gov.au

1 October 2024

Dear Project Team,

Submission to the draft Our Holdfast 2050+ Strategic Plan

The Conservation Council SA welcomes the opportunity to provide a submission on the draft Our Holdfast 2050+ Strategic Plan. Our submission focuses on the Environment section of the draft Plan.

The Conservation Council SA is South Australia's peak body for the environment. We are an independent, non-profit, and strictly non-party political organisation representing approximately 50 of South Australia's environment and conservation organisations and their 90,000 members.

The Conservation Council SA kindly requests that this submission be published in full and made accessible to the public.

Recommendations

Noting that:

- The positive benefits from greater tree canopy and more green space on the urban heat island effect have been well-documented¹, and that heat stress is the leading cause of weather-related deaths²;
- the proposed Metropolitan Adelaide target in the draft Greater Adelaide Regional Plan (GARP) is "achieve 30% tree canopy cover across metropolitan Adelaide by 2055"³; and
- that for the GARP's Interim 2030 target, "[a]ll local government areas, suburbs and land-use types should increase tree canopy cover by 2% by 2030, e.g. from 10% to 12% tree canopy cover"⁴; and

¹ Just for example, <https://researchers.mq.edu.au/en/publications/urban-trees-and-peoples-yards-mitigate-extreme-heat-in-western-ad>

² <https://www.who.int/news-room/fact-sheets/detail/climate-change-heat-and-health>

³ <https://regional.plan.sa.gov.au/regional-plans/greater-adelaide>

⁴ Ibid.

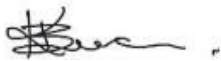
- the City of Holdfast Bay had a tree canopy target of 15.3% in 2018 and is aiming for a canopy target of 16.8% in 2030⁵ – 0.5% *less* than even the minimum ambition recommended in the GARP;

That the City of Holdfast Bay:

- 1. Adopt a meaningfully ambitious target for its tree canopy cover, 17.3% at minimum (rather than 16.8%), but ideally at least 20% (or more).**
- 2. Adopt a Sustainability objective to increase its % public green space.**
- 3. Adopt a Sustainability objective that squarely focuses on improving biodiversity, rather than merely ‘biodiversity sensitive design’ and community garden (as welcome as these initiatives may be); for example: halt and reverse biodiversity decline by 2030⁶.**

Thank you again for the opportunity to provide a submission to the draft City of Holdfast Bay’s draft 2050+ Strategic Plan. The Conservation Council SA is happy to discuss this submission further with your Council; if you require further information, do not hesitate to contact me at ChiefExecutive@conservationsa.org.au.

Yours sincerely,



Kirsty Bevan
Chief Executive

⁵ <https://www.holdfast.sa.gov.au/services/environment/trees/adopt-a-tree>

⁶ This is the Australian Government commitment under the UN Convention of Biological Diversity; see: <https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf>

Comparison of Current and Proposed 2020-30 Strategic Plan Objectives and Measures

WELLBEING			
<i>Good health and economic success in an environment and a community that supports wellbeing</i>			
OBJECTIVES 2020-2030	MEASURES	Proposed Objectives	Proposed Measures
Apply the principles of universal design and social inclusion to all Council activities	All project plans and policies address universal design and social inclusion	Design, build and manage public places that actively facilitate positive interaction and provide access to all people, especially those who normally miss out	All project plans and policies address universal design and social inclusion
Assist the city's mainstreet precincts in becoming dementia friendly.	The number of businesses recognised as dementia friendly increased year on year	Partner with community organisations and businesses to support 'ageing in place' and develop community approaches to hospice care and dying well	Successful participation in and delivery of programs, and collaborations with external organisations
Increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate.	The number of participants in formal engagements increases year on year	Promote active citizenship where all people are encouraged to be heard and contribute to their community especially those who are normally excluded	The range of people of different ages and backgrounds having their voices heard in council and community organisation decision making increases year on year
Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances	The proportion of mixed - use developments increases	Advocate for small businesses to be able to operate in mixed use neighbourhoods to increase local employment opportunities, improve local access to goods and services, and reduce transport distances	The number of small businesses that operate in mixed use areas increases. All residents live within a 10–15 minute walk to shops and parks

WELLBEING

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

OBJECTIVES 2020-2030	MEASURES	Proposed Objectives	Proposed Measures
<p>Establish community hubs that integrate community support, recreational, and commercial services in multi-purposes spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Island people and people from culturally and linguistically diverse backgrounds</p>	<p>Utilisation of council owned buildings increases</p>	<p>Increase the range of people that take part in lifelong learning and benefit from Council run Libraries, Community Centres and community programs and services by targeting to those who normally don't or can't access them.</p>	<p>The range of people of different ages, abilities and backgrounds who access Council facilities, programs and services increases</p>
		<p>Support the development of community run, openly accessible hubs (such as sport, recreation and community facilities) which promote healthy lifestyles, positive community connection and a sense of belonging for people of all backgrounds and abilities</p>	<p>The number and range of people from different backgrounds and abilities who access community run facilities increases</p>
		<p>Protect against public and environmental health risks and prevent chronic disease, communicable disease and injury</p>	<p>The number of Council directed improvements made in private enterprises for better public health outcomes</p>
<p>MOVED FROM 2030s ASPIRATION</p>		<p>Local arts and culture are celebrated and supported, while barriers to participation (such as costs, infrastructure, access to audiences, etc) are lowered, to encourage typically excluded people to participate</p>	<p>The range and number Council and community run arts and cultural activities and events that are assessed as being fully accessible increases year on year</p>

SUSTAINABILITY <i>A city, economy and community that is resilient and sustainable</i>			
OBJECTIVES 2020-2030	MEASURES	Proposed Objectives	Proposed Measures
Become a Carbon Neutral Council by 2030	Emissions from council operations decrease each year or are offset	Become a carbon neutral organisation by 2030	Council direct emissions are reduced every year and emissions of suppliers are influenced to be reduced.
Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature and improving walkability to support healthy ageing"	Number of kilometres of street prioritised for active transport increases - measured every 5 years	Increase walking and cycling across the city through better infrastructure and incentives	Establish a baseline of cycling use and walking to create a target
		Increase shady pathways and nature by reclaiming parts of road reserves through better design	The number of kilometres of shady streets with good paths increases
Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options	Programs supporting community safety are developed and implemented	Reduce traffic by improving safe access to public and community transport	The number of car trips decreases
Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing	Walkability score increases in all Holdfast Bay suburbs, measured using a 'citizen science' approach every 3 years	Support walkability to parks, beaches and services by provision of good open spaces and enabling small businesses to operate in mixed use neighbourhood development	All residents live within a 10–15 minute walk to services and parks
		Support built heritage protection and enhancement while promoting quality infill development	<ul style="list-style-type: none"> • Number of new properties listed on various heritage registers • Number of heritage property owners who are directly assisted by Council

SUSTAINABILITY <i>A city, economy and community that is resilient and sustainable</i>			
OBJECTIVES 2020-2030	MEASURES	Proposed Objectives	Proposed Measures
Encourage more community gardening including biodiversity sensitive urban design in public spaces, applying the long held knowledge of Kurna people as well as innovation.	Number of community gardening spaces increases year on year.	Increase levels of biodiversity through water sensitive urban design in public spaces and encouraging use of Kurna knowledge.	A new measure to be developed
		Decrease the level of household and business waste that goes to landfill	<ul style="list-style-type: none"> • Increase the use of FOGO for residents and local businesses • Waste going to landfill decreases to 60% • Increase in circular economy businesses
		Create vibrant precincts that contribute to economic success and social vitality and provide unique experiences for locals and visitors alike	<ul style="list-style-type: none"> • Business confidence increases in these precincts • Positive community perception increases

INNOVATION

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

OBJECTIVES 2020-2030	MEASURES	Proposed Objectives	Proposed Measures
Facilitate growth in the number of home-based businesses where practical to reduce transit distances	The number of home based businesses increases as reported via Census data	Create an environment (Raise the profile of the city and precincts) that is attractive for start up, entrepreneurial and home-based businesses	The number of startup and home-based businesses increases
Maximise the value of public buildings including libraries to support innovation by creating co-working spaces and technology/ prototyping/ maker spaces and hubs	Utilisation of council buildings increases	Improve the community's digital access and literacy through facilities and programs in Council's libraries and community centres	Number of people who take part in digital programs increases year on year
Partner to establish an innovator/ entrepreneur in residence program that includes local schools	Program participation rates trend upwards	Partner with schools to build innovator/entrepreneur programs for young people	Program participation rates trend upwards
Partner to develop a centre of excellence in hospice care and dying well	Amount of support attracted is sufficient to establish a centre	NEW OBJECTIVE UNDER WELLBEING	
Partner to facilitate the provision of technological infrastructure to support creative and emerging industries, including mobility as a service, start ups and other entrepreneurial activities.	Number of start-ups, creative and technology-related businesses in the city increases	Partner to facilitate the provision of technological infrastructure to support creative, innovative and entrepreneurial activity	Number of creative and technology-related businesses in the city increases
		Collaborate with others to assist local businesses to access resources, develop knowledge and improve capability in	The number of local businesses that are supported in accessing avenues for emerging technologies

INNOVATION

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

OBJECTIVES 2020-2030	MEASURES	Proposed Objectives	Proposed Measures
		emerging digital and online technologies	
		Stimulate creative, arts and cultural talent, skills and opportunities in distinctive places and precincts for jobs, business and tourism	The number of local arts/creative businesses and jobs increases (Heritage, Creative and Performing Arts category)

DRAFT

Item No: 9.7

Subject: **ASSET MANAGEMENT PLANS**

Summary

The *Local Government Act (1999)* requires Council to review its Asset Management Plans (AMPs) prior to November 2024.

The Asset Management Plans have been reviewed and updated to include the latest asset condition and inventory data. The Asset Management Strategy was developed for consultation as it is a new organisational document.

Public consultation was undertaken from 29 August to 19 September 2024 in line with legislated requirements.

This report discusses the public consultation findings and document updates for Council endorsement.

Recommendation

That the Audit and Risk Committee:

- 1. notes the community consultation report and updates to the asset management documentation; and**
 - 2. recommends the Asset Management Plans and Asset Management Strategy for endorsement by Council.**
-

Background

The *Local Government Act (1999)* requires Council to review its Asset Management Plans (AMPs) within two years of a General Election. Council is legislatively required to update its AMPs by November 2024. The previous AMPs were last adopted in 2000.

The AMPs have been reviewed and updated to include the latest asset condition and inventory data. The forecast indicates:

- council's assets are generally in good condition;
- a small increase of an average of \$348,701 per year to capital renewal is required over the next ten years;
- additional operational costs will be generated from acquisitions and new capital projects;
- major projects not included through the Long Term Financial Plan (LTFP) have been excluded from the acquisition forecast.

All costs provided in the AMPs are all in current day dollars.

The AMPs consider strategic context, levels of service, demand forecasts, asset lifecycle planning, financial indicators, risk management and improvement programs.

Alwyndor is excluded from the AMPs as it is managed as a financially self-sustaining operation.

Community engagement was undertaken from 29 August to 19 September 2024.

Report

The Asset Management Framework consists of a suite of documents in line with industry best practice and internal audit recommendations. The documents include:

- Asset Management Policy
- Asset Management Strategy
- Asset Management Plans (Buildings, Open Space, Plant and Equipment, Stormwater, and Transport)

The AMPs have been prepared for Council approval by November 2024 including community consultation in line with legislative requirements. The Asset Management Strategy has been prepared for approval as a new organisational document. The Asset Management Policy is attached for the Committee's comment, noting it is still under internal review and will be finalised for Council endorsement in November.

Refer Attachments 1 - 7

Community Engagement

Community consultation was undertaken from 29 August to 19 September 2024. Consultation was undertaken through the following channels:

- YourHoldfast project web page;
- Signage at the libraries, Civic Centre and Holdfast Bay Community Centre, with a QR code to YourHoldfast project web page and council telephone number;
- Site-wide database sent to 3982 accounts (38% open rate);
- Mayor advertised the engagement in Council wrap up speech twice;
- Facebook post;
- Holdfast News e-newsletter Feature article on the home page of YourHoldfast;
- News article on the council website; and
- Draft Asset Management Plan Summary Document.

Feedback was collected through the YourHoldfast page, email, phone and in writing. The following participation was recorded:

- 555 visits to YourHoldfast from 478 participants;
- 12 participants completed online feedback;
- 1 email response;
- 344 total downloads of project documentation.

A full summary including written comments can be found in the attached Community Engagement Report. All written feedback will receive a response following the endorsement of the engagement plan.

Refer Attachment 8

A summary of Administration responses to the community engagement themes is attached.

Refer Attachment 9

Document Updates

Following consultation, the documents were updated on the feedback as well as the latest information available.

The key changes include:

- Addition of Acknowledgement to Country.
- Graphic design including style, images, tables, graphs and iconography.
- Valuation updated for 30 June 2024 incorporated. Resulting in minor changes in asset quantities and values.
- Minor grammatical updates.
- Transport AMP had the Transforming Jetty Road funding redistributed across 2025-26 and 2026-27 including external funding to match current program.
- Transport AMP operational costs associated with Transforming Jetty Road clarified to align with financial assumptions. This includes additional annual operational costs to be 0.5% of project value (\$200,000).
- Plant and Equipment AMP IT operational costs excluded, decreasing operational values from \$3,010,196 to \$597,775.
- Asset Management Strategy inclusion of reference International Infrastructure Management Manual and ISO 55000 international standard for asset management.
- Asset Management Strategy inclusion of a new table defining data structure and terminology (Table 3.4).
- Glossary of terms included in all AMPs.

A detailed list of documentation updates is attached.

Refer Attachment 10

Budget

All costs provided in the AMPs are all in current day dollars.

Valuations are undertaken for each asset class in alignment with Australian Accounting Standard 'AASB13 Fair Value' and are undertaken at minimum every five years. The summary of the valuation as 30 June 2024 is outlined in the following table.

Asset Class	Current Asset Cost	Accumulated Depreciation	Carrying Value
Building	\$142,963,044	\$57,481,054	\$85,481,990
Open Space	\$79,806,772	\$31,596,414	\$48,210,358
Plant and Equipment	\$8,714,919	\$4,246,323	\$4,468,597
Stormwater	\$69,508,270	\$28,107,161	\$41,401,109
Transport	\$339,635,535	\$127,676,996	\$211,958,539
TOTAL	\$640,628,540	\$249,107,948	\$391,520,593

The operations and maintenance asset costs are forecast to trend in line with the previous four years as the number of assets and the services provided have not changed and are not expected to change substantially. The summary of the operational expenditure is outlined below.

Asset Class	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000	2034 \$'000	2035 \$'000
Building	2,029	2,029	2,029	2,029	2,029	2,029	2,029	2,029	2,029	2,029
Open Space	3,884	3,884	3,884	3,884	3,884	3,884	3,884	3,884	3,884	3,884
Plant and Equipment	598	598	598	598	598	598	598	598	598	598
Stormwater	403	403	403	403	403	403	403	403	403	403
Transport	1,972	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072
TOTAL	8,886	8,986	8,986	8,986	8,986	8,986	8,986	8,986	8,986	8,986

Asset renewal is generally aligned to asset condition; however, assets can also be replaced based on strategic or master planning requirements. The summary of the capital renewal expenditure is outlined below.

Asset Class	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000	2034 \$'000	2035 \$'000
Building	2,900	2,900	2,900	3,119	3,119	3,119	3,119	3,119	3,119	3,119
Open Space	2,058	1,492	2,181	2,169	1,873	1,505	1,479	2,123	2,163	1,551
Plant and Equipment	1,713	1,621	1,590	1,350	1,493	1,592	1,218	2,299	2,284	906
Stormwater	180	180	180	190	190	210	210	220	220	220
Transport	4,180	4,180	4,450	4,450	4,547	4,732	4,732	4,732	4,732	4,732
TOTAL	11,031	10,373	11,301	11,279	11,223	11,158	10,758	12,494	12,519	10,528

The capital renewal expenditure across all asset categories varies from the pre-existing LTFP 2024-25 to 2033-34. The below table outlines the annual changes from the LTFP 2024-25 to 2033-34. On average there is an increase of \$348,701 per year. Following the adoption of the asset management plans the LTFP will be updated to reflect the updated lifecycle costs.

Capital Renewal	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000	2034 \$'000	2035 \$'000
Draft AMP	11,031	10,373	11,301	11,279	11,223	11,158	10,758	12,494	12,519	10,528
LTFP 2024-25	10,680	8,770	12,161	11,340	13,397	10,566	10,566	10,566	10,566	10,566
Variance	-351	-1,603	860	60	2,174	-593	-192	-1,928	-1,953	38

The above tables exclude planning for Information Technology (IT). IT expenditure is equivalent to the LTFP 2024-25 to 2033-34 financials. An improvement plan action has been developed to improve the data standards for the IT asset register and incorporate IT in the Plant and Equipment AMP during the next review.

The key financial findings:

- The total asset replacement cost is \$640,628,540.
- The total expenditure over the ten-year renewal program is \$112,664,736.
- This is \$3,487,008 million additional funding the Long-Term Financial Plan 2024-25 to 2033-34. An average of \$348,701 per year.
- The increases are due to new assets being built or found, improved data through data collection, compliance and standard requirements or higher service levels, and early asset failure or major defects affecting the service function (footpath trip hazard or raised kerb).
- The LTFP is to be updated to align with AMPs after AMP endorsement and 2023-24 financial statement approval.
- The total Council borrowings (debt) will remain below \$60 million over the ten-year planning period.
- The net financial liabilities ratio will remain below 110% over the ten-year planning period.

Life Cycle Costs

Detailed within the AMPs

Strategic Plan

Our Holdfast 2050+

Sustainability: A city, economy and community that is resilient and sustainable

Council Policy

Asset Management Policy

Statutory Provisions

Local Government Act 1999: Section 122

Written By: Manager Engineering

A/General Manager: Assets and Delivery, Mr B Blyth

Asset Management

1. Purpose

The City of Holdfast Bay owns and manages a large diverse portfolio of assets valued in excess of \$600 million to support the Strategic Plan Our Holdfast 2050+ and core business of delivering services to the community.

The purpose of the Asset Management Policy is to set the principles, requirements and responsibilities for implementing consistent asset management practices and procedures throughout the City of Holdfast Bay. This policy ensures adequate provision is made for the long term management of council assets by:

- 1.1 Ensuring that councils services and assets are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- 1.2 Safeguarding Council assets by implementing appropriate asset management strategies and providing appropriate financial resources for those assets.
- 1.3 Creating awareness amongst employees and Elected Members of their responsibilities for the creation and management of sustainable assets.
- 1.4 Meeting legislative requirements for asset management.
- 1.5 Ensuring resources and operational capabilities are identified and funded and responsibility for asset management is assigned.
- 1.6 Demonstrating transparent and responsible asset management processes that align with best practice standards and guidelines.
- 1.7 Ensuring an integrated approach across all Business Units in asset management service delivery.

2. Scope

This policy applies to all council assets within the City of Holdfast Bay that are owned, managed, or under the care and control of Council.

This policy is supported by Council's asset management documentation, including Asset Management Plans, Asset Management Strategy, and Long Term Financial Plan.

3. Roles and Responsibilities

Council Members	Act as custodians of community assets. Set Asset Management Policy and vision.
-----------------	---

	Allocate resources to meet council objectives in providing services while managing risks.
Audit and Risk Committee	Review and make recommendations and observations to Council on the financial outcomes of the Asset Management Plans.
Senior Leadership Team	Provide leadership and strategic direction. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and the outcomes of service reviews are incorporated into asset management planning and the Long Term Financial Plan. Ensure Councilors and staff are provided with training in financial and asset management. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of Asset Management Plans, Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepares Asset Management Plans. Manages asset register and spatial systems. Coordinates data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provides technical asset management expertise to the organisation.

4. Policy Statement

- 4.1 Assets exist to meet community needs and support the delivery of services to the service levels adopted by Council.
- 4.2 The primary intent of asset management is to meet the required level of service in the most cost effective way, through the creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets to provide for present and future community needs.

Council is committed to:

- 4.3 Preparing and adopting Asset Management Plans in accordance with legislative requirements, and council and community needs, while balancing financial, environmental, cultural, and social outcomes.
- 4.4 Preparing and maintaining an Asset Management Strategy to facilitate integration of Council's strategies and asset management principles into planning and operational processes.
- 4.5 A systematic asset management methodology to apply appropriate asset management practices across all areas of council to achieve Council's strategic objectives, considering a whole of life approach for managing assets.
- 4.6 Asset Management Plans informed by community consultation, financial planning, risk management, and operational reporting.
- 4.7 Long Term Financial Plan to be directly linked and consistent with Asset Management Plans.

- 4.8 Evidence based decision making through up-to-date asset data and information, including industry standards and future climate projections. Asset information created or changed as a result of creating, upgrading, renewing, receiving and disposing of assets will flow in a timely fashion to the appropriate asset management systems.
- 4.9 Cyclic review and condition assessments for all asset classes to ensure the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.
- 4.10 Regularly review and update asset useful lives and unit rates, in accordance with Australian Standards.
- 4.11 Periodically review maintenance and renewal practices to provide best value outcomes to the organisation and community.
- 4.12 Setting service levels in consultation with the community and elected members inform annual budgets, considering the available resources and long term financial planning.
- 4.13 Periodically review service levels to identify asset renewal priorities and optimise whole of life costs.
- 4.14 Track and measure key performance measures for service levels.
- 4.15 Prioritise new, upgrade, and renewal works based on asset condition, whole of life cost, meeting strategic objectives, and agreed service standards.
- 4.16 Report and consider future lifecycle costs in all Council decisions relating to new services and assets and upgrading of existing service and assets.
- 4.17 Sustainable environmental performance, considering future climate projections and the long term impacts on assets and how they are planned, designed, constructed, and managed.
- 4.18 Effective risk management, including consideration of future demand and climate change impacts.
- 4.19 Asset disposal in accordance with the Disposal of Land and Assets Policy.

4 Definitions

Key term or acronym	Definition
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost effective manner.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.
Asset Management Plan	Long-term plans (usually 10 years or more for infrastructure assets) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost effective way.

Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal

5 Administration Use Only

Reference Number:	
Strategic Alignment:	Sustainability: A city, economy and community that is resilient and sustainable
Strategic Risk:	SC05 – Lack of strategic alignment SC08 – Poor or ineffective budget development and management AD01 – Poor or ineffective management of the impacts of climate change AD02 – Insufficient or ineffective Asset Management Planning
Responsible Officer(s):	Asset Management Lead
First Issued / Approved:	
Minutes Date and Council Resolution Number:	
Last Reviewed:	11/08/2020
Next Review Date:	30/11/2028
Applicable Legislation:	<i>Local Government Act 1999</i>
Related Policies:	Disposal of Land and Assets Policy
Other Reference Documents:	Asset Management Strategy Building Asset Management Plan Open Space Asset Management Plan Plant and Equipment Asset Management Plan Stormwater Asset Management Plan Transport Asset Management Plan Long Term Financial Plan

Asset Management Strategy

CITY OF HOLDFAST BAY

2024



Contents

1.	Document purpose and scope	3
2.	Organisational context	4
2.1	Strategic context	4
2.2	Integration with organisational strategies.....	5
2.3	Stakeholders	7
2.4	Asset portfolio.....	8
2.5	Asset management system.....	8
2.6	Strategic approach to asset management	9
3.	Asset management processes and decision-making	10
3.1	Strategic asset management planning.....	10
3.2	Asset management plan	10
3.3	Level of Service	11
3.4	Data management	12
3.5	Capital investment	13
3.6	Operations and maintenance	13
3.7	Climate change.....	13
3.8	Maturity assessments and improvements.....	14
3.9	Risk management.....	14
4.	Asset management maturity.....	15
5.	Improvement program.....	17

Acknowledgement to Country

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

1. Document purpose and scope

This Asset Management Strategy will assist Council to achieve its strategic ambitions as outlined in its Strategic Plan Our Holdfast 2050+. In doing so it will ensure City of Holdfast Bay's assets are managed in the most cost-effective and sustainable way, so we can continue to deliver valuable services for our community now and into the future.

City of Holdfast Bay owns and maintains a diverse asset portfolio, worth over \$600 million. To manage these assets effectively we must consider:

- The existing network - how it is performing and whether it meets the agreed service levels, now and into the future.
- When the existing assets should be renewed and how/when they should be maintained.
- Whether we should expand the asset network through new projects.
- How management of assets is funded and prioritised.
- How asset data is collected and managed.

Our goal is to provide assets that meet the community's demands, comply with the agreed service levels, provide value-for-money services that maximise asset life, and ensure budgets are allocated appropriately for new assets.

The City of Holdfast Bay has developed asset management plans to ensure assets meet the required level of service in the most cost-effective way, through the creation, acquisition, maintenance, operation, renewal, and disposal of assets for present and future community needs.

These plans align with Council's other strategic documents including the Long Term Financial Plan (LTFP) and the Strategic Plan Our Holdfast 2050+.

The Asset Management Strategy's scope includes all assets that are owned, managed, or under the care and control of Council. Council's assets have been categorised into five groups with associated asset management plans They are:

- Buildings
- Open space
- Plant and equipment
- Stormwater
- Transport

This document will outline how asset management is performed within Council to deliver on our strategic objectives. Asset management activities aim to align with industry best practice (International Infrastructure Management Manual) and ISO 55000 international standard for asset management. Within this document, Council's asset management maturity is defined against in terms of process and practices to identify areas of improvement to ensure our systems reflect best-practice asset management.

2. Organisational context

2.1 Strategic context

In accordance with the Local Government Act 1999 (the Act) and the Strategic Plan (Our Holdfast 2050+), the Council provides a range of community services to the local community and visitors.

Assets are the foundation stones of the Council and the management of assets is essential to achieve our Council’s vision of “Protecting our heritage and beautiful coast, while creating a welcoming and healthy place for all in South Australia’s most sustainable city.”

The strategy is developed and implemented in conjunction with the following plans, strategies and policies:

- Strategic Plan (Our Holdfast 2050+)
- Corporate Plan (Four-year delivery plan)
- Long Term Financial Plan (LTFP)
- Asset Management Plans (AMPs)
- Asset Management Policy

City of Holdfast Bay’s planning framework is outlined in Figure 1.1.

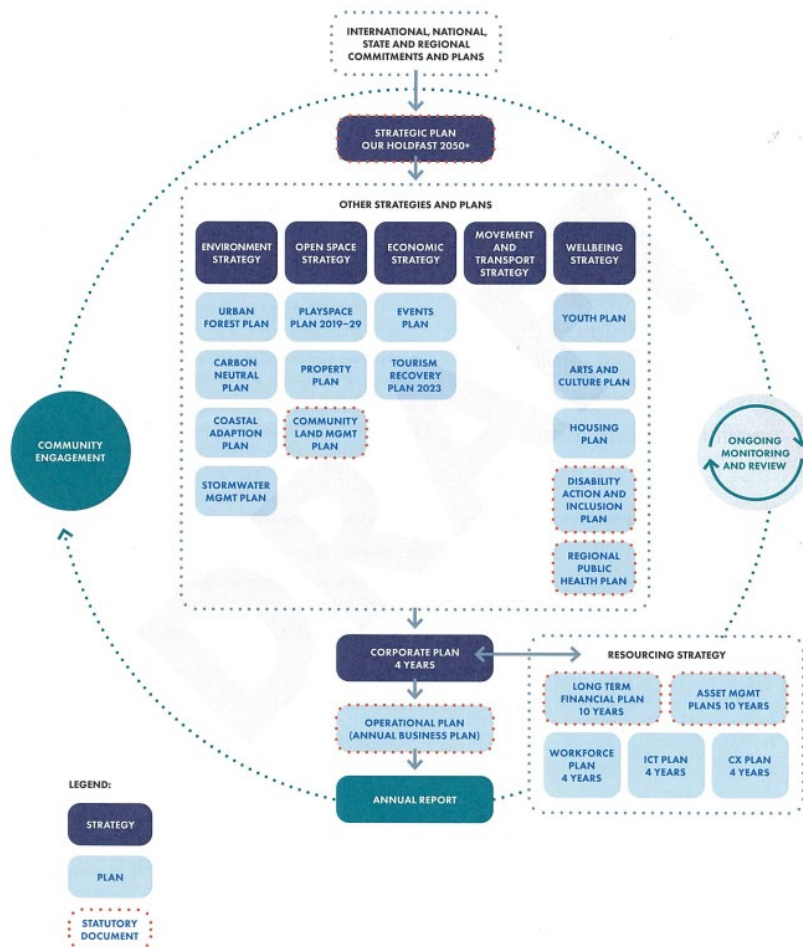


Figure 1.1 Planning framework

2.2 Integration with organisational strategies

Council's strategies/plans define the services we provide across all areas of the organisation. Table 2.1 defines these documents and how they affect asset management.

Strategy / plan	Description	Integration with asset management
Strategic Plan (Our Holdfast 2050+)	The Council's shared vision for 2050+ and key strategies to achieve the vision.	Provides strategic direction and organisational objectives.
Corporate Plan (Four-year delivery plan)	Four-year operational and capital plan linking the strategy to annual programs.	Outlines key new initiatives to be delivered in the next four years. Cyclic relationship with the AMP and LTFP. All three documents to be aligned in terms of financial planning and project delivery.
Long Term Financial Plan (LTFP)	Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.	Financial projections in the LTFP adopted by Council must be consistent with those in the AMP adopted by Council.
Annual Business Plan	Outlines Council's activities progressing towards the Strategic Plan objectives. Outlines how Council plans to allocate its budget and what services and projects will be delivered in the financial year.	The AMP informs the annual capital and operational budgets associated with the creation, renewal and maintenance of Council's assets in the Annual Business Plan.
Environment Strategy	Sets the direction for Council's activities and resource allocation as we strive to protect and enhance the region's environment for future generations.	Provides direction in terms of Council's strategy for the environment. This includes emissions reduction, climate resilience, coastal impacts, water quality and use, water-sensitive urban design (WSUD), biodiversity management, and urban forest management.
Carbon Neutral Plan	Outlines the actions the organisation will take to become carbon neutral by 2030.	Decision-making on all aspects of the asset lifecycle to consider emissions.
Coastal Adaptation Plan	Addresses risks and impacts associated with sea level rise.	Creation and management of assets to be informed by the plan.
Urban Forest Strategy	Our commitment to the urban forest to ensure the city is beautiful, healthy and cool for future generations.	Our urban forest must be considered in all stages of infrastructure management to ensure infrastructure and natural assets can coexist.
Stormwater Management Plan (SMP)	A coordinated approach to managing stormwater. The SMP sets out strategies, actions and programs to minimise flooding, harness stormwater, reduce urban temperatures, and improve waterway health and landscapes.	Informs the upgrade and expansion of the stormwater network for renewal and new capital stormwater projects.
Open Space Strategy	Guides development and management of parks, reserves, recreation facilities and	Informs the Open Space AMP new capital projects to ensure coordinated delivery of

Strategy / plan	Description	Integration with asset management
	other public spaces until 2030.	new and renewal projects.
Playspace Plan	Developed to prioritise investment for playspaces across the city. This plan outlines short, medium and long-term actions over the next 10 years.	Informs the Open Space AMP new capital projects to ensure coordinated delivery of new and renewal projects.
Property Plan	To be developed	To be developed
Community Land Management Plans (CLMP)	Outlines what the land will be used for, how it will be managed, and what activities will be permitted on the land to assist Council's ongoing management of the land.	Determines the high-level use of Council's open space to inform future development of the land.
Economic Activation Plan (EAP) (Economic Strategy)	Sets a five-year plan to deliver actions through five key economic strategic areas.	Ensure built infrastructure is able to facilitate future economic changes to the city.
Events Strategy (Events Plan)	A framework and direction for development, management and investment in events for the next five years.	Ensure built infrastructure and operational activities are able to facilitate events within the City.
Tourism Recovery Plan	Guides the recovery and development of Holdfast Bay's tourism industry for three years, re-stimulates tourism and helps businesses and tourism operators recover economically from the impacts of the COVID-19 pandemic.	Assets and infrastructure to support the growing tourism demand and destination development.
Movement and Transport Plan	Provide strategic direction for transportation and sets a short to medium-term action plan.	Inform the functionality of transport infrastructure.
Wellbeing Strategy	To be developed	To be developed
Youth Plan	Guides the role of council regarding the provision of youth services and opportunities across our community.	Consideration and voice of young people in development of public spaces and places.
Arts and Culture Strategy (Arts and Culture Plan)	Provides a framework that guides the coordination, promotion, management, and investment in arts and culture across the City for five years.	Ensure best practice is observed for cultural heritage when delivering projects. Facilitate artwork in the public realm and existing infrastructure. Capture artwork in the open space AMP.
Housing Plan	To be developed	To be developed
Disability Access & Inclusion Plan (DAIP)	A four-year plan that guides investment to ensure equal access and inclusion for all people who live, work and play in the City of Holdfast Bay.	Adopt universal design principals. Ensure access and inclusion improvements are included within infrastructure projects.
Regional Public	Outlines actions across all four priority	Maintain infrastructure to encourage active

Strategy / plan	Description	Integration with asset management
Health Plan	areas to improve the health and wellbeing of our community and reduce the incidence of preventable illness and injury.	recreation.

Table 2.1 Strategic alignment

Asset management activities are aligned to the IPWEA (Institute of Public Works Engineering Australasia) published International Infrastructure Management Manual (IIMM), which is considered a best-practice guide for asset management. The asset management plans aim to align with the ISO 55000 (international standard for asset management) without seeking to become an accredited ISO document or process.

2.3 Stakeholders

The key stakeholders for asset management and their roles are defined in Table 2.2.

Key stakeholders	Role in asset management
Residents/ community	End users of the services provided directly and indirectly by the assets. Provide feedback collected throughout the year including annual satisfaction survey.
Elected Members	Act as custodians of community assets. Set asset management policy and vision. Allocate resources to meet Council objectives in providing services while managing risks.
Audit Committee	Audit Committee will review, and make recommendations and observations to Council on the financial outcomes of the AMPs.
Chief Executive Officer and Senior Leadership Team	Provide leadership and strategic direction. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and the outcomes of service reviews are incorporated into asset management planning and the Long-Term Financial Plan. Ensure Councillors and staff are provided with training in financial and asset management. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of asset management plans, the Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepares asset management plans. Manages asset register and spatial systems. Coordinates data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provides technical asset management expertise to the organisation.

Key stakeholders	Role in asset management
Senior Project Manager	Coordinates Council's capital works program.
Manager Field Services	Ensures the maintenance and works programs are achieving service standards.

Table 2.2 Stakeholders' responsibilities

2.4 Asset portfolio

Council's assets have been categorised into five groups with associated asset management plans. Below is a summary of the asset categories, their value and condition.

Asset category	Replacement value	Average asset condition	Percent of assets in acceptable condition
Buildings	\$142,963,044	2.2 (good)	88%
Open space	\$79,806,772	2.2 (good)	97%
Plant and equipment	\$8,714,919	N/A	N/A
Stormwater	\$69,508,270	1.7 (very good)	91%
Transport	\$339,635,535	2.4 (good)	95%

Table 2.3 Asset summary

2.5 Asset management system

This strategy aims to align the delivery of asset management activities with the organisation's goals and objectives; this process is known as the "line of sight" with asset management.

The asset management framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and asset management plans. These documents create transparency and accountability through all aspects of asset management; to ensure all stakeholders understand their roles and responsibilities. The Council's asset management system is outlined in Figure 2.1.

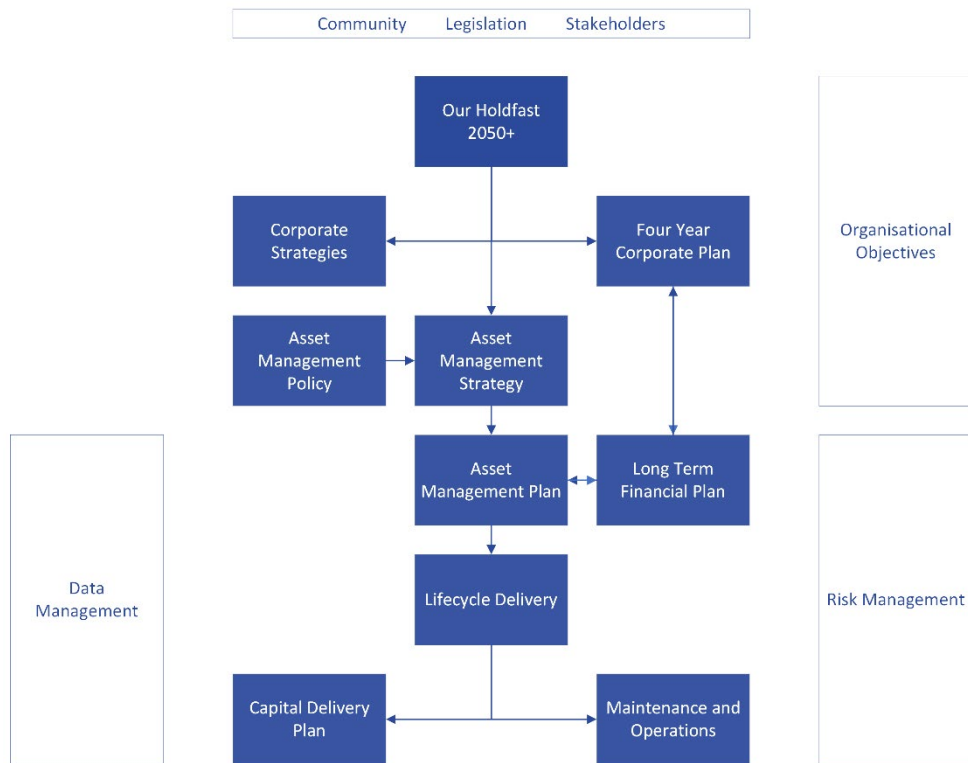


Figure 2.1 Asset management system

2.6 Strategic approach to asset management

The objective of asset management is to meet a required level of service, in the most cost-effective manner, through management of assets for present and future communities.

The strategic approach to asset management encompasses all practices associated with the asset lifecycle and consideration of the organisational strategic direction, with a viewpoint of the lowest long-term cost (rather than short-term savings) when making decisions.

The guiding principles for asset management are outlined in the Asset Management Policy. These principles inform our asset management processes and decision-making criteria, which provide clear direction to meet the service delivery needs now and into the future.

3. Asset management processes and decision-making

This section outlines the processes and decision-making criteria for the following aspects of asset management.

3.1 Strategic asset management planning

The asset management documents that make up the asset management framework (section 2.5) are the Asset Management Policy, Asset Management Strategy, and asset management plans. These documents are to be updated in the following timeframes as a minimum:

Document	Frequency	Last renewal	Next renewal
Asset Management Policy	4 years	November 2024	November 2028
Asset Management Strategy	4 years	November 2024	November 2028
Asset management plans	4 years*	November 2024	November 2028

Table 3.1 Asset management framework

*Comprehensive review of AMP every four years, annual update required. See section 3.2 for detail.

3.2 Asset management plan

In accordance with the Local Government Act 1999 (the Act) and the Strategic Plan (Our Holdfast 2050+), the Council provides a range of community services to the local community and visitors.

Under the Act, Council is required to develop and adopt infrastructure AMPs covering a period of at least 10 years. In addition, Council is required to adopt a long-term financial plan covering a period of at least 10 years.

There is a legislated direct link between the development and implementation of these two plans, with the LTFP updated to reflect forecast expenditure as detailed in the AMP. Variations to the scheduled works in the AMP and the LTFP may be adjusted as the need arises.

The AMPs aim to align with ISO 55000 (international standard for asset management) without seeking to become accredited as an ISO document or process.

The asset management plan is comprehensively reviewed every four years with updates being required more frequently as detailed in Table 3.2.

AMP section	Update frequency	Detail
Introduction	4 years	Update may be required for legislation or relevant Act changes.
Asset class information	4 years	Update for any structural change to asset hierarchy or following a condition assessment.
Stakeholders	4 years	Update following any organisational change.
Levels of Service	1 year	Update following Levels of Service (LoS) review, annual update to track KPIs.

AMP section	Update frequency	Detail
Future demand	4 years	Update following major external changes.
Lifecycle planning	1 year	Update renewal programs, capital programs, and maintenance and operational programs. Ongoing three-year rolling program.
Financial summary	1 year	Update annual valuation, future renewal and new acquisition forecasting.
Risk management	1 year	Update and track risks annually.
Improvements and monitoring	1 year	Update and track improvement program annually.

Table 3.2 Asset management plan timeframes

Performance of AMPs is tracked through the following measures:

1. Level of Service key performance indicators (KPIs).
2. Delivery of improvement program.
3. Improved data confidence.
4. Review of the AMP, minimum every four years.

3.3 Level of Service

The International Infrastructure Management Manual (IIMM) describes Levels of Service (LoS) as “defined service quality for an activity or service area against which service performance may be measured”.

City of Holdfast Bay has two defined levels of service:

- Customer (community) LoS – community perception of service.
- Technical LoS – technical indicators of performance.

Community LoS in AMPs (measured by annual community consultation (Quality of Life Survey)):

- Quality (of service).
- Functionality (fit for purpose).
- Capacity and utilisation (meets community need).

Technical LoS measures in AMPs:

- Condition (condition of asset).
- Renewal (asset renewal/sustainability ratio).
- Accessibility and inclusion.
- Safety (compliance).
- Resilience (to climate change).
- Environmental impact (carbon footprint).

LoS are measured annually within each AMP.

LoS for individual business processes are defined within department’s operational plans. The next service review will be completed via the improvement plan action number 8 (section 5).

3.4 Data management

Council undertakes a four-year condition assessment and valuation cycle.

Asset class	Previous valuation	Previous condition assessment	Next valuation	Next condition assessment
Open Space	30 June 2023	2022-23	1 July 2027	2026-27
Transport	Road 1 July 2023	2023-24	1 July 2024	2027-28
	Kerb 1 July 2023	2023-24		
	Footpath 31 December 2019	2023-24		
	Transport other 30 June 2021	2023-24		
Stormwater	30 June 2022	2023-24	1 July 2026	2025-26
Buildings	30 June 2022	2018-19	1 July 2025	2024-25
Plant and Equipment	These assets are recognised at cost			
Trees (natural assets) *	N/A	2022-23	N/A	2026-27

Table 3.3 Asset valuation and condition assessment frequency

*Natural assets (trees) are non-financial assets and excluded from the financial register. However, natural assets are managed using asset management principles with a cyclic condition assessment every four years and a 10-year Tree Management Plan. A replacement value and amenity value can be applied to trees.

Accurate and comprehensive data for all asset categories is stored in a centralised corporate asset management information system and mapped through a geographic information system (GIS).

Asset data is stored, managed and maintained in accordance with Council's data management principles and guidelines. See improvement program number 3. The asset data is structured into four tiers grouping assets of a similar nature and use, as outlined in table 3.4.

Tier	Name	Definition	Example
1	Asset Class	Highest level in line with the five asset management plans	Buildings, Open Space, Plant and Equipment, Stormwater, Transport as all Asset Classes
2	Asset Category	Second subset of assets	Transport (Asset Class) Asset Categories include bridges, footpaths, roads
3	Asset Sub-Category	Third subset of assets	Open Space (Asset Class), Water (Asset Category) Sub-Categories include Irrigation, Drinking Fountains, Showers
4	Asset Type	Specific attribute with a unit rate used for valuation	Stormwater (Asset Class), Drains (Asset Category), Pipe (Asset Sub-Category) Asset Type includes 300mm Precast Concrete Pipe, 600mm Precast Concrete Pipe

Table 3.4 Asset Data Structure

There is ongoing collection, auditing and updating of the asset data to ensure a single point of truth for each asset, forming a complete and accurate asset register. Following each annual budget cycle, the AMP and LTFP are updated and realigned.

Condition assessments and valuations have been aligned to ensure the valuations are undertaken using the most up-to-date data.

Before each condition assessment cycle, the format and quality of the asset category data is reviewed to ensure the correct level of data is captured to facilitate the appropriate level of predictive modelling, scenario modelling and optimisation for asset management planning purposes.

3.5 Capital investment

Renewal planning is undertaken using Level of Service and condition data and outlined in each asset category AMP.

New capital projects (single or multi-year), which have been formally approved by Council are included within the LTFP and AMP. Budget bids can also be created for new initiatives (capital) within the annual budget process. These projects are prioritised based on their strategic alignment and subject to Council approval of the annual budget.

As new assets are commissioned through the capitalisation process, they are commissioned and built into future renewal programs. Future operational and maintenance costs are planned, resourced and built into the annual operational budget planning process.

The 10-year renewal forecast developed in the AMP is further developed into a three-year rolling capital renewal program. This program consists of scoping in year one; designing, year two; and construction, year three.

The capital program is approved and documented each year through the annual business plan and undergoes community engagement prior to approval.

3.6 Operations and maintenance

Regular maintenance is required to maximise service life while minimising service disruption and customer dissatisfaction. Neglecting maintenance of infrastructure by deferring it to future years may create a false economy through increased resourcing for unplanned maintenance, a reduction in asset life, or compromised asset function.

Regularly collecting data and reviewing services can improve the understanding of asset performance and inform operational investment decisions, which can improve the performance or extend the life of assets.

Operational service levels are defined for scheduled maintenance and reactive maintenance across four service areas: open space, trees, civil works, and rapid response / city cleansing. A service review for each of these sections will form part of the improvement plan action number 8 (section 5). The service review will include defining services levels, processes for tracking performance against service levels, resourcing to meet service levels and a framework for decision-making.

3.7 Climate change

Climate risks to councils are increasing as a result of more extreme events. Increasing costs associated with bushfire losses, heatwave-related deaths and damage, coastal erosion, sea-level rise, storm-surge damage, flooding and storms are occurring across South Australia.

Climate-related risks are not just physical, with councils also facing legal, financial and transitional risks that must be understood and managed.

Councils need to be well-equipped and prepared for supporting our communities and local economies through major disruption and shocks, such as extreme weather and other climate change impacts. Recent experiences associated with the 2019-20 bushfires demonstrate the need for building resilience and reducing risk.

Climate change effects on assets include:

- Increased rates of deterioration, damage, or destruction of constructed assets.
- Reduced quality and amenity of open space and natural assets.
- Increasing reduction in service such as road closures as a result of more frequent or intense flood events.
- Increasing demand for council asset management and maintenance services as a result of more frequent extreme weather events.

Asset-specific climate change resilience is outlined in the future demand and risk management sections of the AMPs.

Council is undertaking a Resilient Asset Management Program (RAMP), in conjunction with the four Resilient South councils, to gauge the suitability of products, tools and guidelines for assessing climate change risks to assets, and identify options to mitigate and incorporate these risks into our asset management practices. This includes incorporating whole of life decision making when considering an asset renewal or creation, such as future climate impact across the asset life for materials, design, and the resilience of the services the asset provides to the community. The outcomes of the RAMP will inform our asset management practices.

Council has committed to a Carbon Neutral Plan for carbon-neutral operations by 2030. Asset management practices are required to consider asset lifecycle emissions for decision-making and appropriately resource for lower carbon assets and operations in line with the Carbon Neutral Plan.

3.8 Maturity assessments and improvements

We undertake maturity assessments every four years with the Asset Management Strategy, addressing issues across all asset categories (section 4).

Maturity assessments will inform the asset management improvement programs (section 5), with a separate asset category-specific improvement program incorporated into the AMPs.

3.9 Risk management

The process for managing Council's risks is consistent with the International Risk Management Standard ISO 31000:2018.

The objective of the risk management process with regards to trees is to ensure:

- All significant operational and organisational risks are understood and identified.
- The highest risks that need to be addressed in the short to medium term are identified.
- Strategies and treatments to address risks are identified and applied.

Council acknowledges risk management is an essential part of best-practice asset management. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the

consequences should the event occur. It develops a risk rating, evaluates the risk and develops a risk treatment plan for unacceptable risks.

The asset management risk register is reviewed and updated at minimum annually in-line with our risk management procedures. These risks are summarised in each asset management plan. The asset management risk register should be reviewed with the council’s strategic and operational risk registers.

Council undertakes an internal asset management audit every four years, prior to the council election, to provide assurance that established processes and controls in relation to asset management are robust. The last audit was in 2022, with the next audit in 2026.

4. Asset management maturity

IPWEA (Institute of Public Works Engineering Australasia) published the International Infrastructure Management Manual (IIMM), which is considered a best-practice guide for asset management, and developed an assessment tool for asset management maturity.

This assessment tool looks at the gap between the current and target asset management maturity, where the sustainable, cost-effective asset or investment performance is a function of the quality of underlying asset management practices, systems and culture in those organisations.

The IIMM asset management maturity assessment completed in 2024 is outlined in Table 4.1.

IIMM Ref	Question	Section	Current score	Target score	Maturity gap
2.1	1	AM policy and objectives	75	60	+15
2.2	2	Levels of Service framework	75	60	+15
2.3	3	Demand forecasting and management	60	60	0
2.4	4	Asset condition and performance	65	60	+5
2.5	5	Strategic Asset Management Plan	70	60	+10
3.2	6	Managing risk and resilience	65	60	+5
3.3	7	Operational planning	60	60	0
3.4	8	Capital works planning	65	60	+5
3.5	9	Asset financial planning and management	60	60	0
3.6	10	AM plans (for the asset portfolio and assets)	75	60	+15
4.1	11	AM people and leaders	55	60	-5
4.2	12	Asset data and information	55	60	-5
4.3	13	Asset management information systems (AMIS)	60	60	0
4.4	14	AM process management	55	60	-5
4.5	15	Outsourcing and procurement	55	60	-5
4.6	16	Continual improvement	55	60	-5
Overall score			63	60	+3

Summary results				
IIMM Ref	Section	Current score	Target score	Maturity gap
2	Understanding and defining requirements	69	60	+9
3	Developing asset management lifecycle strategies	65	60	+5
4	Asset management enablers	56	60	-4
	Overall score	63	60	+3

Table 4.1: IIMM asset management maturity assessment 2024

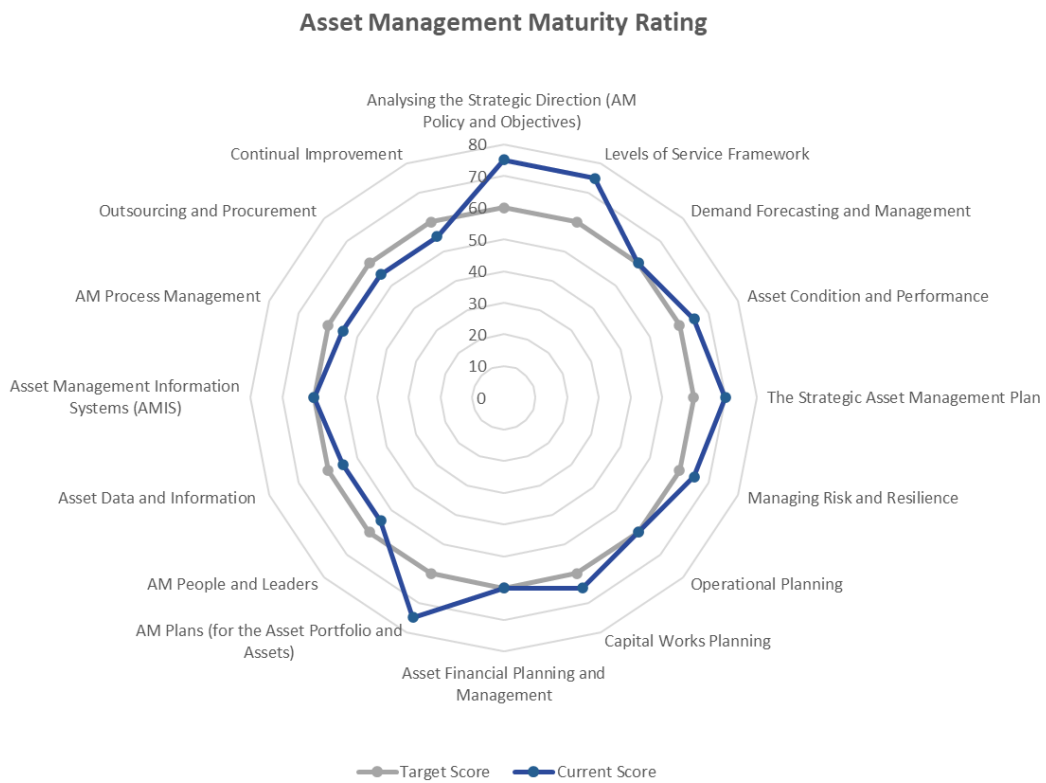


Figure 4.1 Asset management maturity rating

5. Improvement program

This section details improvements linked to the maturity assessment to improve the efficiency in the way we deliver our asset management services.

Action number	Action	IIMM ref.	Action officer	Due
1	Implement the AM Strategy's monitoring, review and reporting processes for AM documents and improvement programs.	2.1, 2.5, 4.1, 4.3, 4.4, 4.6	Manager Engineering	July 2025 and ongoing
2	Develop the three-year rolling capital works program with business case development for major projects.	3.4, 4.6	Senior Project Manager	December 2025
3	Establish an approved data management framework and guidelines for asset register, including system integration and to inform predictive modelling.	2.4, 4.2, 4.3, 4.4	Asset Management Lead	July 2026 and ongoing
4	Undertake cyclic data collection to continue to improve data quality for decision-making.	2.4, 4.2	Asset Management Lead	Annual ongoing
5	Annually track measured community and technical LoS for all asset classes.	2.2	Asset Management Lead	June 2025 and ongoing
6	Review AMPs with alignment to Asset Management Strategy and Council strategies. Incorporate scenario modelling into the AMP.	2.3, 2.5, 3.2, 3.6	Asset Management Lead	November 2024
7	Update each asset categories unit rates through the revaluation process.	3.5	Asset Management Lead	Annual ongoing
8	Review operational LoS and update responsibilities, resourcing and planning to meet agreed LoS. Implement a system to prioritise, assess and action requests in-line with operational LoS.	3.3	Manager Field Services	June 2025
9	Develop a resource strategy to deliver on improvement programs and identified AM activities. Track and report on improvement programs.	4.5, 4.6	Asset Management Lead	July 2026
10	Track the asset risk register annually, and report to the senior leadership team (SLT), in alignment with the operational risk register, strategic risk register and AMPs.	3.2	Asset Management Lead	November 2024
11	Improve internal communications and awareness of AM activities with key stakeholders. AM Steering	3.6, 4.1,	Manager	December

Action number	Action	IIMM ref.	Action officer	Due
	Committee reporting to SLT quarterly.	4.4	Engineering	2023
12	<p>Incorporate climate change into all levels of asset management practices through:</p> <ul style="list-style-type: none"> - Implementation of Resilient Asset Management Program recommendations. - Alignment with the Carbon Neutral Plan via tracking of carbon emissions and reduction of emissions across the asset lifecycle. 	N/A	Manager Engineering	June 2026 and ongoing

Table 5.1 Improvement program

BUILDINGS

Asset Management Plan 2024

City of Holdfast Bay



Contents

Executive summary	3
1 Introduction	4
1.1 Purpose.....	4
1.2 Strategic Context	4
1.3 Stakeholders.....	6
1.4 Asset management framework	7
2 Asset class information	8
2.1 Asset hierarchy	8
3 Levels of Service	9
3.1 Community Levels of Service.....	9
3.2 Technical Levels of Service	10
3.3 Legislation and relevant Acts.....	11
4 Demand forecast	13
5 Lifecycle planning.....	15
5.1 Asset life	15
5.2 Asset condition	16
5.3 Historical expenditure	18
5.4 Operation and Maintenance Plan	18
5.5 Renewal Plan (capital)	19
5.6 Acquisition Plan (new capital)	20
5.7 Disposal Plan.....	20
6 Financial summary	21
6.1 Asset class valuation.....	21
6.2 Expenditure forecast summary	22
6.3 Funding strategy	24
6.4 Assumptions	24
6.5 Data confidence.....	24
7 Risk management.....	26
8 Improvement plan.....	29
Glossary of Terms.....	30

Acknowledgement to Country

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

Executive summary

The City of Holdfast Bay owns and maintains 146 buildings worth over \$142 million providing a range of community services including sport and recreational activities, surf life saving, libraries, public toilets, commercial activities, and civic, administration and operational functions.

The objective of asset management is to ensure the City of Holdfast Bay’s assets are managed in the most cost-effective and sustainable way, so we can continue to deliver valuable services for our community now and into the future.

To ensure our assets are providing the appropriate service to the community, levels of service are tracked each year. These levels of service are defined under quality, function, capacity and climate.

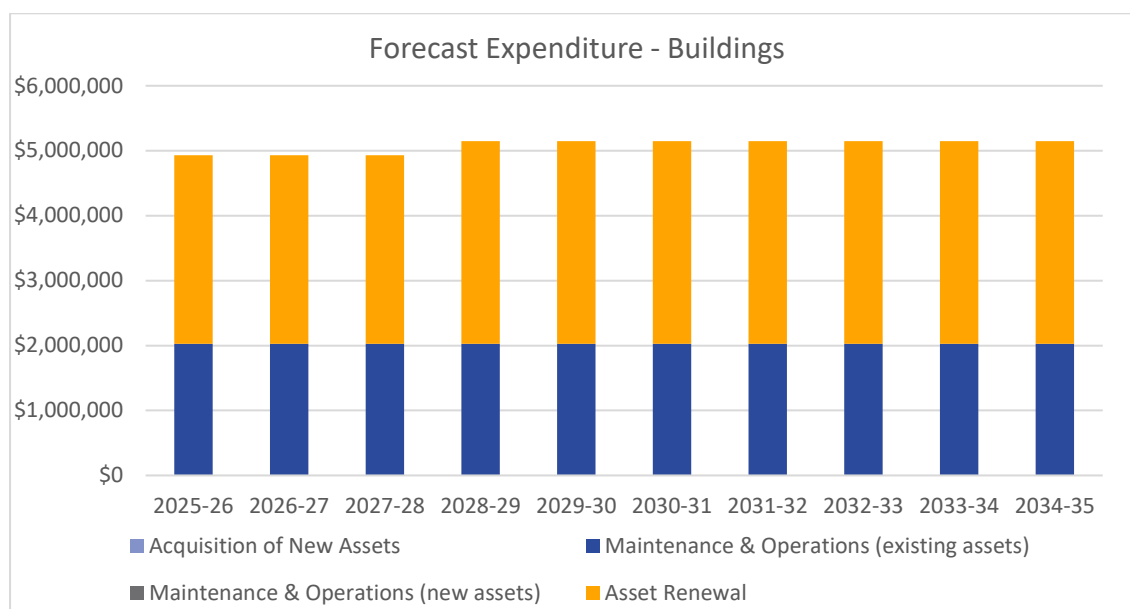
Asset lifecycle planning outlines how Council plans to manage building assets in an optimised cost-effective manner while ensuring delivery of the agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

The physical condition of our assets is a level of service indicator to ensure we are appropriately investing in assets. The targets for condition are overall average condition better than 3.0 (fair) and the percentage of assets in fair to very good condition above 90%. The current condition levels are:

- Average condition: 2.2 (good)
- Fair to very good condition percentage: 88%

The expenditure forecast for all four stages of the asset lifecycle is summarised below.



Council is committed to continuously improving the quality and maturity of its asset management practices. The building improvement program has been developed as a roadmap for these improvements in conjunction with the Asset Management Strategy.

1 Introduction

1.1 Purpose

City of Holdfast Bay (Council) owns and maintains buildings to provide a range of community services including sporting and recreational activities, surf life saving, libraries, public toilets, caravan park cabins, commercial buildings, and Council's civic, administration and operational functions.

Building assets are fundamental to providing services that contribute to the health and wellbeing of our residents and visitors, and to maintaining the liveability and economic vitality of our council area.

The strategic direction for the overall management of our buildings assets is detailed in several documents including Council's Strategic Plan (Our Holdfast 2050+).

The asset management plan addresses how we manage our building assets. Assets covered in this plan include:

- Commercial buildings (45)
- Community buildings (21)
- Council buildings (8)
- Public toilets (25)
- Sport and recreation buildings (45)
- Utility buildings (2)

The plan aims to demonstrate proactive management of assets in compliance with regulatory requirements to sustainably meet present and future community needs through:

- Aligning with industry best practice and international standard for asset management ISO 55000:2014 without seeking accreditation as an ISO document or process.
- Aligning delivery of asset management activities with organisational goals and objectives.
- Creating transparency and accountability through all aspects of asset management.
- Meeting the agreed Levels of Service in the most cost-effective way through the creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets.

1.2 Strategic Context

In accordance with the *Local Government Act 1999* (the Act) and the Strategic Plan (Our Holdfast 2050+), the council provides a range of community services to the local community and visitors.

Assets are the foundation stones of the Council and management of assets is essential to achieve our Council's vision of:

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

This plan is developed and implemented in conjunction with the following plans, strategies, and policies:

- Strategic Plan (Our Holdfast 2050+)
- Corporate Plan (Four-year delivery plan)
- Long Term Financial Plan (LTFP)

- Asset Management Policy
- Asset Management Strategy
- Asset Management Plans (AMPs)
- Open Space and Public Realm Strategy 2018–2030
- Property Plan (in development)
- Carbon Neutral Plan

City of Holdfast Bay’s planning framework is outlined in Figure 1.1.

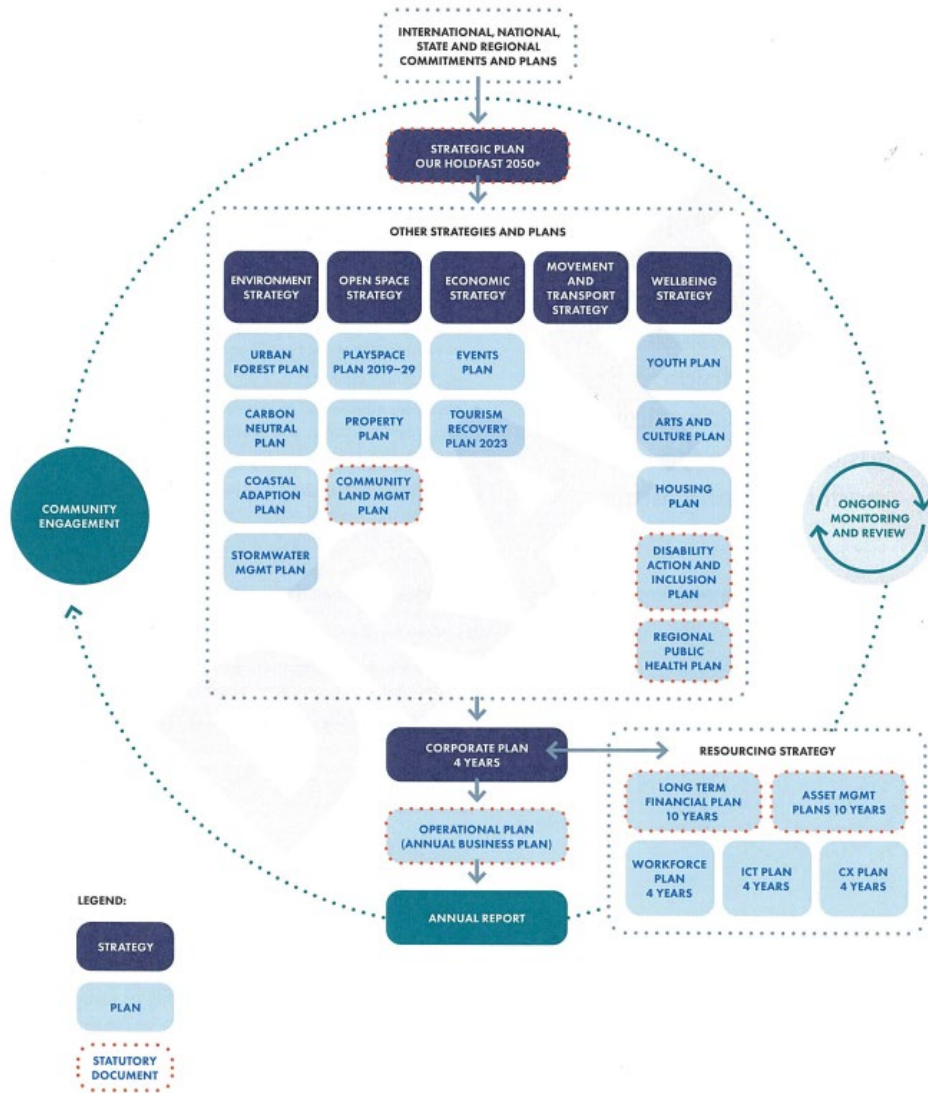


Figure 1.1 Planning framework

1.3 Stakeholders

Key stakeholders responsible for asset management and end users of building assets are provided in Table 1.1.

Key stakeholders	Role in Asset Management Plan
Residents / community	End users of the services provided directly and indirectly by the assets. Provide feedback collected throughout the year, including the annual satisfaction survey.
Elected Members	Act as custodians of community assets. Set asset management policy and vision. Allocate resources to meet Council objectives in providing services while managing risks.
Audit Committee	Reviews, and makes recommendations and observations to Council on the financial outcomes of the asset management plans.
Chief Executive Officer and Senior Leadership Team	Provide leadership and strategic direction regarding management of assets and service provision. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and agreed service levels are incorporated into asset management planning and the Long Term Financial Plan. Ensure councillors and staff provided with training in financial and asset management practices. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of asset management plans, the Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepares asset management plans. Manages the asset register and spatial systems. Coordinate condition data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provides technical asset management expertise to the organisation.
Manager Buildings and Facilities	Coordinates the buildings capital works program. Ensures the maintenance and works programs are achieving service standards.
Property Officer	Management of all leases and licences associated with council buildings.

Table 1.1 Stakeholder responsibilities

1.4 Asset management framework

The Asset Management Strategy aims to align the delivery of asset management activities with the organisation’s goals and objectives; this process is known as the “line of sight” with asset management.

The asset management framework consists of the three key asset management documents - the Asset Management Policy, Asset Management Strategy and asset management plans. These documents create transparency and accountability through all aspects of asset management to ensure all stakeholders understand their roles and responsibilities.

The Council’s asset management system is outlined in Figure 1.2. The asset management system is the end-to-end process of asset management within Council. The asset management framework connects Council’s strategic vision and goals to the on-the-ground delivery of our services.

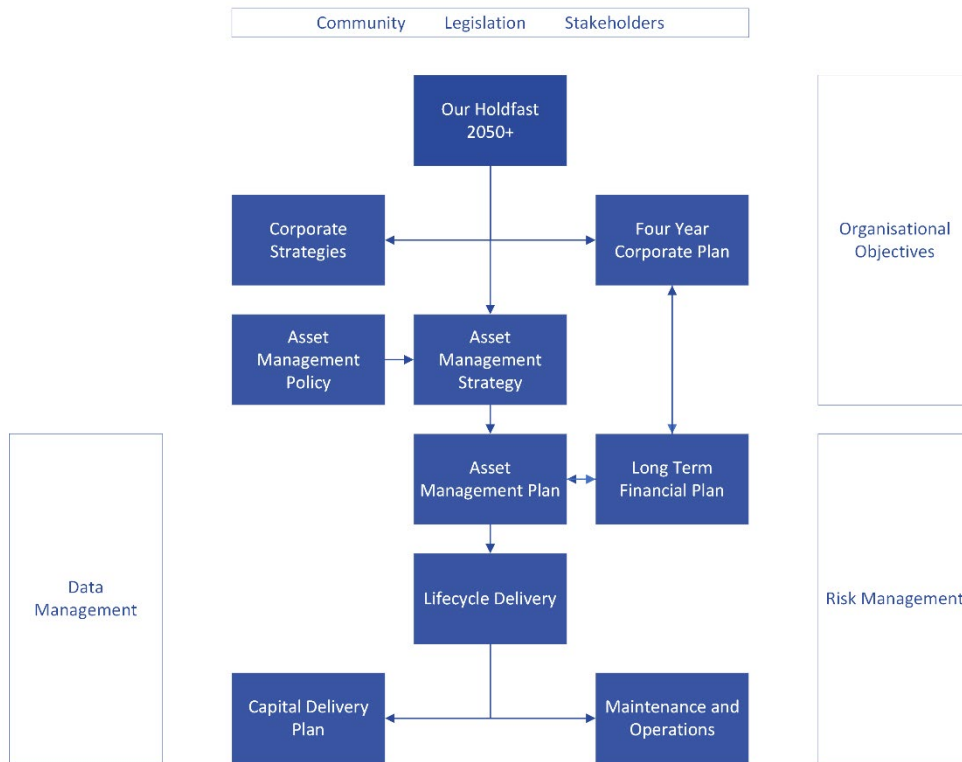


Figure 1.2 Asset management system

2 Asset class information

The building asset class includes 146 buildings and is defined into six building categories as summarised in Table 2.1.

Building category	Building sub-category	Number of buildings
Commercial	Kiosk	2
	Caravan park	43
Community	Cemetery shed	1
	Community centre	4
	Community halls and clubrooms	10
	Kindergarten	4
	Library	2
Council	Depot	6
	Brighton Civic Centre	1
	Glenelg Town Hall	1
Public Toilets	Public toilets	25
Sporting	Sport and recreational facilities	41
	Surf life saving club	4
Utility	Pump house	1
	Lock plant and motor room	1
Total		146 buildings

Table 2.1 Buildings assets

2.1 Asset hierarchy

The building asset hierarchy provides a framework for structuring data in an information system to assist in the 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 level planning and delivery.

Hierarchy	Criticality	Description
A	High	Buildings that are public facing with high usage or are critical to core council operations.
B	Medium	Buildings where failures resulting in partial or complete building closure are manageable and not likely to have immediate and extreme impact on council or community operations.
C	Low	Buildings with little to no operational impact.

Table 2.2 Building asset hierarchy categories

3 Levels of Service

The International Infrastructure Management Manual (IIMM) describes Levels of Service (LoS) as “defined service quality for an activity or service area against which service performance may be measured”.

City of Holdfast Bay has two defined Levels of Service for building assets for:

- Community Levels of Service – community perception of service.
- Technical Levels of Service – technical indicators of performance.

The defined Levels of Service are designed to support the continued performance and function of building assets to a reasonable standard, where maintenance and servicing are compliant with legislative requirements and manufacturing specifications. They are intended to ensure the building assets and associated budgets are appropriate to meet the service levels.

3.1 Community Levels of Service

Council receives feedback from a variety of sources including:

- Community enquiries and requests
- Community Strategy consultation
- Annual Business Plan consultation
- Project feedback
- Development of AMPs
- Quality of Life Report 2023
- Customer satisfaction surveys

This feedback is built into all areas of the Plan and we seek to measure our performance against community expectation through our service level links to customer request records and the Quality of Life 2023 Report.

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality	Providing and maintaining community centres and programs	Quality of Life Survey score	Greater than 7.5	7.9
Quality	Providing and maintaining public toilets	Quality of Life Survey score	Greater than 7.5	7.4
Quality	Providing and maintaining sporting facilities	Quality of Life Survey score	Greater than 7.5	8.3

Table 3.1 Community Levels of Service

3.2 Technical Levels of Service

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality (condition)	Physical condition of buildings within agreed service level condition	Condition of buildings	Average condition less than 3.0	2.2
Quality (condition)	Physical condition of building assets is within agreed service level condition	Condition of buildings	Percentage of poor or very poor (PVP) assets below 10%	12%
Quality (renewal)	Sustainably managing the renewal of assets	Asset renewal ratio (Renewal expenditure over forecast budget).	90% - 110%	144% (2021 – 2023)
Quality (responsiveness)	Building assets are functioning and maintained within determined response times	Time taken to respond to requests	Meet response times for priority 4 and 5 requests (90%)	TBC
Function (safety)	Compliance	Legislative compliance testing undertaken and complaint	100% compliance	Yes
Climate (mitigation)	Reduce and eliminate emissions to reach 2030 carbon-neutral target	Emissions reduction from previous year	Evidence-based reduction	TBC
Climate (adaptation)	Reduction of asset management climate risk to Council	Consider climate risk in infrastructure decision-making	Progress the RAMP and implementation of actions	Yes

Table 3.2 Technical Levels of Service

All community and technical Levels of Service have been achieved with the following exceptions:

Service level	Response action
Quality – providing and maintaining public toilets: 7.4 (target 7.5)	Significant investment in public toilets has been made in the past two financial years, including the new Seacliff Amenity Facility, a new toilet block on the Patawalonga and the ongoing renewal program of existing facilities.
Quality (renewal) – asset renewal ratio: 144% (target 90%-110%)	Through the new initiative process, several council buildings have had improvements during this period. These improvement projects have included associated renewal works to complement network upgrades.
Quality (condition) – Physical state of assets PVP below 10%: 12%	An asset condition inspection is scheduled for 2024-25 to review and update the condition data. The data will inform updated maintenance and renewal programs to meet service level

requirements.

Table 3.3 Response actions

Following a condition audit and service review of the building asset class in 2024-25, new service levels will be developed to further measure the suitability and performance of our building portfolio.

Levels of Service with 2024 performance labelled TBC (to be confirmed) do not currently have a baseline indicator. These are to be measured and reported on, going forward.

3.3 Legislation and relevant Acts

Under the Local Government Act 1999, Council is required to develop and adopt an infrastructure and asset management plan (AMP) covering a period of at least 10 years. In addition, Council is required to adopt a long term financial plan (LTFP) associated with such service plans also covering a period of at least 10 years. There is a direct link between development and implementation of these two plans, with the LTFP updated to reflect forecast expenditure as detailed in these plans.

Council considers the following legislative framework in the management of its building assets.

Legislation	Requirements
<i>Aboriginal Heritage Act 1988</i>	An Act to provide for the protection and preservation of Aboriginal heritage; to repeal the Aboriginal and Historic Relics Preservation Act 1965 and the Aboriginal Heritage Act 1979; and for other purposes.
<i>Australian Accounting Standards</i>	Standards applied in preparing financial statements, relating to the valuation, revaluation, and depreciation of assets.
<i>Building Code Australia</i>	Meet requirements for occupation under the approved building class.
<i>Climate Change and Greenhouse Emissions Reduction Act 2007</i>	An Act to provide for measures to address climate change with a view to assisting to achieve a sustainable future.
<i>Disability Discrimination Act 2018</i> and other relevant disability legislation	To eliminate, as much as possible, discrimination against persons on the grounds of disability. Sets the standard for accessibility.
<i>Environment Protection Act 1993</i>	Responsibility not to cause environmental harm (e.g. noise pollution, contamination of water).
<i>Heritage Act 1993 and Heritage Places Act 1993</i>	Provides for the identification, recording and conservation of places and objects of non-Aboriginal heritage significance.
<i>Local Government Act 1999</i>	Sets out the role, purpose, responsibilities, and powers of local governments including preparation of a LTFP supported by asset management plans for sustainable service delivery.
<i>Local Government (Financial Management and Rating) Amendment Act 2005</i>	Impetus for the development of a strategic management plan, comprising an asset management plan and an LTFP.
<i>Planning, Development and Infrastructure Act 2016</i>	An Act to provide for matters relevant to the use, development and management of land and buildings, including a planning system to regulate development within the State; rules with respect to the design, construction and use of buildings; and other initiatives to

Legislation	Requirements
	facilitate the development of infrastructure, facilities and environments that will benefit the community.
<i>Retail and Commercial Leases Amendment Act 2019</i>	An Act regulating leasing of retail premises.
<i>SA Public Health Act 2011</i>	An Act to promote and provide for the protection of the health of the public of South Australia and to reduce the incidence of preventable illness, injury, and disability; and for other purposes.
<i>Water Industry Act 2012</i>	An Act to facilitate planning in connection with water demand and supply.
<i>Work Health and Safety Act 2012</i>	An Act to provide for the health, safety and welfare of persons at work; and for other purposes.

Table 3.3 Legislative requirements

4 Demand forecast

A community's demand for services may change over time depending on factors including environmental, technological and capacity requirements. Council may need to make changes to manage future demand for services.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
Population and housing density increases	Total estimated population 37,543 (2021), 51% of dwellings are medium to high density.	Planned to accommodate for 40,000 by 2031. Expected pressure for higher density development in the greater Adelaide region.	Increased demand for social building infrastructure assets such as libraries, recreational, and community facilities.	Regular Strategic Property Review for all buildings and implementation of identified actions.	Increased operational, maintenance and renewal costs.
Ageing population and increase in disability rates	Median age is 48 years	Growth in ageing population and demand for universal design for inclusion and accessibility.	Increased demand for building facilities that are more suitable for use by elderly people.	Undertake DDA compliance audit for buildings, maintain assets in accordance with changing Building Codes and Australian Standards.	Increased DDA compliance and aged care service provision requirements.
Environmental sustainability (climate mitigation)	Council and the community are increasingly aware of our impact on the environment and Council's role in environmental sustainability.	Council is committed to pursuing, supporting, and creating an environment that will sustain current and future generations.	Requirement to use fewer, recycled and renewable resources that can contribute to the development of a circular economy and reduce Council's carbon footprint. Greater environmental sustainability requirements placed on the construction industry.	Implement actions from the Environment Strategy 2020-25, Climate Governance Risk Assessment and Carbon Neutral Plan.	Higher costs associated with construction methods that are environmentally sustainable.
Climate change	Increase in severe weather events including droughts,	Increasing number of hot	Assets not reaching their expected useful lives due to	Resilient Asset Management Program (RAMP) assessing	Higher costs associated with materials, construction

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
(climate adaptation)	extreme heat events, storms, storm surges, high tides, and sea level rise.	weather days and events. Increase in intensity of rain events. Sea level rise is accelerating. Increased evapotranspiration.	a lack of consideration of climate change. Increasing management and maintenance demand associated with climate change adaptation.	resilience and suitability of assets under changing climate conditions.	methods and maintenance of climate resilient and environmentally sustainable building assets.
Changing consumer preferences	All sports clubs expect access to a building.	All sports clubs have access to a building. Increasing female participation in sport requiring upgrades to change facilities. Changing demand in the type of facility provided.	Potential consolidation of building assets and possible move towards shared mixed-use buildings for clubs and community groups. Increase in female participation in sport requires redevelopment of existing, or development of new, change facilities.	Strategic planning of the Building and Facilities asset class to develop a renewal plan that includes consideration of changed usage of buildings. Consultation with stakeholders on preferred amenities once a renewal or upgrade is pending (refer to Buildings Lifecycle Plan).	Changes to building usage requirements, i.e. female/child-friendly changing rooms and disability-friendly change facilities.
Technology change	Increasing use of solar panels and smart technologies to operate building facilities.	Growing expectation to implement digital service improvements.	Council must adapt to the changing way the community operates, think and plan.	Align new or building upgrades with strategic plans and corporate values, exploring new emerging technologies during design and procurement.	Increasing use of solar panels and batteries will reduce the operational costs of facilities. Installation of battery storage and solar panels requires additional capital expenditure.

Table 4.1 Demand factors

5 Lifecycle planning

Asset lifecycle planning outlines how Council plans to manage building assets in an optimised cost-effective manner while ensuring delivery of agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

Each of these stages is further detailed in this lifecycle planning section.

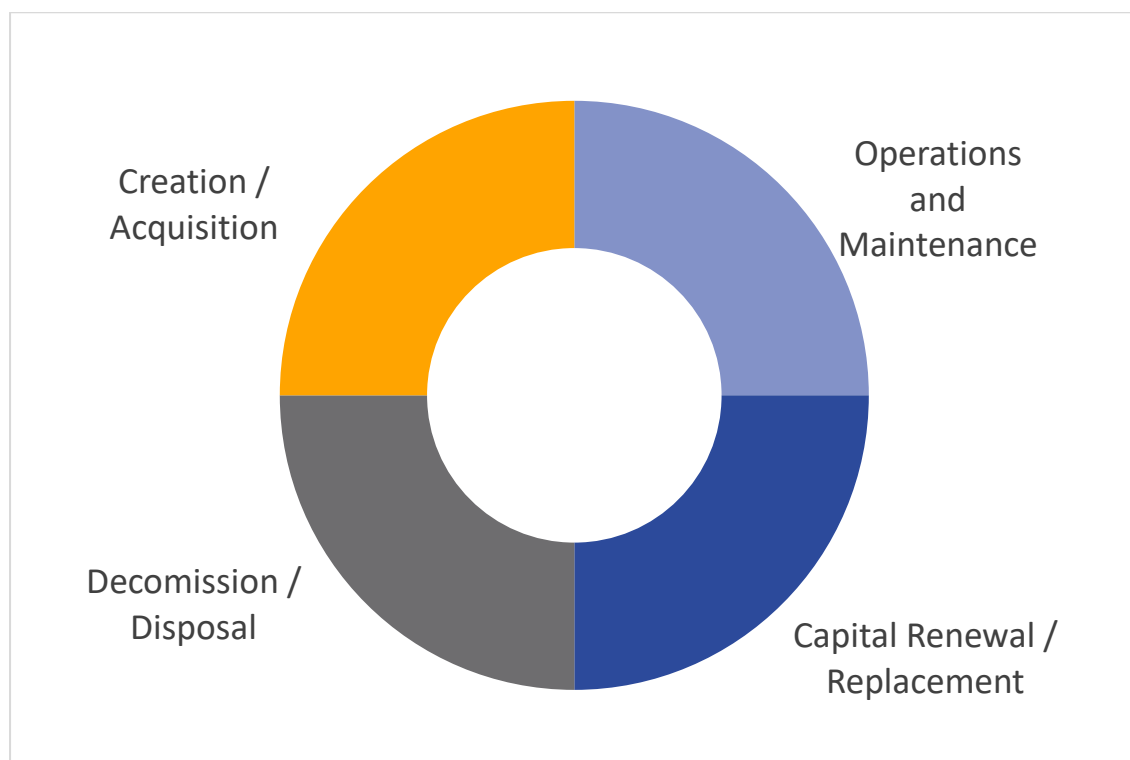


Figure 5.1 Asset lifecycle

5.1 Asset life

Throughout the asset lifecycle, assets are inspected, condition-rated and revalued on a periodic basis. Asset condition and expected useful life are used to estimate the remaining life of each asset.

Building assets are managed financially using a straight-line depreciation method whereby an asset has a baseline current replacement cost that is depreciated over time using an assigned expected useful life for each asset. Throughout the asset lifecycle, assets are inspected, condition-rated and revalued on a periodic basis. Asset condition and expected useful life are used to estimate the remaining life of each asset.

Assets may be renewed or replaced based on several factors including condition, amenity, capacity, function and increasing requirement for asset maintenance and repair as assets age. The service life of an asset may therefore differ from the design life or the useful life. During an asset's service life, maintenance and repair works will be required to maintain the service level provided by the asset.

A summary of expected useful lives of buildings assets is provided in Table 5.1.

Building asset category	Useful life range (years)
Exterior and sundries	30 - 50
Interior finishes	35
Public toilets	40
Roofing	50 - 60
Services	35 - 60
Structures	40 - 150
Substructure	40 - 150

Table 5.1 Useful lives

5.2 Asset condition

Council is responsible for maintaining building assets in the appropriate condition for the defined level of service (section 3). This is achieved through the following works:

- Periodic building asset condition audits and safety inspections.
- Development of a forward works program for capital renewal works and maintenance activities.
- Overseeing works undertaken.

An independent condition audit of all building assets is completed every five years minimum to maintain an up-to-date database of condition, maintenance, and risks. Condition audits will be aligned to the asset class revaluations.

During the service life, buildings are maintained and inspected regularly to ensure the asset remains safe for use and fit for purpose, and to ensure the service life is achieved.

The condition scoring criteria adopted for building asset audits is based on the IPWEA condition rating guidelines and is summarised in Table 5.2.

Condition grade	Condition	Description
1	Very good	Sound physical condition, no work required.
2	Good	Acceptable physical condition, minimal risk of failure but potential for deterioration, only minor work required (if any).
3	Fair	Significant deterioration evident, failure unlikely in near future however further deterioration likely. Maintenance required to return the asset to accepted level of service. Renewal likely to be required in the medium term.
4	Poor	Failure likely in short term, consider renewal.

		Renewal likely to be required in the short term – 2 to 5 years.
5	Very Poor	Failed or failure imminent/safety risk, approaching unserviceable. Refurbishment, replacement or removal required as a priority.

Table 5.2 Condition score criteria

The building assets were last audited in 2019 with the next condition assessment scheduled for 2024-25. The Asset Management Plan will be updated following the 2024-25 data collection.

A summary of the condition of building assets from the 2019 asset condition inspection is provided in Table 5.3 and Figure 5.2.

Asset category	Number of buildings	Average component condition rating	Percentage below condition 3
Commercial	45	2.3	12%
Community	21	2.0	9%
Council	8	2.0	9%
Public toilets	25	2.5	13%
Sporting	45	2.2	14%
Utility	2	2.0	0%
Total	146	2.2	12%

Table 5.3 Condition ratings

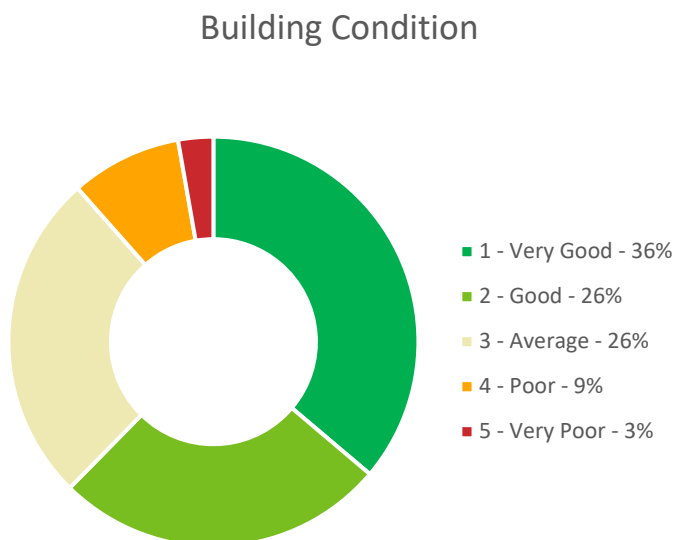


Figure 5.2 Building Condition Profile

5.3 Historical expenditure

Historical expenditures for 2019-20 to 2022-23 for operation, maintenance, new assets and renewal of existing assets for the building asset class is summarised in Figure 5.3. The actual expenditures for each year have been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditures.

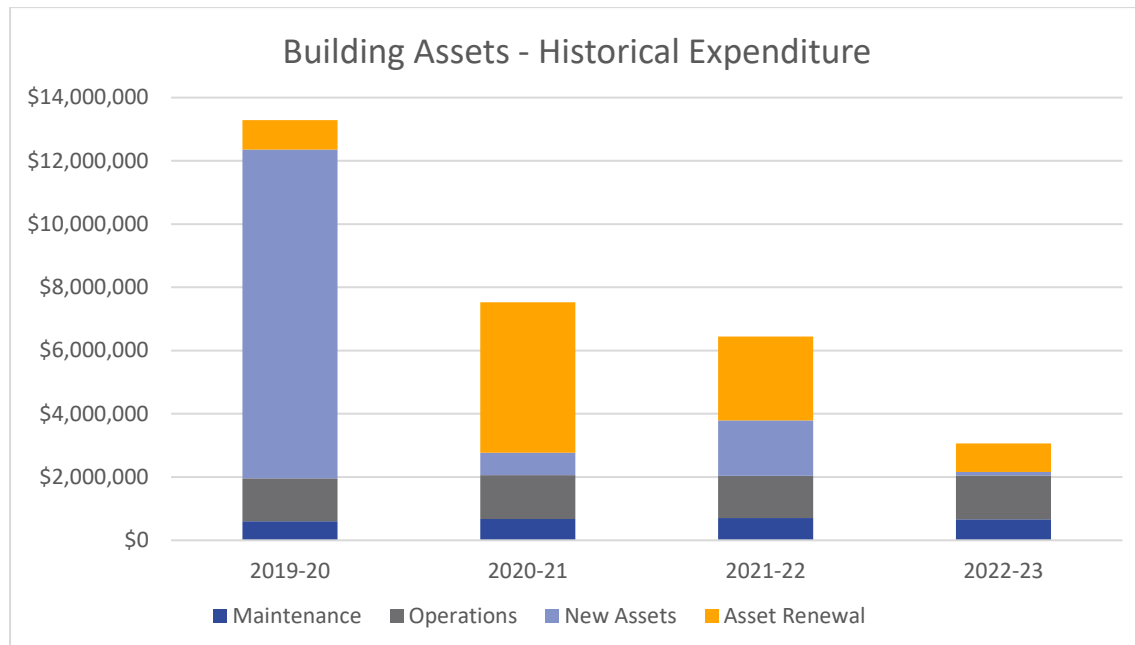


Figure 5.3 Historical expenditure

5.4 Operation and Maintenance Plan

Assets are maintained and serviced throughout the lifecycle to ensure service delivery and safety are maintained.

Typical operations associated with building assets include cleaning and regular inspection of electrical and plumbing assets.

Maintenance activities include all actions required to retain an asset’s condition and amenity, and can be classified as either reactive or planned. Typical maintenance activities include repair of electrical and plumbing services in buildings, external and internal painting and surface treatments on buildings, and structural repairs as required.

Expenditures from the previous financial years have been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditures.

The operation and maintenance costs of building assets are forecast to trend in line with the previous four years of costs.

Annual amounts of \$1,366,856 for operations and \$661,672 for maintenance have been adopted, based on the average of the previous four years, to provide equivalent 2024-25 estimates.

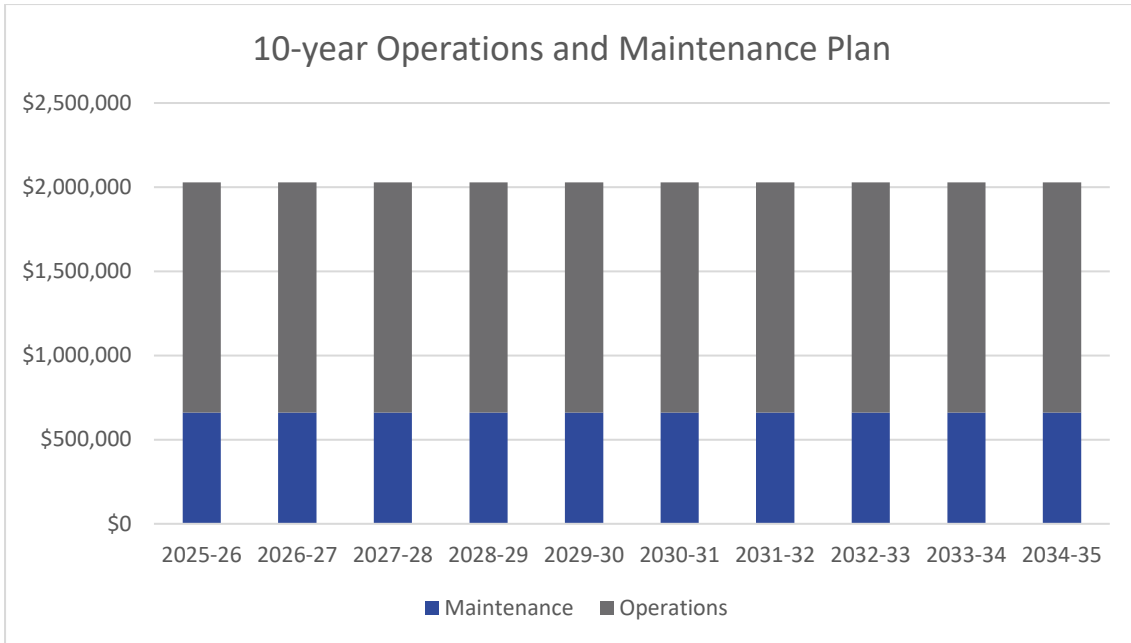


Figure 5.4 Operations and Maintenance Plan

5.5 Renewal Plan (capital)

Asset renewal is capital work which restores, rehabilitates, replaces, or renews an existing asset to its original service potential.

Asset renewal is undertaken for reasons including deteriorating asset condition, function, and amenity considerations, or to align works in an area to minimise disruption and undertake works efficiently.

The building replacement program outlined in this plan has been developed based on condition data, standard useful lives of assets, and reported defects and failures.

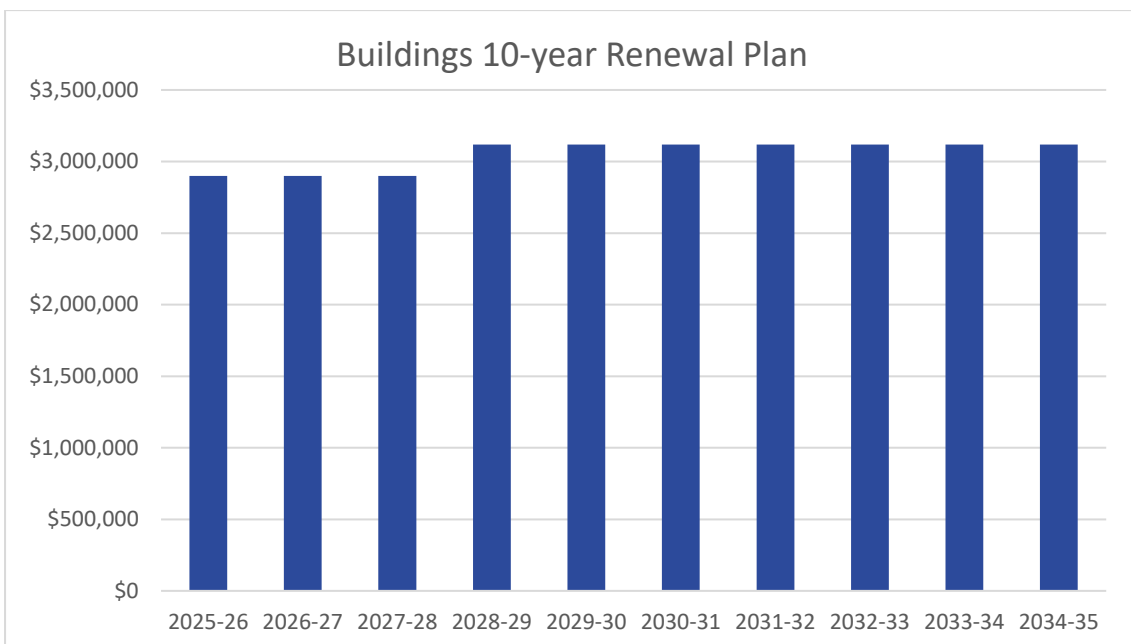


Figure 5.5 10-year Renewal Plan

Following the 2024-25 condition assessment and building service review a revised renewal program will be developed and implemented into an updated asset management plan.

5.6 Acquisition Plan (new capital)

Acquisitions are new assets that did not previously exist or works resulting in significant upgrade of the asset and an increased capacity to deliver a service. The requirement for an acquisition may result from growth, changed demand, social or environmental needs. Assets may also be donated to Council.

Acquisition works result in additional future operations and maintenance costs.

Acquisition of new assets is often based on community expectations and strategies to change a service offering in a specific location.

Council is currently undertaking and planning upgrades and acquisitions for the:

- Brighton Beachfront Holiday Park redevelopment
- Seacliff Amenities Building and Beach Access Redevelopment
- Patawalonga toilet

The Brighton Beachfront Holiday Park redevelopment is a funded project being undertaken over several years. Works still to be undertaken include replacement and development of cabins and internal roads.

The Seacliff Amenities Building and Beach Access Redevelopment, and Patawalonga toilet, are both being delivered in 2024-25 and have been excluded from acquisitions in this plan.

5.7 Disposal Plan

Disposal of assets refers to activities associated with disposing of a decommissioned asset including sale, demolition, or relocation. Council's Disposal of Assets Policy outlines this process.

Council has no upcoming disposals for building assets and currently there is no funding requirement for building asset disposals.

6 Financial summary

Financial requirements for the building asset class are outlined in this section.

6.1 Asset class valuation

Valuations are undertaken for each asset class in alignment with Australian Accounting Standard AASB13 Fair Value and are generally undertaken at least every five years.

The revaluation of Council's building asset class was last undertaken as of 30 June 2022 and was developed by an external independent valuer based on the current building asset register data.

While building inspections were undertaken during development of this valuation, a full condition audit of all building asset components was not undertaken at this time. It is planned to complete a condition audit and defect collection for all of Council's buildings assets during the 2024-25 financial year and develop a revaluation as of 1 July 2025 using the asset component and condition data.

Before starting the condition audit, building asset data will be reviewed and updated to ensure a high level of data quality and structure prior to the audit. Following the condition audit and data update, a valuation for building assets will be completed as of 1 July 2025.

The valuation of Council's building asset class as of 30 June 2024 is summarised in Table 6.1.

Building subcategory	Current asset cost	Accumulated depreciation	Carrying value	Number of buildings
Commercial	\$10,381,656	\$2,639,547	\$7,742,109	45
Community	\$29,339,611	\$14,366,341	\$14,973,269	21
Council	\$32,292,331	\$17,671,710	\$14,620,622	8
Public toilets	\$4,707,637	\$1,786,611	\$2,921,026	25
Sporting	\$66,157,809	\$20,978,924	\$45,178,884	45
Utility	\$84,000	\$37,920	\$46,080	2
Total	\$142,963,044	\$57,481,054	\$85,481,990	146

Table 6.1 Building assets valuation

Building Asset Valuation

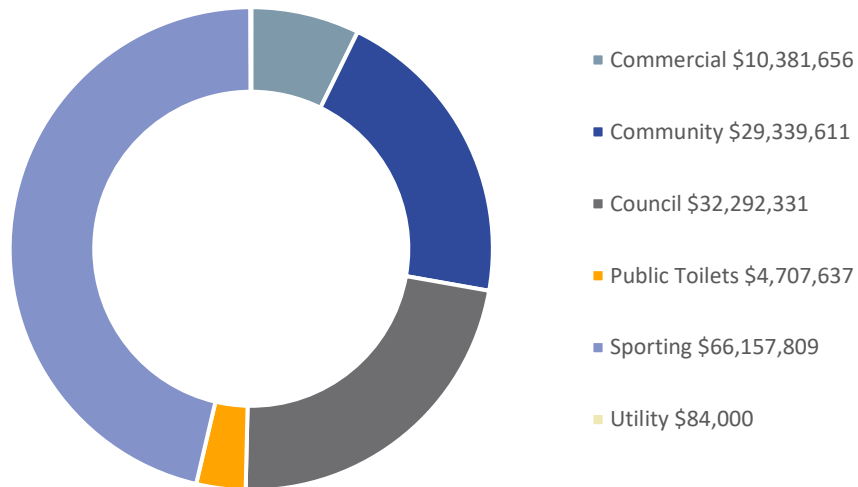


Figure 6.1 Building assets valuation

6.2 Expenditure forecast summary

The overall buildings expenditure forecast for operations, maintenance, renewal of existing assets and acquisition of new assets is provided in Table 6.2. The building asset renewal forecast is provided in Table 6.3.

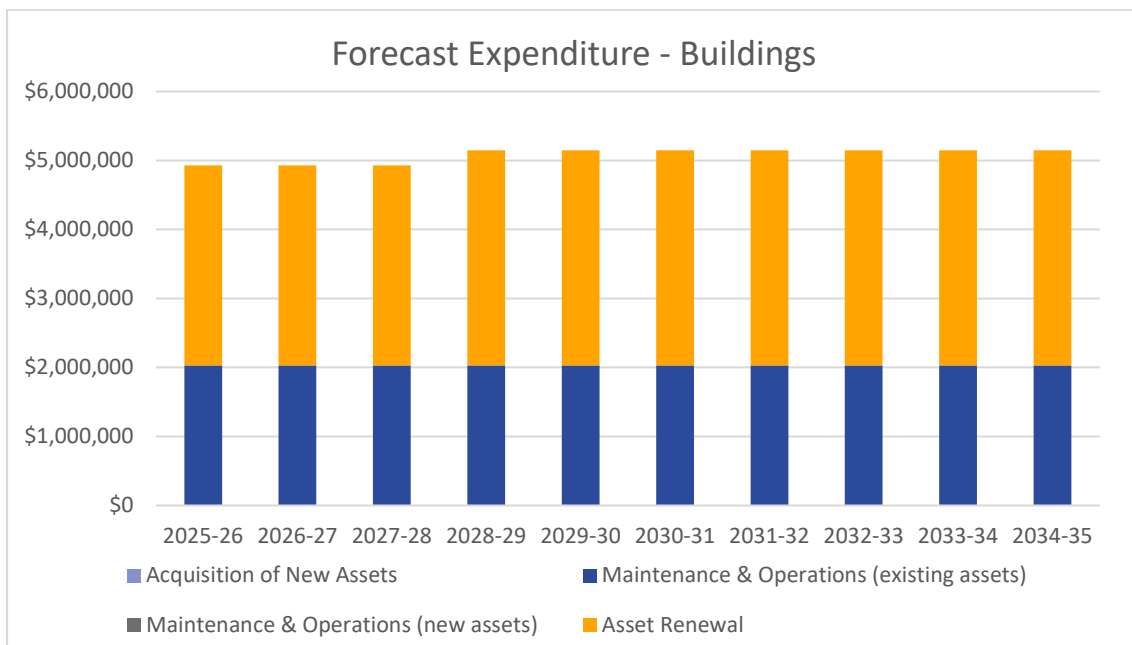


Figure 6.2 Building forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Acquisition of new assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance and operations (existing assets)	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528	\$2,028,528
Maintenance and operations (new assets)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset renewal	\$2,900,000	\$2,900,000	\$2,900,000	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398
Asset disposal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
External grant funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Council funding required	\$4,928,528	\$4,928,528	\$4,928,528	\$5,147,926	\$5,147,926	\$5,147,926	\$5,147,926	\$5,147,926	\$5,147,926	\$5,147,926

Table 6.2 Forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Building asset renewal	\$2,900,000	\$2,900,000	\$2,900,000	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398
Total renewal	\$2,900,000	\$2,900,000	\$2,900,000	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398	\$3,119,398

Table 6.3 10-year renewal plan

6.3 Funding strategy

Key strategic activities that will affect the future financial position for buildings:

- The AMP to inform the LTFP
- Valuation 1 July 2025
- Building condition data collection in 2024-25
- Building leasing agreement review
- Building service review
- Carbon Neutral Plan implementation
- Resilient Asset Management Program implementation
- Property Plan (in development)

6.4 Assumptions

The following assumptions have been adopted in the development of the financial forecasts:

- The renewal budget requirement is currently based on previous AMP data and LTFP budgets.
- Operation and maintenance budget forecasts have been based on actual operation and maintenance costs for a four-year period adjusted to 2024-25 equivalent costs.
- No decommissioning of assets has been assumed.

6.5 Data confidence

Expenditure requirements for asset replacement and operational costs have been based on the best available data.

Asset replacement costs for buildings have been based on the previous 2020 AMP for the first five years of the planning period and average budget requirements for the last five years of the planning period. While the budget can be managed in the short term, it is accepted that new condition data and review of the buildings asset class during 2024-25 will result in an updated renewal plan.

The buildings asset register is currently being restructured prior to a condition audit in 2024-25. Data restructuring will include the separate identification of service assets such as large switchboards and solar panels and lifts that operate on a service life in a similar manner to plant and equipment assets. Smaller assets such as wall and floor finishes will be grouped together rather than being identified as individual assets.

The data confidence for this asset class is classified as “C – Uncertain” based on the IPWEA data confidence scale provided in Table 6.4.

Once each building is identified separately and assigned either one or several commissioned assets based on complexity, it is anticipated data confidence can be upgraded to “B – reliable” prior to the next asset management plan update.

Confidence level	Description
A – Highly reliable	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 – Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, e.g. 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 $\pm 10\%$.
C – Uncertain	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 is available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated at $\pm 25\%$.
D – Very uncertain	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 – Unknown	None or very little data held.

Table 6.4 Data confidence

7 Risk management

The objective of the risk management process is to ensure all significant asset management risks are identified and assessed. Following a risk assessment and consideration of both likelihood and consequence, risks identified as high or very high in the short to medium term are investigated. Strategies and treatments are implemented to mitigate or address unacceptable risks.

An assessment of risks in line with Council’s risk matrix (Figure 7.1) associated with the building asset class is detailed in Table 7.1.

Likelihood \ Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Figure 7.1 Risk matrix

Table 7.1 summarises the asset management risk register, which is reviewed and updated at minimum annually in line with our risk management procedures. The asset management risk register should be reviewed in line with the strategic and operational risk register.

Building risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Climate change affecting service and useful life of assets and ability for buildings to be refuges	<ul style="list-style-type: none"> - Ongoing participation in the Resilient Asset Management Program (RAMP) with Resilient South Councils. - Coastal adaptation planning in place, including hazard identification and assessment. - Consideration of climate change risks in strategic and long-term planning. 	HIGH	<ul style="list-style-type: none"> - Implement RAMP actions for all asset classes and across the asset lifecycle. - Complete coastal adaptation planning including data collation, risk assessments and community engagement. - Integrated IPWEA Practice Note 12.1 into asset project design & planning processes. 	MEDIUM
Inconsistency caused by changes to Elected Members or Senior Leadership personnel	<ul style="list-style-type: none"> - Alignment of asset management framework (AM Policy, Strategy and plans) including service levels and long-term financial plans. - Development of AM Steering Committee. - Regular asset management updates provided to Elected Members. 	MEDIUM	<ul style="list-style-type: none"> - Improving asset management maturity aligned with AM Strategy improvement plan. - Keep Elected Members and Senior Leadership Committee, informed via the Asset Management Steering Committee. Identify training where required. 	MEDIUM
Insufficient budget to meet service levels for maintenance and renewal	<ul style="list-style-type: none"> - Clear budget planning process, identifying any funding dependencies within planned/major upgrades. - Operational management plans for complex and high-risk sites. - 10-year financial planning and rolling 3-year capital works program. - Regular condition audits of assets. - Community service levels developed through ongoing feedback. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 8 and Improvement Action 4: Review operational LoS and update responsibilities, resourcing and planning to meet agreed LoS. Implement system to prioritise, assess and action requests in-line with operational LoS. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making. 	MEDIUM
Lack of accuracy and consistency in asset management source data	<ul style="list-style-type: none"> - Current asset information data levels through cyclic condition audits. See confidence levels. - Annual cyclic data collection schedule in place. - Ongoing improvements to data management guidelines. - Regular updates from routine maintenance spot checks/issue reporting. 	HIGH	<ul style="list-style-type: none"> - Controls aligned to improvement plan (section 8) including 2024-25 building data collection. - AM Strategy Improvement Program Action Number 3: Establish the data management framework and guidelines for asset register to future-proof for predictive modelling. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making. 	LOW

Building risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Lack of alignment between strategic property management and building renewal works	<ul style="list-style-type: none"> - Planned condition audit 2024-25. - Planned service review 2024-25. 	HIGH	<ul style="list-style-type: none"> - Complete condition audit. - Develop a strategic plan for property. - Strategic planning alignment for new and existing buildings. - Update AMP to reflect strategic direction for property. 	MEDIUM
Inconsistent / inaccurate property data	<ul style="list-style-type: none"> - Existing data based on 2019 condition audit. 	MEDIUM	<ul style="list-style-type: none"> - Property data collected and used as the base for property management system. - Periodic data cleansing/updating program. 	MEDIUM
Lack of compliance with legislative and Australian Standards requirements, including DDA compliance	<ul style="list-style-type: none"> - DDA compliance program following audit of all key buildings. - Ongoing programs to complete related audit recommendations. - Other legislative compliance met, including inspections and testing. 	MEDIUM	<ul style="list-style-type: none"> - Undertake a gap analysis for DDA compliance. - Use the 2024-25 data collection to identify improvement areas and include within renewal programs. 	MEDIUM
Lease buildings not suitably maintained	<ul style="list-style-type: none"> - Established buildings maintenance program. - Regular site inspections give assurance that lease holders adequately maintain the facilities. 	MEDIUM	<ul style="list-style-type: none"> - Undertake review of buildings maintenance program to ensure all properties are correctly listed and detailed. - Review and update lease templates as required. 	LOW
Risk of change in community service standards or expectations	<ul style="list-style-type: none"> - Track service levels with Quality of Life Survey - Community feedback through customer requests records - Feedback through community engagement on strategies and plans 	MEDIUM	<ul style="list-style-type: none"> - Improvement action 5 review of service levels - Improvement action 7 undertake strategic property review 	LOW

Table 7.1 Risk assessment

8 Improvement plan

The following tasks have been identified for improving building asset management practices and future versions of this plan.

Task No	Task	Responsibility	Resources required	Due for review
1	Undertake building condition assessment	Manager Building and Facilities	Existing	June 2025
2	Undertake annual safety inspection program.	Manager Building and Facilities	Existing	June 2025, ongoing
3	Establish a compliance register for DDA requirements within each building.	Manager Building and Facilities	Additional	June 2025
4	Establish Facilities Management Plans for complex, heritage-listed or high-risk sites.	Manager Building and Facilities	Additional	June 2028
5	Review the levels of service, incorporate into renewal planning and define asset hierarchy service levels aligned to core business.	Manager Building and Facilities	Existing	December 2025
6	Implement defined maintenance and capital replacement responsibilities in lease agreements that align with building hierarchy service standards.	Manager Building and Facilities	Existing	June 2026
7	Undertake a strategic property review development of Council's Property Plan.	Manager Building and Facilities	Additional	June 2026
8	Update Buildings Asset Management Plan based on: <ul style="list-style-type: none"> - new condition data - service level review - strategic property review - lease agreement review 	Manager Building and Facilities	Existing	June 2026

Table 8.1 Improvement plan

Glossary of Terms

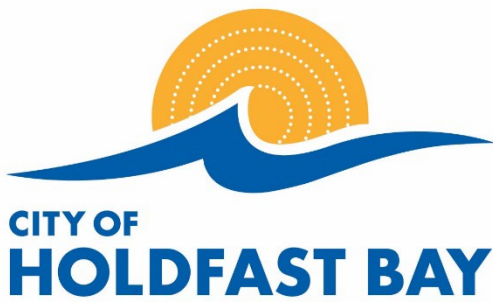
Key Term	Definition
Accumulated depreciation	The total amount of depreciation charged to an asset from when it was first recognised to a given point in time.
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Category	Second tier in the data structure, a subset of assets with similar attributes.
Asset Class	An asset class is a grouping of assets of a similar nature and use. First tier in the data structure in line with the five asset management plans.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost-effective manner.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management Plan	Long-term plans (usually 10 years) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost-effective way.
Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Asset Sub-Category	Third tier in the data structure, a further second subset of assets with similar attributes.
Asset Type	Specific attribute with a unit rate used for valuation.
Capital expenditure	Expenditure which contributes to or results in a physical asset.
Capital renewal expenditure	Expenditure to replace or rehabilitate an existing asset.
Carrying value	The amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.
Commissioned assets	Assets within Council's asset register that have been assigned a value and are subject to depreciation.

Key Term	Definition
Current Asset Cost	The cost of replacing an existing asset with a substantially identical new asset or a modern equivalent.
IIMM	International Infrastructure Management Manual providing guidelines for best management practices for infrastructure assets.
In-use assets	Assets within Council's asset register that currently exist and are providing a service.
ISO 55000	The ISO 55000 international standard for asset management provides terminology, requirements and guidance for implementing, maintaining and improving an effective asset management system.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Maintenance expenditure	Any activity performed on an asset to ensure it is able to deliver an expected level of service until it is scheduled to be renewed, replaced or disposed.
New capital expenditure	Expenditure which creates a new asset in addition to Council's previously existing assets.
Operational expenditure	Ongoing expenditure for activities throughout an asset's life such as electricity, fuel, cleaning and inspections.
Useful Life	The useful life (UL) of an asset is the estimated length of time during which the asset is likely to be able to deliver a satisfactory level of service.

OPEN SPACE

Asset Management Plan 2024

City of Holdfast Bay



Contents

Executive summary	3
1 Introduction	4
1.1 Purpose.....	4
1.2 Strategic context.....	4
1.3 Stakeholders.....	6
1.4 Asset management framework	7
2 Asset class information	8
2.1 Open Space Hierarchy	8
3 Levels of Service	10
3.1 Community Levels of Service.....	10
3.2 Technical Levels of Service	11
3.3 Legislation and relevant Acts.....	12
4 Demand forecast	14
5 Lifecycle planning.....	16
5.1 Asset life	16
5.2 Asset condition	18
5.3 Historical expenditure	20
5.4 Operation and Maintenance Plan	21
5.5 Renewal Plan	22
5.6 Acquisition Plan (new capital)	23
5.7 Disposal Plan.....	24
6 Financial summary	25
6.1 Asset valuation	25
6.2 Expenditure forecast summary	26
6.3 Funding strategy	29
6.4 Assumptions	29
6.5 Data confidence.....	29
7 Risk management.....	31
8 Improvement Plan.....	34
Glossary of Terms.....	35

Acknowledgement to Country

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

Executive summary

The City of Holdfast Bay owns and maintains approximately 6,000 open space assets worth over \$79 million. These assets provide a large range of services in these spaces for sport, recreation and leisure activities, contributing to the health and wellbeing of our residents and visitors.

The objective of asset management is to ensure the City of Holdfast Bay's assets are managed in the most cost-effective and sustainable way, so we can continue to deliver valuable services for our community now and into the future.

To ensure our assets are providing the appropriate service to the community, levels of service are tracked each year. These levels of service are defined under quality, function, capacity and climate.

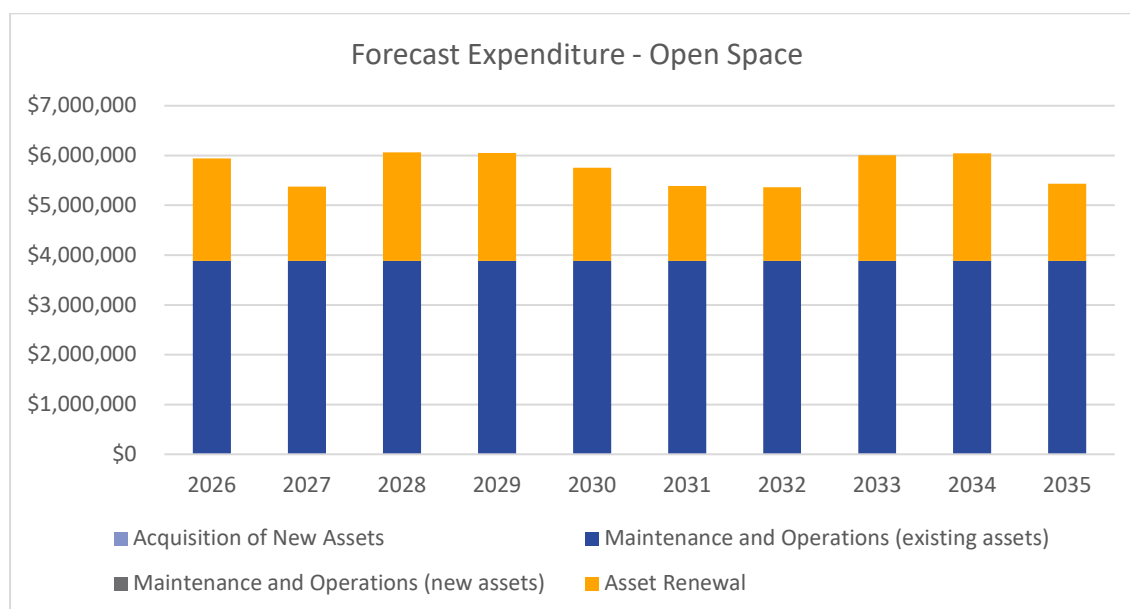
Asset lifecycle planning outlines how Council plans to manage open space assets in an optimised cost-effective manner while ensuring delivery of the agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

The physical condition of our assets is a level of service indicator to ensure we are appropriately investing in assets. The targets for condition are overall average condition better than 3.0 (fair) and the percentage of assets in fair to very good condition above 90%. The current condition levels are:

- Average condition: 2.2 (good)
- Fair to very good percentage: 97%

The expenditure forecast for all four stages of the asset lifecycle is summarised below.



Council is committed to continuously improving the quality and maturity of its asset management practices. The open space improvement program has been developed as a roadmap for these improvements in conjunction with the Asset Management Strategy.

1 Introduction

1.1 Purpose

Open space is land commonly open to public access and provided for community and recreation activity. These are areas such as parks, sportsgrounds, natural areas, greenways, public plazas, the beach, foreshore and other land freely available for community activity.

City of Holdfast Bay owns and maintains open space assets to provide a large range of services in these spaces for physical activity and leisure activities, contributing to the health and wellbeing of our residents and visitors. These areas enhance the liveability and economic vitality of our council area while encouraging biodiversity and resilience to climate change.

The strategic direction for the overall management of open space is detailed in several documents including Council's Strategic Plan (Our Holdfast 2050+) and Open Space and Public Realm Strategy 2018-2030. The Plan addresses how we manage our open space infrastructure assets.

Assets covered in this plan include:

- Artwork, including monuments and plaques
- Electrical and lighting, including switchboards and public lighting
- Fencing and walls
- Fittings and fitouts, including seating, shelters, barbecues, CCTV, shade sails
- Marine assets including sand groynes and a jetty
- Other structures such as boardwalks, decked areas, ramps and stairs
- Playground equipment, exercise equipment softfall
- Signs
- Sporting structures and court surfaces such as tennis and basketball courts
- Waste assets such as bins and dog bag dispensers
- Water assets such as drinking fountains, showers and irrigation

The plan aims to demonstrate proactive management of assets in compliance with regulatory requirements to sustainably meet present and future community needs through:

- Aligning with industry best practice for asset management ISO 55000:2014 without seeking accreditation as an ISO document or process.
- Aligning delivery of asset management activities with organisational goals and objectives.
- Creating transparency and accountability through all aspects of asset management.
- Meeting the agreed Levels of Service in the most cost-effective way through creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets.

1.2 Strategic context

In accordance with the Local Government Act 1999 (the Act) and the Strategic Plan (Our Holdfast 2050+), Council provides a range of community services to the local community and visitors.

Assets are the foundation stones of the Council, and management of assets is essential to achieve our Council's vision of:

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

The plan is developed and implemented in conjunction with the following plans, strategies and policies:

- Strategic Plan (Our Holdfast 2050+)
- Corporate Plan (Four-year delivery plan)
- Long Term Financial Plan (LTFP)
- Asset Management Policy
- Asset Management Strategy
- Asset Management Plans (AMPs)
- Open Space and Public Realm Strategy 2018–2030
- Playspace Action Plan 2019–29
- Coastal Adaptation Planning
- Carbon Neutral Plan

Council’s planning framework is outlined in Figure 1.1.

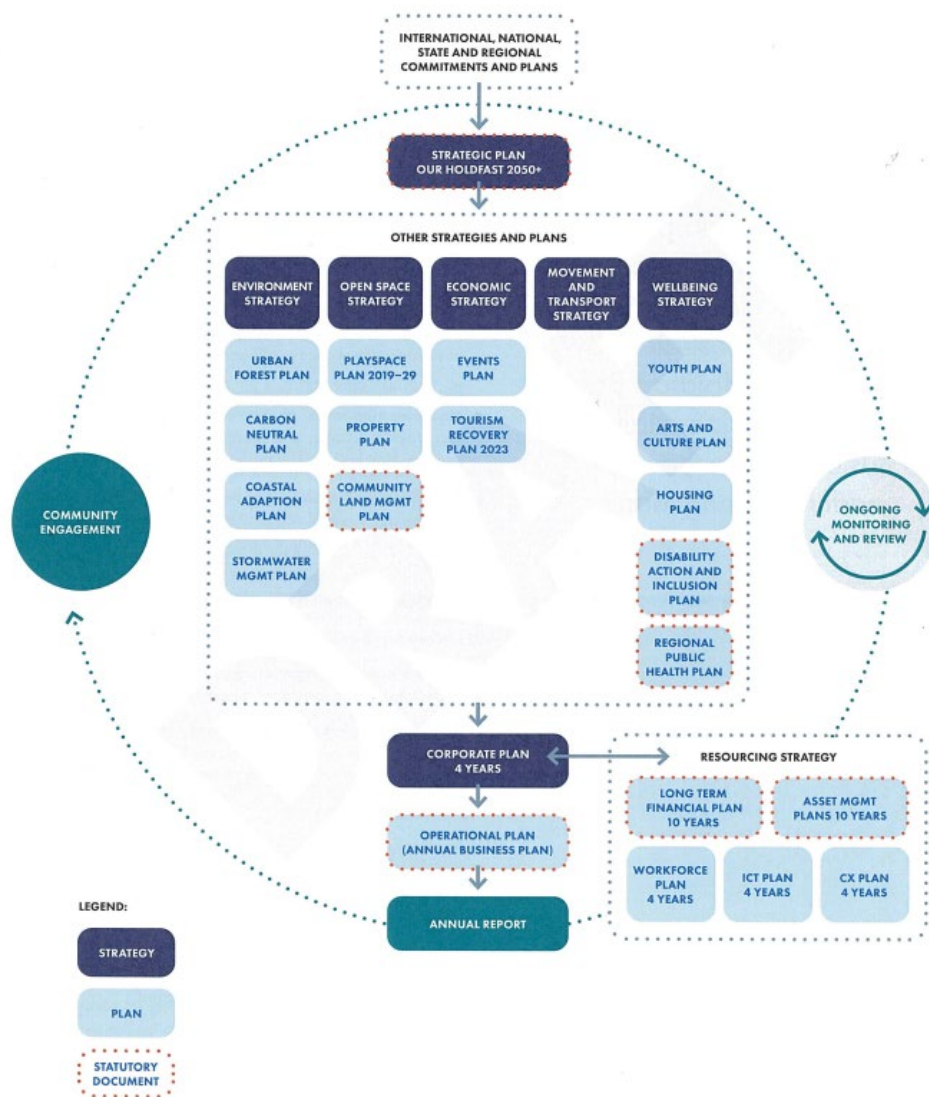


Figure 1.1 Planning framework

1.3 Stakeholders

Key stakeholders responsible for asset management and end users of open space assets are provided below.

Key stakeholders	Role in Asset Management Plan
Residents / community	End users of the services provided directly and indirectly by the assets. Provide feedback collected throughout the year, including the annual satisfaction survey.
Elected Members	Act as custodians of community assets. Set asset management policy and vision. Allocate resources to meet council objectives in providing services while managing risks.
Audit Committee	Reviews, and makes recommendations and observations to Council on the financial outcomes of the asset management plans.
Chief Executive Officer and Senior Leadership Team	Provide leadership and strategic direction. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and agreed service levels are incorporated into asset management planning and the LTFP. Ensure councillors and staff are provided with training in financial and asset management practices. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of asset management plans, the Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepares asset management plans. Manages the asset register and spatial systems. Coordinates data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provides technical asset management expertise to the organisation.
Senior Project Manager	Coordinates Council's capital works program.
Public Realm Urban Design	Develops Open Space and Public Realm Strategy and Playspace Action Plan
Field Services	Ensures the maintenance and works programs are achieving service standards.

Table 1.1 Stakeholder responsibilities

1.4 Asset management framework

The Asset Management Strategy aims to align the delivery of asset management activities with the organisation’s goals and objectives; this process is known as the “line of sight” with asset management.

The asset management framework consists of the three key asset management documents - the Asset Management Policy, Asset Management Strategy and asset management plans. These documents create transparency and accountability through all aspects of asset management to ensure all stakeholders understand their roles and responsibilities.

The Council’s asset management system is outlined in Figure 1.2. The asset management system is the end-to-end process of asset management within Council. The asset management framework connects Council’s strategic vision and goals to the on-the-ground delivery of our services.

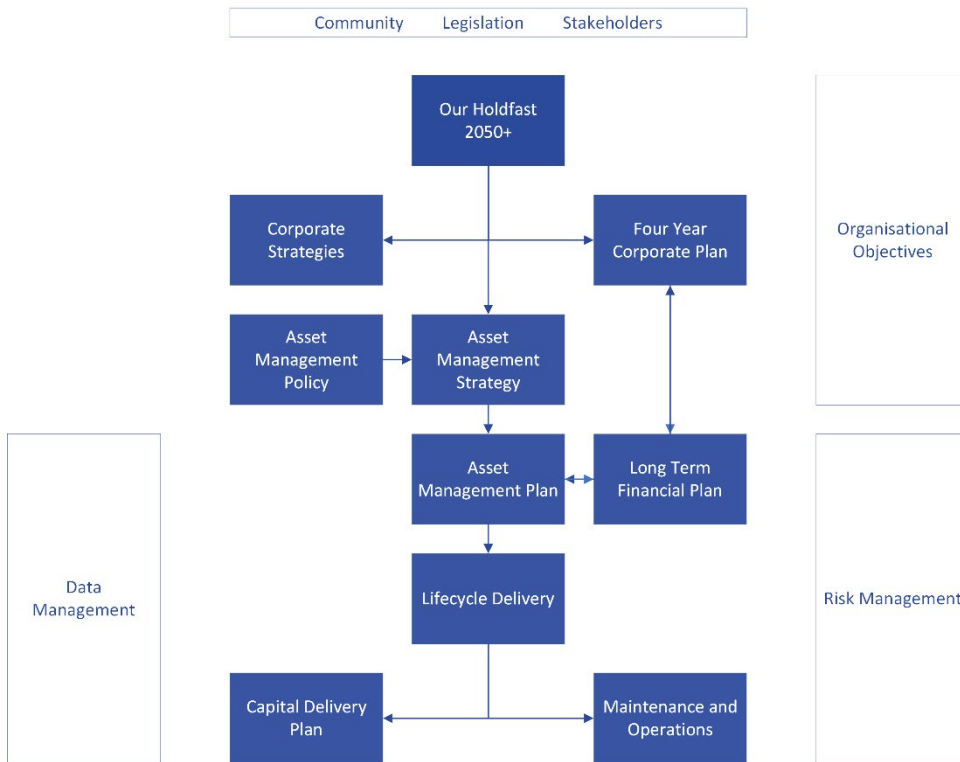


Figure 1.2 Asset management system

2 Asset class information

Council's open space asset class includes approximately 6,000 assets and is defined into 11 categories and further into subcategories as summarised in Table 2.1.

Category	Typical assets	Number of assets
Artwork	Art, monument, plaque	482
Electrical and lighting	Lighting, electrical distribution boards, other electrical assets	901
Fencing and walls	Fences, walls, balustrades, bollards, gates	1,062
Fittings and fitouts	Arbours, barbecues, flag poles, planting structures, pathways, base pads, CCTV, seating, shelters	1,547
Marine	Sand groynes, jetty	19
Other structures	Boardwalk, decked area, paved area, ramp, stairs	195
Playground	Playground equipment, edging, softfall	301
Signs	Signs	626
Sporting	Sporting structures and surfaces	302
Waste	Bins, dog bag dispensers, cigarette butt disposal	395
Water	Drinking fountains, fire hydrants, irrigation, showers, other	317
Total		6,147

Table 2.1 Open space assets

Previously, the open space asset class was separated into two sub-classes for open space and coastal assets. In 2023 it was determined to consolidate the open space and coastal asset classes into a single asset class for open space.

Both previous sub-classes included pathway assets not associated with road corridors. This resulted in path assets across the transport, open space and coastal asset classes. In 2023 the path assets were consolidated into the transport asset class.

The open space asset register does not include natural assets such as trees and plants.

2.1 Open Space Hierarchy

The Open Space and Public Realm Strategy uses a consolidated categorisation and hierarchy. This hierarchy is consistent with community facility planning, play space planning and other purposes, and will enable greater alignment. The open space hierarchy has four levels:

- State/Regional
- District
- Neighbourhood

- Local

It provides a link with the Public Realm Style Guide which describes the materials and techniques relating to physical design and construction. The hierarchy is used to indicate the significance of a given open space based on open space type, user catchment area, and primary nature of use. Other factors used to order the consideration of open space are character, size, location, management, and maintenance treatments.

The hierarchy enables coordinated development of open space and public realm projects, in line with community expectations. By linking to Council's planning framework (Figure 1.1) and the asset management plan, works will be delivered in a well-planned manner, with the aim to achieve a high level of community satisfaction of our open spaces and places.

The categorisation guide and full hierarchy can be found in the Open Space and Public Realm Strategy.

3 Levels of Service

The International Infrastructure Management Manual (IIMM) describes Levels of Service (LoS) as “defined service quality for an activity or service area against which service performance may be measured”.

City of Holdfast Bay has defined Levels of Service for open space assets for both:

- Community Levels of Service – community perception of service
- Technical Levels of Service – technical indicators of performance

The defined Levels of Service are designed to support continued performance and function of the open space assets to a reasonable standard, where maintenance and servicing are compliant with legislative requirements and manufacturing specifications. They are intended to ensure the open space assets and associated budgets are appropriate to meet the service levels.

Community and technical Levels of Service are used as performance indicators.

Detailed operational Levels of Service for individual business processes are defined within the department’s operational plans. Requirements are identified in the improvement actions section.

3.1 Community Levels of Service

Council receives feedback from a variety of sources including:

- Community enquiries and requests
- Community Strategy consultation
- Consultation from strategies such as Open Space Strategy and Playspace Action Plan
- Annual Business Plan consultation
- Project feedback
- Development of AMPs
- Quality of Life Report
- Customer satisfaction surveys

This feedback is built into all areas of the Plan, and we seek to measure our performance against community expectation through our service level links to customer request records and the Quality of Life Report 2023.

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality	Providing and maintaining open space and reserves	Quality of Life Survey score	Greater than 7.5	8.4
Quality	Providing and maintaining sporting facilities	Quality of Life Survey score	Greater than 7.5	8.3
Quality	Providing and maintaining playgrounds	Quality of Life Survey score	Greater than 7.5	8.4
Quality	Maintaining beaches and coastal areas	Quality of Life Survey score	Greater than 7.5	8.1
Function	Providing services and programs that encourage a healthy and	Quality of Life Survey score	Greater than 7.5	8.1

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
	active lifestyle			
Safety	Parks and reserves are well laid out and allow me to keep an eye on my children/my surrounds	Quality of Life Survey score	Greater than 7.5	8.3
Safety	There is plenty of lighting along paths and in parks in the City of Holdfast Bay	Quality of Life Survey score	Greater than 7.5	7.0

Table 3.1 Community Levels of Service

3.2 Technical Levels of Service

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality (condition)	Physical condition of open space assets is within agreed service level condition	Condition of open space assets	Average condition less than 3.0	2.2
Quality (condition)	Physical condition of open space assets is within agreed service level condition	Condition of open space assets	Percentage of poor or very poor (PVP) assets below 10%	2.9%
Quality (renewal)	Sustainably managing the renewal of assets	Asset renewal ratio (Renewal expenditure over forecast budget).	90% - 110%	59% (2021-2023)
Quality (responsiveness)	Open space assets are functioning and maintained within determined response times	Time taken to respond to requests	Meet response times for priority 4 and 5 requests (90%)	TBC
Capacity	Assets have the capacity to meet community demand	Parks and reserves are within in 400m of each property	Above 90%	95%
Function (Safety)	Playgrounds are safe and free of hazards	Monthly and annual playground inspections	Inspections completed and actions managed within timeframes	Yes
Functionality (accessibility)	Open spaces are accessible to all.	Accessibility is improved through renewal and capital works	Increased accessibility compliance of open space assets	Yes
Climate (mitigation)	Reduce and eliminate emissions to reach 2030 carbon-neutral target	Emissions reduction from previous year	Evidence-based reduction	TBC
Climate (adaptation)	Reduction of asset management climate risk to Council	Consider climate risk in infrastructure decision-making	Progress the RAMP and implementation of actions	Yes

Table 3.2 Technical Levels of Service

All community and technical Levels of Service have been achieved with the following exceptions:

Service level	Response action
Quality – There is plenty of lighting along paths and in parks in the City of Holdfast Bay: 7.0 (target 7.5)	Review of the Public Lighting Policy and development of the Public Lighting Framework has addressed service levels of lighting in reserves. The need for lighting is determined by the open space hierarchy and criteria in the Public Lighting Framework.
Quality (renewal) – asset renewal ratio: 59% (target 90%-110%)	Due to the high-quality condition of open space assets, the dedicated renewal budget (2021-2023) was not required for renewal. Significant investment has been made in new, and upgrades of, open space assets in this time. The forward 10-year renewal program has been developed using up-to-date condition data from 2022-23.

Table 3.3 Response actions

Levels of Service with 2024 performance labelled TBC (to be confirmed) do not currently have a baseline indicator. These are to be measured and reported on going forward.

3.3 Legislation and relevant Acts

Under the *Local Government Act 1999* (the Act), Council is required to develop and adopt an infrastructure and asset management plan covering a period of at least 10 years.

Council is additionally required to adopt a long term financial plan (LTFP) for a period of at least 10 years. There is a direct link between the development and implementation of these two plans, with the LTFP updated to reflect forecast expenditure as detailed in the AMPs.

Council considers the following legislative framework in the management of its open space assets.

Legislation	Requirements
<i>Aboriginal Heritage Act 1988</i>	An Act to provide for the protection and preservation of Aboriginal heritage; to repeal the Aboriginal and Historic Relics Preservation Act 1965 and the Aboriginal Heritage Act 1979; and for other purposes.
Australian Accounting Standards	Standards applied in preparing financial statements, relating to the valuation, revaluation, and depreciation of assets.
<i>Climate Change and Greenhouse Emissions Reduction Act 2007</i>	An Act to provide for measures to address climate change with a view to assisting to achieve a sustainable future.
<i>Disability Discrimination Act 2018</i> and other relevant disability legislation	To eliminate, as much as possible, discrimination against persons on the grounds of disability. Sets the standard for accessibility.
<i>Electricity Act 1996</i> and <i>Electricity (General) Regulations 2012</i>	An Act to regulate the electricity supply industry; to make provision for safety and technical standards for electrical installations; and for other purposes.
<i>Environment Protection Act 1993</i>	Responsibility not to cause environmental harm (e.g. noise pollution, contamination of water).
<i>Local Government Act 1999</i>	Sets out the role, purpose, responsibilities and powers of local governments, including preparation of an LTFP supported by asset management plans for sustainable service delivery.

Legislation	Requirements
<i>Local Government (Financial Management and Rating) Amendment Act 2005</i>	Impetus for the development of a strategic management plan, comprising an asset management plan and an LTFP.
<i>Landscape South Australia Act 2019</i>	An Act to promote sustainable and integrated management of the State's landscapes, to make provision for the protection of the State's natural resources, and for other purposes.
<i>Native Title Act (South Australia) 1994</i>	Consideration should be undertaken in the provision, development, and management of open space.
<i>SA Public Health Act 2011</i>	An Act to promote and provide for the protection of the health of the public of South Australia and to reduce the incidence of preventable illness, injury, and disability; and for other purposes.
<i>Work Health and Safety Act 2012</i>	An Act to provide for the health, safety, and welfare of persons at work; and for other purposes.

Table 3.4 Legislative requirements

4 Demand forecast

A community's demand for services may change over time depending on factors including environmental, technological and capacity requirements. Council may need to make changes to manage future demand for services.

Demand Driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
Population and housing density increases	Total estimated population 37,543 (2021), 51% of dwellings are medium to high density.	Planned to accommodate for 40,000 in Holdfast Bay by 2031.	Expected pressure for higher density development. A growing population will lead to a gradual loss of private greenspace. This will place more demand on public open space, requiring innovative new responses. Increasing demand on places for recreation activities.	The Open Space and Public Realm Strategy 2018–2030 identifies: <ul style="list-style-type: none"> - Key project opportunities; - Opportunities for improved use of open space, corridors and streets; and, - Challenges in future years. Potential requirements for new open space or multi-function use of existing spaces.	Increased maintenance requirements. Renewals to consider changes to usage and function leading to increased costs.
Ageing population	Median age is 48 years	Growth in ageing population	Increased demand for accessibility in open space.	Ongoing review of suitability of assets to meet the needs of the community. Development of the Wellbeing Strategy to inform the role of open space to make our community happy, healthy and connected. Alignment of actions in the Disability Access and Inclusion Plan.	Early renewal/upgrade of assets to meet compliance or functionality requirements. Higher costs associated with upgrades to existing assets to meet community demand and accessibility requirements.
Legislative requirements	Increasing requirement for Disability Discrimination	Higher standards of safety and improved open space assets.	Higher Level of Service may impact on the amount of maintenance and renewal that can be undertaken within	Disability Action and Inclusion Plan 2020-2024 defines actions for access to services including open space.	Requirement to redesign networks and some specific assets to meet legislative

Demand Driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
	Act (DDA) compliance on open space assets (e.g. playground equipment)		allocated budgets.	assets.	requirements.
Environmental sustainability (climate mitigation)	Council and the community are increasingly aware of our impact on the environment and Council's role in environmental sustainability.	Council is committed to pursuing, supporting, and creating an environment that will sustain current and future generations. This goal is shared by our community and is a primary objective of most governments across the world.	Requirement to use fewer, recycled and renewable resources that can contribute to the development of a circular economy and reduce Council's carbon footprint. Greater environmental sustainability requirements placed on the construction industry.	Implement actions from the Environment Strategy 2020-25, Climate Governance Risk Assessment and Carbon Neutral Plan.	Higher costs associated with material supply and construction methods that are environmentally sustainable. Changeover to LED lighting.
Climate change (climate adaptation)	Increase in severe weather events including droughts, extreme heat events, storms, storm surges, high tides, and sea level rise.	Increasing number of hot weather days and events. Increase in intensity of rain events. Sea level rise is accelerating. Increased evapotranspiration.	Assets not reaching their expected useful lives due to lack of consideration of climate change. Increasing management and maintenance demand associated with climate change adaptation.	The Open Space and Public Realm Strategy 2018–2030 supports the environment by addressing the issues of climate change adaptation, biodiversity and water sensitive urban design (WSUD). Resilient Asset Management Program assessing resilience and suitability of assets under changing climate conditions. Coastal Adaptation Planning.	Higher costs associated with designing, constructing, maintaining and operating climate-resilient assets. Increase cooling and shading in open spaces through WSUD, trees and biodiversity, improved irrigation systems, access to drinking fountains and shade structures.

Table 4.1 Demand factors

5 Lifecycle planning

Asset lifecycle planning outlines how Council plans to manage open space assets in an optimised cost-effective manner while ensuring delivery of agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

Each of these stages are further detailed in this lifecycle planning section.

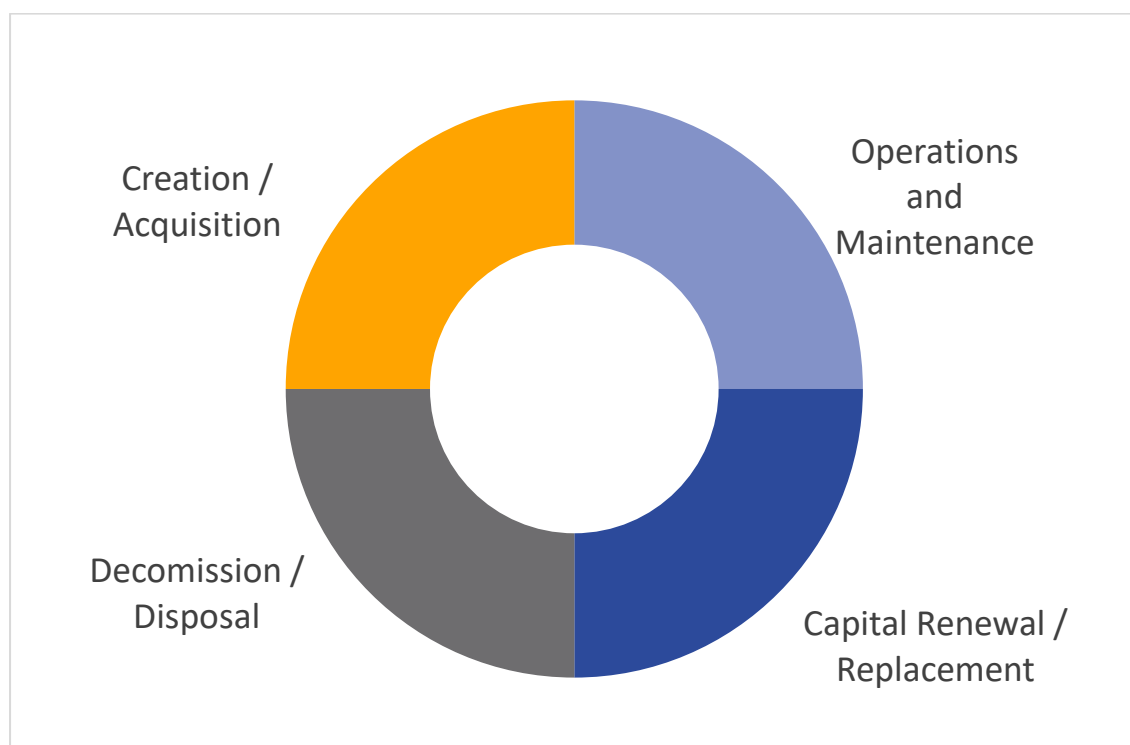


Figure 5.1 Asset lifecycle

Open space assets are managed to provide services and are maintained and replaced based on defined services levels, community expectations, condition, usage, and amenity.

Planning for the replacement or acquisition of open space assets requires consideration of multiple criteria and often master planning of a location involving multiple asset classes.

5.1 Asset life

Throughout the asset lifecycle, assets are inspected, condition-rated and revalued on a periodic basis. Asset condition and expected useful life are used to estimate the remaining life of each asset.

Open Space assets are managed financially using a straight-line depreciation method whereby an asset has a baseline current replacement cost that is depreciated over time using an assigned expected useful life for each type of asset.

Assets may be renewed or replaced based on several factors including condition, amenity, capacity, function and increasing requirement for asset maintenance and repair as assets age. The service life of an asset may therefore differ from the design life or the useful life. During an asset's service life, maintenance and repair work will be required to maintain the service level provided by the asset.

A summary of expected useful lives of open space assets is provided in Table 5.1.

Open space category	Subcategory	Expected useful life (years)
Artwork	Art	Varied
	Monuments	
	Plaques	
Electrical and lighting	Distribution boards	25 to 80
	Electrical other	25 to 50
	Lighting	25 to 30
Fencing and walls	Balustrades	20 to 40
	Bollards	40
	Fences	20 to 40
	Gates	25 to 40
	Walls	30 to 60
Fittings and fitouts	Arbours, barbecues, bike rails, cages	20 to 40
	Base pads, flagpoles	40
	Planting structures	30 to 50
	Seating	20 to 25
	Shelters	10 to 30
	CCTV	10
Marine	Sand groynes	20
	Jetty	100
Other structures	Boardwalks, ramps, stairs	40
	Decked areas, paved areas	20 to 80
Playground	Playground edging	20 to 40
	Playground equipment	15 to 40
	Softfall	5 to 20
Signs	Signs	5 to 20
	Concrete signs, Pylon for sign	40 to 50
Sporting	Sporting structures	15 to 35
	Sporting surface, base	7 to 100

Open space category	Subcategory	Expected useful life (years)
Waste	Waste	10 to 15
Water	Water assets	10 to 60
	Irrigation	20 to 60
	Backflow prevention	8

Table 5.1 Useful lives

5.2 Asset condition

Council is responsible for maintaining open space assets in the appropriate condition for the defined level of service (section 3). This is achieved through the following works:

- Regular inspection of open space assets, in particular playground assets, to ensure safety requirements are met.
- Periodic open space asset condition audits.
- Development of a forward works program for capital renewal works and maintenance activities.
- Undertaking capital renewal works of open space assets using Council’s style guide to ensure the provision of consistent and aesthetically appealing assets.

During the service life of an open space asset, it should be maintained and inspected regularly to ensure the asset remains safe for use and fit for purpose and to ensure the service life is achieved.

The condition scoring criteria adopted for open space asset audits is based on the IPWEA condition rating guidelines and is summarised in Table 5.2.

Condition grade	Condition	Description	Consumption score for condition (%)
0	New		0
1	Very good	Sound physical condition, no work required.	5
2	Good	Acceptable physical condition, minimal risk of failure but potential for deterioration, only minor work required (if any).	27.5
3	Fair	Significant deterioration evident, failure unlikely in near future however further deterioration likely. Renewal likely to be required in the medium term – 5 to 10 years.	55
4	Poor	Failure likely in short term. Renewal likely to be required in the short term – 2 to 5 years.	72.5
5	Very Poor	Failed or failure imminent/safety risk. Refurbishment, replacement or removal required as a priority.	95

Table 5.2 Condition score criteria

An open space asset condition assessment was completed in 2023. Condition audits are undertaken on a periodic basis to understand the condition of assets and to estimate the expected remaining life of each asset to enable the development of asset renewal plans.

The condition inspection was limited to a visual inspection of all assets. Further specialised structural, mechanical or electrical inspections were not undertaken.

A summary of the condition of open space assets is provided in Table 5.3.

Asset Category	Number of assets	Average condition rating	Percentage below condition 3
Artwork	482	1.5	1.2%
Electrical and lighting	901	2.3	0.9%
Fencing and walls	1,062	2.4	6.2%
Fittings and fitouts	1,547	2.2	2.0%
Marine	19	3.0	47.4%
Other structures	195	2.2	5.1%
Playgrounds	301	2.1	3.0%
Signs	626	2.2	3.4%
Sporting	302	2.2	5.6%
Waste	395	2.1	0.8%
Water	317	2.0	0%
Total	6,147	2.2	2.9%

Table 5.3 Condition ratings

Only 2.9% of assets are in a condition 4 (poor) or 5 (very poor), indicating there is minimal condition-based renewal required in the short term. There is approximately 25% of assets in condition 3 (fair), which will be approaching a poor condition and likely to require renewal in the medium term.

The high percentage of marine assets in poor condition includes the nine sand groyne assets along the foreshore. These have been included in the 2025-26 renewal plan.

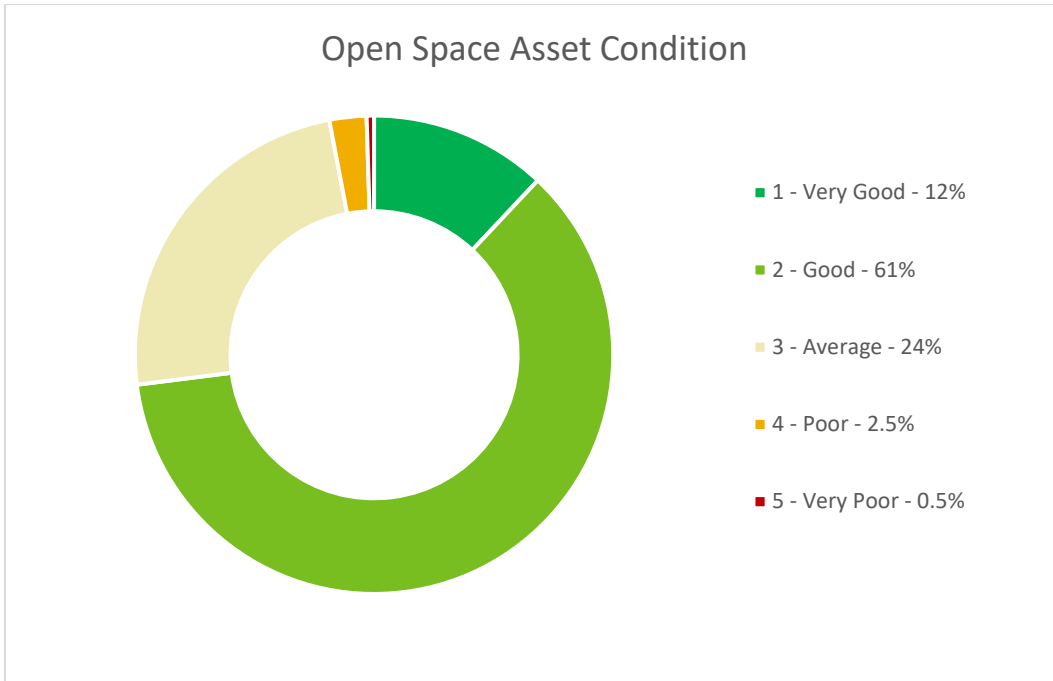


Figure 5.2 Open space condition profile

5.3 Historical expenditure

Historical expenditure for 2019-20 to 2022-23 for operation, maintenance, new assets and renewal of existing assets for the open space asset class is summarised in Figure 5.3. The actual expenditures for each year have been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditures.

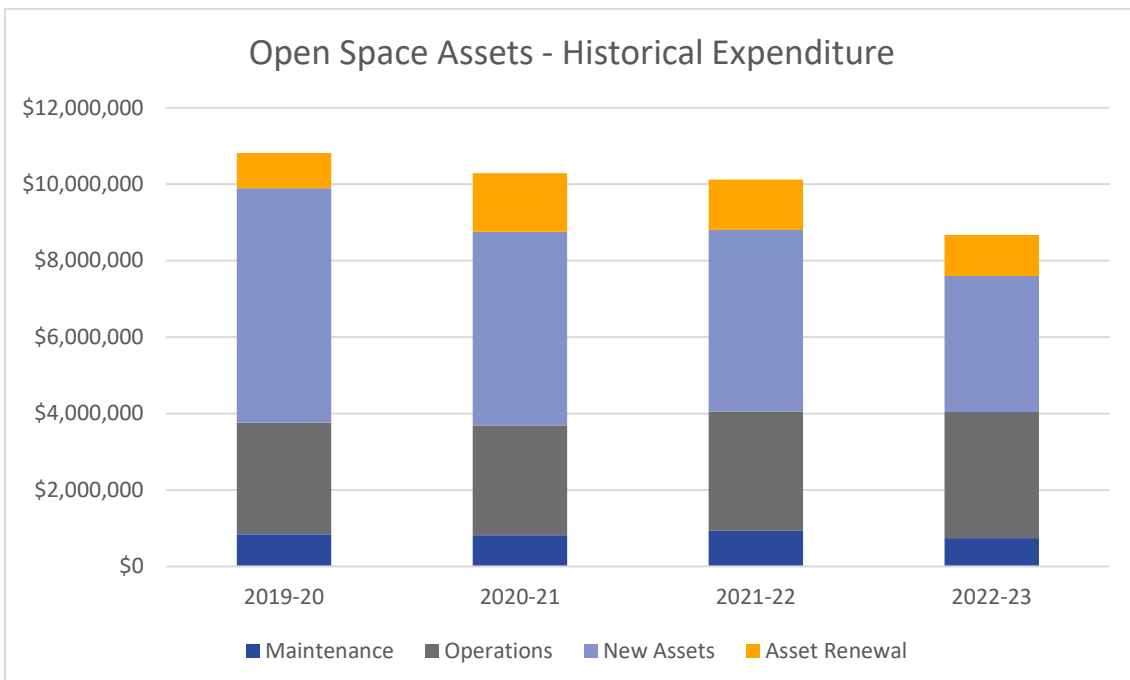


Figure 5.3 Historical expenditure

5.4 Operation and Maintenance Plan

Operations include regular activities and costs required to provide services. Operational costs associated with open space assets include cleaning and maintenance of equipment, irrigation and mowing of reserve areas, removal of graffiti and maintenance of electrical assets.

Maintenance of open space assets includes the activities required to keep the assets in a serviceable condition during their service life. Maintenance activities can be defined as either planned or reactive maintenance.

Assessment and planning of both reactive maintenance and planned maintenance is undertaken by council personnel who use judgment to minimise interruption to operations and service delivery.

Playground assets are inspected regularly by council personnel and an annual playground safety audit is undertaken to ensure the equipment is safe to use. Repair and replacement works are undertaken as required. Water backflow prevention devices are tested annually and repaired or replaced as required.

The operations and maintenance costs of Council's open space assets are forecast to trend in line with the previous four years of costs as the number of assets and the services provided have not changed and are not expected to change substantially. Annual amounts of \$3,052,802 for operations and \$832,225 for maintenance have been adopted based on the average of the previous four years.

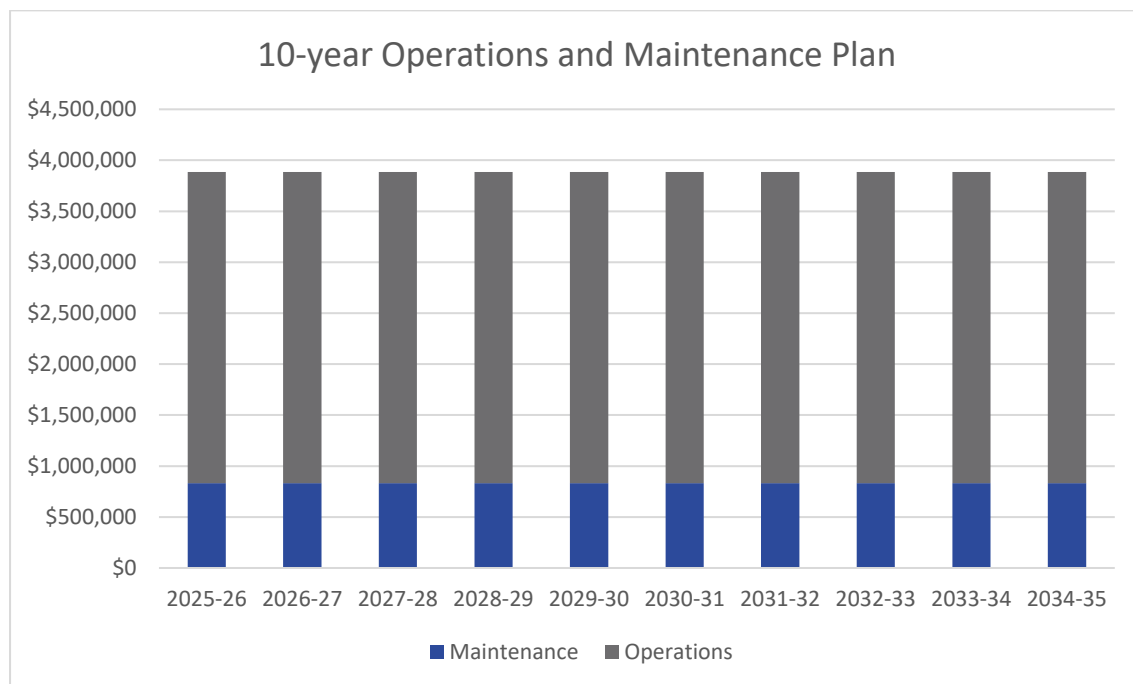


Figure 5.4 Operations and Maintenance Plan

5.5 Renewal Plan

Renewal is capital work which restores, rehabilitates, replaces, or renews an existing asset to its original service potential.

Renewal of open space assets is generally aligned to asset condition, however assets are also replaced or upgraded to align with works in the same location, master planning or strategic outcomes to provide an improved level of service.

Asset renewal is undertaken to ensure continuity of service provision for the community. The open space renewal plan has been developed for each asset category on the following basis:

- Asset condition data has been used to develop annual budget requirements to maintain asset category condition within agreed service level condition.
- For each asset, the remaining life or forecast renewal data has been calculated using the asset condition data, the defined condition at end of life and the standard useful life of the asset.
- DDA compliance requirements for bus shelters and kerb ramps is considered and incorporated into renewal plans to improve the DDA compliance over the 10-year period.
- Resourcing considerations for council were considered with asset condition to distribute the program over the 10-year period.
- The renewal ratio of average annual renewal to annual depreciation was also considered in the development of the renewal plan.

The open space renewal program outlined is developed based on condition data from the 2022-23 condition audit and standard useful lives of assets. Adjustments to the forecast renewal years of assets align with the replacement of grouped assets and where renewal requirements provide efficiency and ensure continuity of service provision. Replacement costs have been estimated using the 2023 revaluation. Additional project costs have been included where known to ensure sufficient budget is available for modern standard equivalent replacement to all compliance and service standards.

The playground replacement program has been identified as a program where the modern standard equivalent replacement far exceeds the base renewal cost. This is due to several factors including compliance requirements, safety requirements, natural assets and landscaping, materiality to minimise whole-of-life cost and service requirements for the appropriate playground demographics. This also includes providing shading and drink fountain facilities as well as accessible pathways, seating, and play equipment where possible. Additional funding has been included in the renewal program to facilitate service levels for playground renewal.

In Figure 5.5, “Other” includes asset categories Other structures, Signs, Waste, Fences and walls, and Fittings and fitouts. For complete values, see Table 6.3.

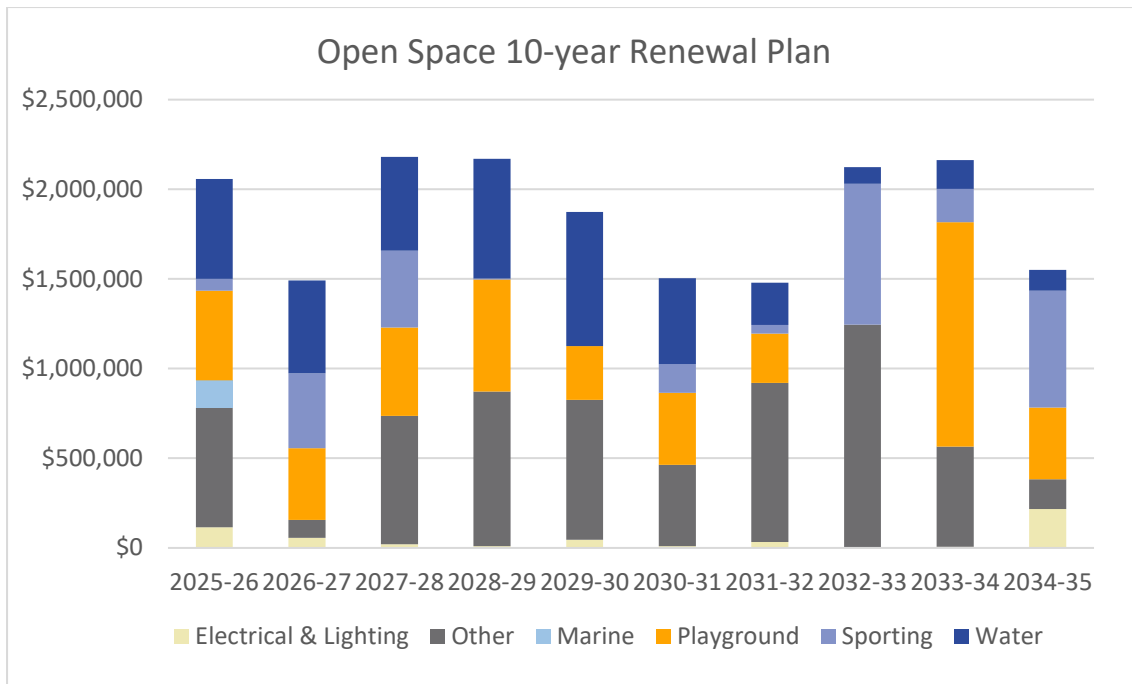


Figure 5.5 10-year renewal plan

5.6 Acquisition Plan (new capital)

Acquisitions are new assets that did not previously exist or works resulting in significant upgrade of the asset and an increased capacity to deliver a service. The requirement for an acquisition may result from growth, changed demand, or social or environmental needs. Assets may also be donated to Council.

Acquisition works result in additional future operations and maintenance costs.

Acquisition of new assets is often based on community expectations and strategies to change a service offering in a specific location.

Council is currently undertaking and planning upgrade and acquisition works at the following sites:

- Transforming Jetty Road
- Former Buffalo site improvements
- Brighton Beachfront Holiday Park
- Kingston Park Coastal Reserve

The Transforming Jetty Road project is a large project that will result in primarily transport assets, including road, footpath, and kerb assets. There will also be the creation of new open space assets via the streetscape and public realm improvements.

The former Buffalo site is being redeveloped during the 2024-25 financial year and will not require funding during the 10-year period of this plan.

The Brighton Beachfront Holiday Park redevelopment is being undertaken over several years and will include the creation of transport, building and open space assets. Works still to be undertaken include replacement and development of cabins and internal roads.

Open space new capital projects are funded through the annual business plan new initiative process.

The coastal seawalls (rock walls) are excluded from Council's asset register. Ownership and responsibilities for maintenance and renewal are not defined across the South Australian metropolitan coastline for these assets. Conversations between the two levels of government to define the future governance responsibilities for these assets are ongoing. There are no future planned acquisitions for coastal seawalls in this plan.

5.7 Disposal Plan

Disposal of assets refers to activities associated with disposing of a decommissioned asset including sale, demolition, or relocation. Council's Disposal of Assets Policy outlines this process.

Council has a 60-year lease on the Glenelg Jetty with the State Government that will conclude in 2029. In 2029 the lease will either be renewed, or the asset will be handed back to the State Government and removed from Council's asset register.

Council has no planned upcoming disposals for open space assets and currently there is no funding requirement for open space asset disposals.

6 Financial summary

The financial requirements for the open space asset class are outlined in this section.

6.1 Asset valuation

Asset values are projected to increase as additional assets are added through capital works. Unit rates are also expected to increase over time as the construction costs for infrastructure increases.

Additional assets will generally increase the requirement for maintenance and operations as well as future renewal.

Valuations are undertaken for each asset class in alignment with Australian Accounting Standard AASB13 Fair Value, and are generally undertaken at least every five years.

The open space asset class revaluation was undertaken as of 30 June 2023 based on open space asset data reviewed and updated to improve data quality prior to the 2022-23 open space condition assessments.

All open space assets were assigned an asset type, asset dimension and unit rates to develop an overall current replacement cost as of 30 June 2023.

Accumulated depreciation and carrying values of assets were calculated based on condition data collected during the audit and standard useful lives assigned to asset types.

The valuation of the open space asset class as of 30 June 2024 is summarised in Table 6.1.

Asset category	Current asset cost	Accumulated depreciation	Carrying value	Number of in-use assets
Artwork	\$3,123,330	\$1,130,085	\$1,993,245	482
Electrical and lighting	\$11,132,170	\$5,232,967	\$5,899,203	901
Fences and walls	\$16,707,620	\$6,359,778	\$10,347,842	1,062
Fittings and fitouts	\$10,844,152	\$3,947,728	\$6,896,424	1,547
Marine	\$6,635,000	\$3,653,500	\$2,981,500	19
Other structures	\$6,658,843	\$2,327,734	\$4,331,109	195
Playground	\$5,112,197	\$1,830,008	\$3,282,189	301
Signs	\$1,453,500	\$538,215	\$915,285	626
Sporting	\$10,754,699	\$3,862,240	\$6,892,459	302
Waste	\$608,964	\$207,698	\$401,266	395
Water	\$6,776,298	\$2,506,462	\$4,269,836	317
Total	\$79,806,772	\$31,596,414	\$48,210,358	6,147

Table 6.1 Open space asset valuation

Open Space Asset Valuation

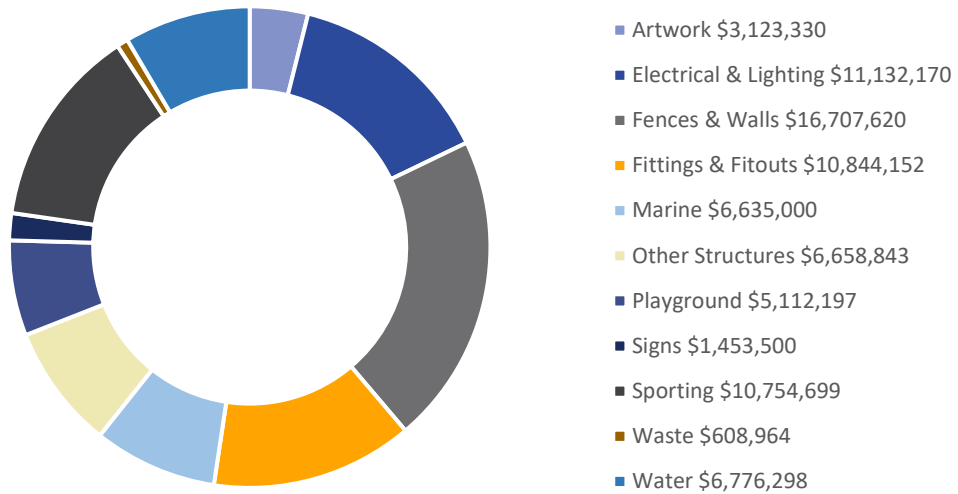


Figure 6.1 Open space asset valuation

6.2 Expenditure forecast summary

The overall open space expenditure forecast for operations, maintenance, renewal of existing assets and acquisition of new assets is provided in Figure 6.2 and Table 6.2. The open space asset renewal forecast is provided in Table 6.3.

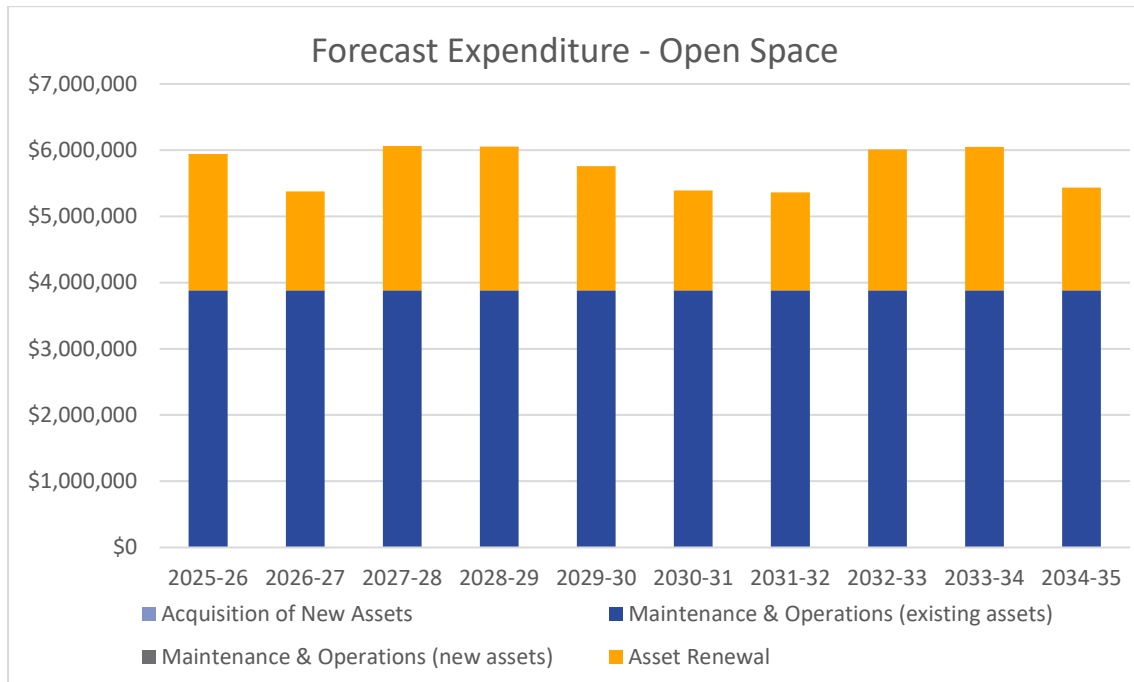


Figure 6.2 Forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Acquisition of new assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance and operations (existing assets)	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027	\$3,884,027
Maintenance and operations (new assets)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset renewal	\$2,058,040	\$1,492,300	\$2,180,550	\$2,169,330	\$1,873,080	\$1,504,650	\$1,478,680	\$2,123,450	\$2,163,400	\$1,550,920
Asset disposal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
External grant funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Council funding required	\$5,942,067	\$5,376,327	\$6,064,577	\$6,053,357	\$5,757,107	\$5,388,677	\$5,362,707	\$6,007,477	\$6,047,427	\$5,434,947

Table 6.2 Forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Electrical and lighting	\$114,880	\$55,540	\$20,180	\$9,090	\$45,090	\$10,230	\$33,350	\$0	\$5,680	\$216,700
Fences and walls	\$15,340	\$20,330	\$427,510	\$433,420	\$520,530	\$0	\$424,340	\$325,890	\$0	\$95,900
Fittings and fitouts	\$137,120	\$19,540	\$240,510	\$380,330	\$9,090	\$389,060	\$357,910	\$767,990	\$391,260	\$18,180
Marine	\$153,360	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other structures	\$442,760	\$0	\$0	\$0	\$201,860	\$0	\$0	\$0	\$0	\$0
Playground	\$500,000	\$400,000	\$491,660	\$625,000	\$300,000	\$400,000	\$275,000	\$0	\$1,250,500	\$400,000
Signs	\$22,260	\$11,400	\$0	\$0	\$0	\$16,010	\$55,370	\$102,680	\$119,860	\$3,410
Sporting	\$66,540	\$418,780	\$428,490	\$6,360	\$0	\$162,040	\$47,800	\$785,940	\$185,670	\$651,260
Waste	\$48,900	\$48,900	\$48,900	\$48,900	\$48,900	\$48,900	\$48,900	\$48,900	\$48,900	\$48,900
Water	\$556,880	\$517,810	\$523,300	\$666,230	\$747,610	\$478,410	\$236,010	\$92,050	\$161,530	\$116,570
Total renewal	\$2,058,040	\$1,492,300	\$2,180,550	\$2,169,330	\$1,873,080	\$1,504,650	\$1,478,680	\$2,123,450	\$2,163,400	\$1,550,920

Table 6.3 10-year renewal

6.3 Funding strategy

Key strategic activities that will affect the future financial position for open space:

- The AMP to inform the LTFP
- Open Space and Public Realm Strategy update
- Playspace Action Plan update
- Wellbeing Strategy development
- Economic Development Strategy
- Tourism Plan
- Precinct plans or master planning
- Coastal Adaptation Planning
- Valuation following condition data collection 2027
- Carbon Neutral Plan implementation
- Resilient Asset Management Program implementation

6.4 Assumptions

The following assumptions have been adopted in development of the financial forecasts:

- The renewal program has been based on condition data collected in 2022-23.
- Condition data and standard useful lives have been used to estimate remaining lives of assets and the forecast renewal date for each asset. This raw renewal data has been adjusted where required to align renewal works and time renewal programs to achieve efficiencies and ensure continuity to the service the open space assets provide.
- Operation and maintenance budget forecasts have been based on actual operation and maintenance costs for a four-year period adjusted to 2024 costs.
- No decommissioning of assets has been assumed.
- No acquisition of coastal seawalls (rock walls). Seawalls are excluded from the asset register.
- Glenelg Jetty works (five-year program until the end of the lease) is currently being developed and has been excluded from this plan.

6.5 Data confidence

Expenditure requirements for asset replacement and operational costs have been based on the best available data.

Asset renewal costs have generally been based on open space revaluation data current as of 30 June 2023. Some renewal costs have been adjusted where up-to-date information is available.

Current open space asset register data is based on a project undertaken during 2022-23 which involved a reviewed and updated asset register, followed by a condition audit with post processing to form the basis of the revaluation as of 30 June 2023.

During the 2022-23 open space condition audit and asset revaluation, approximately 1,000 additional open space assets were identified and added to the register. All open space assets were assigned a condition score with the date of inspection, a material type and asset dimensions. All open space assets have photographic records in the asset register for ease of identification and ongoing management.

The data confidence for this asset class is classified as “B – Reliable” based on the IPWEA data confidence scale as provided in Table 6.4. The data is based on sound records, procedures, investigation, and analysis. The dataset is complete and estimated to be accurate $\pm 5\%$.

Confidence level	Description
A – Highly Reliable	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 – Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, e.g. 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 $\pm 10\%$.
C – Uncertain	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 – Very Uncertain	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 – Unknown	None or very little data held.

Table 6.4 Data confidence

7 Risk management

The objective of the risk management process is to ensure all significant asset management risks are identified and assessed. Following a risk assessment and consideration of both likelihood and consequence, risks identified as high or very high in the short to medium term are investigated. Strategies and treatments are implemented to mitigate or address unacceptable risks.

An assessment of risks in line with Council’s risk matrix (Figure 7.1) associated with the open space asset class are detailed in Table 7.1.

Likelihood \ Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Figure 7.1 Risk matrix

Table 7.1 summarises the asset management risk register, which is reviewed and updated at minimum annually in line with our risk management procedures. The asset management risk register should be reviewed in line with the strategic and operational risk register.

Open space risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Climate change affecting service and useful life of assets	<ul style="list-style-type: none"> - Ongoing participation in the Resilient Asset Management Program (RAMP) with Resilient South Councils. - Coastal adaptation planning in place, including hazard identification and assessment. - Consideration of climate change risks in strategic and long-term planning. 	HIGH	<ul style="list-style-type: none"> - Implement RAMP actions for all asset classes and across the asset lifecycle. - Complete coastal adaptation planning including data collation, risk assessments and community engagement. - Integrate IPWEA Practice Note 12.1 into asset project design and planning processes. 	MEDIUM
Inconsistency caused by changes to Elected Members or Senior Leadership personnel.	<ul style="list-style-type: none"> - Alignment of asset management framework (AM Policy, Strategy and Plans) including service levels and long-term financial plans. - Development of AM Steering Committee. - Regular asset management updates provided to Elected Members. 	MEDIUM	<ul style="list-style-type: none"> - Improving asset management maturity aligned with AM Strategy improvement plan. - Keep Elected Members and Senior Leadership Committee, informed via the Asset Management Steering Committee. Identify training where required. 	MEDIUM
Insufficient budget to meet service levels for maintenance and renewal	<ul style="list-style-type: none"> - Clear budget planning process, identifying any funding dependencies within planned/major upgrades. - Operational management plans for complex and high-risk sites. - 10-year financial planning and rolling 3-year capital works program. - Regular condition audits of assets. - Community service levels developed through ongoing feedback. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 8 and Improvement Action 4: Review operational LoS and update responsibilities, resourcing and planning to meet agreed LoS. Implement a system to prioritise, assess and action requests in-line with operational LoS. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making. 	MEDIUM
Lack of accuracy and consistency in asset management source data	<ul style="list-style-type: none"> - Satisfactory data confidence level in current asset information data levels through cyclic condition audits. See confidence levels.. - Annual cyclic data collection schedule in place. - Ongoing improvements to data management guidelines. - Regular updates from routine maintenance spot checks/issue reporting. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 3: Establish the data management framework and guidelines for asset register to future-proof for predictive modelling. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making. 	LOW

Open space risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Lack of compliance with legislative requirements and Australian Standards	<ul style="list-style-type: none"> - Undertake independent annual audits. - All audit recommendations resolved as a priority. 	MEDIUM	<ul style="list-style-type: none"> - Training need analysis review targeting improvement of technical skills for existing and new staff including additional training to support compliance knowledge. 	LOW
Lack of alignment between open space strategy and renewal	<ul style="list-style-type: none"> - Developed Open Space Strategy and Playspace Action Plan. - AMP 2024 renewal planning considering strategic plans to ensure appropriate budget is available to meet service levels. 	MEDIUM	<ul style="list-style-type: none"> - Consideration of renewal impacts in review of key strategies. - Update AMPs following endorsement of key strategies. 	LOW
Risk of change in community service standards or expectations	<ul style="list-style-type: none"> - Track service levels with Quality of Life Survey - Community feedback through customer requests records - Feedback through community engagement on strategies and plans 	MEDIUM	<ul style="list-style-type: none"> - Improvement action 1, undertake review of Open Space and Public Realm Strategy including community engagement 	LOW

Table 7.1 Risk assessment

8 Improvement Plan

The following tasks have been identified for improving open space asset management practices and future versions of this plan.

Task No	Improvement task	Responsibility	Resources required	Due
1	Undertake review of open space strategy to inform future asset management planning.	Manager Public Realm Urban Design	Existing	June 2026
2	Higher order condition assessment program for critical assets including but not limited to electrical (switchboards), lighting and heritage assets.	Asset Management Lead	Existing	June 2025 and ongoing
3	Improved scope development of three-year capital renewal program. Alignment of renewal and improvement projects to achieve efficiencies of scale and minimise disruption to stakeholders.	Senior Project Manager	Existing	June 2025 and ongoing
4	Develop Patawalonga Lock Maintenance, Operations and Renewal Plan. Review every 5 years.	Manager Buildings and Facilities	Existing	June 2026

Table 8.1 Improvement Plan

Glossary of Terms

Key Term	Definition
Accumulated depreciation	The total amount of depreciation charged to an asset from when it was first recognised to a given point in time.
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Category	Second tier in the data structure, a subset of assets with similar attributes.
Asset Class	An asset class is a grouping of assets of a similar nature and use. First tier in the data structure in line with the five asset management plans.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost-effective manner.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management Plan	Long-term plans (usually 10 years) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost-effective way.
Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Asset Sub-Category	Third tier in the data structure, a further second subset of assets with similar attributes.
Asset Type	Specific attribute with a unit rate used for valuation.
Capital expenditure	Expenditure which contributes to or results in a physical asset.
Capital renewal expenditure	Expenditure to replace or rehabilitate an existing asset.
Carrying value	The amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.
Commissioned assets	Assets within Council's asset register that have been assigned a value and are subject to depreciation.
Current Asset Cost	The cost of replacing an existing asset with a substantially identical new asset or a modern equivalent.

Key Term	Definition
IIMM	International Infrastructure Management Manual providing guidelines for best management practices for infrastructure assets.
In-use assets	Assets within Council's asset register that currently exist and are providing a service.
ISO 55000	The ISO 55000 international standard for asset management provides terminology, requirements and guidance for implementing, maintaining and improving an effective asset management system.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Maintenance expenditure	Any activity performed on an asset to ensure it is able to deliver an expected level of service until it is scheduled to be renewed, replaced or disposed.
New capital expenditure	Expenditure which creates a new asset in addition to Council's previously existing assets.
Operational expenditure	Ongoing expenditure for activities throughout an asset's life such as electricity, fuel, cleaning and inspections.
Useful Life	The useful life (UL) of an asset is the estimated length of time during which the asset is likely to be able to deliver a satisfactory level of service.

PLANT AND EQUIPMENT
Asset Management Plan 2024
City of Holdfast Bay



Contents

Executive summary	3
1 Introduction	4
1.1 Purpose.....	4
1.2 Strategic context.....	4
1.3 Stakeholders.....	6
1.4 Asset management framework	7
2 Asset class information	8
2.1 Asset hierarchy	8
3 Levels of Service	10
3.1 Community Levels of Service.....	10
3.2 Technical Levels of Service	10
3.3 Legislation and relevant Acts.....	11
4 Demand forecast	12
5 Lifecycle planning.....	13
5.1 Asset life	13
5.2 Historical expenditure	14
5.3 Operation and maintenance	15
5.4 Renewal Plan (Capital Renewal).....	16
5.5 Acquisition and Upgrade Plan (New Capital).....	17
5.6 Disposal Plan.....	17
6 Financial summary	18
6.1 Asset class valuation.....	18
6.2 Expenditure forecast summary	19
6.3 Funding strategy.....	22
6.4 Assumptions	22
6.5 Data confidence.....	22
7 Risk management.....	24
8 Improvement Plan.....	27
Glossary of Terms.....	28

Acknowledgement to Country

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

Executive summary

The City of Holdfast Bay owns and maintains 31 cars, 36 heavy vehicles, 31 major plant, 92 minor plant assets, and 439 pieces of minor equipment worth over \$8.7 million. These assets support our civil, rapid response, and open space programs, and Community Wellbeing bus program.

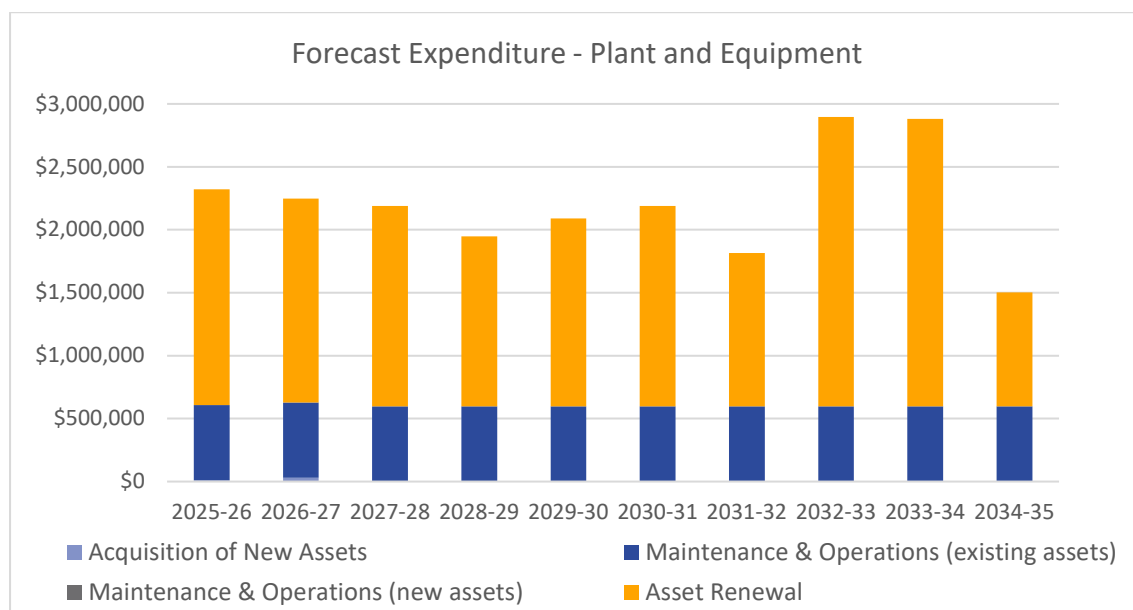
The objective of asset management is to ensure the City of Holdfast Bay's assets are managed in the most cost-effective and sustainable way, so we can continue to deliver valuable services for our community now and into the future.

To ensure our assets are providing the appropriate service to the community, levels of service are tracked each year. These levels of service are defined under quality, function, capacity and climate.

Asset lifecycle planning outlines how Council plans to manage plant and equipment assets in an optimised cost-effective manner while ensuring delivery of the agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

The expenditure forecast for all four stages of the asset lifecycle is summarised below.



Council is committed to continuously improving the quality and maturity of its asset management practices. The plant and equipment improvement program has been developed as a roadmap for these improvements in conjunction with the Asset Management Strategy.

1 Introduction

1.1 Purpose

City of Holdfast Bay owns and maintains a portfolio of plant and equipment assets for the purpose of providing a large variety of services to the community.

Our plant and equipment assets allow us to:

- Undertake civil maintenance and capital works projects.
- Maintain our open space reserves and sporting facilities.
- Clean our streets and open space areas.
- Undertake our buildings and facilities management and maintenance work.
- Inspect and manage our capital works projects.
- Deliver equipment for our numerous events that are held annually.

The assets covered in this plan include four categories of plant and equipment:

- Car fleet
- Heavy vehicles
- Major plant
- Minor plant (commissioned and non-commissioned)

The plan aims to demonstrate proactive management of assets in compliance with regulatory requirements to sustainably meet the present and future community needs through:

- Aligning with industry best practice for asset management ISO 55000:2014 without seeking accreditation as an ISO document or process.
- Aligning delivery of asset management activities with organisational goals and objectives.
- Creating transparency and accountability through all aspects of asset management.
- Meeting the agreed Levels of Service in the most cost-effective way through creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets.

1.2 Strategic context

In accordance with the Local Government Act 1999 (the Act) and the Strategic Plan (Our Holdfast 2050+), Council provides a range of community services to the local community and visitors.

Assets are the foundation stones of the Council and management of assets is essential to achieve our Council's vision of:

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

The plan is developed and implemented in conjunction with the following plans, strategies and policies:

- Strategic Plan (Our Holdfast 2050+)
- Corporate Plan (Four-year delivery plan)
- Long Term Financial Plan (LTFP)
- Asset Management Policy
- Asset Management Strategy

- Asset Management Plans (AMPs)
- Carbon Neutral Plan
- Fleet Transition Plan

City of Holdfast Bay's planning framework is outlined in Figure 1.1.

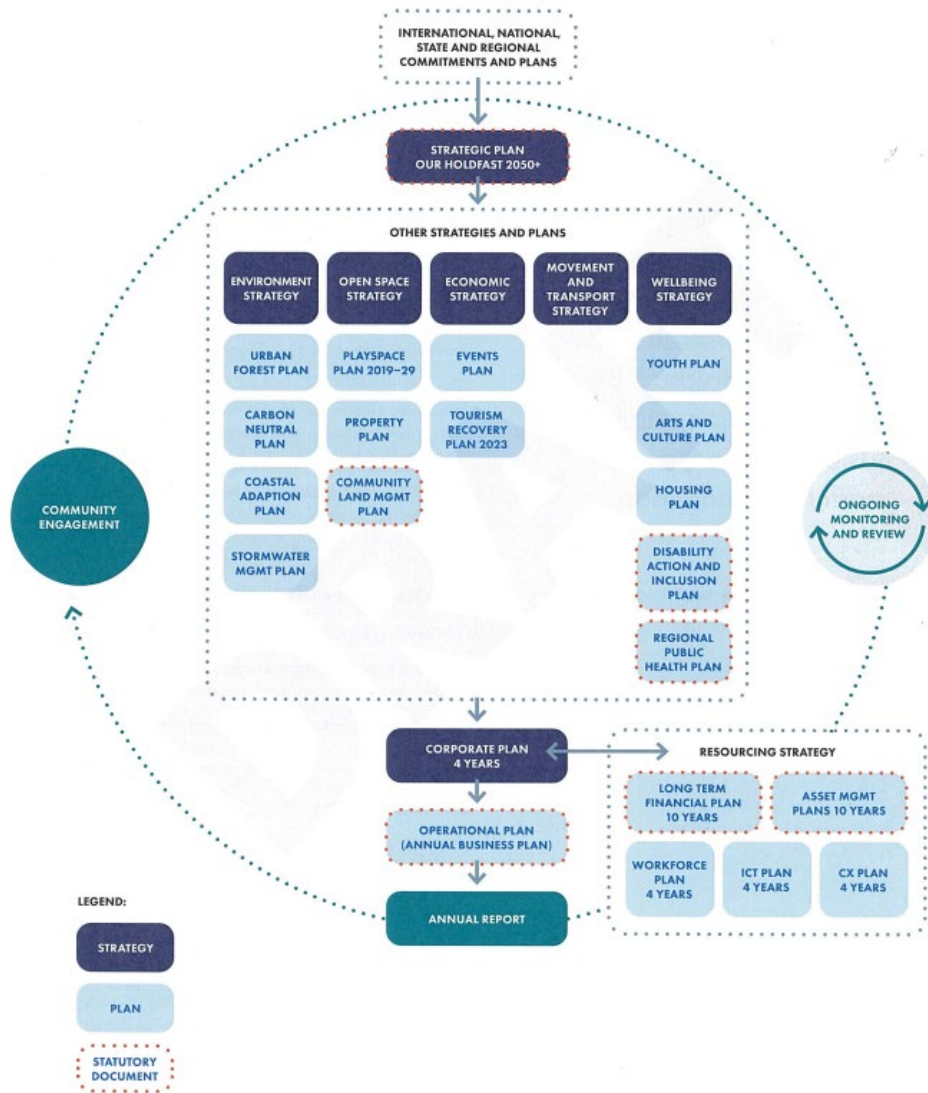


Figure 1.1 Planning framework

1.3 Stakeholders

Key stakeholders responsible for the asset management lifecycle of plant and equipment are provided in Table 1.1.

Key stakeholders	Role in Asset Management Plan
Residents / community	End users of the services provided directly and indirectly by the assets. Provide feedback collected throughout the year, including the annual satisfaction survey.
Elected Members	Act as custodians of community assets. Set asset management policy and vision. Allocate resources to meet council objectives in providing services while managing risks.
Audit Committee	Reviews, and makes recommendations and observations to Council on the financial outcomes of the asset management plans.
Chief Executive Officer and Senior Leadership Team	Provide leadership and strategic direction regarding management of assets and service provision. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and agreed service levels are incorporated into asset management planning and the Long Term Financial Plan. Ensure councillors and staff are provided with training in financial and asset management practices. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of asset management plans, the Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepares asset management plans. Manages the asset register and spatial systems. Coordinates data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provide technical asset management expertise to the organisation.
Assets and Delivery	Deliver plant and equipment capital works program.
Field Services	Ensure the maintenance programs are achieving service standards.

Table 1.1 Stakeholder responsibilities

1.4 Asset management framework

The Asset Management Strategy aims to align delivery of asset management activities with the organisation’s goals and objectives; this process is known as the “line of sight” with asset management.

The asset management framework consists of the three key asset management documents - the Asset Management Policy, Asset Management Strategy and asset management plans. These documents create transparency and accountability through all aspects of asset management to ensure all stakeholders understand their roles and responsibilities.

The Council’s asset management system is outlined in Figure 1.2. The asset management system is the end-to-end process of asset management within Council. The asset management framework connects Council’s strategic vision and goals to the on-the-ground delivery of our services.

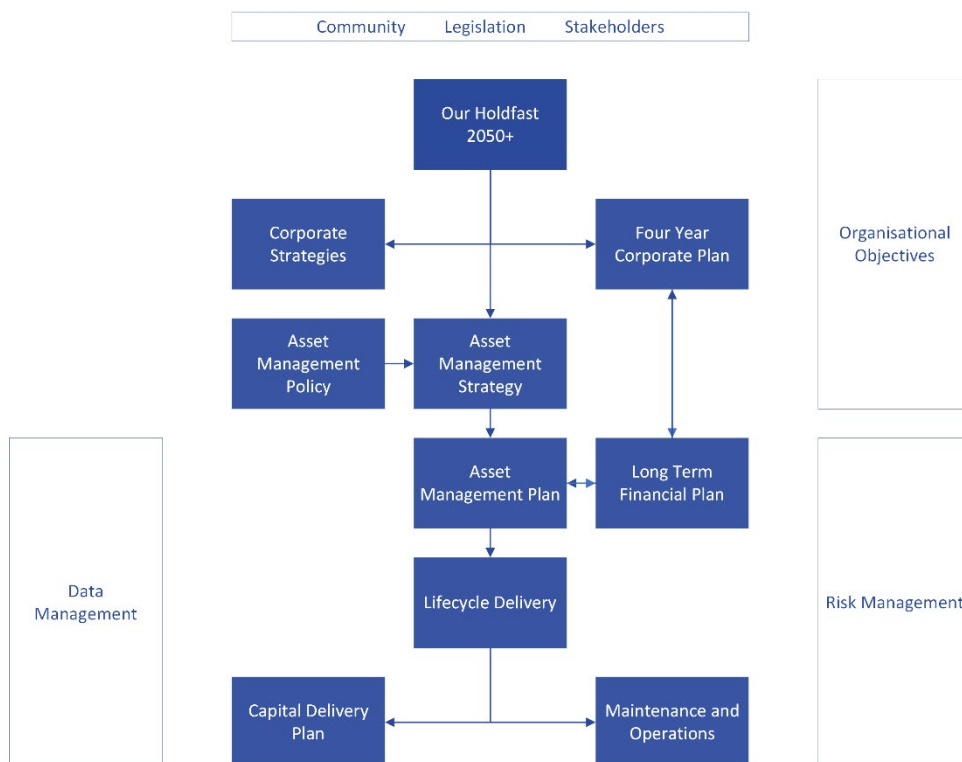


Figure 1.2 Asset management system

2 Asset class information

The plant and equipment asset class is defined in four categories:

- Car fleet
- Heavy vehicles
- Major plant
- Minor plant (commissioned and non-commissioned)

Category	Total replacement value	Number of assets	Useful service life
Car fleet	\$1.2 million	31	3 – 5 years
Heavy vehicles	\$4.6 million	36	5 – 9 years
Major plant	\$0.7 million	31	10 years
Minor plant (commissioned)	\$2.2 million	92	3 – 25 years
Minor plant (non-commissioned)	N/A	439	varying
Total	\$8.7 million	629	

Table 2.1 Plant and equipment assets

2.1 Asset hierarchy

The 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, asset category and subcategory used for asset planning, financial reporting and service level hierarchy used for service planning and delivery.

The plant and equipment asset class is defined in four categories for car fleet, heavy vehicles, major plant and minor plant. Within each asset category the assets are defined into hierarchy levels based on criticality of service.

Hierarchy level	Criticality	Description
Car fleet - standard	Medium	Typical use, standard maintenance and servicing, simple vehicle replacement. Includes pool vehicles, utility vehicles and personal use vehicles.
Car fleet – complex	Medium	Typical use, standard maintenance and servicing, vehicle replacement requires specialised build. Includes community safety vehicles and specific-use vehicles.
Heavy vehicles - standard	Medium	Typical use, standard maintenance and servicing, vehicle replacement requires specialised build.
Heavy vehicles – critical	High	High use, complex maintenance and repair requirements, critical to Council’s core service delivery, vehicle replacement requires specialised build. Includes three sweeper vehicles, a ride-on scrubber unit, two large community buses and a tractor that works on the beach.

Major plant	Medium	Typical use, standard maintenance and servicing.
Minor plant - minor	Low	Variety of non-commissioned minor plant assets that are replaced only as required.
Minor plant - standard	Medium	Variety of commissioned minor plant assets with varying service lives.

Table 2.2 Asset hierarchy

3 Levels of Service

The International Infrastructure Management Manual (IIMM) describes Levels of Service (LoS) as “defined service quality for an activity or service area against which service performance may be measured”.

City of Holdfast Bay has defined Levels of Service for plant and equipment assets for both:

- Community Levels of Service – community perception of service
- Technical Levels of Service – technical indicators of performance

Defined Levels of Service are designed to support continued performance and function of the plant and equipment assets to a reasonable standard, where maintenance and servicing are compliant with legislative requirements and manufacturing specifications. They are intended to ensure the plant and equipment assets, and associated budgets are appropriate to meet the service levels.

3.1 Community Levels of Service

No community Levels of Service as Council’s fleet provides an internal service.

3.2 Technical Levels of Service

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality (condition)	Physical state of assets in a serviceable condition	Average condition of assets	Average condition better than 3.0 (fair)	TBC
Quality (condition)	Physical state of assets in a serviceable condition	Percentage of poor or very poor (PVP) assets	PVP below 10%	TBC
Quality (renewal)	Sustainably managing the renewal of assets	Asset renewal ratio (Renewal expenditure over forecast budget).	90% - 110%	106% (2021-2023)
Function (safety)	Car fleet and heavy vehicles are inspected monthly by internal staff and serviced at least annually by external qualified personnel	Work order records maintained for monthly inspection and annual servicing	100% compliance	100%
Climate change	Transition light fleet to EVs	Deliver in line with fleet transition plan	Annual delivery planned, budgeted and delivered	Yes

Table 3.1 Technical Levels of Service

Levels of Service with 2024 performance labelled TBC (to be confirmed) do not currently have a baseline indicator. These are to be measured and reported on, going forward.

3.3 Legislation and relevant Acts

Under the *Local Government Act 1999*, Council is required to develop and adopt an infrastructure and asset management plan (AMP) covering a period of at least 10 years.

Council is additionally required to adopt a long-term financial plan (LTFP) associated with such service plans, also covering a period of at least 10 years. There is a direct link between the development and implementation of these two plans, with the LTFP updated to reflect forecast expenditure as detailed in these plans.

Council considers the following legislative framework in the management of its plant and equipment assets.

Legislation	Requirements
<i>Australian Accounting Standards</i>	Standards applied in preparing financial statements, relating to the valuation, revaluation, and depreciation of assets.
<i>Climate Change and Greenhouse Emissions Reduction Act 2007</i>	An Act to provide for measures to address climate change with a view to assisting to achieve a sustainable future.
<i>Disability Discrimination Act 2018</i> and other relevant disability legislation	To eliminate, as much as possible, discrimination against persons on the grounds of disability. Sets the standard for accessibility.
<i>Highway Act 1926</i>	Sets out the legislative framework for roads and road authorities in SA.
<i>Local Government Act 1999</i>	Sets out the role, purpose, responsibilities and powers of local governments including preparation of an LTFP supported by asset management plans for sustainable service delivery.
<i>Local Government (Financial Management and Rating) Amendment Act 2005</i>	Impetus for development of a strategic management plan, comprising an asset management plan, and LTFP.
<i>Motor Vehicles Standards Act 1989 (Australian Design Rules)</i>	National standards for vehicle safety, anti-theft, and emissions.
<i>Relevant Australian Standards</i>	Standards relating to requirements to inspect and certify cranes, elevated work platforms and lifting devices.
<i>Relevant Heavy Vehicle National Law and Regulations</i>	Laws and regulations related to heavy vehicles over 4.5 tonnes gross vehicle mass.
<i>Road Traffic Act 1961</i>	To provide for vehicle standards, mass and loading requirements and other safety measures in relation to light vehicles. Contains powers for Council to install and remove traffic control devices.
SafeWork SA relevant to fleet management	Registering relevant plant with Safework SA Code of Practice – Managing risks of plant in the workplace.
<i>Work Health and Safety Act 2012</i>	An Act to provide for the health, safety, and welfare of persons at work; and for other purposes.

Table 3.2 Legislation requirements

4 Demand forecast

A community's demand for services may change over time depending on factors including environmental, technological and capacity requirements. Council may need to make changes to manage future demand for services.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
Population increases	Total estimated population 37,543 (2021).	Planned to accommodate for 40,000 by 2031.	Increased demand for operational services and associated fleet.	Track operational and maintenance through request management and review plant and equipment requirements.	Potential to increase fleet as service requirements increase with population.
Environmental sustainability (climate mitigation)	Council and the community are increasingly aware of our impact on the environment and Council's role in environmental sustainability. Council is committed to achieving zero net carbon emissions by 2030 through reduced carbon emissions.	Council is committed to pursuing, supporting, and creating an environment that will sustain current and future generations.	Requirement to use fewer, recycled and renewable resources that can contribute to the development of a circular economy and reduce Council's carbon footprint. Greater environmental sustainability requirements placed on the construction industry.	Implement actions from the Environment Strategy 2020-2025, Climate Governance Risk Assessment recommendations, Carbon Neutral Plan and Fleet Transition Plan.	Transition to a lower energy fleet through the fleet transition plan. Capital and operational costs associated with energy efficient fleet to be considered through the fleet transition plan and included in the AMP.
Climate change (climate adaptation)	Increase in severe weather events including droughts, extreme heat events, storms, storm surges, high tides, and sea level rise.	Increasing number of hot weather days and events. Increase in intensity of rain events. Sea level rise is accelerating. Increased evapotranspiration.	Need appropriate fleet to facilitate emergency management planning. Increase in tree canopy will require additional specialised resourcing, including fleet.	Development of the Urban Forest Plan to provide indications of any effect on Council's fleet.	Increased or changed fleet and operating costs to adapt to changing environments.

Table 4.1 Demand factors

5 Lifecycle planning

Asset lifecycle planning outlines how Council plans to manage plant and equipment assets in an optimised cost-effective manner while ensuring delivery of agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

Each of these stages is further detailed in this lifecycle planning section.

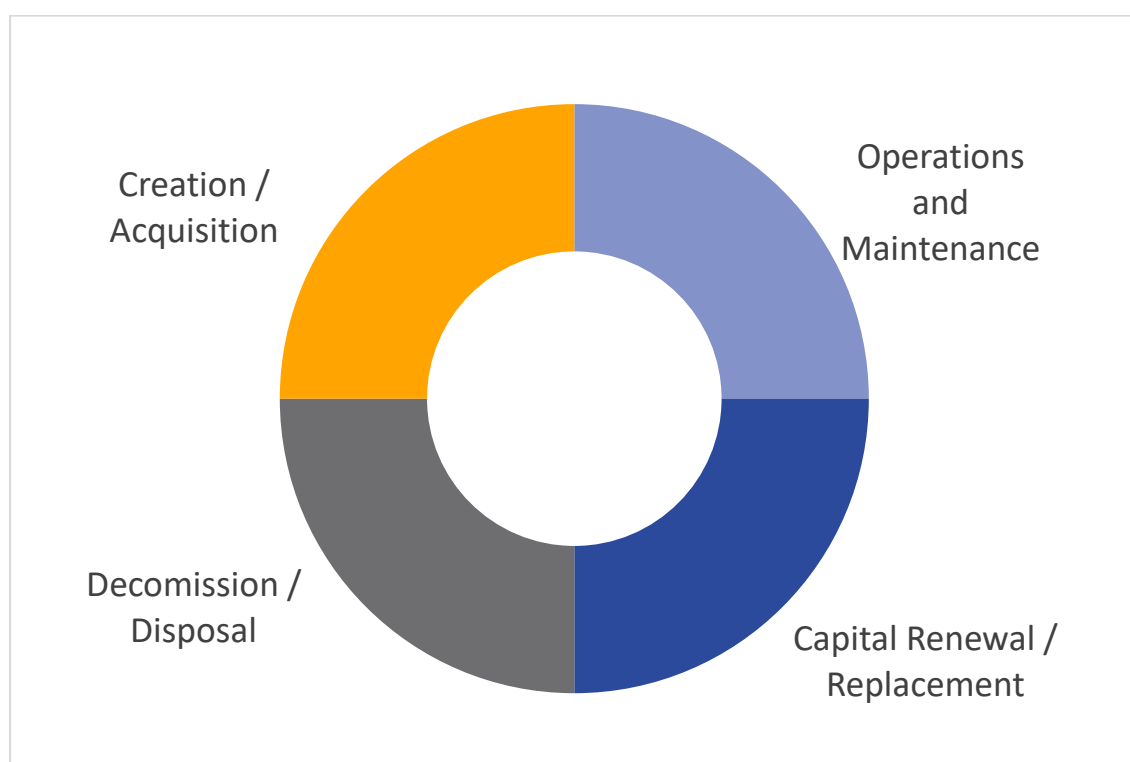


Figure 5.1 Asset lifecycle

Council's plant and equipment assets are managed to provide the services that Council provides to the community. Council's car fleet, heavy vehicles and major plant assets are replaced based on defined service lives of these assets. Council's minor plant assets are replaced either based on service lives or upon failure of the asset, depending on the item. During the life of an asset, it is maintained and serviced to ensure delivery of service and safety is provided.

5.1 Asset life

Plant and equipment assets are assigned a service life to define renewal timeframes rather than the standard expected useful life that is used for other asset classes. The service life assigned to plant and equipment assets considers factors such as the criticality of the asset, operation and maintenance costs, resale value of the asset, and the requirement to maintain the level of service provided by the asset.

Council replaces car fleet, heavy vehicles and major plant assets based on a defined service life rather than replacing assets based on condition. However, if an asset’s condition results in the asset being unsafe or no longer fit for service, an asset may require replacement earlier than originally planned.

Minor plant assets are defined as either a minor asset that is not commissioned and generally costs less than \$2,000 each, or a standard asset commissioned for plant and equipment generally costs more than \$2,000. Commissioned minor plant assets are assigned a service life between three years and 25 years, depending on the asset type and use. Non-commissioned minor plant assets are replaced upon failure, if they become unsafe to use or no longer able to provide the intended service.

During the service life of a plant and equipment asset, it should be serviced and maintained and inspected regularly to ensure the asset remains safe for use and fit for purpose and to ensure the service life is achieved. Regular risk assessments of assets should also be undertaken.

Plant and equipment category	Service life
Car fleet - standard	3 years
Car fleet - complex	5 years
Heavy vehicles – standard	9 years
Heavy vehicles – critical	5 years
Major plant	10 years
Minor plant – minor	As required
Minor plant – standard	3 years – 25 years

Table 5.1 Service life of plant and equipment assets

5.2 Historical expenditure

Historical expenditures for 2019-20 to 2022-23 for operation, maintenance, new assets and renewal of existing assets for the plant and equipment asset class is summarised in Figure 5.2. The actual expenditures for each year have been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditures.

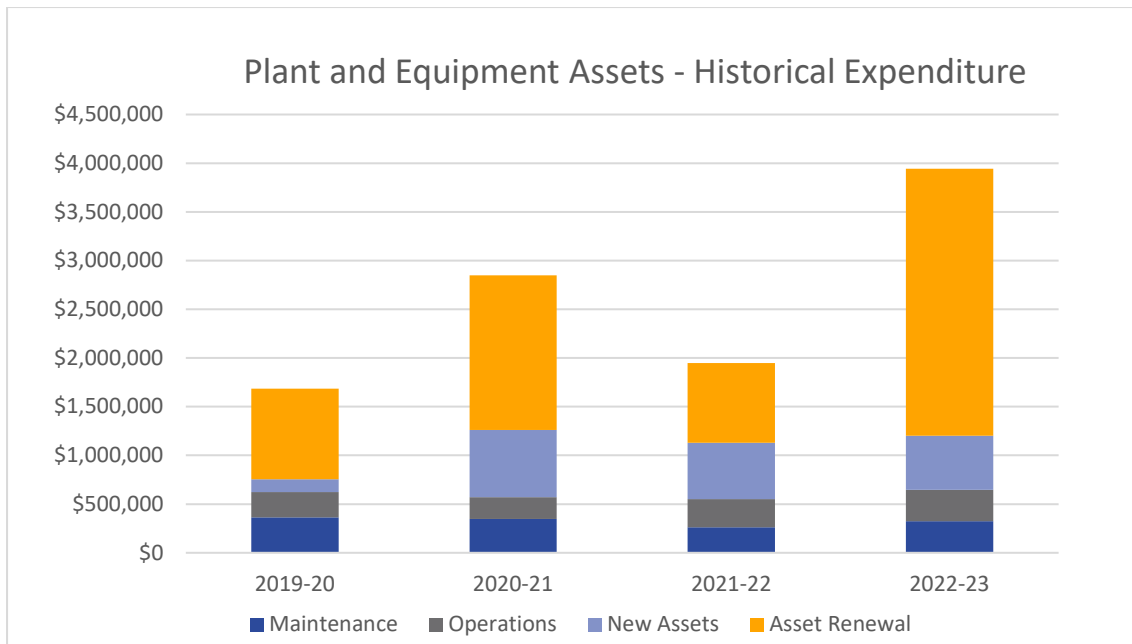


Figure 5.2 Historical expenditure

5.3 Operation and maintenance

Operations includes regular activities and costs required to provide services. Operational costs associated with plant and equipment includes fuel, vehicle registration, insurance, batteries and tyres.

Maintenance of plant and equipment assets includes activities required to keep the assets in a serviceable condition during their service life. Car fleet and heavy vehicles are inspected and serviced regularly, and repairs are undertaken following any incidents. Other plant and equipment assets are inspected, serviced and repaired as required to maintain service delivery.

Maintenance activities can be defined as either planned or reactive maintenance. Reactive maintenance is unplanned repair work that is generally carried out following damage, failure or safety issues associated with the asset. Planned maintenance is planned work including regular inspections, servicing of vehicles and equipment, and condition assessment of assets. Assessment and planning of both reactive maintenance and planned maintenance is undertaken by Council personnel who use judgment to minimise interruption to operations and service delivery.

The operations and maintenance costs of Council’s plant and equipment assets are forecast to trend in line with the previous four years of costs as the number of vehicles and the services provided have not changed and are not expected to change substantially. Annual amounts of \$274,143 for operations and \$323,632 for maintenance have been adopted based on the average of the previous four years.

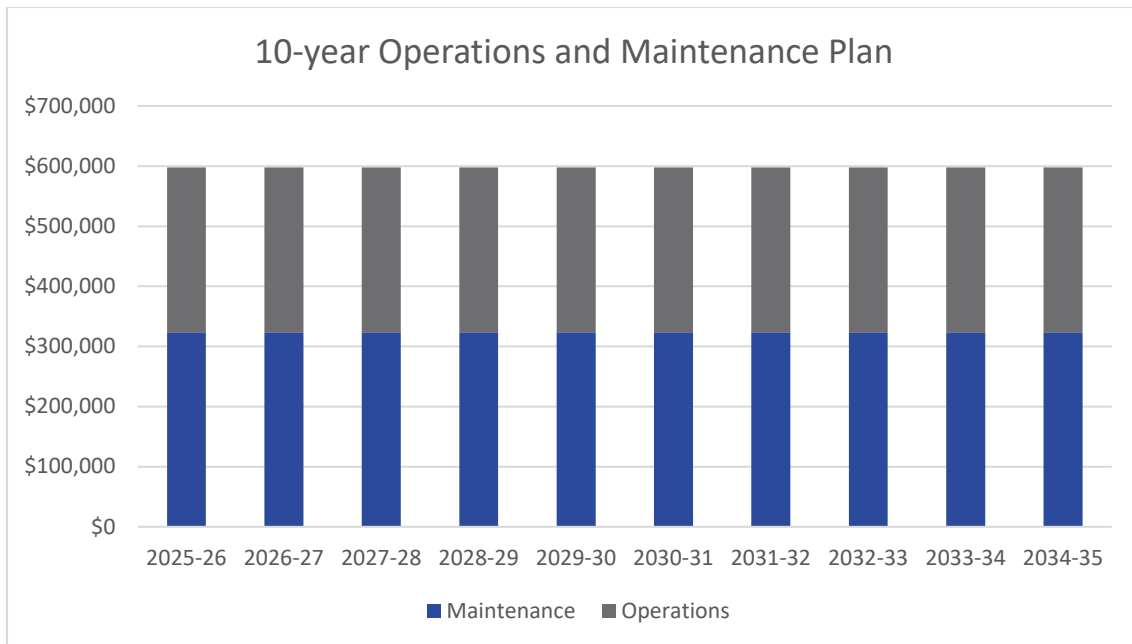


Figure 5.3 Operations and maintenance plan

5.4 Renewal Plan (Capital Renewal)

Replacement of plant and equipment assets is undertaken regularly to ensure continuity of service provision. To ensure continuity of service, maintain safety standards and maximise return on the trade-in of old vehicles and equipment, Council’s plant and equipment assets are replaced according to the following program:

- Car fleet assets are replaced between three years and five years.
- Critical heavy vehicles are replaced every five years.
- Medium-use heavy vehicles are replaced every nine years.
- Major plant assets are replaced every 10 years.
- Minor plant assets are replaced either on a defined timeframe or upon failure depending on each item.

The plant and equipment replacement program outlined in this plan has been developed to align with the service lives defined for the asset categories and with some adjustment to allow for an even spread of replacement budget over the 10-year period. Replacement costs have been estimated using a combination of inputs including the original purchase costs of vehicles with an allowance for inflation to 2024 and updated cost estimates where available.

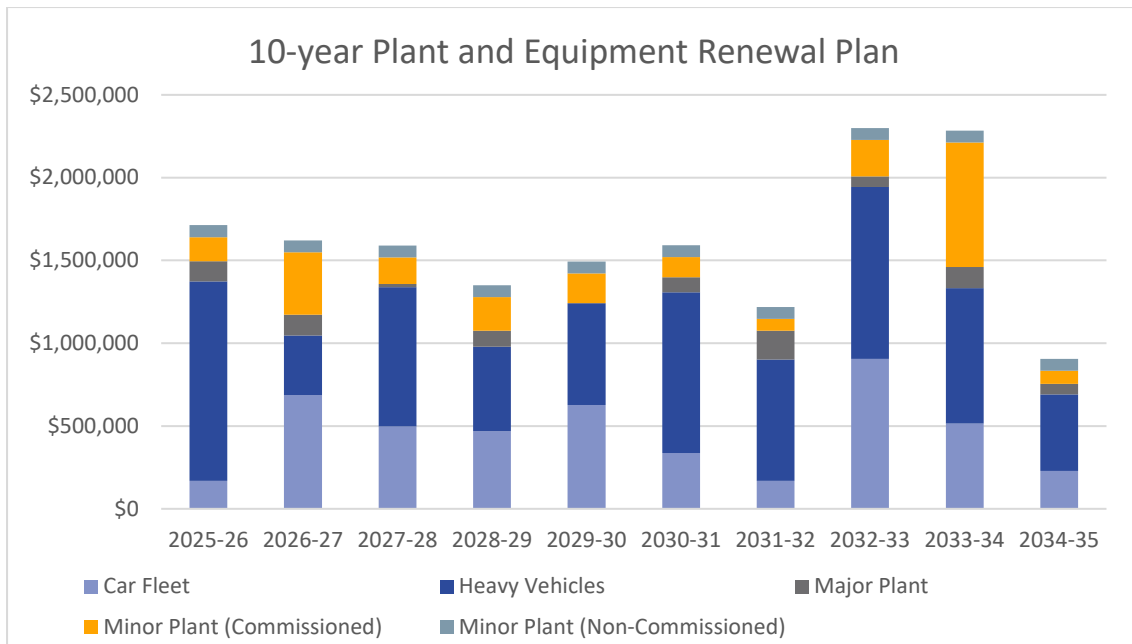


Figure 5.4 10-year renewal plan

5.5 Acquisition and Upgrade Plan (New Capital)

Acquisitions are new assets that did not previously exist or works resulting in an upgrade of the asset and an increased capacity to deliver a service. The requirement for an acquisition may result from growth, changed demand, social or environmental needs. Assets may also be donated to the City of Holdfast Bay.

Council is currently planning the following upgrades:

- Replacement of the current elevated work platform with a new elevated work platform that has an insulated bucket.
- Replacement of car fleet assets and some heavy vehicles with electric vehicles.
- Electric vehicle charging stations to facilitate the new electric vehicle fleet, including \$10,000 in 2025-26 and \$30,000 in 2026-27. Further requirements are subject to an update of the fleet transition plan.

5.6 Disposal Plan

Plant and equipment assets are generally disposed of following delivery of new replacement plant and equipment assets. Car fleet, heavy vehicles and major plant assets are usually traded-in as part of the new vehicle purchase. Minor plant assets are either disposed of due to failure or sold following delivery of the new replacement asset. All assets are disposed of in accordance with Council's Disposal of Assets Policy.

6 Financial summary

The financial requirements for the plant and equipment asset class are outlined in this section.

6.1 Asset class valuation

Valuation of Council’s plant and equipment asset class differs from the other asset classes in that the values are based on the original capitalised cost of each asset. The depreciated values are based on the service life assigned to each asset.

The valuation of Council’s plant and equipment asset class as of 30 June 2024 is summarised in Table 6.1.

Asset category	Cost	Accumulated depreciation	Carrying value	Number of assets
Car fleet	\$1,182,122	\$359,829	\$822,293	31
Heavy vehicles	\$4,635,359	\$2,112,611	\$2,522,748	36
Major plant	\$716,997	\$341,267	\$375,730	31
Minor plant (commissioned)	\$2,180,441	\$1,432,616	\$747,825	92
Minor plant (non-commissioned)	NA			439
Total	\$8,714,919	\$4,246,323	\$4,468,597	629

Table 6.1 Plant and equipment asset valuation

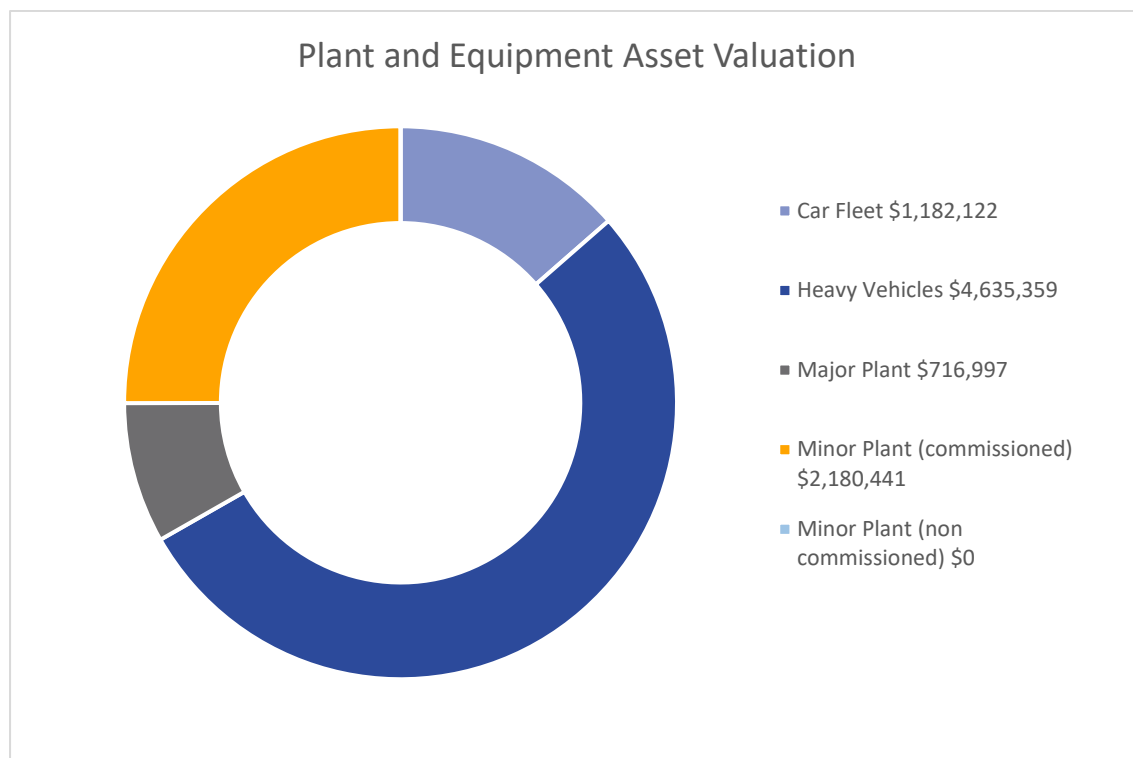


Figure 6.1 Plant and equipment assets

6.2 Expenditure forecast summary

The overall plant and equipment expenditure forecast for operations, maintenance, renewal of existing assets, and acquisition of new assets is provided in Figure 6.2 (excludes disposal of assets) and Table 6.2. The plant and equipment asset renewal forecast is provided in Table 6.3.

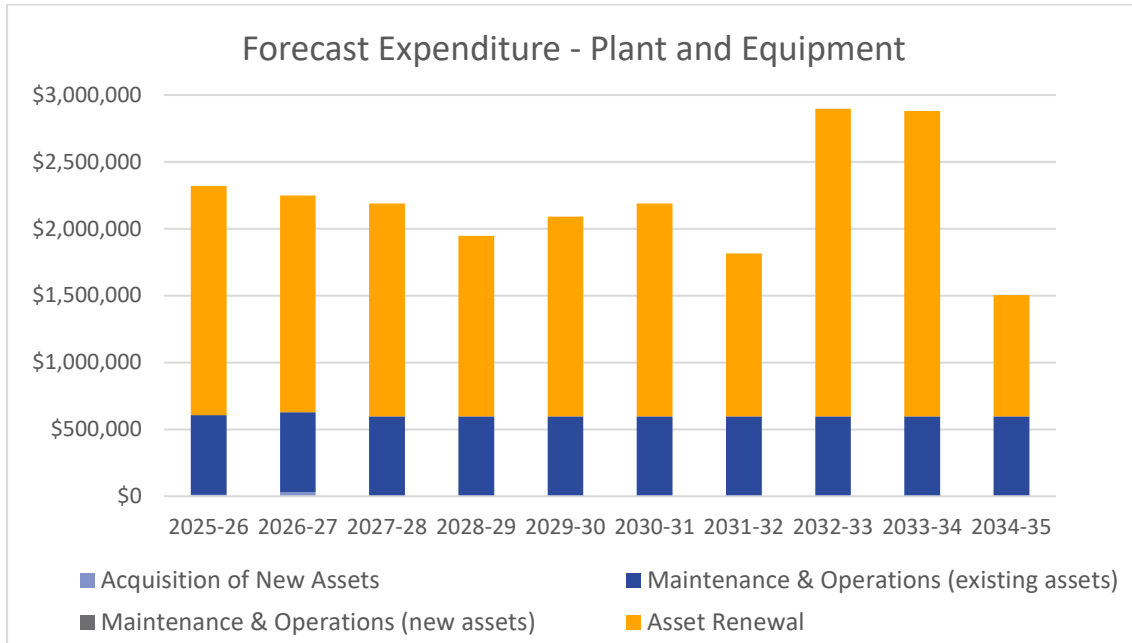


Figure 6.2 Plant and equipment forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Acquisition of new assets	\$10,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance and operations (existing assets)	\$597,775	\$597,775	\$597,775	\$597,775	\$597,775	\$597,775	\$597,775	\$597,775	\$597,775	\$597,775
Maintenance and operations (new assets)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset renewal	\$1,712,871	\$1,620,831	\$1,590,325	\$1,350,232	\$1,492,814	\$1,592,328	\$1,218,085	\$2,299,078	\$2,283,639	\$905,723
Asset disposal	-\$458,469	-\$636,013	-\$587,942	-\$502,727	-\$623,806	-\$518,156	-\$353,727	-\$954,827	-\$623,073	-\$303,359
External grant funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Council funding required	\$1,862,177	\$1,612,593	\$1,600,158	\$1,445,280	\$1,466,783	\$1,671,947	\$1,462,133	\$1,942,026	\$2,258,341	\$1,200,139

Table 6.2 Forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Car fleet	\$169,413	\$686,277	\$497,150	\$468,040	\$626,277	\$337,150	\$169,413	\$906,277	\$515,777	\$229,413
Heavy vehicles	\$1,203,330	\$361,203	\$841,618	\$511,701	\$616,394	\$970,747	\$732,212	\$1,036,606	\$816,212	\$462,198
Major plant	\$122,305	\$124,018	\$18,700	\$95,087	\$0	\$90,428	\$174,455	\$63,872	\$128,749	\$63,000
Minor plant (commissioned)	\$146,028	\$377,538	\$161,062	\$203,609	\$178,348	\$122,208	\$70,210	\$220,528	\$751,106	\$79,317
Minor plant (non- commissioned)	\$71,795	\$71,795	\$71,795	\$71,795	\$71,795	\$71,795	\$71,795	\$71,795	\$71,795	\$71,795
Total renewal	\$1,712,871	\$1,620,831	\$1,590,325	\$1,350,232	\$1,492,814	\$1,592,328	\$1,218,085	\$2,299,078	\$2,283,639	\$905,723

Table 6.3 10-Year Renewal Plan

6.3 Funding strategy

Key strategic activities that will affect the future financial position for plant and equipment:

- The AMP to inform the LTFP
- Carbon Neutral Plan implementation
- Resilient Asset Management Program implementation

6.4 Assumptions

The following assumptions have been adopted in development of the renewal program:

- The renewal program has been based on acquisition date and service life for car fleet, heavy vehicles, major plant and commissioned minor plant assets.
- The replacement of non-commissioned minor plant assets will be undertaken as required to maintain service provision and safe use of equipment.
- Replacement cost estimates have been developed as of 2024-25; purchase costs have been indexed by the local government price index (LGPI) to develop 2024-25 cost estimates however no indexing has been added for future year replacements.
- No allowance has been made for acquisition of new assets or decommissioning of existing assets.
- Current operational and maintenance expenditure is sufficient to maintain service levels.
- Information and Technology (IT) assets have been excluded from this plan. An improvement action item has been outlined in section 8 to incorporate the IT asset register into the plant and equipment asset management plan.
- The IT renewals are budgeted through the LTFP.

6.5 Data confidence

Expenditure requirements for asset replacement and operational costs have been based on the best available data. Replacement cost estimates have been based on a combination of previous costs indexed to 2025 and consideration of recent purchase prices to provide expected cost estimates as of 2025. Operational and maintenance expenditure requirements have been based on actual expenditures from the past four years. It has been assumed these actual costs from the past four years provide the most accurate estimate of required costs to maintain service levels going forward.

Based on the IPWEA data confidence scale, the plant and equipment data is classified as “B - reliable”. The asset registers for car fleet, heavy vehicles and major plant are accurate and kept up to date. The asset register for the minor plant category is maintained, however, as there are periods between audits the data accuracy is estimated to be accurate to $\pm 10\%$.

Confidence level	Description
A – Highly reliable	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 – Reliable	Data based on sound records, procedures, investigations, and analysis, documented properly but has minor shortcomings, e.g. 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 $\pm 10\%$.

C – Uncertain	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 is available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$.
D – Very uncertain	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 – Unknown	None or very little data held.

Table 6.4 Data confidence

7 Risk management

The objective of the risk management process is to ensure all significant asset management risks are identified and assessed. Following a risk assessment and consideration of both likelihood and consequence, risks identified as high or very high in the short to medium term are investigated. Strategies and treatments are implemented to mitigate or address unacceptable risks.

An assessment of risks in line with Council’s risk matrix (Figure 7.1) associated with the plant and equipment asset class are detailed in Table 7.1.

Likelihood \ Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Figure 7.1 Risk matrix

Table 7.1 summarises the asset management risk register, which is reviewed and updated at minimum annually in line with our risk management procedures. The asset management risk register should be reviewed in line with the strategic and operational risk register.

Plant and equipment risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Risk of climate change affecting services and useful life of assets	<ul style="list-style-type: none"> - Ongoing participation in the Resilient Asset Management Program (RAMP) with Resilient South Councils. - Coastal adaptation planning in place including hazard identification and assessment. - Consideration of climate change risks in strategic and long-term planning. 	HIGH	<ul style="list-style-type: none"> - Implement RAMP actions for all asset classes and across the asset lifecycle. - Complete coastal adaptation planning including data collation, risk assessments and community engagement. - Integrated IPWEA Practice Note 12.1 into asset project design & planning processes. 	MEDIUM
Inconsistency caused by changes to Elected Members or Senior Leadership personnel.	<ul style="list-style-type: none"> - Alignment of asset management framework (AM Policy, Strategy and plans) including service levels and long-term financial plans. - Development of AM Steering Committee. - Regular asset management updates provided to Elected Members. 	MEDIUM	<ul style="list-style-type: none"> - Improving asset management maturity aligned with AM Strategy improvement plan. - Keep Elected Members and Senior Leadership Committee informed via the Asset Management Steering Committee. Identify training where required. 	MEDIUM
Insufficient budget to meet service levels for maintenance and renewal	<ul style="list-style-type: none"> - Clear budget planning process, identifying any funding dependencies within planned/major upgrades. - Operational management plans for complex and high risk sites. - 10-year financial planning and rolling 3-year capital works program. - Regular condition audits of assets. - Community service levels developed through ongoing feedback. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 8 and Improvement Action 4: Review operational LoS and update responsibilities, resourcing and planning to meet agreed LoS. Implement system to prioritise, assess and action requests in-line with operational LoS. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making 	MEDIUM
Lack of accuracy and consistency in asset management source data	<ul style="list-style-type: none"> - Satisfactory data confidence level in current asset information data levels through cyclic condition audits. See confidence levels. - Annual cyclic data collection schedule in place. - Ongoing improvements to data management guidelines. - Regular updates from routine maintenance spot checks/issue reporting. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 3: Establish the data management framework and guidelines for asset register to future-proof for predictive modelling. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making 	LOW
Loss or damage of plant & equipment	<ul style="list-style-type: none"> - Updated and relevant Safe Work Method Statement (SWMS), Safe Work Instructions (SWI), Safe Operating Procedure (SOP) and operating manuals are in place for 	MEDIUM	<ul style="list-style-type: none"> - Annual review of SWMS, SWIs, SOPs and operating manuals. - Training analysis / skills gap analysis to be undertaken 	MEDIUM

Plant and equipment risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
	<p>all plant and equipment.</p> <ul style="list-style-type: none"> - Plant-specific risk assessments are in place. - Training for new/high-risk operations completed and captured in Training Needs Analysis. 		for new/high-risk/complex operations.	
Non-compliance with heavy vehicle (HV) laws	<ul style="list-style-type: none"> - Fleet management process recognises heavy vehicle assets. - Required details incorporated into the procurement process. - Recorded service detail provides a compliance register for all HV vehicles. 	MEDIUM	<ul style="list-style-type: none"> - Ensure all vehicles are compliant with HV laws prior to final procurement. - Ensure effective record keeping within newly decentralisation of Depot fleet management. 	MEDIUM
Obsolete/ineffective plant & equipment assets	<ul style="list-style-type: none"> - Plant and equipment utilisation and capacity review undertaken. - Asset Management Plan for Plant and Equipment. - Asset registers with detailed End of Life data. 	MEDIUM	<ul style="list-style-type: none"> - Undertake plant & equipment review of utilisation and capacity. - Update the Asset Management Plan for Plant and Equipment 	LOW

Table 7.1 Risk assessment

8 Improvement Plan

The following tasks have been identified for improving plant and equipment asset management practices and future versions of this plan.

Task No	Improvement task	Responsibility	Resources required	Due for review
1	Review Use of Vehicles Policy.	Asset Management Lead	Existing	June 2025
2	Deliver fleet transition to electric vehicles in line with Fleet Transition Plan including supporting charging infrastructure.	Asset Management Lead	Existing	Ongoing
3	Review the service life of low-use passenger fleet and consider replacement based on mileage versus service life.	Asset Management Lead	Existing	June 2026
4	Develop continuity plan for critical plant and equipment.	Manager Field Services	Existing	June 2026
5	Undertake minor plant assets audit and develop annual replacement cost estimates for non-commissioned minor plant assets. Incorporate the annual cost estimate requirement into the next asset management plan.	Manager Field Services	Existing	June 2028
6	Incorporate the Information Technology (IT) asset register into the Plant and Equipment Asset Management Plan. Improve data standards for the Information Technology (IT) asset register to align with best practice.	Asset Management Lead	Existing	June 2028

Table 8.1 Improvement Plan

Glossary of Terms

Key Term	Definition
Accumulated depreciation	The total amount of depreciation charged to an asset from when it was first recognised to a given point in time.
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Category	Second tier in the data structure, a subset of assets with similar attributes.
Asset Class	An asset class is a grouping of assets of a similar nature and use. First tier in the data structure in line with the five asset management plans.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost-effective manner.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management Plan	Long-term plans (usually 10 years) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost-effective way.
Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Asset Sub-Category	Third tier in the data structure, a further second subset of assets with similar attributes.
Asset Type	Specific attribute with a unit rate used for valuation.
Capital expenditure	Expenditure which contributes to or results in a physical asset.
Capital renewal expenditure	Expenditure to replace or rehabilitate an existing asset.
Carrying value	The amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.
Commissioned assets	Assets within Council's asset register that have been assigned a value and are subject to depreciation.
Current Asset Cost	The cost of replacing an existing asset with a substantially identical new asset or a modern equivalent.

Key Term	Definition
IIMM	International Infrastructure Management Manual providing guidelines for best management practices for infrastructure assets.
In-use assets	Assets within Council's asset register that currently exist and are providing a service.
ISO 55000	The ISO 55000 international standard for asset management provides terminology, requirements and guidance for implementing, maintaining and improving an effective asset management system.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Maintenance expenditure	Any activity performed on an asset to ensure it is able to deliver an expected level of service until it is scheduled to be renewed, replaced or disposed.
New capital expenditure	Expenditure which creates a new asset in addition to Council's previously existing assets.
Operational expenditure	Ongoing expenditure for activities throughout an asset's life such as electricity, fuel, cleaning and inspections.
Useful Life	The useful life (UL) of an asset is the estimated length of time during which the asset is likely to be able to deliver a satisfactory level of service.

STORMWATER

Asset Management Plan 2024

City of Holdfast Bay



Contents

Executive summary	3
1 Introduction	4
1.1 Purpose.....	4
1.2 Strategic context.....	4
1.3 Stakeholders	6
1.4 Asset management framework	7
2 Asset class information	8
3 Levels of Service	9
3.1 Community Levels of Service.....	9
3.2 Technical Levels of Service	10
3.3 Stormwater standards.....	11
3.4 Legislation and relevant Acts.....	12
4 Demand forecast	14
5 Lifecycle planning.....	17
5.1 Asset life	17
5.2 Asset condition	18
5.3 Historical expenditure	20
5.4 Operation and Maintenance Plan	21
5.5 Renewal Plan (capital)	22
5.6 Acquisition Plan (new capital)	23
5.7 Disposal Plan.....	24
6 Financial summary	25
6.1 Asset valuation	25
6.2 Expenditure forecast summary	26
6.3 Funding strategy	28
6.4 Assumptions	28
6.5 Data confidence.....	28
7 Risk management.....	30
8 Improvement Plan.....	33
Glossary of Terms.....	34

Acknowledgement to Country

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

Executive summary

The City of Holdfast Bay owns and maintains approximately 68km of underground pipes and over 2,000 pits, 9 gross pollutant traps (GPTs) and 55 water sensitive urban design assets worth over \$69 million. These assets help manage the quality and quantity of rainfall runoff.

The objective of asset management is to ensure the City of Holdfast Bay’s assets are managed in the most cost-effective and sustainable way, so we can continue to deliver valuable services for our community now and into the future.

To ensure our assets are providing the appropriate service to the community, levels of service are tracked each year. These levels of service are defined under quality, function, capacity and climate.

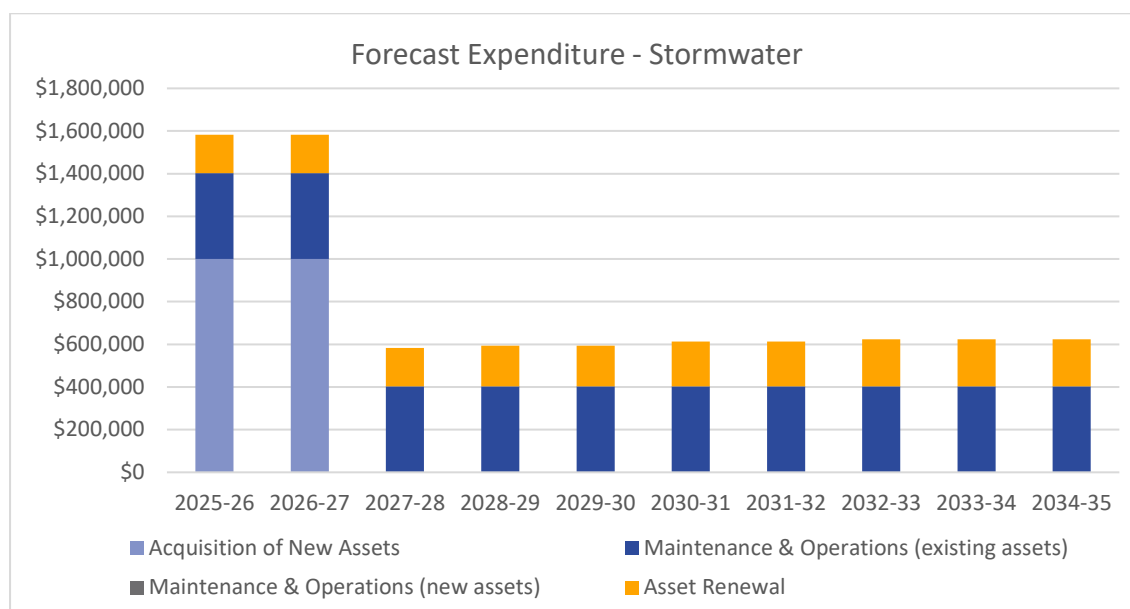
Asset lifecycle planning outlines how Council plans to manage stormwater assets in an optimised cost-effective manner while ensuring delivery of the agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

The physical condition of our assets is a level of service indicator to ensure we are appropriately investing in assets. The targets for condition are overall average condition better than 3.0 (fair) and the percentage of assets in fair to very good condition above 90%. The current condition levels are:

- Average condition: 1.7 (very good)
- Fair to very good condition percentage: 91%

The expenditure forecast for all four stages of the asset lifecycle is summarised below.



Council is committed to continuously improving the quality and maturity of its asset management practices. The stormwater improvement program has been developed as a roadmap for these improvements in conjunction with the Asset Management Strategy.

1 Introduction

1.1 Purpose

The primary purpose of stormwater assets is to manage the quality and quantity of rainfall runoff, with the objective to:

- Minimise property flooding
- Protect the health and safety of the community
- Minimise adverse impacts on the environment
- Harness the potential of stormwater to overcome water shortages
- Reduce urban temperatures
- Improve waterway health

The strategic direction for overall management of stormwater is detailed in Council's Stormwater Management Plans (SMPs). The Asset Management Plan focuses on how we manage our stormwater assets and infrastructure in line with the Stormwater Management Plan outcomes.

City of Holdfast Bay owns and maintains a variety of stormwater assets including:

- Underground drainage network (stormwater pits and pipes)
- Water quality devices such as gross pollutant traps (GPTs)
- Water sensitive urban design (WSUD)

The plan aims to demonstrate proactive management of assets in compliance with regulatory requirements to sustainably meet present and future community needs through:

- Aligning with industry best practice for asset management ISO 55000:2014 without seeking accreditation as an ISO document or process.
- Aligning delivery of asset management activities with organisational goals and objectives.
- Creating transparency and accountability through all aspects of asset management.
- Meeting the agreed Levels of Service in the most cost-effective way through the creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets.

1.2 Strategic context

In accordance with the Local Government Act 1999 (the Act) and the Strategic Plan (Our Holdfast 2050+), the Council provides a range of community services to the local community and visitors.

Assets are the foundation stones of the Council and the management of assets is essential to achieve our Council's vision of:

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

The plan is developed and implemented in conjunction with the following plans, strategies and policies:

- Strategic Plan (Our Holdfast 2050+)
- Corporate Plan (Four-year delivery plan)
- Long Term Financial Plan (LTFP)
- Asset Management Policy

- Asset Management Strategy
- Asset Management Plans (AMP)
- Stormwater management plans (SMP)
- Coastal adaptation planning
- Carbon Neutral Plan

Council’s planning framework is outlined in Figure 1.1

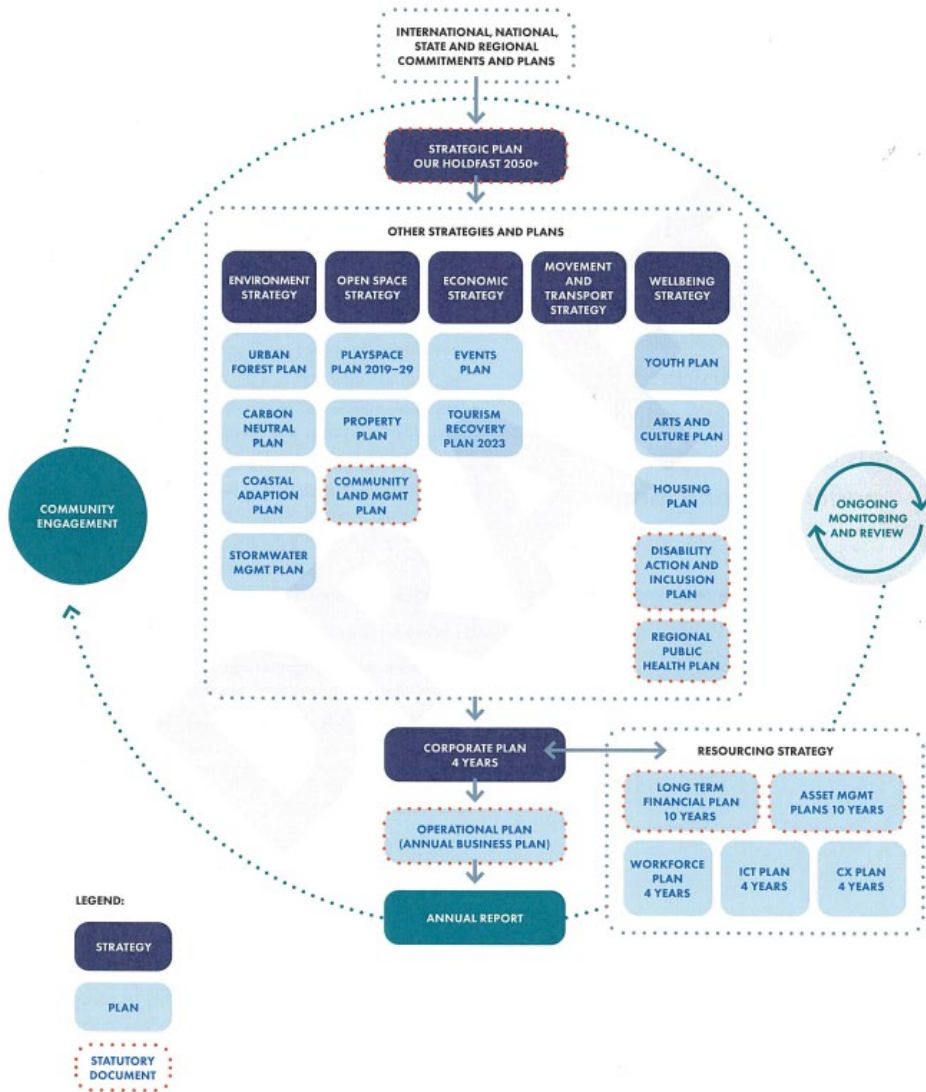


Figure 1.1 Planning framework

1.3 Stakeholders

Key stakeholders responsible in the asset management lifecycle of stormwater assets are provided in Table 1.1.

Key stakeholders	Role in Asset Management Plan
Residents / community	<p>End users of the services provided directly and indirectly by the assets.</p> <p>Provide feedback collected throughout the year, including the annual satisfaction survey.</p>
Elected Members	<p>Act as custodians of community assets.</p> <p>Set asset management policy and vision.</p> <p>Allocate resources to meet council objectives in providing services while managing risks.</p>
Audit Committee	<p>Reviews, and makes recommendations and observations to Council on the financial outcomes of the asset management plans.</p>
Chief Executive Officer and Senior Leadership Team	<p>Provide leadership and strategic direction.</p> <p>Review Asset Management Policy and Asset Management Strategy.</p> <p>Ensure community needs and the outcomes of service reviews are incorporated into asset management planning and LTFP.</p> <p>Ensure councillors and staff are provided with training in financial and asset management practices.</p> <p>Ensure accurate and reliable information is presented to Council.</p> <p>Ensure appropriate delegations and approval processes are followed.</p>
Manager Engineering	<p>Manages development, implementation and review of asset management plans, the Asset Management Policy and Asset Management Strategy.</p> <p>Responsible for advancing asset management within the organisation.</p>
Asset Management Lead	<p>Prepares asset management plans.</p> <p>Manages the asset register and spatial systems.</p> <p>Coordinates data collection.</p> <p>Coordinates annual renewal budget planning.</p> <p>Delivery of asset management improvement programs.</p> <p>Provides technical asset management expertise to the organisation.</p>
Senior Project Manager	<p>Coordinates Council's capital works program.</p>
Manager Field Services	<p>Ensures the maintenance and works programs are achieving service standards.</p>

Table 1.1 Stakeholder responsibilities

1.4 Asset management framework

The Asset Management Strategy aims to align the delivery of asset management activities with the organisation’s goals and objectives; this process is known as the “line of sight” with asset management.

The asset management framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and asset management plans. These documents create transparency and accountability through all aspects of asset management to ensure all stakeholders understand their roles and responsibilities.

The Council’s asset management system is outlined in Figure 1.2. The asset management system is the end-to-end process of asset management within Council. The asset management framework connects Council’s strategic vision and goals to the on-the-ground delivery of our services.

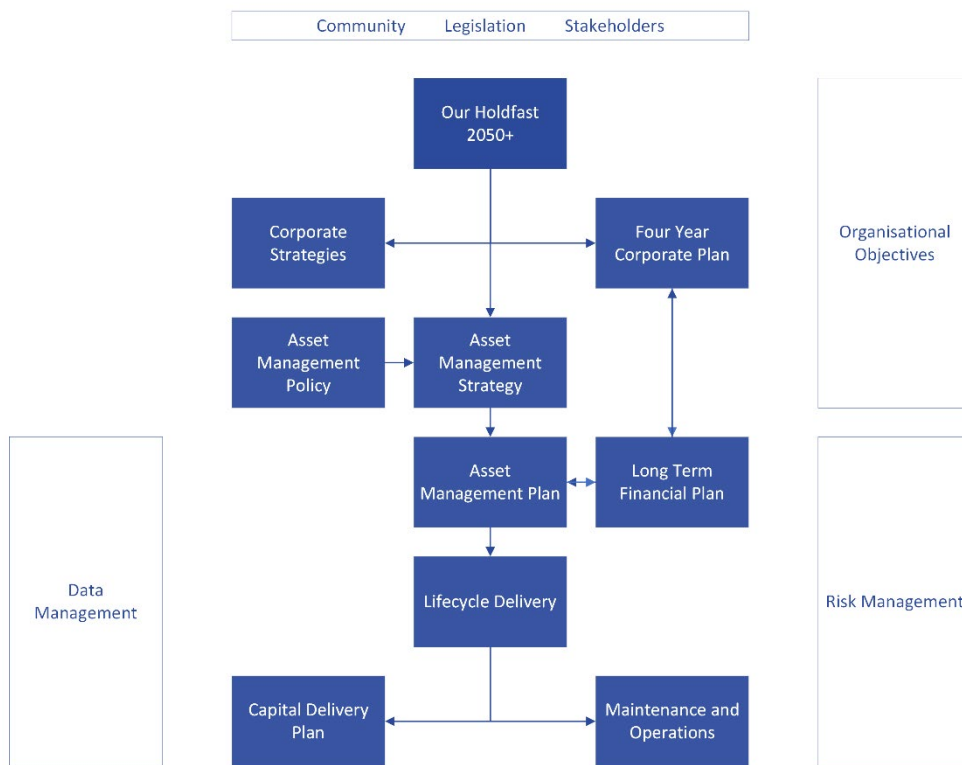


Figure 1.2 Asset management system

2 Asset class information

The stormwater asset class includes 5,354 assets and is defined into two categories for drains and pits and, further, into sub-categories as summarised below.

Stormwater drain asset sub-categories	Number of assets	Length (m)
Stormwater pipes	2,812	67,735
Stormwater culverts	173	4,590
Total	2,985	72,235

Table 2.1 Stormwater drain assets

Stormwater pit asset sub-categories	Number of assets
Side entry pit	1,732
Junction box	459
Grated inlet pit	86
Gross pollutant trap	9
Headwall	25
Pump station	3
Water sensitive urban design (WSUD)	55
Total	2,369

Table 2.2 Stormwater pit assets

The stormwater asset class was last revalued in 2022 using current data. During 2023-24 the stormwater asset GIS register was reviewed and updated.

This Asset Management Plan has been based on the data as of 2024. The next revaluation will be developed as of 1 July 2026.

3 Levels of Service

The International Infrastructure Management Manual (IIMM) describes Levels of Service (LoS) as “defined service quality for an activity or service area against which service performance may be measured”.

City of Holdfast Bay has defined Levels of Service for stormwater assets for both:

- Community Levels of Service – community perception of service
- Technical Levels of Service – technical indicators of performance

The defined Levels of Service are designed to support continued performance and function of stormwater assets to a reasonable standard, where maintenance and servicing are compliant with legislative requirements and manufacturing specifications. They are intended to ensure the stormwater assets and associated budgets are appropriate to meet the service levels.

Community and technical levels of service are used as performance indicators.

Detailed operational levels of service for individual business processes are defined within department’s operational plans. Requirements are identified in the improvement actions section.

3.1 Community Levels of Service

Council receives feedback from a variety of sources including:

- Community enquiries and requests
- Community Strategy consultation
- Annual Business Plan consultation
- Project feedback
- Development of AMPs
- Quality of Life Report
- Customer satisfaction surveys

This feedback is built into all areas of the Plan and we seek to measure our performance against community expectation through our service level links to customer request records and the Quality of Life Report 2023.

Performance measure	Desired Level of Service	Performance measure	Key performance indicator	2024 performance
Quality	Stormwater network is well maintained. Function is effective drainage during rain events.	Number of reactive blockages requiring clearing	Reduction in blockages	TBC

Table 3.1 Community Levels of Service

3.2 Technical Levels of Service

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality (condition)	Physical state of stormwater assets in functioning condition.	Average condition of stormwater assets.	Average condition better than 3.0.	Pipes: 1.8 (14%)
		Percentage of poor or very poor (PVP) stormwater assets.	Asset PVP below 10%.	Pits: 1.6 (1.6%)
Quality (condition)	Serviceable state of stormwater assets in functioning condition.	Condition of stormwater assets.	Average condition better than 3.0. Asset PVP below 10%.	Pipes: N/A Pits: 2.6 (21%)
Quality (renewal)	Sustainably managing renewal of assets.	Asset renewal ratio (Renewal expenditure over forecast budget).	90% - 110%	470%
Quality (responsiveness)	Stormwater maintenance services are provided within determined response time.	Time taken to respond to requests.	Meet response times for priority 4 and 5 requests.	TBC
Capacity	Stormwater assets have the capacity to drain stormwater effectively. Avoid local flooding in events less than a 20% Annual Exceedance Probability (AEP) event.	Number of local flooding events occurring during a below 20% AEP event. Customer request records.	Reduction in issues raised during events. Future goal of 0 flooding issues resulting from 20% AEP event.	TBC
Function (safety)	Stormwater assets are safe and free of hazards.	Number of injuries or accidents	0	0
Climate (mitigation)	Reduce and eliminate emissions to reach 2030 carbon-neutral target.	Emissions reduction from previous year.	Evidence-based reduction.	TBC
Climate (adaptation)	Reduction of asset management climate risk to Council	Consider climate risk in infrastructure decision-making	Progress the RAMP and implementation of actions	Yes

Table 3.2 Technical Levels of Service

All community and technical Levels of Service have been achieved with the following exceptions:

Service level	Response action
Quality (condition) – physical state of asset PVP below 10%: Pipes 14%	CCTV condition inspections have been historically limited to known high-risk areas, negatively skewing the condition data. The CCTV program is being increased to 5km a year. Targeting a broader range of areas to improve the representation of data and knowledge of the network.
Quality (condition) – serviceability state of asset PVP below 10%: Pits 21%	The pit condition inspection concluding 2023-24 found 21% of the network had poor serviceability (blockages). A program has been completed in 2024 to clear these blockages to reinstate a high serviceability rate.
Quality (renewal) – asset renewal ratio: 470% (target 90%-110%)	Through the Stormwater Management Plan, implementation of significant stormwater improvement projects has been delivered. These improvement projects have included associated renewal works to complement the network upgrades. These works have been funded through the stormwater improvement program.

Table 3.3 Response actions

Levels of Service with 2024 performance labelled TBC (to be confirmed) do not currently have a baseline indicator. These are to be measured and reported on, going forward.

3.3 Stormwater standards

Council develops Stormwater Management Plans (SMPs) as a coordinated approach to managing stormwater within a particular catchment. The intent of an SMP is to set out the strategies, actions and projects that can be implemented to minimise flooding, utilise stormwater and improve the quality of water that feeds into our waterways and the ocean.

There are two SMPs directly relating to Council’s stormwater catchments:

- Stormwater Management Plan Coastal Catchments Between Glenelg and Marino (2014) in the Cities of Holdfast Bay and Marion
- Stormwater Management Plan for the Urban Catchments of Lower Sturt River in the Cities of Holdfast Bay, Marion, Mitcham, Unley and West Torrens

Through the Coastal Catchments Between Glenelg and Marino SMP, the Cities of Holdfast Bay and Marion have an overarching objective of progressing towards becoming:

“Water Sensitive Cities” and to minimise flooding and harness the potential of stormwater to overcome water shortages, reduce urban temperatures, and improve waterway health and the landscape of their cities. Water sensitive urban design is the process that will lead to Water Sensitive Cities.

The result of the Coastal Catchments Between Glenelg and Marino SMP was an implementation plan to enable funding towards stormwater improvements in the LTFP. See section 5.6. This SMP is under review in 2024-25 and the outcome of the review will determine future new capital investment.

The SMPs define our Levels of Service for quantity and quality of stormwater run-off. They are defined by our minor drainage system (underground) and major drainage system (overland flow).

Minor drainage system (underground)

The minor drainage system includes the pits and underground pipes whose primary function is to avoid nuisance flooding and ponding to maintain the serviceability and safety of the road network.

The original South Western Suburbs Drainage Scheme (1960s and 1970s), which drains the majority of the network, was designed to achieve a 20% AEP (Annual Exceedance Probability) or 5 year ARI (Average Recurrence Interval) standard.

Modelling of the pit and pipe network capacity indicates many of the pipes do not have the 20% AEP capacity when measured against contemporary standards. This is likely to be due to increased imperviousness of the catchment and changing storm intensities since the system was designed in the 1960s.

When designing new drainage systems, wherever technically possible and financially viable, Council aims to achieve a design standard for 20% AEP storms with gutter flow width no greater than 2.5m.

Major drainage system (overland flow)

The major drainage system includes the minor system as well as the roads, open spaces, water courses and other overland flow routes.

The aim of the of the major system is to prevent flooding that causes property damage or threatens the safety of people in the floodplain during a 1% AEP storm (100 year ARI) wherever technically possible and financially viable.

All new developments have a minimum design standard for the major system with the minimum freeboard (distance between top of flood water and house floor level) to be 200mm to ensure the buildings are not subject to inundation during a 1% AEP flood.

Detailed objectives for acceptable level of protection for the community are detailed in the Coastal Catchments Between Glenelg and Marino SMP.

3.4 Legislation and relevant Acts

Under the *Local Government Act 1999*, Council is required to develop and adopt an infrastructure and asset management plan covering a period of at least 10 years.

Council is additionally required to adopt a long-term financial plan (LTFP) associated with such service plans also covering a period of at least 10 years. There is a direct link between the development and implementation of these two plans, with the LTFP updated to reflect forecast expenditure as detailed within these plans.

Council considers the following legislative framework in the management of its stormwater assets.

Legislation	Requirements
<i>Aboriginal Heritage Act 1988</i>	An Act to provide for the protection and preservation of Aboriginal heritage; to repeal the Aboriginal and Historic Relics Preservation Act 1965 and the Aboriginal Heritage Act 1979; and for other purposes.
<i>Australian Accounting Standards</i>	Standards applied in preparing financial statements, relating to the valuation, revaluation, and depreciation of assets.
<i>Climate Change and</i>	An Act to provide for measures to address climate change with a view to

Legislation	Requirements
<i>Greenhouse Emissions Reduction Act 2007</i>	assisting to achieve a sustainable future.
<i>Environment Protection Act 1993</i>	Responsibility not to cause environmental harm (e.g. noise pollution, contamination of water).
<i>Local Government Act 1999</i>	Sets out role, purpose, responsibilities and powers of local governments including preparation of an LTFP supported by asset management plans for sustainable service delivery.
<i>Local Government (Financial Management and Rating) Amendment Act 2005</i>	Impetus for the development of a strategic management plan, comprising an asset management plan and an LTFP.
<i>Local Government (Stormwater Management) Amendment Act 2007</i>	<p>Implementation of Stormwater Management Agreement and establishment of Stormwater Management Authority to ensure proper management of stormwater in SA.</p> <p>Formulates policy for stormwater management and facilitates stormwater management planning for councils including funding programs.</p>
<i>Landscape South Australia Act 2019</i>	An Act to promote sustainable and integrated management of the State's landscapes, to make provision for the protection of the State's natural resources, and for other purposes.
<i>Planning, Development and Infrastructure Act 2016</i>	An Act to provide for matters relevant to the use, development and management of land and buildings, including by providing a planning system to regulate development within the State, rules with respect to the design, construction and use of buildings, and other initiatives to facilitate the development of infrastructure, facilities and environments that will benefit the community.
<i>Work Health and Safety Act 2012</i>	An Act to provide for the health, safety, and welfare of persons at work; and for other purposes.

Table 3.3 Legislation requirements

4 Demand forecast

A community's demand for services may change over time depending on factors including environmental, technological and capacity requirements. Council may need to make changes to manage future demand for services.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
Population and housing density increases	Total estimated population 37,543 (2021); 51% of dwellings are medium to high density.	Planned to accommodate for 40,000 in Holdfast Bay by 2031.	Greater impervious areas through increased infill development have the potential to increase pressure on the stormwater network and cause local flooding problems.	Implementation of regional Stormwater Catchment Management Plan. Audit and management of stormwater drainage to ensure serviceability of the network. Installation of water-sensitive urban design features (WSUD).	Increased demand on stormwater capacity in the major and minor networks. Resulting in requirements to increase capacity or find alternate detention.
Water quality	The stormwater system transports stormwater to the marine environment. Introduced impervious surfaces, human activities and industry since European settlement have all significantly altered the quantity, distribution and quality of water discharged to the marine environment. The cumulative impact of continuous and episodic land-based discharges has resulted in a significantly	Pollutants will continue to be captured by the stormwater system, requiring water quality measures prior to entering the marine environment.	Increase demand for Council to introduce stormwater quality controls throughout the network.	To the extent it is technically possible, financially viable and without compromising flood protection; retrofit WSUD to capture and treat road runoff and retrofit GPTs to all stormwater outlets discharging to Adelaide beaches. Minimise pollutants entering the drainage network by maintaining effective programs for cleaning and maintenance	Creates demand for new assets to treat stormwater quality such as WSUD and gross pollutant traps (GPTs). Creates demand for appropriate management of these assets and minimising debris and rubbish entering our stormwater systems.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
	degraded coastal environment.			of GPT and street sweeping. Installing and servicing of rubbish bins, particularly in commercial precincts.	
Environmental sustainability (climate mitigation)	Council and the community are increasingly aware of our impact on the environment and Council's role in environmental sustainability.	Council is committed to pursuing, supporting, and creating an environment that will sustain current and future generations.	Requirement to use fewer, recycled and renewable resources that can contribute to the development of a circular economy and reduce Council's carbon footprint. Greater environmental sustainability requirements placed on the construction industry.	Implement actions from the Environment Strategy 2020-25, Climate Governance Risk Assessment and Carbon Neutral Plan.	Higher costs associated with construction methods that are environmentally sustainable.
Climate change (adaptation)	Increase in severe weather events including droughts, extreme heat events, storms, storm surges, high tides, and sea level rise.	Severe weather events to increase based on current trends, including more intense rainfall events. Rise in sea level and coastal storm events.	More intense rainfall events are likely to place increased pressure on the existing drainage network to carry larger volumes of stormwater runoff. Sea level rise will potentially cause blockages or reduced outlet capacity through sand and seawater inundation of the drainage network adjacent to the coast.	Ongoing review and update of design standards due to increased rainfall intensity. Management of sand surrounding stormwater outlets adjacent to the coast. Stormwater management planning (improvement actions 1 and 2). Resilient Asset Management Program (RAMP) assessing resilience and suitability of assets	In the future, as definitions regarding expected rainfall intensity change, it may be required to construct larger pipes to achieve the same design standard. Upgrade the drainage capacity of current stormwater networks. Extension of the drainage network to new areas at risk of flooding.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
				under changing climate conditions.	
Technology change	Trialling new available technologies for stormwater management.	Ongoing review of efficient and effective stormwater management improvements.	Taking advantage of opportunities through studies and grants to progress stormwater management technology.	Using new technologies to monitor or control stormwater flows.	Trailing new technology will require additional budgets. Opportunities through SMP development.

Table 4.1 Demand factor

5 Lifecycle planning

Asset lifecycle planning outlines how Council plans to manage stormwater assets in an optimised cost-effective manner while ensuring delivery of agreed service levels. The lifecycle of assets can be defined in four stages:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

Each of these stages is further detailed in this lifecycle planning section.

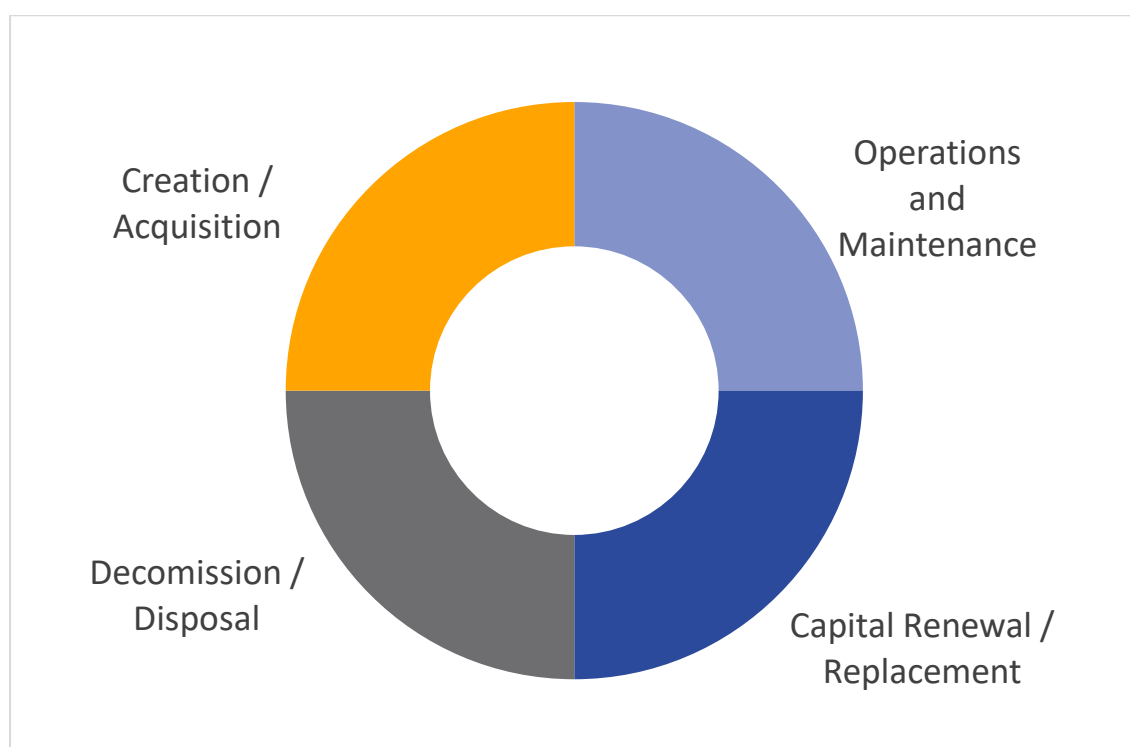


Figure 5.1 Asset lifecycle

5.1 Asset life

Throughout the asset lifecycle, assets are inspected, condition-rated and revalued on a periodic basis. Asset condition and expected useful life are used to estimate the remaining life of each asset.

Stormwater assets are managed financially using a straight-line depreciation method whereby an asset has a current replacement cost that is depreciated over time using an expected useful life.

Assets may be renewed or replaced based on several factors including condition, capacity, function and increasing requirement for asset maintenance and repair as an asset ages. The service life of an asset may therefore differ from the design life or the useful life. During an asset's service life, maintenance and repair works will be required to maintain the service level provided by the asset.

A summary of expected useful lives of stormwater assets is provided in Table 5.1.

Stormwater assets	Expected useful life (years)
PVC pipes	70
Concrete pipes	120
Box culvert drains	120
Concrete channels	80
Side entry pits	80
Small grated inlet pits	50
Grated inlet pits	80
Junction boxes	80
Gross pollutant traps	80
Headwalls	60
Pump stations	58
Pumps	20
Rain gardens	50
Tree net inlets	50

Table 5.1 Useful lives

5.2 Asset condition

Council is responsible for maintaining stormwater assets in the appropriate condition for the defined Level of Service (section 3). This is achieved through the following work:

- Periodic inspection and asset condition audits of the stormwater pit assets.
- CCTV inspection and condition audit of stormwater pipes and drains as required to confirm alignments and requirements for associated work.
- Regular sweeping of streets and cleaning of stormwater pits to minimise inundation of leaves and waste into the stormwater drainage system.
- Development of a forward works program for capital renewal works and maintenance/operational activities.

During the service life of a stormwater asset, it should be maintained and inspected regularly to ensure the asset remains safe for use and fit for purpose and to ensure the service life is achieved.

The condition scoring criteria adopted for stormwater asset audits is based on the IPWEA condition rating guidelines and is summarised in Table 5.2.

Condition grade	Condition	Description	Estimated remaining useful life (%)
0	Not rated	Asset has not been properly decommissioned, no longer exists or is unable to be rated due to serviceability issues	N/A
1	Very good	Excellent physical condition. Observable deterioration is insignificant, routine maintenance is preserving asset condition	100% to 80%
2	Good	Sound physical condition, minor deterioration/minor defects observed.	80% to 50%
3	Fair or moderate	Moderate deterioration evident, minor components or isolated sections of the asset need replacement or repair.	50% to 20%
4	Poor	Serious deterioration and significant defects are evident, affecting structural integrity. Significant intervention is required to arrest deterioration. Renewal of all of the asset is required within short term.	20% to 5%
5	Very poor	Failed or failure imminent. Immediate need to replace most or all of asset. Major work including replacement or rehabilitation required urgently.	5% to 0%

Table 5.2 Condition score criteria

A summary of stormwater node asset condition from data captured during 2022-23 and 2023-24 is provided in Table 5.3.

Asset category	Count	Average condition rating	Target condition rating	Percentage below condition 3 (PVP)	Target percentage (PVP)
Side entry pit	1,732	2.0	3.0	2.3%	10%
Junction box	459	0.9	3.0	0.0%	10%
Grated inlet pit	86	1.3	3.0	0.9%	10%
Gross pollutant trap	9	0.9	3.0	0.0%	10%
Headwall	25	0.8	3.0	0.0%	10%
Pump station	3	N/A	3.0	N/A	10%
WSUD	55	N/A	3.0	N/A	10%
Total	2,369	1.6	3.0	1.6%	10%

Table 5.3 Stormwater node condition summary

In the past five years, 6,740m of CCTV footage has been captured throughout the network across 198 surveys. The average condition rating of the pipes surveyed was 1.8 with 14% in poor or very poor condition.

A summary of the stormwater asset condition data, based on data captured in the past five years is provided in Figure 5.2.

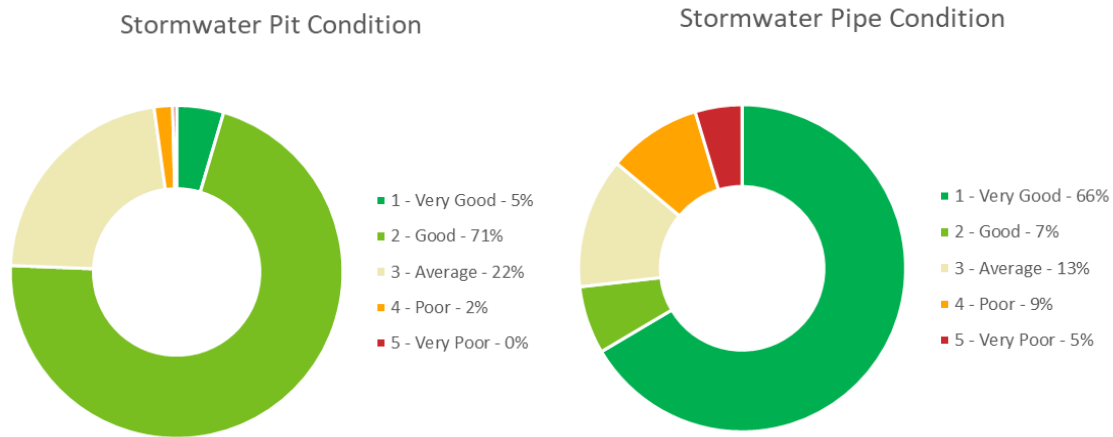


Figure 5.2 Stormwater condition profile

Through the improvement program and maintenance forecasting, annual CCTV condition inspections of pipes will be increased from 1.3km a year to 5km a year, targeting areas associated with existing projects, investigation requests, high-risk areas and known gaps in the network data.

The condition data is currently negatively skewed to poor condition as a majority of our inspections occur as a result of a failure or serviceability issue. The above pipe data may not be an accurate representation of the whole network. As we increase our condition inspections, it is expected the condition data will produce a more accurate picture of the network.

Condition data found through the accelerated inspection programs will inform our renewal planning and projects. Opportunities to improve the capacity of our underground drainage network will be applied in line with our service levels and stormwater standards.

5.3 Historical expenditure

Historical expenditure for 2019-20 to 2022-23 for operation, maintenance, new assets and renewal of existing assets for the stormwater asset class is summarised in Figure 5.3. The actual expenditure for each year has been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditure.

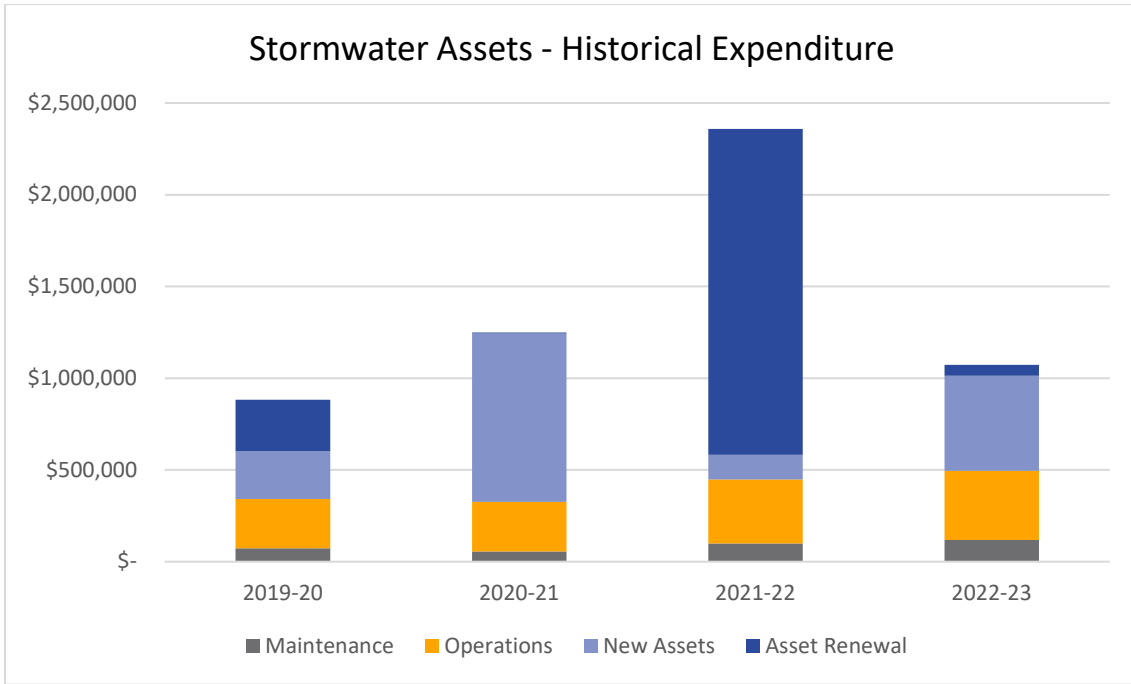


Figure 5.3 Historical expenditure

5.4 Operation and Maintenance Plan

Assets are maintained and serviced throughout the lifecycle to ensure service delivery and safety are maintained.

Typical operations associated with stormwater assets include pit and pipe cleaning, CCTV inspections, GPT cleaning and street sweeping.

Maintenance activities include all actions required to retain an asset’s condition and amenity and can be classified as either reactive or planned.

Expenditures from previous financial years have been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditure.

The operations and maintenance costs of stormwater assets are forecast to trend in line with the previous four years of costs as the number of assets and the services provided have not changed and are not expected to change substantially.

Annual amounts of \$317,025 for operations and \$86,152 for maintenance have been adopted based on the average of the previous four years to provide equivalent 2024-25 estimates.

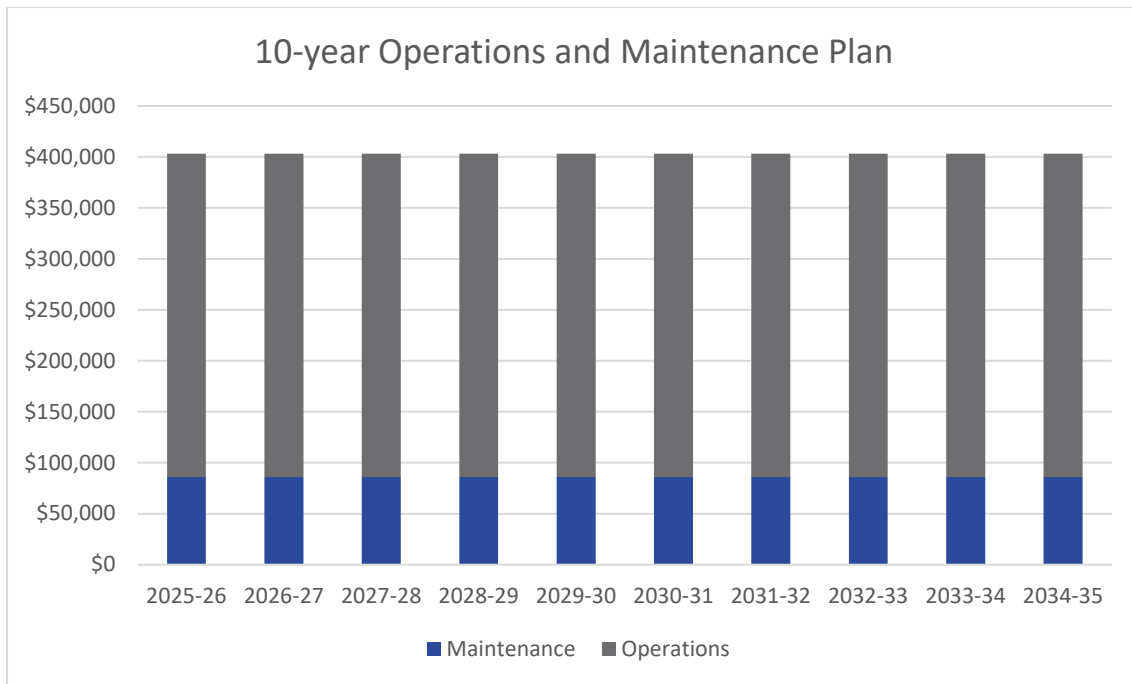


Figure 5.4 Operations and Maintenance Plan

5.5 Renewal Plan (capital)

Asset renewal is capital work which restores, rehabilitates, replaces, or renews an existing asset to its original service potential.

Asset renewal is undertaken for reasons including deteriorating asset condition, function, and amenity considerations, or to align works in an area to minimise disruption and undertake works efficiently.

The stormwater replacement program outlined in this plan has been developed based on:

- Condition data
- Standard useful lives of assets
- Reported defects and failures

The annual CCTV program will inform our renewal planning and projects.

Opportunities to improve the capacity of our underground drainage network will be applied in line with our service levels and stormwater standards within the renewal program.

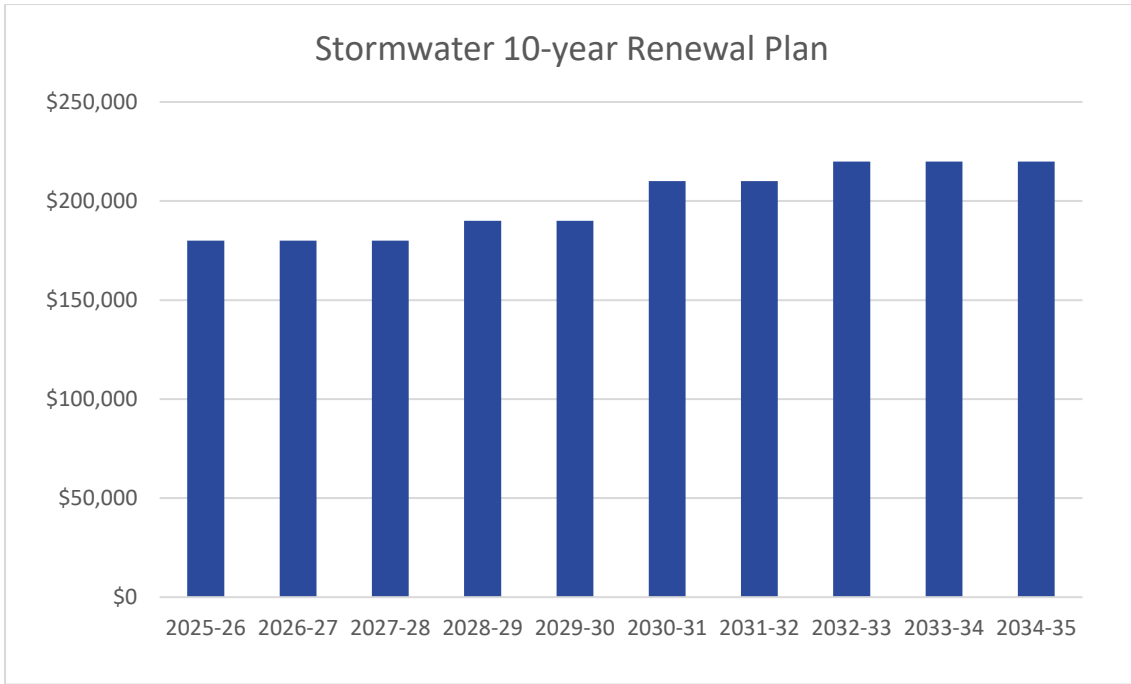


Figure 5.5 10-year Renewal Plan

An average of \$200,000 has been allocated to stormwater renewal for the next 10 years with an incremental increase. This rate of renewal is very low in comparison to the stormwater portfolio due to the long life of stormwater assets and the relatively good condition and age profile. Based on the age profile, it is anticipated there will be incremental increases to the renewal program over time until a substantial increase from the 2040s onwards. Ongoing CCTV condition inspections are used to identify renewal works in the next 10 years.

5.6 Acquisition Plan (new capital)

Acquisitions are new assets that did not previously exist or works resulting in significant upgrade of the asset and an increased capacity to deliver a service. The requirement for an acquisition may result from growth, changed demand, social or environmental needs. Assets may also be donated to Council.

New stormwater works are typically triggered by a Stormwater Management Plan (SMP) and corresponding Implementation Plan. These projects are delivered to address stormwater quantity (flooding risk) and stormwater quality (pollutants).

The Stormwater Management Plan Coastal Catchments Between Glenelg and Marino 2014 (Coastal Catchments SMP) covers a vast majority of the Holdfast Bay region. The remaining areas will be covered by the Stormwater Management Plan for the Urban Catchments of Lower Sturt River, which is currently being developed.

The existing new capital budget from the Coastal Catchments SMP includes \$1,000,000 funding for both 2025-26 and 2026-27 in the LTFP. There is no funding allocated from 2027-28 onwards at this point in time.

The SMP Coastal Catchments Between Glenelg and Marino is set for a review in 2024-25. The asset acquisition plan is currently based on the Coastal Catchments SMP 2014 implementation plan. Following the 2024-25 update of the Coastal Catchments SMP it is anticipated a new

implementation plan will be developed for inclusion in the LTFP for a period exceeding the current funding allocation timeframe.

The Stormwater Management Plan for the Urban Catchments of Lower Sturt River will be excluded from this acquisition plan and the outcomes are currently unknown.

This plan will require an update following the adoption or update of an SMP or associated investment plan.

5.7 Disposal Plan

Disposal of assets refers to activities associated with disposing of a decommissioned asset including sale, demolition, or relocation of assets. Council's Disposal of Assets Policy outlines this process.

Council has no upcoming disposals for stormwater assets and currently there is no funding requirement for stormwater asset disposals.

6 Financial summary

The financial requirements for the stormwater asset class are outlined in this section.

6.1 Asset valuation

Asset values are projected to increase as additional assets are added through capital works. Unit rates are also expected to increase over time as construction costs for infrastructure increase.

Additional assets will generally increase the requirement for maintenance and operations as well as future renewal.

Valuations are undertaken for each asset class in alignment with Australian Accounting Standard AASB13 Fair Value and are undertaken at minimum every five years.

The revaluation of Council's stormwater asset class was last undertaken as a desktop valuation as of 30 June 2022. Stormwater asset data review and update was undertaken in 2022 and an inspection and condition audit of the stormwater pits have been undertaken in the past two financial years.

The next stormwater asset class revaluation will use the updated stormwater pit data collected in 2022-23 and 2023-24. All stormwater drain assets have a length in metres assigned as the primary dimension, used to calculate estimated replacement costs. The stormwater pits are generally valued per item.

The valuation of Council's stormwater asset class as of 30 June 2024 is summarised in Table 6.1.

Asset category	Current asset cost	Accumulated depreciation	Carrying value	Annual depreciation	Number of in-use assets
Stormwater pipes	\$39,854,025	\$16,380,741	\$23,473,284	\$333,369	2,277
Culverts and channels	\$14,091,296	\$6,517,982	\$7,573,314	\$118,893	173
Stormwater pits	\$7,928,994	\$3,618,744	\$4,310,250	\$99,186	2,264
WSUD	\$1,583,648	\$159,278	\$1,424,370	\$30,967	55
Pumps	\$551,847	\$101,080	\$450,767	\$9,814	3
Headwalls	\$4,103,338	\$918,878	\$3,184,460	\$68,390	25
Gross pollutant traps	\$1,395,122	\$410,457	\$984,665	\$17,439	9
Total	\$69,508,270	\$28,107,161	\$41,401,109	\$678,058	5,354

Table 6.1 Stormwater asset valuation

Stormwater Asset Valuation

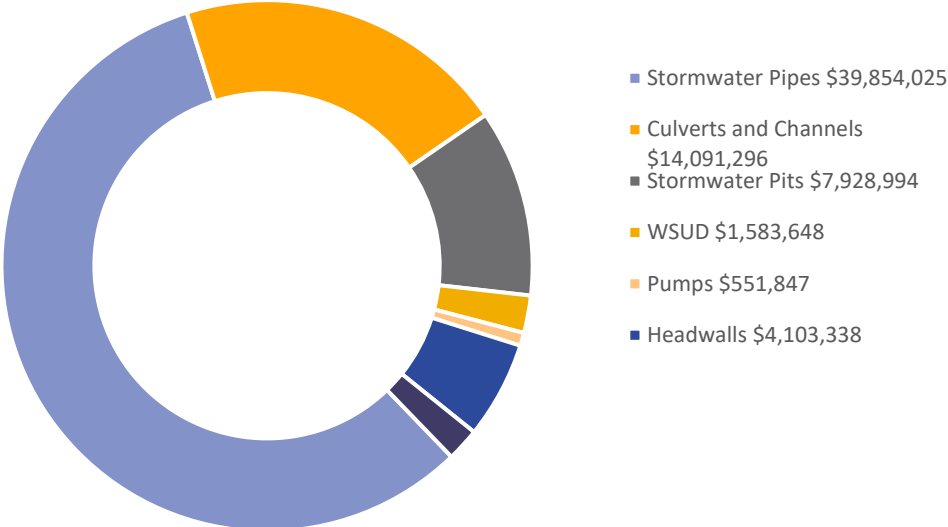


Figure 6.1 Stormwater assets valuation

6.2 Expenditure forecast summary

The overall stormwater expenditure forecast for operations, maintenance, renewal of existing assets and acquisition of new assets is provided in Figure 6.2 and Table 6.2. The stormwater asset renewal forecast is provided in Table 6.3.

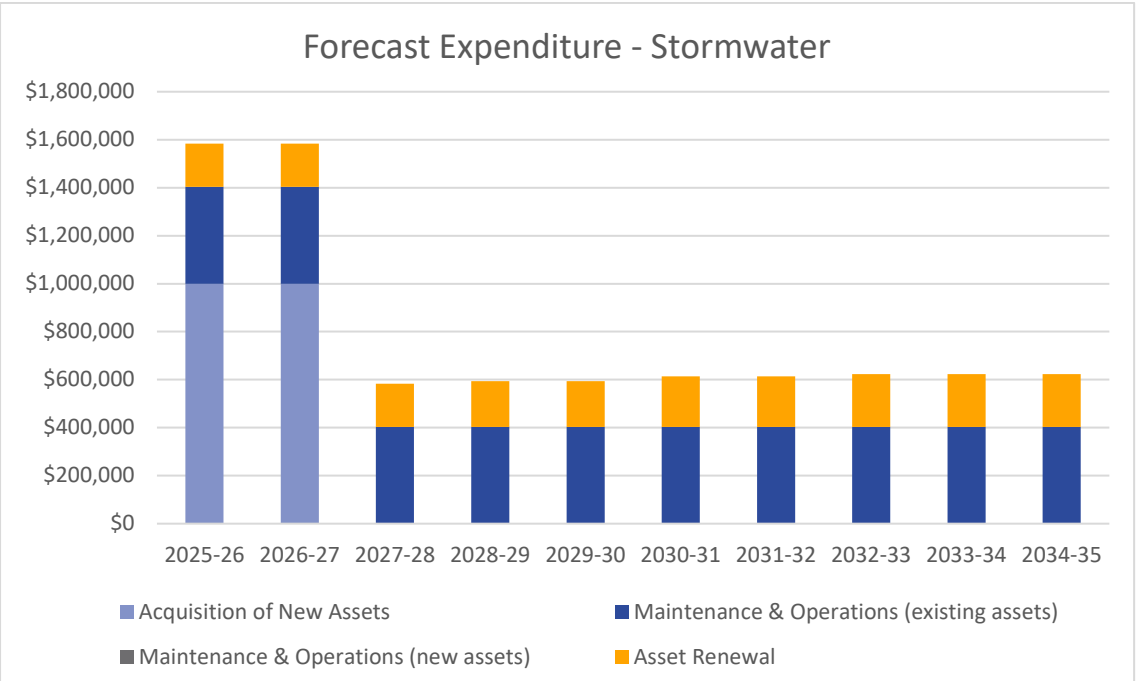


Figure 6.2 Stormwater forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Acquisition of new assets	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance and operations (existing assets)	\$403,177	\$403,177	\$403,177	\$403,177	\$403,177	\$403,177	\$403,177	\$403,177	\$403,177	\$403,177
Maintenance and operations (new assets)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset renewal	\$180,000	\$180,000	\$180,000	\$190,000	\$190,000	\$210,000	\$210,000	\$220,000	\$220,000	\$220,000
Asset disposal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
External grant funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Council funding required	\$1,583,177	\$1,583,177	\$583,177	\$593,177	\$593,177	\$613,177	\$613,177	\$623,177	\$623,177	\$623,177

Table 6.2 Forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Stormwater pipes and pits renewal	\$180,000	\$180,000	\$180,000	\$190,000	\$190,000	\$210,000	\$210,000	\$220,000	\$220,000	\$220,000
Total renewal	\$180,000	\$180,000	\$180,000	\$190,000	\$190,000	\$210,000	\$210,000	\$220,000	\$220,000	\$220,000

Table 6.3 10-year Renewal Plan

6.3 Funding strategy

Key strategic activities that will affect the future financial position for stormwater:

- The Asset Management Plan to inform the Long Term Financial Plan
- Stormwater Management Plan Coastal Catchments Between Glenelg and Marino update
- Stormwater Management Plan for the Urban Catchments of Lower Sturt River development
- Coastal adaptation planning
- Stormwater valuation 1 July 2026 using recently collected condition data
- Ongoing CCTV inspection program and next pit condition assessment in 2028
- Carbon Neutral Plan implementation
- Resilient Asset Management Program implementation

6.4 Assumptions

The following assumptions have been adopted in developing financial forecasts:

- The renewal program has been based on stormwater data collected in 2022-23 and 2023-24.
- Condition data and standard useful lives have been used to estimate remaining lives of assets and the forecast renewal date for each asset.
- The pit renewal program is based on replacing pits identified in conditions 4 or 5 over the period of this plan.
- The pipe renewal program is based on reported defects and failures confirmed through CCTV.
- Operation and maintenance budget forecasts have been based on actual operation and maintenance costs for a four-year period adjusted to 2024-25 costs.
- Acquisition costs have been added for projects approved by Council through the Stormwater Management Plan.
- No decommissioning of assets has been assumed.

6.5 Data confidence

Expenditure requirements for asset replacement and operational costs have been based on the best available data. Asset replacement costs have generally been based on stormwater revaluation data current as of 30 June 2022 with some adjustments where more up-to-date information is available.

Current stormwater asset register data is based on the following recent improvements:

- A desktop stormwater revaluation as of 30 June 2022.
- Spatial data review and update to align and correct stormwater drain and pit locations.
- Stormwater pit asset condition audit 2022-23 and 2023-24.
- 10% of the underground pipe network has had a CCTV condition assessment.
- GPT data based on pit condition assessment and cyclic GPT cleaning.
- WSUD data is collected in asset register at varying levels of maturity.

Data confidence for this asset class is classified as “C – Uncertain” based on the IPWEA data confidence scale. The data is based on sound records, procedures, investigations and analysis. The dataset is complete and estimated to be accurate $\pm 5\%$. The IPWEA data confidence grading system is provided in Table 6.4.

The pit data is “B – Reliable” following the condition audit, with only a minor number of pits inaccessible, while pipe data is “C – Uncertain” due to only 10% of the network having CCTV inspections.

Confidence level	Description
A – Highly Reliable	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 – Reliable	Data based on sound records, procedures, investigations, and analysis, documented properly but has minor shortcomings, e.g. 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 $\pm 10\%$.
C – Uncertain	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 – Very Uncertain	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 – Unknown	None or very little data is held.

Table 6.4 Data confidence

7 Risk management

The objective of the risk management process is to ensure all significant asset management risks are identified and assessed. Following a risk assessment and consideration of both likelihood and consequence, risks identified as high or very high in the short to medium term are investigated. Strategies and treatments are implemented to mitigate or address unacceptable risks.

An assessment of risks in-line with Council’s risk matrix (Figure 7.1) associated with the stormwater asset class are detailed in Table 7.1.

Likelihood \ Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Figure 7.1 Risk matrix

Table 7.1 summarises the asset management risk register, which is reviewed and updated at minimum annually in-line with our risk management procedures. The asset management risk register should be review in line with the strategic an operational risk register.

Stormwater risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Climate change affecting service and useful life of assets	<ul style="list-style-type: none"> - Ongoing participation in the Resilient Asset Management Program (RAMP) with Resilient South Councils. - Coastal adaptation planning in place including hazard identification and assessment. - Consideration of climate change risks in strategic and long-term planning. 	HIGH	<ul style="list-style-type: none"> - Implement RAMP actions for all asset classes and across the asset lifecycle. - Complete coastal adaptation planning including data collation, risk assessments and community engagement. - Integrated IPWEA Practice Note 12.1 into asset project design and planning processes. 	MEDIUM
Inconsistency caused by changes Elected Members or Senior Leadership personnel.	<ul style="list-style-type: none"> - Alignment of asset management framework (AM Policy, Strategy and plans) including service levels and long-term financial plans. - Development of AM Steering Committee. - Regular asset management updates provided to Elected Members. 	MEDIUM	<ul style="list-style-type: none"> - Improving asset management maturity aligned with Asset Management Strategy improvement plan. - Keep Elected Members and Senior Leadership Committee informed via the Asset Management Steering Committee. Identify training where required. 	MEDIUM
Insufficient budget to meet service levels for maintenance and renewal	<ul style="list-style-type: none"> - Clear budget planning process, identifying any funding dependencies within planned/major upgrades. - Operational management plans for complex and high-risk sites. - 10-year financial planning and rolling three-year capital works program. - Regular condition audits of assets. - Community service levels developed through ongoing feedback. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 8 and Improvement Action 4: Review operational LoS and update responsibilities, resourcing and planning to meet agreed LoS. Implement system to prioritise, assess and action requests in-line with operational LoS. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision making. 	MEDIUM
Lack of accuracy and consistency in asset management source data	<ul style="list-style-type: none"> - Satisfactory data confidence level in current asset information data levels through cyclic condition audits. See confidence levels. - Annual cyclic data collection schedule in place. - Ongoing improvements to data management guidelines. - Regular updates from routine maintenance spot checks/issue reporting. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 3: Establish the data management framework and guidelines for asset register to future proof for predictive modelling. - AM Strategy Improvement Program Action Number 4 Undertake cyclic data collection to continue to improve data quality for decision making. 	LOW

Stormwater risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Insufficient capacity for stormwater demands	<ul style="list-style-type: none"> - Stormwater Management Plan (SMP). - Stormwater AMP reflecting requirements from SMPs. - Future demands considered in SMP. 	HIGH	<ul style="list-style-type: none"> - Improvement Plan Action 1: Review SMP (Gleneilg to Marino) - Improvement Plan Action 2: Develop SMP (Sturt River) - Review and enforce agreed minimum standards in the Stormwater Management Plan. - Ensure there is an appropriate funding mechanism to complete infrastructure upgrades required in the SMP - Development of Coastal Adaptation Planning to consider coastal storm events. - Continue to incorporate climate change projections into stormwater planning. 	MEDIUM
Serviceability failure - clear blockages, appropriate fall, clean GPTs	<ul style="list-style-type: none"> - Regular inspections and responsive repairs/incident attendance. - CCTV inspection register and CCTV inspections of pits and pipes. - Regular street sweeping program and reactive cleaning of pits/pipes as required. - Pit audit 2023-24. - Cyclic GPT cleaning. 	MEDIUM	<ul style="list-style-type: none"> - Increase budget for CCTV inspections. - Improvement Plan Action 3: Undertake increased inspections. - Increase kerb repair budget and undertake additional kerb repairs as prioritised. 	MEDIUM
Risk of change in community service standards or expectations	<ul style="list-style-type: none"> - Track service levels with Quality of Life Survey - Community feedback through customer requests records - Feedback through community engagement on strategies and plans 	MEDIUM	<ul style="list-style-type: none"> - Improvement actions 1 and 2 to complete SMPs. - Improvement action 4 to undertake a service review 	LOW

Table 7.1 Risk assessment

8 Improvement Plan

The following tasks have been identified for improving stormwater asset management practices and future versions of this plan.

Task No	Task	Responsibility	Resources required	Due
1	Review the Stormwater Management Plan (Coastal catchments between Glenelg and Marino).	Manager Engineering	Existing	December 2026
2	Complete the Stormwater Management Plan (Sturt River) with partner councils.	Manager Engineering	Existing	June 2027
3	Maintain CCTV register for critical pipe assets. Develop and undertake annual proactive and reactive CCTV inspection programs.	Project Manager (Civil)	Existing	June 2026 and Ongoing
4	Define operational service levels for assessment, prioritisation and action as part of the operational service level review.	Project Manager (Civil)	Existing	June 2027

Table 8.1 Improvement Plan

Glossary of Terms

Key Term	Definition
Accumulated depreciation	The total amount of depreciation charged to an asset from when it was first recognised to a given point in time.
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Category	Second tier in the data structure, a subset of assets with similar attributes.
Asset Class	An asset class is a grouping of assets of a similar nature and use. First tier in the data structure in line with the five asset management plans.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost-effective manner.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management Plan	Long-term plans (usually 10 years) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost-effective way.
Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Asset Sub-Category	Third tier in the data structure, a further second subset of assets with similar attributes.
Asset Type	Specific attribute with a unit rate used for valuation.
Capital expenditure	Expenditure which contributes to or results in a physical asset.
Capital renewal expenditure	Expenditure to replace or rehabilitate an existing asset.
Carrying value	The amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.
Commissioned assets	Assets within Council's asset register that have been assigned a value and are subject to depreciation.
Current Asset Cost	The cost of replacing an existing asset with a substantially identical new asset or a modern equivalent.

Key Term	Definition
IIMM	International Infrastructure Management Manual providing guidelines for best management practices for infrastructure assets.
In-use assets	Assets within Council's asset register that currently exist and are providing a service.
ISO 55000	The ISO 55000 international standard for asset management provides terminology, requirements and guidance for implementing, maintaining and improving an effective asset management system.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Maintenance expenditure	Any activity performed on an asset to ensure it is able to deliver an expected level of service until it is scheduled to be renewed, replaced or disposed.
New capital expenditure	Expenditure which creates a new asset in addition to Council's previously existing assets.
Operational expenditure	Ongoing expenditure for activities throughout an asset's life such as electricity, fuel, cleaning and inspections.
Useful Life	The useful life (UL) of an asset is the estimated length of time during which the asset is likely to be able to deliver a satisfactory level of service.

TRANSPORT

Asset Management Plan 2024

City of Holdfast Bay



Contents

Executive summary	3
1 Introduction	4
1.1 Purpose.....	4
1.2 Strategic context.....	4
1.3 Stakeholders.....	6
1.4 Asset management framework	7
2 Asset class information	8
2.1 Road Hierarchy	8
3 Levels of Service	10
3.1 Community Levels of Service.....	10
3.2 Technical Levels of Service	11
3.3 Legislation and relevant Acts.....	12
4 Demand forecast	14
5 Lifecycle planning.....	17
5.1 Asset life	17
5.2 Asset condition	18
5.3 Historical expenditure	22
5.4 Operation and Maintenance Plan	23
5.5 Renewal Plan (capital renewal)	24
5.6 Acquisition Plan (new capital)	26
5.7 Disposal Plan.....	26
6 Financial summary	27
6.1 Asset valuation	27
6.2 Expenditure forecast summary	28
6.3 Funding Strategy.....	31
6.4 Assumptions	31
6.5 Data confidence.....	31
7 Risk management.....	33
8 Improvement Plan.....	36
Glossary of Terms.....	37

Acknowledgement to Country

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

Executive summary

The City of Holdfast Bay owns and maintains 178km of road and associated kerbs, footpaths, kerb ramps, roundabouts, traffic control devices, bus stop infrastructure and bridges. These assets enable safe, efficient and sustainable movement of people and goods between destinations.

The objective of asset management is to ensure the City of Holdfast Bay's assets are managed in the most cost-effective and sustainable way, so we can continue to deliver valuable services for our community now and into the future.

To ensure our assets are providing the appropriate service to the community, levels of service are tracked each year. These levels of service are defined under quality, function, capacity and climate.

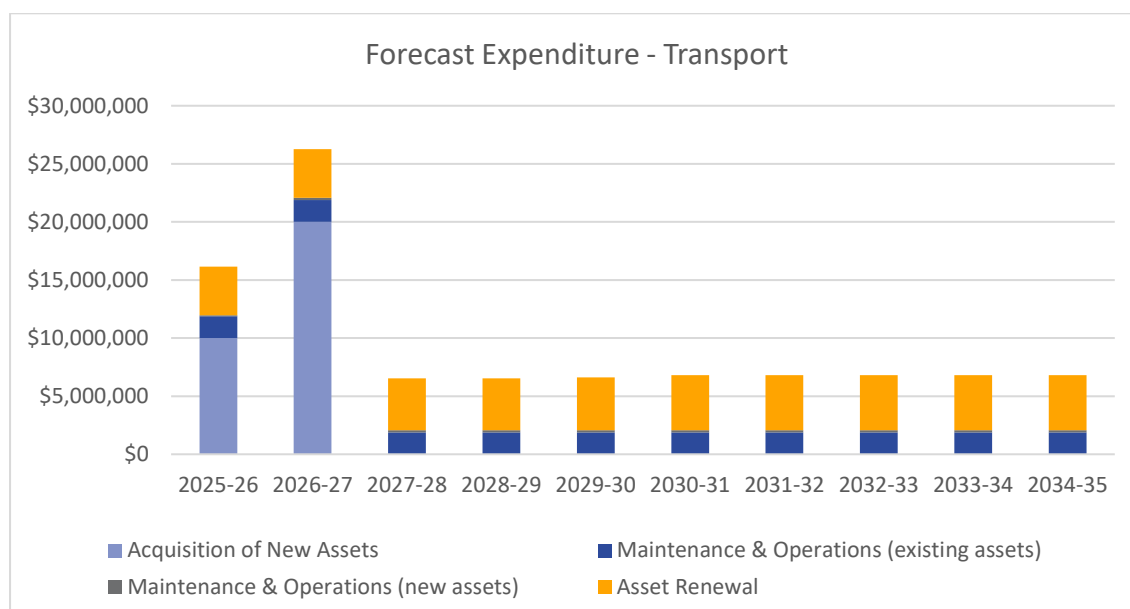
Asset lifecycle planning outlines how Council plans to manage transport assets in an optimised cost-effective manner while ensuring delivery of the agreed service levels. The lifecycle of assets can be defined in four stages, including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

The physical condition of our assets is a level of service indicator to ensure we are appropriately investing in assets. The targets for condition are overall average condition better than 3.0 (fair) and the percentage of assets in fair to very good condition above 90%. The current condition levels are:

- Average condition: 2.4 (good)
- Fair to very good condition percentage: 95%

The expenditure forecast for all four stages of the asset lifecycle is summarised below.



Council is committed to continuously improving the quality and maturity of its asset management practices. The transport improvement program has been developed as a roadmap for these improvements in conjunction with the Asset Management Strategy.

1 Introduction

1.1 Purpose

City of Holdfast Bay owns and maintains a variety of transport assets to enable safe, efficient and sustainable movement of people and goods between destinations.

Through an effective transport network, transport assets such as roads, bridges, footpaths and bus shelters contribute to the health and wellbeing of our community and maintaining the liveability and economic vitality of our council area.

The strategic direction for the overall management of the transport network is detailed in the Movement and Transport Plan 2024.

The Asset Management Plan addresses how we manage our transport infrastructure. Assets covered in this plan include:

- Roads including road seal, pavement and sub-base
- Kerbs and gutters
- Bridges
- Bus stop infrastructure including bus shelters and surface treatments
- Footpaths
- Signs
- Traffic control assets including crossings, speed restriction and protuberances

The plan aims to demonstrate proactive management of assets in compliance with regulatory requirements to sustainably meet present and future community needs through:

- Aligning with industry best practice and international standard for asset management ISO 55000:2014 without seeking accreditation as an ISO document or process.
- Aligning delivery of asset management activities with organisational goals and objectives.
- Creating transparency and accountability through all aspects of asset management.
- Meeting the agreed Levels of Service in the most cost-effective way through the creation, acquisition, maintenance, operation, rehabilitation, and disposal of assets.

1.2 Strategic context

In accordance with the *Local Government Act 1999* and the Strategic Plan (Our Holdfast 2050+), the Council provides a range of community services to the local community and visitors.

Assets are the foundation stones of the Council, and the management of assets is essential to achieve our Council's vision of:

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

The plan is developed and implemented in conjunction with the following plans, strategies and policies:

- Strategic Plan (Our Holdfast 2050+)
- Corporate Plan (Four-year delivery plan)
- Long Term Financial Plan (LTFP)

- Asset Management Policy
- Asset Management Strategy
- Asset Management Plans (AMPs)
- Movement and Transport Plan 2024
- Carbon Neutral Plan

Council’s planning framework is outlined in Figure 1.1.

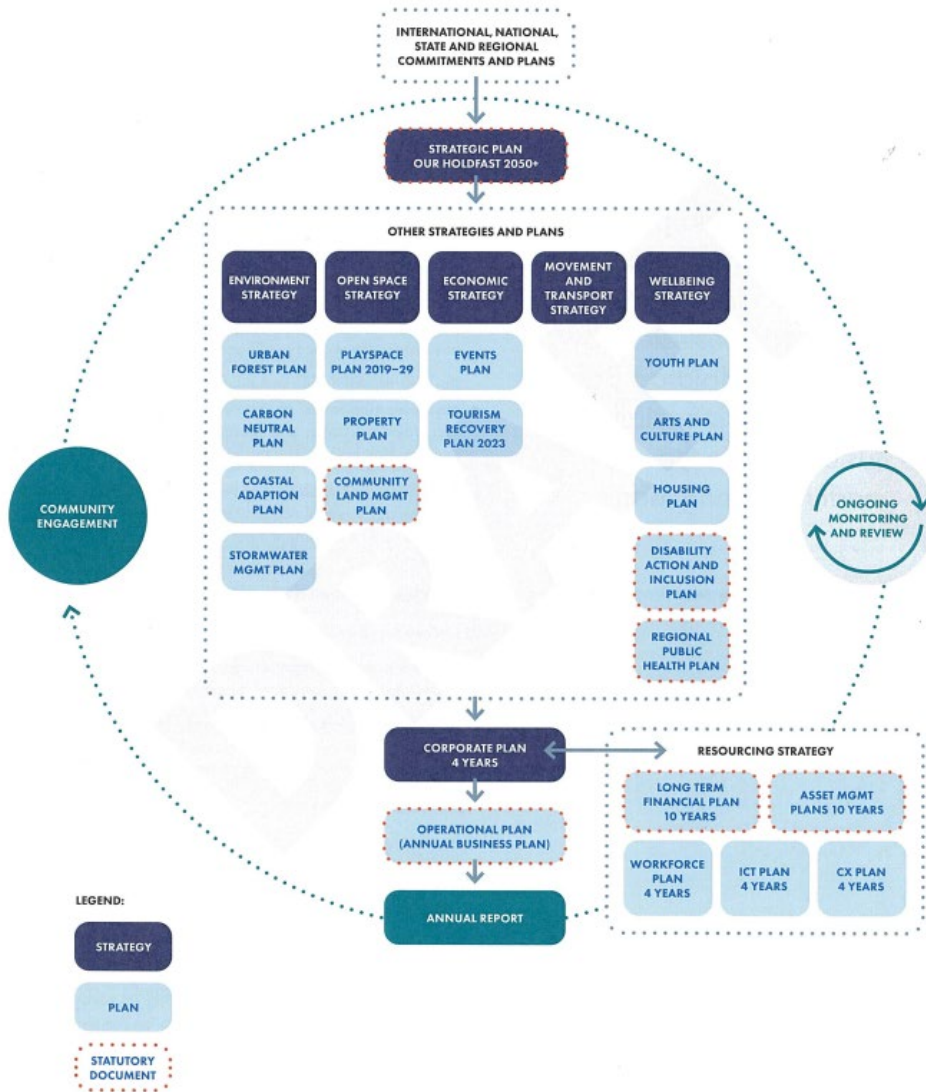


Figure 1.1 Planning framework

1.3 Stakeholders

Key stakeholders responsible for asset management and end users of transport assets are provided in Table 1.1.

Key stakeholders	Role in Asset Management Plan
Residents and ratepayers Visitors and tourists Business owners, traders and service providers	End users of the services provided directly and indirectly by the assets. Provide feedback collected throughout the year, including the annual satisfaction survey.
Elected Members	Act as custodians of community assets. Set asset management policy and vision. Allocate resources to meet council objectives in providing services while managing risks.
Audit Committee	Reviews, and makes recommendations and observations to Council on the financial outcomes of the asset management plans.
Chief Executive Officer and Senior Leadership Team	Provide leadership and strategic direction regarding management of assets and service provision. Review Asset Management Policy and Asset Management Strategy. Ensure community needs and agreed service levels are incorporated into asset management planning and the Long Term Financial Plan. Ensure councillors and staff are provided with training in financial and asset management. Ensure accurate and reliable information is presented to Council. Ensure appropriate delegations and approval processes are followed.
Manager Engineering	Manages development, implementation and review of asset management plans, the Asset Management Policy and Asset Management Strategy. Responsible for advancing asset management within the organisation.
Asset Management Lead	Prepare asset management plans. Manages the asset register and spatial systems. Coordinates data collection. Coordinates annual renewal budget planning. Delivery of asset management improvement programs. Provide technical asset management expertise to the organisation.
Senior Project Manager	Coordinates Council's capital works program.
Field Services	Ensures the maintenance and works programs are achieving service standards.

Table 1.1 Stakeholder responsibilities

1.4 Asset management framework

The Asset Management Strategy aims to align the delivery of asset management activities with the organisation’s goals and objectives; this process is known as the “line of sight” with asset management.

The asset management framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and asset management plans. These documents create transparency and accountability through all aspects of asset management to ensure all stakeholders understand their roles and responsibilities.

The Council’s asset management system is outlined in Figure 1.2. The asset management system is the end-to-end process of asset management within Council. The asset management framework connects Council’s strategic vision and goals to the on-the-ground delivery of our services.

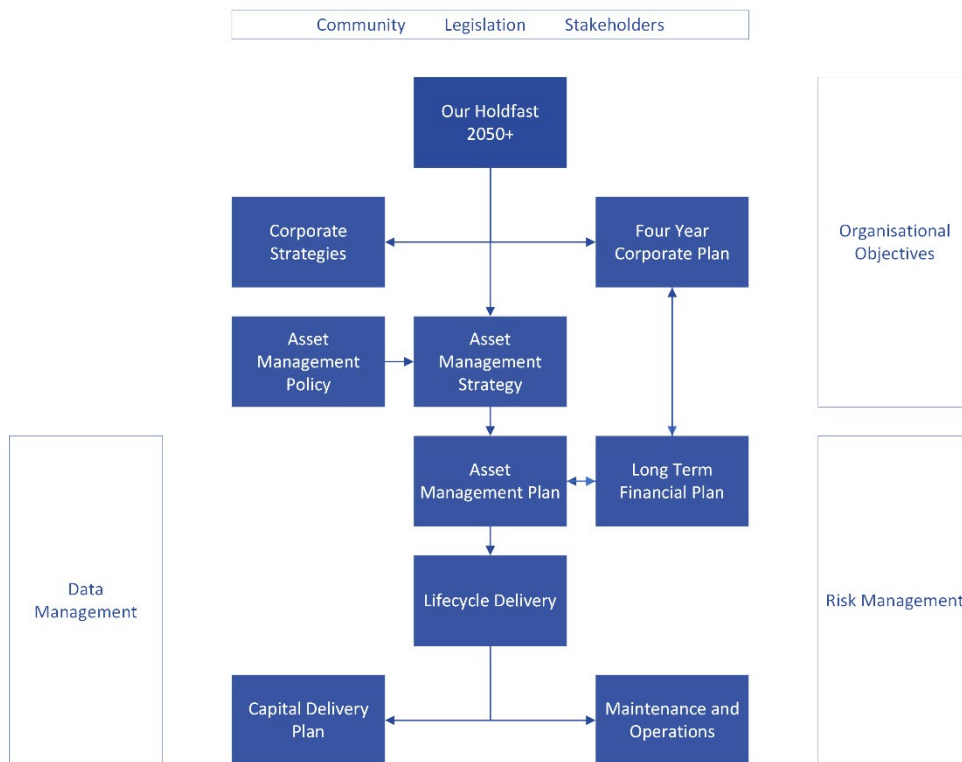


Figure 1.2 Asset management system

2 Asset class information

The transport asset class includes approximately 17,000 assets across 11 categories as summarised in Table 2.1.

Transport asset category	Number of assets
Bridges	7 (4 bridges)
Bus stop infrastructure	105
Car parks	277 (42 car parks)
Footpaths	2,762
Kerb ramps	2,756
Kerbs and gutters	3,246
Sealed road surface	1,332
Unsealed road surface	5
Road pavements	1,337
Road sub base	1,334
Signs	3,528
Traffic controls	365
Total	17,054 assets

Table 2.1 Transport assets

Previously, pathways in open space and coastal areas were managed within the open space asset class. In 2023 it was determined to consolidate and manage all footpaths within the transport asset class.

The footpath asset category is inclusive of all pathways including shared-use paths, pathways in reserves and along the foreshore, and footpaths on road corridors.

2.1 Road Hierarchy

Council's road hierarchy uses a movement and place approach that recognises and supports the multiple roles and functions of our roads. The approach recognises that roads serve dual functions as both essential corridors for moving people and goods, and important public hubs of social exchange and activities.

The movement and place categories group roads to serve these distinct roles and functions across the network, generating the road hierarchy.

There are six road hierarchy categories, each with unique roles and functions. The categorisation provides a framework for a well-planned and efficient transport network; it also serves as a practical

guide for council to balance competing demands across the transport network and provide a consistent approach suitable to the road's function within the network. The six categories road hierarchy categories are:

- Category A – Destination Roads
- Category B – Shared Collectors
- Category C – Dedicated Collectors
- Category D – Active Streets
- Category E – Intermittent Streets
- Category F – Local Streets

The road hierarchy is used as a practical tool to inform decision-making, operational service levels, safe design and treatments across transport assets.

The categorisation guide and full hierarchy can be found in the Movement and Transport Plan (in development).

3 Levels of Service

The International Infrastructure Management Manual (IIMM) describes Levels of Service (LoS) as “defined service quality for an activity or service area against which service performance may be measured”.

City of Holdfast Bay has defined Levels of Service for transport assets for both:

- Community Levels of Service – community perception of service
- Technical Levels of Service – technical indicators of performance

Defined Levels of Service are designed to support continued performance and function of transport assets to a reasonable standard, where maintenance and servicing are compliant with legislative requirements and manufacturing specifications. They are intended to ensure the transport assets and associated budgets are appropriate to meet the service levels.

Community and technical levels of service are used as performance indicators.

Detailed operational Levels of Service for individual business processes are defined in the department’s operational plans. Requirements are identified in the improvement actions section.

3.1 Community Levels of Service

Council receives feedback from a variety of sources, including:

- Community enquiries and requests
- Community strategy consultation
- Annual Business Plan consultation
- Project feedback
- Development of asset management plans
- Quality of Life Report
- Customer satisfaction surveys

This feedback is built into all areas of the plan, and we seek to measure our performance against community expectation through our service level links to customer request records and the Quality of Life Report 2023.

Table 3.1 Community Levels of Service

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality	Providing and maintaining roads and kerbing	Quality of Life Survey score	Greater than 7.5	7.1
Quality	Providing and maintaining footpaths	Quality of Life Survey score	Greater than 7.5	6.4
Quality	Providing and maintaining cycle networks	Quality of Life Survey score	Greater than 7.5	7.55
Function	I can get to places I want to go (access to shops, services, open space, etc.)	Quality of Life Survey score	Greater than 7.5	8.7

Table 3.2 Community Levels of Service

3.2 Technical Levels of Service

Performance measure	Objective	Performance measure	Key performance indicator	2024 performance
Quality (condition)	Physical state of transport assets in a serviceable condition	Average condition of transport assets	Road average condition better than 3.0 (fair)	Seal: 2.7 Pavement: 2.2
			Footpath average condition better than 3.0 (fair)	2.4
			Kerb average condition better than 3.0 (fair)	2.7
			Bridge average condition better than 3.0 (fair)	2.1
			Road asset PVP below 10%	Seal: 8% Pavement: 0.3%
Quality (condition)	Physical state of transport assets in a serviceable condition	Percentage of poor or very poor (PVP) transport assets	Footpath asset PVP below 10%	7%
			Kerb asset PVP below 10%	4%
			Bridge asset PVP below 10%	0%
			Asset renewal ratio (Renewal expenditure over forecast budget)	109% (2021-2023)
Quality (renewal)	Sustainably managing the renewal of assets	90% - 110%		
Quality (responsiveness)	Transport assets are functioning and maintained within determined response times	Time taken to respond to requests	Meet response times for priority 4 and 5 requests (90%)	TBC
Function (accessibility)	Streets and bus stops are Disability Discrimination Act compliant	Pathway and bus stop DDA compliance	Budgeting for DDA improvements	Yes
			All bus stops 100% DDA compliant	No
Capacity	Streets have capacity to meet user needs	Use of public transport	Increase people using public transport to work	6.8% (2021) Decrease from 2016 (9.9%)
Capacity	Streets have capacity to meet user needs	Active transport	Increase people cycling and walking to work	3.5% (2021) Decrease from 2016 (4.2%)
Function (safety)	Transport network is safe and compliant	Reduction in crashes on the network	Casualty rate lower than the 10-year average	Yes Average: 109 2023: 73
Climate (mitigation)	Reduce and eliminate emissions to reach 2030 carbon-neutral target	Emissions reduction from previous year	Evidence-based reduction	TBC
Climate (adaptation)	Reduction of asset management climate risk to Council	Consider climate risk in infrastructure decision-making	Progress the RAMP and implementation of actions	Yes

Table 3.3 Technical Levels of Service

All community and technical Levels of Service have been achieved with the following exceptions:

Service level	Response Action
Quality – providing and maintaining roads and kerbing: 7.1 (target 7.5)	The 2023-24 road and kerb data collection resulted in technical service levels in satisfactory condition. The difference between community and technical indicators is likely a result of defects on the network. The road condition has been modelled (Section 5.2) to ensure appropriate funding is budgeted. Additional funding to address isolated kerb defects has been included in the 10-year program (Table 6.3).
Quality – providing and maintaining footpaths: 6.4 (target 7.5)	The 2023-24 footpath data collection resulted in technical service level in satisfactory condition. The difference between community and technical indicators is likely a result of defects on the network. Additional funding to address isolated footpath defects has been included in the 10-year program (Table 6.3).
Function (accessibility) – all bus stops DDA compliant: Not met	The 2023-24 audit revealed a number of bus stops not meeting DDA compliance. Additional funding has been allocated for the next five years to reach compliance for all bus stops.
Capacity – Public Transport and Walking and Cycling usage: Decrease in usage from 2016 (Australian Census data)	Increasing the use of public and active transport will be addressed through the Movement and Transport Plan. Note: The COVID-19 pandemic affected the 2021 Census data, resulting in lower use of public and active transport, as well as lower vehicular use, with an increased number of people working from home or not working.

Table 3.3 Response actions

Levels of Service with 2024 performance labelled TBC (to be confirmed) do not currently have a baseline indicator. These are to be measured and reported on, going forward.

3.3 Legislation and relevant Acts

Under the *Local Government Act 1999*, Council is required to develop and adopt an infrastructure and asset management plan covering a period of at least 10 years.

Council is additionally required to adopt a long-term financial plan (LTFP) associated with such service plans, also covering a period of at least 10 years. There is a direct link between the development and implementation of these two plans, with the LTFP updated to reflect forecast expenditure as detailed in these plans.

Council considers the following legislative framework in the management of its transport assets.

Legislation	Requirements
<i>Aboriginal Heritage Act 1988</i>	An Act to provide for the protection and preservation of Aboriginal heritage; to repeal the Aboriginal and Historic Relics Preservation Act 1965 and the Aboriginal Heritage Act 1979; and for other purposes.
<i>Australian Accounting Standards</i>	Standards applied in preparing financial statements, relating to the valuation, revaluation, and depreciation of assets.
<i>Climate Change and Greenhouse</i>	An Act to provide for measures to address climate change with a view

Legislation	Requirements
<i>Emissions Reduction Act 2007</i>	to assisting to achieve a sustainable future.
<i>Disability Discrimination Act 2018</i> and other relevant disability legislation	To eliminate, as much as possible, discrimination against persons on the grounds of disability. Sets the standard for accessibility.
<i>Environment Protection Act 1993</i>	Responsibility not to cause environmental harm (e.g. noise pollution, contamination of water)
<i>Highways Act 1926</i>	Sets out the legislative framework for roads and road authorities in SA
<i>Local Government Act 1999</i>	Sets out role, purpose, responsibility and powers of local governments including the preparation of LTFP supported by asset management plans for sustainable service delivery.
<i>Local Government (Financial Management and Rating) Amendment Act 2005</i>	Impetus for the development of a strategic management plan, comprising an asset management plan and an LTFP.
<i>Native Title Act (South Australia) 1994</i>	Consideration should be undertaken in the provision, development and management of open space.
<i>Planning, Development and Infrastructure Act 2016</i>	An Act to provide for matters relevant to the use, development and management of land and buildings, including by providing a planning system to regulate development within the State, rules with respect to the design, construction and use of buildings, and other initiatives to facilitate the development of infrastructure, facilities and environments that will benefit the community.
<i>Road Traffic Act 1961</i>	To provide for vehicle standards, mass and loading requirements and other safety measures in relation to light vehicles. Contains powers for Council to install and remove traffic control devices.
<i>SA Public Health Act 2011</i>	An Act to promote and to provide for the protection of the health of the public of South Australia and to reduce the incidence of preventable illness, injury and disability; and for other purposes.
<i>Work Health and Safety Act 2012</i>	An Act to provide for the health, safety, and welfare of persons at work; and for other purposes.

Table 3.4 Legislative requirements

4 Demand forecast

A community's demand for services may change over time depending on factors including environmental, technological and capacity requirements. Council may need to make changes to manage future demand for services.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
<p>Population increases.</p> <p>The Housing Roadmap for SA indicates Greater Adelaide will increase by 46 per cent (670,000 people) by 2051.</p>	<p>Total estimated population 37,543 (2021).</p>	<p>Planned to accommodate for 40,000 in Holdfast Bay by 2031.</p>	<p>Increased demand and use of transport network, impacting quality, function and capacity of assets resulting in increased:</p> <ul style="list-style-type: none"> - Congestion; - Demand for parking and traffic control; - Demand for active transport, public transport and alternate transport; and - Wear and tear of assets. 	<p>The Movement and Transport Plan provides strategic direction and actions for the transport network.</p> <p>Asset condition monitoring to ensure we are effectively maintaining our assets through renewal and maintenance programs.</p> <p>Aim to protect underlying road base from degradation via the road reseal program to avoid full road reconstructions.</p>	<p>Increased usage will impact useful life of the assets, seen through an increase in maintenance and renewal to maintain service levels.</p> <p>Increased demand for traffic management devices and car parks.</p>
<p>Housing density increase to meet population increases.</p> <p>Increase in subdivisions:</p> <ul style="list-style-type: none"> - One property into two; - Multi-unit dwellings; - Multi-storey 	<p>51% of dwellings are medium to high density.</p>	<p>Increased density to accommodate additional 2500 people in Holdfast Bay by 2031.</p>	<p>Increased housing density will increase demand on transport assets and on public transport usage.</p> <p>Increased road parking demand and road congestion.</p> <p>Increased monitoring of building damage and hoarding compliance of active developments.</p>	<p>The Movement and Transport Plan provides strategic direction and actions for the transport network.</p> <p>Ensure post-development rectification works on roads and footpaths are completed by developers to required standards.</p>	<p>Increased resourcing to ensure post-development rectifications works are undertaken in accordance with approvals and standards.</p>

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
dwelling.					
Ageing population	Median age is 48 years	Growth in ageing population	<p>Increased demand for accessibility to high standard through transport assets. This may include providing:</p> <ul style="list-style-type: none"> - Footpaths with minimal tripping hazards; - Compliant bus stop infrastructure; and - More pedestrian crossing locations. 	<p>Track community satisfaction to ensure the correct assets and standards are being provided for the community.</p> <p>Development of a Walking and Cycling Plan will provide strategic direction to the walking network.</p> <p>Proactive footpath maintenance program to manage defects including tripping hazards.</p> <p>Investigate options for reducing the impact of tree roots on existing and new footpaths.</p> <p>Funding allocated to DDA improvements.</p> <p>Deliver implementation plan for bus stop improvements.</p>	<p>Increased demand to bring historical assets up to current standards for accessibility throughout the transport network.</p> <p>Impact on renewal programs to upgrade to modern standard.</p> <p>Impact on maintenance programs to ensure trip hazards are a minimum on our footpath network.</p>
Environmental sustainability (climate mitigation)	Council and the community are increasingly aware of our impact on the environment and Council's role in environmental sustainability.	Council is committed to pursuing, supporting, and creating an environment that will sustain current and future generations.	<p>Requirement to use fewer, recycled and renewable resources that can contribute to the development of a circular economy and reduce Council's carbon footprint.</p> <p>Greater environmental sustainability requirements</p>	Implement actions from the Environment Strategy 2020-2025 and Carbon Neutral Plan, and recommendations from the Climate Governance Risk Assessment	Higher costs associated with material supply and construction methods that are environmentally sustainable.

Demand driver	Current position	Demand forecast	Demand impact	Demand management	Impact on assets
			placed on the construction industry.		
Climate Change (climate adaptation)	Increase in severe weather events including droughts, extreme heat events, storms, storm surges, high tides, and sea level rise.	<p>Increasing number of hot weather days and events.</p> <p>Increase in intensity of rain events.</p> <p>Sea level rise is accelerating.</p> <p>Increased evapotranspiration.</p>	<p>Assets not reaching their expected useful lives due to a lack of consideration of climate change.</p> <p>Increasing management and maintenance demand associated with climate change adaptation.</p> <p>Increased street-tree planting and impacts on hard infrastructure to be considered in the design of assets.</p>	Through the Resilient Asset Management Program (RAMP), investigate strategies for adaptation to maintain existing assets, construct climate-resilient assets and achieve expected useful lives of transport assets.	Higher costs associated with designing and constructing climate-resilient assets.
Legislative requirements	Increasing requirements for DDA compliance on transport assets.	Higher standards of safety and improved transport assets.	Higher Level of Service may affect the amount of maintenance and renewal that can be undertaken with the allocated budget.	<p>Disability Action and Inclusion Plan 2020-2024 defines actions.</p> <p>Review DDA compliance requirements for existing assets and adjust forecast asset replacement costs and design lives to achieve compliance.</p>	Requirement to redesign networks and some specific assets to meet legislative requirements

Table 4.1 Demand factors

5 Lifecycle planning

Asset lifecycle planning outlines how Council plans to manage transport assets in an optimised cost-effective manner while ensuring delivery of agreed service levels. The lifecycle of assets can be defined in four stages including:

- Creation/acquisition (planning, design, procurement, construction)
- Operations and maintenance (operate, maintain, monitor)
- Capital renewal/replacement
- Decommission/disposal

Each of these stages is further detailed in this lifecycle planning section.

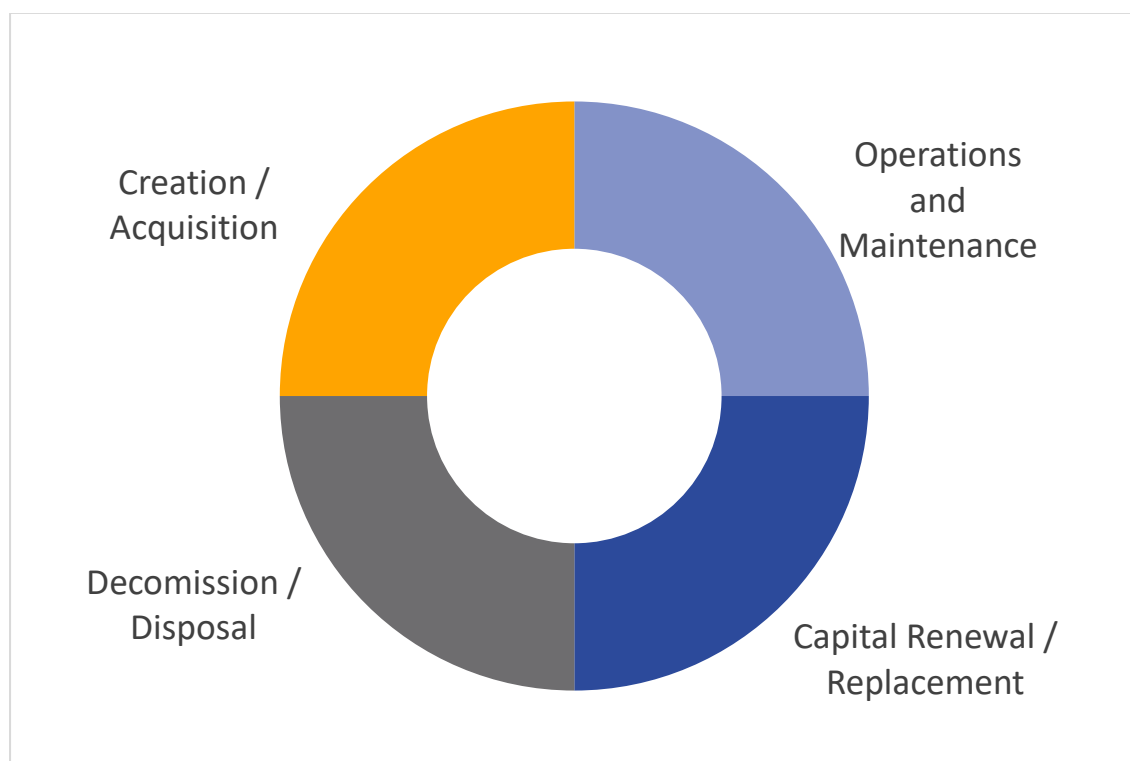


Figure 5.1 Asset lifecycle

The 17,000 transport assets are managed to provide the required services and are maintained and replaced based on defined service levels, community expectations, condition, usage, and amenity.

5.1 Asset life

Throughout the asset lifecycle, assets are inspected, condition-rated and revalued on a periodic basis. Asset condition and expected useful life are used to estimate the remaining life of each asset.

Transport assets are managed financially using a straight-line depreciation method where an asset has a baseline current replacement cost depreciated over time using an assigned expected useful life for each type of asset.

Assets may be renewed or replaced based on several factors including condition, amenity, capacity, function and increasing requirement for asset maintenance and repair as assets age. The service life

of an asset may therefore differ from the design life or useful life. During an asset’s service life, maintenance and repair works will be required to maintain the service level provided by the asset.

A summary of expected useful lives of transport assets is provided in Table 5.1.

Transport category	Asset type	Expected useful life (years)
Bridges	Concrete bridges	100
Bus shelters	Steel-framed bus shelters	20
Car parks	Footpaths	50
	Kerbs and gutters	70
	Parking bay surfaces	25
	Pavements	80
	Sealed surfaces	25
Footpaths	Concrete footpaths	60
	Paved footpaths	50
	Bitumen footpaths	40
	Gravel footpaths	20
Kerb ramps	Concrete kerb ramps	60
Kerbs and gutters	Concrete kerbs and gutters	100
Road surfaces	Sealed surfaces	25 - 30
	Unsealed surfaces	40
Road pavements	Pavements	150
Road sub base	Sub base	300
Signs	Signs	20
Traffic control devices	Crossings, roundabouts, speed restriction, traffic islands	15 to 80

Table 5.1 Useful lives

5.2 Asset condition

Council is responsible for maintaining transport assets in the appropriate condition as defined by the Level of Service (section 3). This is achieved through the following works:

- Periodic condition audits and regular inspections of transport assets
- Development of a forward works program for capital renewal works and maintenance activities

Assets are maintained and inspected regularly to ensure they remain safe, fit for purpose and ensure their service life is achieved.

The condition scoring criteria adopted for transport asset audits is based on the IPWEA condition rating guidelines and is summarised in Table 5.2 below.

Condition grade	Condition	Description	Consumption score for condition (%)
0	New		0
1	Very good	Sound physical condition, no work required.	5
2	Good	Acceptable physical condition, minimal risk of failure but potential for deterioration, only minor work required (if any).	27.5
3	Fair	Significant deterioration evident, failure unlikely in near future however further deterioration likely. Renewal likely to be required in the medium term – 5 to 10 years.	55
4	Poor	Failure likely in short term. Renewal likely to be required in the short term – 2 to 5 years.	72.5
5	Very poor	Failed or failure imminent/safety risk. Refurbishment, replacement, or removal required as a priority.	95

Table 5.2 Condition score criteria

Multiple transport asset condition assessments were completed during the 2023-24 financial year in preparation for the 1 July 2024 transport asset class revaluation.

Condition assessments are undertaken on a periodic basis to understand the condition of assets and estimate the expected remaining life of each asset to develop asset renewal plans. The transport asset condition assessments undertaken during 2023-24 included:

- road and kerb condition assessment including car parks, parking bays and roundabouts
- footpath and kerb ramp condition assessment
- bridges level 2 condition assessment
- bus stop infrastructure condition assessment

A summary of the condition of transport assets is provided in Table 5.3.

Asset category	Number of assets	Average condition rating	Percentage below condition 3
Road surfaces	1,337	2.7	7.7%
Road pavements	1,337	2.2	3.5%
Kerbs and gutters	3,246	2.7	3.9%

Asset category	Number of assets	Average condition rating	Percentage below condition 3
Footpaths	2,762	2.4	6.5%
Kerb ramps	2,756	2.1	3.1%
Bridges	4 bridges	2.1	0%
Bus stop infrastructure (Council owned)	319	2.7	12.9%
Traffic control	N/A	N/A	N/A

Table 5.3 Condition ratings



Figure 5.2 Transport class condition profile (2024)

Road condition modelling

Roads are an integral part of our city for transporting people, goods and services in cars, trucks, buses and bicycles. Providing a smooth, safe road surface for all users is essential to maintaining our service levels and safety by ensuring the surface is free of defects.

As roads age, the asphalt surface degrades through the impact of traffic, water and sunlight, resulting in cracking and potholes. Scheduled resurfacing is undertaken to act like a seal and protect the underlying pavement materials.

Protection of the underlying pavement is critical to maintaining a sustainable road network from a quality, environmental, financial and community perspective. A high-quality seal, free of potholes and cracks, helps ensure it achieves its life of 100-150 years. Damage to the road seal can lead to premature pavement reconstruction with a significant financial impact on Council.

To ensure the road seal remains high quality and safe, we have developed the 10-year road reseal program in Table 6.2. The condition of our road seal has been modelled year-on-year in line with the 10-year program to ensure we are appropriately maintaining and funding our roads.

The modelling includes variable useful lives for roads, reflective of the road hierarchy, with a 25 year useful life for high traffic and active roads and a 30 year useful life for local roads.

The modelled road seal condition is outlined in:

- Figure 5.3 - Road seal average condition illustrates the average condition of the road seal network in comparison to the service level of maintaining an average better than condition 3.0 (fair).
- Figure 5.4 - Road seal poor and very poor assets illustrates the percentage of the road seal network in condition 4.0 (poor) to 5.0 (very poor), with a service level of maintaining below 10%.
- Figure 5.5 - Road seal condition distribution illustrates the modelled distribution of road network condition over the next 10 years.

The results of this modelling indicate the road seal will be managed in line with Council's service levels, noting an increase to road segments in poor and very poor condition towards 2035. Future data collection on a four-year cycle will continue to provide updated data to inform future planning.

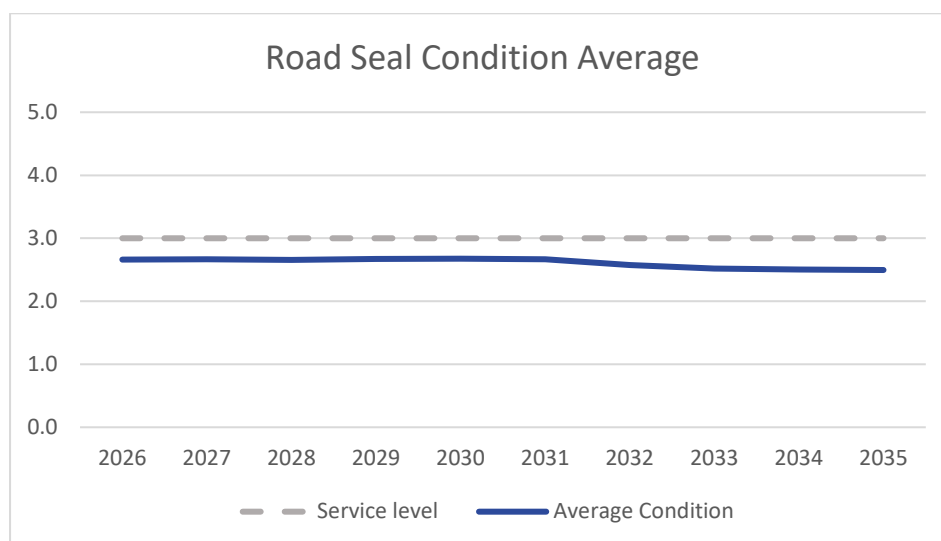


Figure 5.3 Road seal condition average

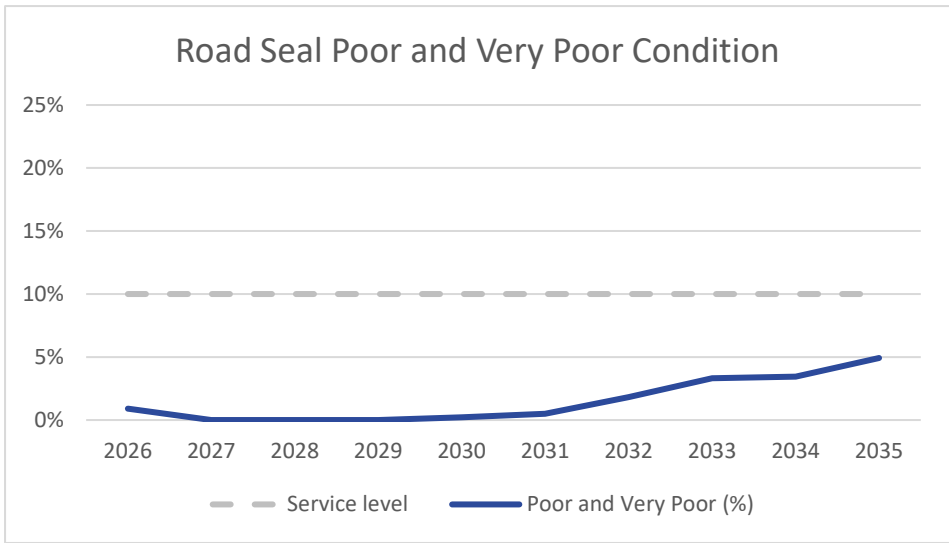


Figure 5.4 Road seal poor and very poor (PVP)

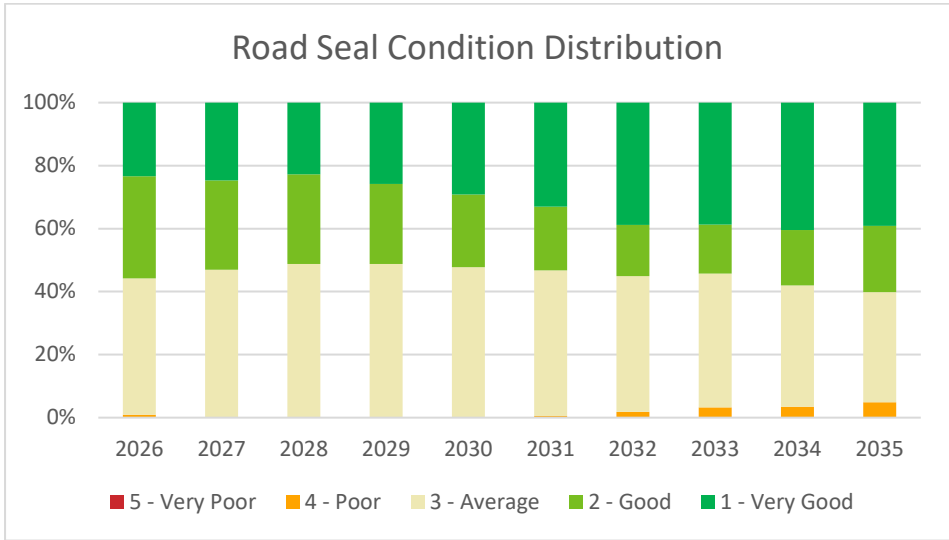


Figure 5.5 Road seal condition distribution

5.3 Historical expenditure

Historical expenditure for 2019-20 to 2022-23 for operation, maintenance, new assets and renewal of existing assets for the transport asset class is summarised in Figure 5.6. The actual expenditure for each year has been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditure.

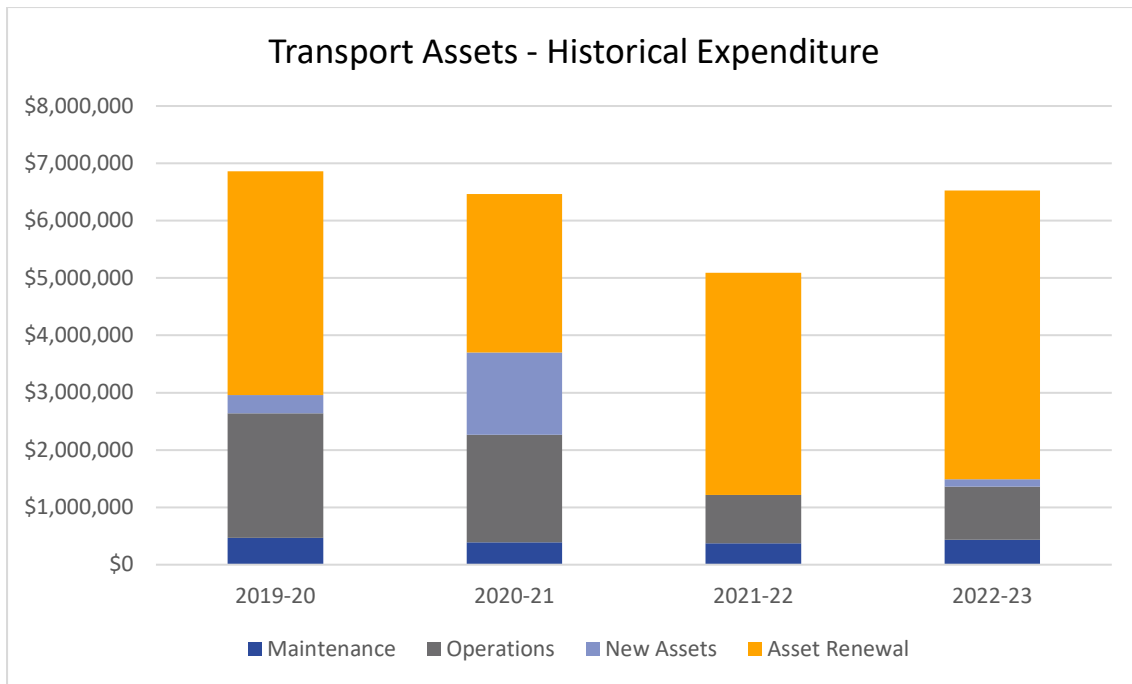


Figure 5.6 Historical expenditure

5.4 Operation and Maintenance Plan

Operations and maintenance activities include all actions required to retain an asset’s condition and amenity and can be classified as either reactive or planned.

Assessment and planning of both reactive maintenance and planned maintenance are undertaken by council personnel who use judgment to minimise interruption to operations and service delivery.

Typical maintenance of transport assets includes repairing footpath defects to avoid tripping hazards, patching road surfaces, and repairing kerbs to maintain drainage.

Typical operations associated with transport assets include cleaning footpaths and bus shelters.

Expenditures from previous financial years have been indexed by the local government price index (LGPI) to create 2024-25 equivalent expenditure.

The baseline operations and maintenance transport asset costs are forecast to trend in line with the previous four years. Based on the average operation and maintenance costs from the previous four years, annual amounts of \$1,455,309 for operations and \$416,722 for maintenance have been adopted.

An additional annual operational cost requirement has been forecast based on the Transforming Jetty Road Project. The plan has assumed an annual operational cost of 0.5% of the overall capital project value. The project valued at \$40 million, requiring an additional \$200,000 to be budgeted for ongoing maintenance. This is staged with \$100,000 added in 2025-26 and additional \$100,000 added in 2026-27.

The 10-year operations and maintenance plans are outlined in Figure 5.7 and Table 6.2.

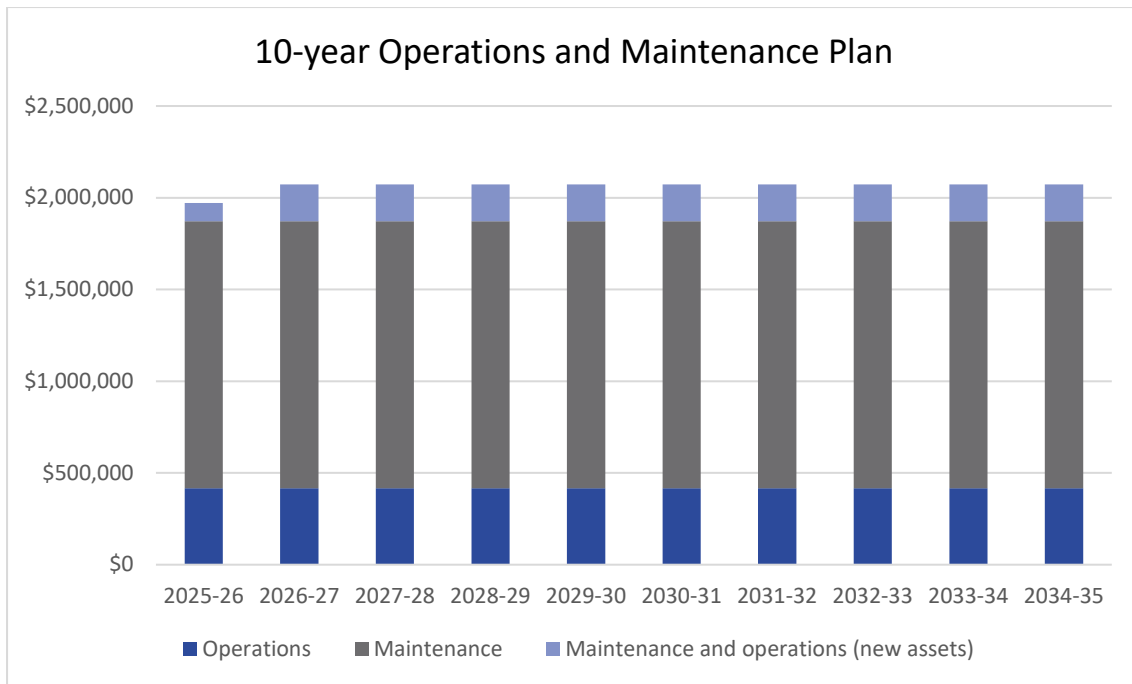


Figure 5.7 Operations and Maintenance Plan

5.5 Renewal Plan (capital renewal)

Renewal is capital work which restores, rehabilitates, replaces, or renews an existing asset to its original service potential.

Renewal of transport assets is generally aligned to asset condition however assets can also be replaced based on strategy and master-planning requirements that often involve multiple asset classes.

Renewal of transport assets is undertaken for reasons including deteriorating asset condition, function, and amenity considerations or to align works in an area to minimise disruption and undertake works efficiently.

Asset renewal is undertaken to ensure continuity of service provision for the community. The Transport Renewal Plan has been developed for each asset category on the following basis:

- Asset condition data was used to develop annual budget requirements to maintain asset category condition within agreed service level condition.
- For each asset, the remaining life or forecast renewal year was calculated using the asset condition data, the defined condition at end of life, and the standard useful life of the asset.
- DDA compliance requirements for bus shelters and kerb ramps was considered and incorporated into renewal plans to improve the DDA compliance over the 10-year period.
- Resourcing considerations for council were considered with asset condition to distribute the program over the 10-year period.
- The renewal ratio of average annual renewal to annual depreciation was also considered in development of the renewal plan.

The transport renewal program is based on analysis of the condition assessments undertaken in 2023-24. The forecast renewal requirements have been distributed over the 10-year planning period to evenly resource works, see figure 5.8.

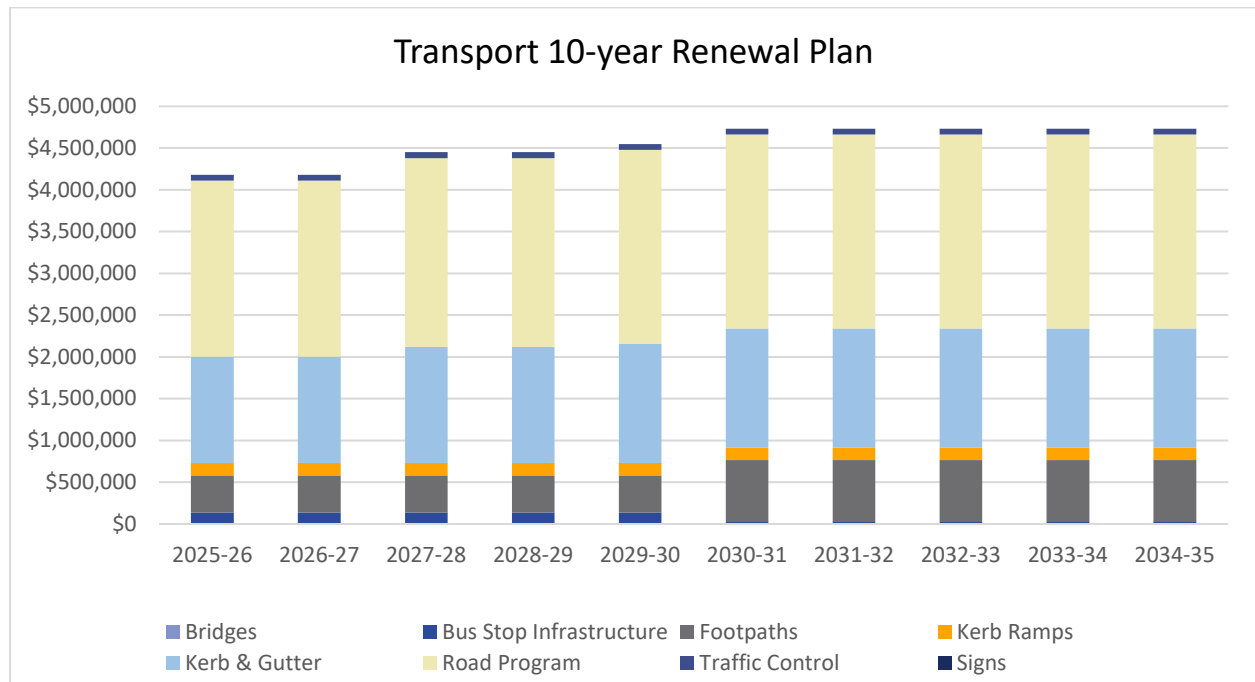


Figure 5.8 10-year Renewal Plan

Renewal of road and kerb assets represents a large portion of the transport renewal budget. To ensure works are undertaken in a cost-effective manner, planning considers the road hierarchy, location and alignment with other works to gain efficiencies.

Kerbs are generally repaired/renewed as required prior to the road reseal program to reinstate drainage paths and improve the kerb condition so no additional works will be required before the next reseal.

Renewal of kerb ramps, traffic control devices and bus stop infrastructure will be undertaken based on condition and compliance (DDA) to improve the service offering to the community.

Road surface condition data indicates 199 road segments are due for renewal. This road reseal backlog will be managed over a four-year period between 2024-25 and 2027-28. The road surface condition data indicates a substantial number of roads will be due for renewal from 2032-33. This peak requirement will be addressed over several years during the 10-year planning period.

The road renewal program is primarily road reseal, rehabilitation and reconstruction based on the 2023-24 condition assessment. Further analysis of opportunities for efficiencies through alternate treatments such as rejuvenation will be explored by Council, see improvement action 1 (Section 8).

Replacement of kerb ramps, roundabouts, carparks and bus stop infrastructure has been averaged over a 10-year period and replacement of footpaths and pathways has been evenly distributed in two stages to manage resourcing requirements.

Allowances have been included for:

- Improved the DDA compliance of kerb ramps and bus stop infrastructure

- Kerb replacement for isolated damage caused primarily by tree roots
- Footpath defect repair of trip hazards not associated with footpath segment replacement
- Road seal program on costs

5.6 Acquisition Plan (new capital)

Acquisitions are new assets that did not previously exist or works resulting in significant upgrade of the asset and an increased capacity to deliver a service. The requirement for an acquisition may result from growth, changed demand, social or environmental needs. Assets may also be donated to Council.

Acquisition works result in additional future operations and maintenance costs.

Acquisition of new assets is often based on community expectations and strategies to change a service offering in a specific location.

Council is currently undertaking and planning upgrade and acquisition works at the following sites:

- Transforming Jetty Road Project
- Acquisition of a new road directly north of Sturt Road, Brighton
- New/upgraded internal roads in Brighton Beachfront Holiday Park
- New pathways along Sturt River Linear Park
- Annual Traffic Improvement Program
- Priority actions from the Movement and Transport Plan

The Transforming Jetty Road project will result in new and upgraded road, footpath and kerb assets, as well as streetscape and open space assets. The total project value is assumed to be \$40 million. This is inclusive of \$30 million Council funded over three years (2024-25 to 2026-27) and an additional \$10 million external funding (2026-27). See Figure 6.2 and Table 6.2.

The new road directly north of Sturt Road has been constructed as part of a new housing development. Council will acquire this road and associated assets from the developer.

The Brighton Beachfront Holiday Park redevelopment is a funded project being undertaken over several years. Works still to be undertaken include replacement and development of cabins and internal roads.

The Sturt River Linear Park development is in the planning stage and currently unfunded.

The annual Traffic Improvement Program is developed to improve the road environment, making it safer and accessible for all transport users. Works include local area traffic management and walking and cycling improvements.

Actions from the Movement and Transport Strategy will be prioritised and funded through the Annual Business Planning process.

5.7 Disposal Plan

Disposal of assets refers to activities associated with disposing of a decommissioned asset including sale, demolition, or relocation of assets. Council's Disposal of Assets Policy outlines this process.

Council has no upcoming disposals for transport and currently there is no funding requirement for transport asset disposals.

6 Financial summary

This section outlines the transport asset class financial requirements.

6.1 Asset valuation

Asset values are projected to increase as additional assets are added through capital works. Unit rates are expected to increase over time as construction costs for infrastructure increase.

Additional assets will generally increase the requirement for maintenance and operations as well as future renewal.

Valuations are undertaken for each asset class in alignment with Australian Accounting Standard AASB13 Fair Value and are undertaken at minimum every five years. The next revaluation of the transport asset class will be developed as of 1 July 2024, based on up-to-date transport asset data with improved data quality, updated from the 2023-24 transport condition assessments.

During the next transport asset class revaluation, all transport assets will be assigned an asset type, asset dimension and unit rates to develop an overall current replacement cost as of 1 July 2024. Accumulated depreciation and carrying values of assets will be calculated based on condition data collected during the audits and standard useful lives assigned to asset types.

The transport asset valuation data in Table 6.1 is as of 30 June 2024.

Asset category	Current asset cost	Accumulated depreciation	Carrying value	Number of in-use assets
Bridges	\$17,340,888	\$4,286,472	\$13,054,416	7
Bus shelters	\$685,097	\$214,196	\$470,902	105
Car parks	\$10,931,674	\$3,032,118	\$7,899,556	277
Footpaths	\$51,383,000	\$24,468,219	\$26,914,782	2,762
Kerbs and gutters	\$79,767,702	\$25,467,277	\$54,300,425	6,002
Roads	\$174,175,823	\$67,996,587	\$106,179,236	4,008
Signs	\$37,250	\$16,541	\$20,709	3,532
Traffic control	\$5,314,099	\$2,195,586	\$3,118,514	365
Total	\$339,635,535	\$127,676,996	\$211,958,539	17,054

Table 6.1 Transport asset valuation

Transport Asset Valuation

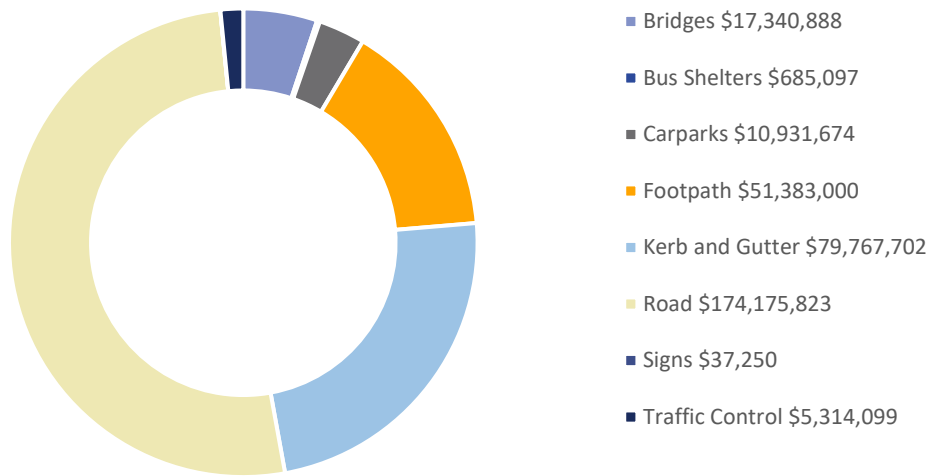


Figure 6.1 Transport assets valuation

6.2 Expenditure forecast summary

The overall transport expenditure forecast for operations, maintenance, renewal of existing assets, and acquisition of new assets is provided in Figure 6.2 and Table 6.2. The transport asset renewal forecast is provided in Table 6.3.

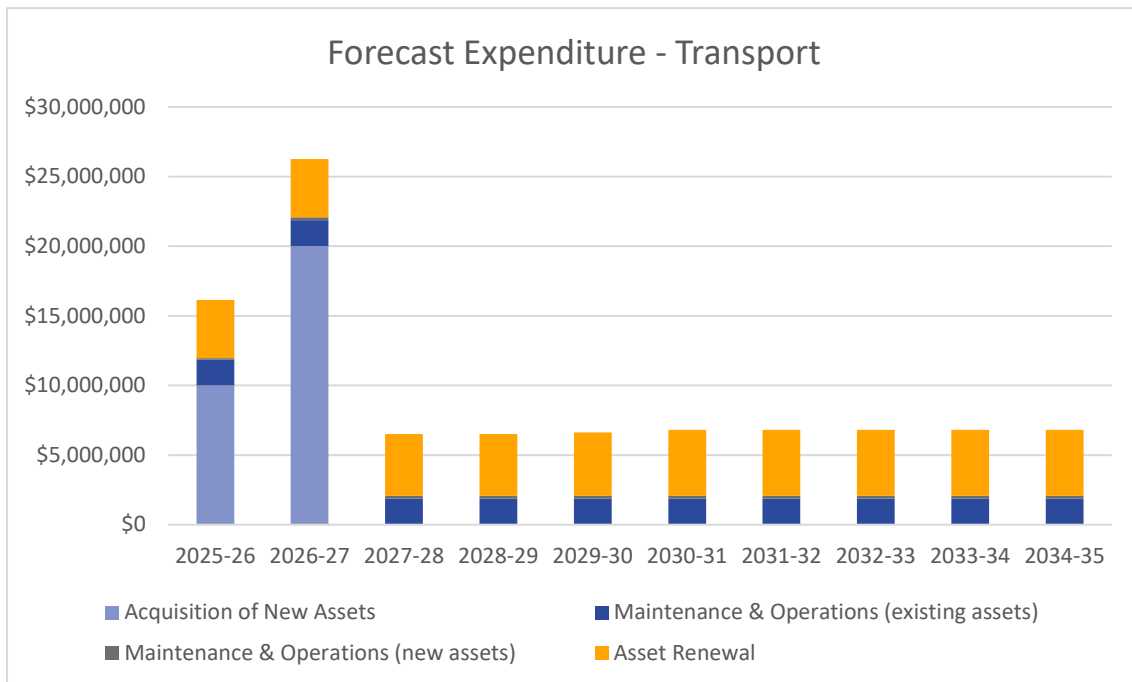


Figure 6.2 Transport forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Acquisition of new assets	\$10,000,000	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance and operations (existing assets)	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031	\$1,872,031
Maintenance and operations (new assets)	\$100,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Asset renewal	\$4,180,154	\$4,180,154	\$4,450,154	\$4,450,154	\$4,547,408	\$4,732,120	\$4,732,120	\$4,732,120	\$4,732,120	\$4,732,120
Asset disposal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
External grant funding	\$0	-\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Council funding required	\$16,152,185	\$16,252,185	\$6,522,185	\$6,522,185	\$6,619,439	\$6,804,151	\$6,804,151	\$6,804,151	\$6,804,151	\$6,804,151

Table 6.2 Forecast expenditure

Financial year	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
Bridges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bus stop infrastructure	\$138,253	\$138,253	\$138,253	\$138,253	\$138,253	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Footpaths	\$443,000	\$443,000	\$443,000	\$443,000	\$443,000	\$730,965	\$730,965	\$730,965	\$730,965	\$730,965
Kerb ramps	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Kerbs and gutters	\$1,270,000	\$1,270,000	\$1,390,000	\$1,390,000	\$1,425,617	\$1,425,617	\$1,425,617	\$1,425,617	\$1,425,617	\$1,425,617
Road program	\$2,108,901	\$2,108,901	\$2,258,901	\$2,258,901	\$2,320,538	\$2,320,538	\$2,320,538	\$2,320,538	\$2,320,538	\$2,320,538
Traffic control	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Signs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total renewal	\$4,180,154	\$4,180,154	\$4,450,154	\$4,450,154	\$4,547,408	\$4,732,120	\$4,732,120	\$4,732,120	\$4,732,120	\$4,732,120

Table 6.3 10-year Renewal Plan

6.3 Funding Strategy

Key strategic activities that will affect the future financial position for transport:

- The Asset Management Plan to inform the Long Term Financial Plan
- Movement and Transport Plan 2024 and future updates
- Transport valuation, 1 July 2024
- Valuation following transport condition data collection 2028
- Carbon Neutral Plan implementation
- Resilient Asset Management Program implementation

6.4 Assumptions

The following assumptions have been adopted in development of the financial forecasts:

- The renewal program has been based on condition data collected in 2023-24.
- Condition data and standard useful lives have been used to estimate the remaining lives of assets and the forecast renewal date for each asset.
- Renewal data developed during analysis of condition data has been distributed over the 10-year planning period to balance resourcing requirements.
- All renewal requirements identified in the analysed data will be addressed within the 10-year period.
- Operation and maintenance budget forecasts are based on actual operation and maintenance costs for a four-year period adjusted to 2024-25 costs.
- Additional costs have been included for transport asset repair works and DDA compliance requirements as previously outlined.
- Acquisition costs have been added for projects that have been approved by Council, including the Transforming Jetty Road Project.
- No decommissioning of assets has been assumed.
- The valuation for asset category kerb and gutters includes asset count for kerb ramps, currently not commissioned. To be updated through the 1 July 2024 transport valuation.

6.5 Data confidence

Expenditure requirements for asset renewal and operational costs are based on current available data.

Asset renewal costs are based on road and kerb revaluation data as of 1 July 2023 and rates developed from costs for recent capital works. The transport asset register was reviewed and updated in 2023 prior to condition assessment of roads and kerbs, footpaths and kerb ramps, bridges and bus stop infrastructure. These audits were undertaken in preparation for the transport asset class revaluation as of 1 July 2024.

The 2023-24 condition assessment results, including photographs, asset condition, material types, and dimensions have been uploaded into the asset register against the assets inspected.

The data confidence for this asset class is classified as “B – Reliable” based on the IPWEA data confidence scale as provided in Table 6.4. The data is based on sound records, procedures, investigations, and analysis. The dataset is complete and estimated to be accurate $\pm 5\%$.

Confidence level	Description
A – Highly Reliable	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 – Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, e.g. 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 $\pm 10\%$.
C – Uncertain	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 – Very Uncertain	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 – Unknown	None or very little data held.

Table 6.4 Data confidence

7 Risk management

The objective of the risk management process is to ensure all significant asset management risks are identified and assessed. Following a risk assessment and consideration of both likelihood and consequence, risks identified as high or very high in the short to medium term are investigated. Strategies and treatments are implemented to mitigate or address unacceptable risks.

An assessment of risks in line with Council’s risk matrix (Figure 7.1) associated with the transport asset class are detailed in Table 7.1.

Likelihood \ Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Figure 7.1 Risk matrix

Table 7.1 summarises the asset management risk register, which is reviewed and updated at minimum annually in line with our risk management procedures. The asset management risk register should be reviewed in line with the strategic and operational risk register.

Transport risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Risk of climate change affecting services and useful life of assets	<ul style="list-style-type: none"> - Ongoing participation in the Resilient Asset Management Program (RAMP) with Resilient South Councils. - Coastal adaptation planning in place including hazard identification and assessment. - Consideration of climate change risk in strategic and long-term planning. 	HIGH	<ul style="list-style-type: none"> - Implement RAMP actions for all asset classes. - Complete coastal adaptation planning including data collation and risk assessments. - Integrated IPWEA Practice Note 12.1 into asset project design and planning processes. 	MEDIUM
Inconsistency caused by changes to Elected Members or Senior Leadership personnel	<ul style="list-style-type: none"> - Alignment of asset management framework (AM Policy, Strategy and plans) including service levels and long-term financial plans. - Development of AM Steering Committee. - Regular asset management updates provided to Elected Members. 	MEDIUM	<ul style="list-style-type: none"> - Improving asset management maturity aligned with AM Strategy improvement plan. - Keep Elected Members and Senior Leadership Committee informed via the Asset Management Steering Committee. Identify training where required. 	MEDIUM
Insufficient budget to meet service levels for maintenance and renewal	<ul style="list-style-type: none"> - Clear budget planning process, identifying any funding dependencies within planned/major upgrades. - Operational management plans for complex and high-risk sites. - 10-year financial planning and rolling three-year capital works program. - Regular condition audits of assets. - Community service levels developed through ongoing feedback. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 8 and Improvement Action 4: Review operational LoS and update responsibilities, resourcing and planning to meet agreed LoS. Implement system to prioritise, assess and action requests in-line with operational LoS. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making. 	MEDIUM
Lack of accuracy in asset management source data consistency and accuracy	<ul style="list-style-type: none"> - Satisfactory data confidence level in current asset information data levels through cyclic condition audits, with expectation of buildings data. See confidence levels. - Annual cyclic data collection schedule in place. - Ongoing improvements to data management guidelines. - Regular updates from routine maintenance spot checks/issue reporting. 	MEDIUM	<ul style="list-style-type: none"> - AM Strategy Improvement Program Action Number 3: Establish the data management framework and guidelines for asset register to future-proof for predictive modelling. - AM Strategy Improvement Program Action Number 4: Undertake cyclic data collection to continue to improve data quality for decision-making. 	LOW

Transport risk statement	Current controls	Residual risk rating	Further risk treatments/actions	Target risk rating
Non DDA-compliant assets i.e. bus stops, kerb ramps	<ul style="list-style-type: none"> - DDA-compliant works program for bus stops, kerb ramps and pedestrian crossings. - External inspections/audit assessors. - DDA assessment of bus stops 2024 - DDA assessment of kerb ramps 2024 	MEDIUM	Accepted programs to reduce risk over time.	MEDIUM
Risk of change in community service standards or expectations	<ul style="list-style-type: none"> - Track service levels with Quality of Life Survey - Community feedback through customer requests records - Feedback through community engagement on strategies and plans 	MEDIUM	<ul style="list-style-type: none"> - Finalise movement and transport plan - Improvement action 4, integration of road hierarchy in levels of service and asset lifecycle activities 	LOW

Table 7.1 Risk assessment

8 Improvement Plan

The following tasks have been identified for improving transport asset management practices and future versions of this plan.

Task No	Improvement task	Responsibility	Resources required	Due for review
1	Investigate opportunities for alternate road treatment options and their impact on asset life and lifecycle cost.	Senior Project Manager	Existing	June 2026
2	Implement bus stop compliance program.	Senior Project Manager	Existing	June 2030
3	Track annual carbon emissions from the road renewal program.	Senior Project Manager	Existing	June 2025
4	Integration of road hierarchy into lifecycle activities for transport assets.	Senior Project Manager	Existing	June 2026
5	Review transport useful life to industry standards and condition data to inform future valuations.	Asset Management Lead	Existing	June 2028

Table 8.1 Improvement Plan

Glossary of Terms

Key Term	Definition
Accumulated depreciation	The total amount of depreciation charged to an asset from when it was first recognised to a given point in time.
Asset	An individual or group of physical objects, which has value and enables services to be provided. This typically includes buildings, plant and equipment, playgrounds, sporting infrastructure, roads, pathways, stormwater drainage, and infrastructure.
Asset Category	Second tier in the data structure, a subset of assets with similar attributes.
Asset Class	An asset class is a grouping of assets of a similar nature and use. First tier in the data structure in line with the five asset management plans.
Asset Lifecycle	The lifecycle of assets can be defined in four stages including creation/acquisition, operations and maintenance, capital renewal/replacement, and decommission/disposal.
Asset Management	The combination of management, financial, economic, engineering and other practices applied to assets with the objective of providing the required service level in the most cost-effective manner.
Asset Management Framework	The Asset Management Framework consists of the three key asset management documents, the Asset Management Policy, Asset Management Strategy and Asset Management Plans.
Asset Management Plan	Long-term plans (usually 10 years) that outline the asset activities and programs for each asset class and resources applied to provide a defined level of service in the most cost-effective way.
Asset Management Strategy	The Asset Management Strategy outlines the high level, strategic approach to asset management. In other words, how it proposes to manage its assets.
Asset Management System	Encompasses all processes and interactions of asset management activities. Inclusive of organisational strategy, objectives, processes and procedures, asset register and software, data management, risk, and asset lifecycle activities.
Asset Sub-Category	Third tier in the data structure, a further second subset of assets with similar attributes.
Asset Type	Specific attribute with a unit rate used for valuation.
Capital expenditure	Expenditure which contributes to or results in a physical asset.
Capital renewal expenditure	Expenditure to replace or rehabilitate an existing asset.
Carrying value	The amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.
Commissioned assets	Assets within Council's asset register that have been assigned a value and are subject to depreciation.
Current Asset Cost	The cost of replacing an existing asset with a substantially identical new asset or a modern equivalent.

Key Term	Definition
IIMM	International Infrastructure Management Manual providing guidelines for best management practices for infrastructure assets.
In-use assets	Assets within Council's asset register that currently exist and are providing a service.
ISO 55000	The ISO 55000 international standard for asset management provides terminology, requirements and guidance for implementing, maintaining and improving an effective asset management system.
Level of service	The defined service quality for a particular service/activity against which service performance may be measured.
Long term financial plan	Council's financial plan for a period of 10 years. Demonstrates financial sustainability in the medium to long term, while achieving the objectives in the Strategic Plan.
Maintenance expenditure	Any activity performed on an asset to ensure it is able to deliver an expected level of service until it is scheduled to be renewed, replaced or disposed.
New capital expenditure	Expenditure which creates a new asset in addition to Council's previously existing assets.
Operational expenditure	Ongoing expenditure for activities throughout an asset's life such as electricity, fuel, cleaning and inspections.
Useful Life	The useful life (UL) of an asset is the estimated length of time during which the asset is likely to be able to deliver a satisfactory level of service.



Community Engagement Report

Asset Management Plans 2024

Engagement period 29 August – 19 September 2024

Overview

The Asset management plans aim to continue providing assets that meet the community's needs, comply with the agreed service levels, provide value-for-money services that maximise asset life, and ensure budgets are allocated appropriately.

Our diverse portfolio of assets is valued at more than \$600 million, and we have allocated more than \$112 million for asset renewal over the next ten years.

Council's assets are grouped into five Asset Management Plans with an overarching Asset Management Strategy. The five categories are:

- Buildings
- Open Space
- Plant and Equipment
- Stormwater
- Transport

The community were invited to review the Draft Asset Management Strategy and Plans and provide feedback.

The engagement was promoted through the following channels:

- Signage at the libraries, Civic Centre and Holdfast Bay Community Centre, with a QR code to YourHoldfast project web page and council telephone number
- Site-wide database sent to 3982 (38% open rate)
- Mayor-Council wrap up speech x 2
- Facebook post
- Holdfast News e-newsletter Feature article on the home page of YourHoldfast
- News article on the council website

Engagement promotion examples:



Home / Asset Management Strategy and Plans 2024

Project Overview

The Asset Management Strategy and Plans are important documents that enable us to plan, maintain, and invest in our assets to deliver valuable services for our community now and in the future. They are an essential element of the City of Holdfast Bay's robust and sustainable financial planning.

Plans cover the full lifecycle of the City of Holdfast Bay. They include the assets we own or lease and manage our facilities, parks, and services, and the community and sporting facilities we own and manage.

Our goal is to create a positive legacy for our community, to ensure we have the right services, assets, and facilities for many years to come, and to ensure we have the right services, assets, and facilities for many years to come.

Our total portfolio of assets is valued at more than \$600 million, and we have allocated more than \$112 million for asset renewal over the next 10 years.

Council's assets are grouped into five Asset Management Plans with an overarching Asset Management Strategy. The five categories are:

- Buildings
- Open Space
- Plant and Equipment
- Stormwater
- Transport

You are invited to view the Draft Asset Management Strategy and Plans and provide feedback.

This engagement closed on Thursday 19 September 2024. The results from the consultation are currently being reviewed.

Read the Draft Asset Management Strategy

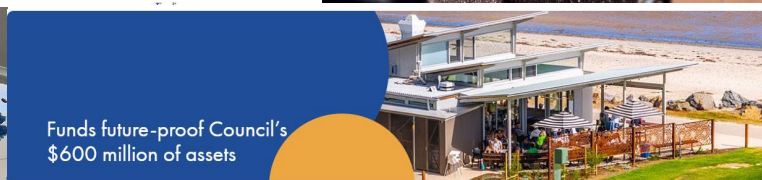
Read the Draft Asset Management Plans Summary

Our Assets

Engagement period
29 August - 19 September 2024

Draft Asset Management Strategy and Plans

- Asset Management Strategy 2024 (19/09/2024)
- Buildings Asset Management Plan (19/09/2024)
- Open Space Asset Management Plan (19/09/2024)
- Plant and Equipment Asset Management Plan (19/09/2024)
- Stormwater Asset Management Plan (19/09/2024)
- Transport Asset Management Plan (19/09/2024)



Council

Homepage • Funds future-proof Council's \$600 million of assets

Our Place - Council Magazine

Public notices

Funds future-proof Council's \$600 million of assets

THURSDAY 29 AUGUST 2024

SHARE THIS ARTICLE

Council's robust financial planning has been demonstrated with the development of five management plans that cover more than \$600 million worth of assets.

The draft asset management plans, which the community can now review and provide feedback on, are important documents that guide Council in the planning and investment into maintaining its assets and infrastructure, now and into the future.

These assets include all Council buildings, sports and community facilities, parks and reserves, the stormwater network to machinery and vehicles, roads, footpaths and kerbs.

"The five plans, and the overarching Draft Asset Management Strategy, demonstrate that Council has more than \$112 million allocated for the renewal of Council's assets over the next 10 years," Holdfast Bay Mayor Amanda Wilson said.

"This is an essential part of our long-term financial planning as the management of our assets is a significant part of Council's annual expenditure.

"This also demonstrates Council's robust and sustainable financial modelling for the next decade."

Feedback was collected in the following ways:

1. Completing online feedback at <https://www.yourholdfast.com/amp>
2. Email
3. Phone
4. Writing

Participation

People participated in the engagement in the following ways:

- 12 participants completed online feedback
- 555 views to the YourHoldfast project page (Passive participation)
- 1 email response

Engagement of project

Participation Results	
Online Participation	
Number of visits	555 visits from 478 participants
Followers to the YourHoldfast project page	3
<ul style="list-style-type: none"> • Download of the draft plans <ul style="list-style-type: none"> • AMP Strategy • AMP Strategy Summary • Open Space • Transport • Buildings • Stormwater • Plant Equipment 	121 90 44 32 32 14 11
Online Interactions	
Online feedback form contributions	12
Total Online Contributions	112 Contributions made by participants
Other Responses (information was added to YourHoldfast on behalf of the participant)	
Letters	0
Emails	1
Phone	0

Feedback

Online results

Participants we asked to select which of the documents they wished to comment on

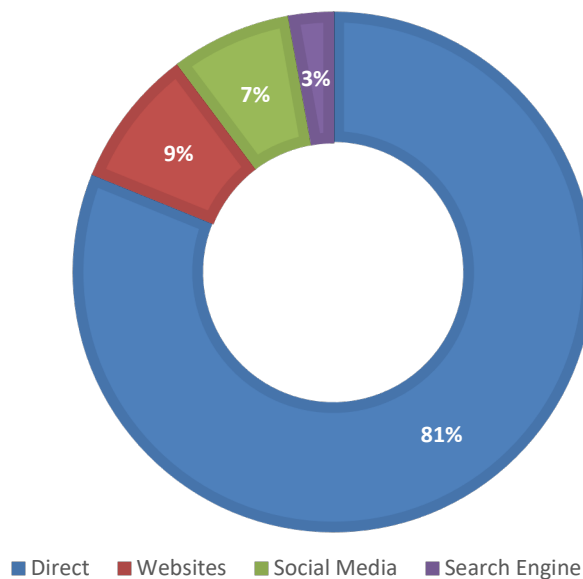
Asset Management Strategy	57.14%	4
Building Asset Management Plan	28.57%	2
Open Space Asset Management Plan	42.86%	3
Plant and Equipment Asset Management Plan	0%	0
Stormwater Asset Management Plan	14.29%	1
Transport Asset Management Plan	14.29%	1
Total	100.00%	7

Please refer to [Appendix 1 – online feedback](#) to read the comments

Note that this engagement requires the name and address of the participant for legislative reasons. Two people did not provide adequate detail.

Acquisition

Information regarding the method by which visitors arrived at the project site page.



- Direct 349 (81%)
- Websites 37 (9%)
- Social Media 32 (7%)
- Search Engine 12 (3%)

Referral Types

Referral traffic is the segment of traffic that arrives on your website through another source, such as a link on another domain.

Direct - Visitors who have arrived at a site by entering the page's web address or URL.

Search Engine - Visitors who have arrived at a site via a search engine like Google.

Websites - Visitors who have arrived at the site after clicking a link on an external website.

Social media—Visitors who visit a site by clicking a link from a known social media site such as Facebook, X, or LinkedIn.

Appendix 1 – online feedback

Comments are written verbatim

Commenting on	Comments
<ul style="list-style-type: none"> Transport Asset Management Plan 	<p>I am unable to understand much of the language used in the Plan.</p> <p>An example- In the summary, under the heading "Transport Asset Management Plan", and under "Improvement Plan" is the statement "review transport useful to inform future valuations" . What does this mean?</p>
<ul style="list-style-type: none"> Asset Management Strategy Building Asset Management Plan Open Space Asset Management Plan 	<p>No trust in council to manage finances. Ridiculous asking rate payers to pay for Jetty road upgrades that have minimal benefit if any at all to most residents</p>
<ul style="list-style-type: none"> Asset Management Strategy 	<p>I am overseas and can only read the document on my phone so apologies if I missed the Jetty Rd Glenelg project in your document.</p> <p>Is that project still going ahead? Does Council still intend to borrow \$ 30 mil to fund it and tax its rstepayers?</p> <p>If so were is the reference to this project in the document?</p>
<ul style="list-style-type: none"> Building Asset Management Plan 	<p>I am surprised to discover the level of investment there is in sporting facilities and there does not seem to be the same level of investment in community centre and library facilities. Although I suspect they have equivalent levels of usage.</p> <p>I think there needs to be some consolidation in sporting facilities to invest in upgrades in our community facilities particular libraries with adequate community spaces attached.</p> <p>There are too many bowling and tennis clubs and we need to look at new and emerging sports such as soccer and pickleball.</p>
<ul style="list-style-type: none"> Asset Management Strategy 	<p>I believe the risk from disaster, human or natural is not covered strongly enough in the Risk management area. It is hinted at only but should be strongly present in the plan. For example- Much of the Holdfast Council area would be significantly at risk in a 100 year weather event. This would cause significant loss in terms of Council's assets at a time when the need for them by the community would be heightened. The possibility of this risk being realised and the need mitigation strategies should form part of the strategy.</p>
<ul style="list-style-type: none"> Open Space Asset Management Plan 	<p>I think there is a strong demand on week ends and public holidays for visiting the beach. To ensure Holdfast Bay in general caters for all visitors including locals we need to defocus the concentration on the two beach roads by adding designated off road parking spots for coffee and take away beachy foods. This could be easily achieved by providing pads with power supplies and grey water recovery points. There are two or three points along the Esplanade that currently hsvc coffee vans that run generators that could be upgraded with a few vendor tables and attract a good council income. The services offered the public could also suit the public better as the existing cafe style outlets are generally full amd parking is always tight. This is popular in Darwin and utilized very heavily in many Queensland centers along their coast. The trading hours are those that suit the beach goers. Hot nights they stay open offering light food at the beach.</p>
<p>General comment</p>	<p>James, Kara, I have read the Asset Management Plan. I can see large buckets of money for each classification, however I cant see anything on each building or asset. For example How</p>

	<p>much money do we intend to spend on the Glenelg Oval? Does this Plan include grounds maintenance such as lawn mowing or is that "some where else". I am aware that at sometime assets cost more to maintain and that cost is greater than the cost to dispose of or demolish it. So I would anticipate you would be monitoring all of that and have a cost to maintain each asset. For example can you tell me how much is allocated to maintain the Glenelg Oval and identify if that includes ground maintenance, lawn mowing, cleaning, etc</p>
<p>General comment</p>	<p>Please could the council plant some large shady trees on both sides of Caroon Avenue Hove. Trees have been planted on Dunrobin and Illawarra for some time. One side has no overhead powerlines, so could be planted with taller shade tree's. I do hope this request will be finally acted on.</p>
<ul style="list-style-type: none"> • Asset Management Strategy • Open Space Asset Management Plan • Stormwater Asset Management Plan 	<p>I strongly encourage the council to consider proposals - which I know have been made in the past at the local level - to increase tree planting across all of Holdfast Bay's suburban streets. In particular, the suburb of Seacliff has no tree planting on the N-S which run parallel to the coastline (e.g. Yacca Road, Acacia Road, Myrtle Road, Warratah Street). The argument against planting in these streets has presumably been that they are relatively narrow, with small pavements. However, this does not preclude planting in the road, into specially constructed tree bays, as already exists in some parts of Glenelg.</p> <p>Tree planting in these streets is urgently needed for shade, as indicated in the Asset Management Strategy. In addition, these streets are 'rabbit runs' for cars driving to Wheatland Street and down to the Esplanade, and thus present a dangerous scenario whereby the streets are relatively quiet until a car speeds down them. Tree bays would offer simple traffic management solutions, as they do in Glenelg.</p> <p>A further issue is the vast amount of storm water which flows down these streets during rainfall events. These flows combine on Wheatland Street, where they become torrential. Tree planting on these streets would trap or delay those flows, in turn reducing the transport of pollution to the beach.</p> <p>The residents of Seacliff would greatly value an increase in tree canopy in the suburb, both due to the increase in biodiversity as well as due to the likely impact that beautification of our streets will have on house prices.</p> <p>I urge you to consider this request. It is relatively simple and grants can be obtained to fund the work.</p>
<p>General comment</p>	<p>the draft strategy includes the following statement/disclaimer:</p> <p>"*Natural assets (trees) are non-financial assets and excluded from the financial register. However, natural assets are managed using asset management principles with a cyclic condition assessment every four years and a 10-year Tree Management Plan. A replacement value and amenity value can be applied to trees."</p> <p>I see no logic in excluding trees from valuation - they can be valued and a maintenance cost attributed to them like any other asset, and should be.</p>

Appendix 2 Email

General comment

- The draft asset management strategy is an important document for the City of Holdfast Bay and its ratepayers.
- Disappointingly, it has been infected and degraded by Council's myopic obsession with climate change.
- Rather than continuing to promote the fear and hysteria of a supposed "climate emergency", Council must provide evidence of the "...more frequent extreme events..." affecting the City of Holdfast Bay that have been demonstrably proven to be caused by climate change.
- Theoretical climate modelling is no substitute for real-world, empirical evidence upon which these asset management plans must be based.

Draft Asset Management Strategy 2024

Section 3.7 Climate Change

Pages 12 & 13

- "Climate risks to councils are increasing as a result of more extreme events."
 - o Please provide specific examples of the "more extreme events" that have increased and affect the City of Holdfast Bay, which are solely and demonstrably proven to be caused by climate change.
 - Increasing costs associated with bushfire losses, heatwave-related deaths and damage, coastal erosion, sea-level rise, storm-surge damage, flooding and storms are occurring across South Australia."
 - o Please provide specific examples of increased costs incurred by the City of Holdfast Bay, with respect to with bushfire losses, heatwave-related deaths and damage, coastal erosion, sea-level rise, storm-surge damage, flooding and storms that are solely and demonstrably proven to be caused by climate change.
 - "Climate-related risks are not just physical, with councils also facing legal, financial and transitional risks that must be understood and managed."
 - o Please provide specific examples of the legal, financial and transitional risks currently affecting Council that are solely and demonstrably proven to be arising from climate change.
 - "Climate change effects on assets include:"
 - o "Increased rates of deterioration, damage, or destruction of constructed assets"
 - Please provide details of rates of degradation of constructed assets that have been incurred by Council that are solely and demonstrably linked to climate change?
 - o "Reduced quality and amenity of open space and natural assets"
 - Please specify the open spaces and natural assets which have suffered, and to what extent, a reduction in quality and amenity arising solely and demonstrably linked to climate change?
 - o "Increasing reduction in service such as road closures as a result of more frequent or intense flood events"
 - Please provide specific examples of extent and duration of road closures in the City of Holdfast Bay arising from flood events arising solely and demonstrably linked to climate change?
 - What has been the increase in road closures caused by more frequent or intense floods in the Council area that are solely and demonstrably linked to climate change?
 - o "Increasing demand for council asset management and maintenance services as a result of more frequent extreme weather events."

- What is the increase in the demand for Council's asset management and maintenance services for weather events that are solely and demonstrably linked to climate change?

Two comments were made from participants who had not provided a real name or address.

Based on what happened with Jetty Rd there is no point in providing feedback as you will just do what you want anyway - RIP Democracy in Holdfast Bay

I don't think it's fair that as a rate payer. I don't get a choice that council is going ahead with millions of dollars for revamp of Glenelg. That will put up my council rates.

How about consult with actual people, ratepayers regarding this.

Community engagement responses – Asset Management Plan themes

Theme 1: Jetty Road Glenelg – finances and link to AMPs

Contributors: 4

Response:

The Transforming Jetty Road project will deliver a modern, safe and vibrant coastal shopping, dining and entertainment precinct, which caters to the needs of the local community while offering visitors a world-class tourism and events destination.

Council has secured \$10 million from the Australian Government to help deliver the Coast Zone. The remaining \$30 million will be funded by Council over three years.

The 2024-25 Annual Business Plan sets out how the project will be funded for the year ahead, which will include a rate increase to support this significant project.

The community is being encouraged to follow the project's website to keep up to date as the project progresses and opportunities to provide feedback and ask questions - transformingjettyroad.com.

The Transforming Jetty Road project expenditure is outlined in Section 5 and 6 of the Transport Asset Management Plan. This includes the \$30 million new capital expenditure and a subsequent ongoing increase in operational budgets of \$200,000 per year following the completion of the project.

The Asset Management Plans outline the ongoing commitment to long-term management of all Council's assets and demonstrates the ongoing sustainable financial position with the inclusion of the Transforming Jetty Road Project.

Theme 2: Tree asset management

Contributors: 3

Response:

Council recognises the important contribution that trees and vegetation make to the city and our community. Together, these natural assets create our urban forest and provide multiple benefits such as supporting native fauna, reducing the impacts of climate change, and creating a liveable city that adds character and beauty to neighbourhoods and economic value to properties.

To manage our trees Council is developing an Urban Forest Strategy and Tree Management Plan in 2024-25.

The Urban Forest Strategy will outline our commitment to our urban forest to ensure that the city is beautiful, healthy and cool for future generations, through the retention and expansion of our urban forest.

The Tree Management Plan will outline how we will manage our trees over a ten-year period aligned with our asset management plans, defining service levels, condition and lifecycle costs for our trees.

Theme 3: Buildings – Sports Facility Investments

Contributors: 2

Response:

The Asset Management Plans are long-term plans (ten years) that outline the programs for each asset class and resources applied to provide a defined level of service in the most cost-effective way.

The detail of operational activities for individual facility management does not get reported within the asset management plan.

The Building Asset Management Plan highlighted a significant improvement programs work being undertaken for the asset class including:

- Asset inventory and condition audit 2024-25
- Review of levels of service 2025-26
- Strategic property review including development of Council's Property Plan 2025-26
- Review of lease agreements 2024-25 and 2025-26

Following the delivery of these key improvement actions the Building Asset Management Plan will be updated and brought back to Council for review in 2026 to reflect the updated asset data and strategic direction.

Theme 4: Risk Management – natural disaster (coast and storm events) impact on assets

Contributors: 1

Response:

Council recognises the impact of climate on our assets and the services we deliver. By understanding the climate risks that our community, natural environment and built assets face, we can take action to enhance and improve resilience.

To understand and minimise the risks of flooding, Council develops Stormwater Management Plans (SMPs), which define flood risks and set out strategies, plans, actions and projects to reduce flooding. There are two SMP's within the City of Holdfast Bay:

- Coastal Catchments between Glenelg and Marion
- Urban Catchments of Lower Sturt River

Council has funded a review of the Coastal Catchments SMP and the development of the Lower Sturt River SMP in 2024-25. These reviews will incorporate updated rainfall and climate change data to inform our flood mitigation strategies.

Our coastline is a dynamic, constantly changing environment, impacted by both development and storms that are increasing in severity and frequency due to climate change and sea level rise. To understand and plan for the risks and impacts associated with sea level rise, the City of Holdfast Bay is working through a complex multi-year coastal adaptation planning process, with a range of stakeholders, to develop a Coastal Adaptation Plan for the future of our coast. The state government

has recently released a draft guideline for coastal hazard adaptation planning, which Council is incorporating as a best practice approach for coastal management.

The Resilient South partnership between the Cities of Holdfast Bay, Marion, Mitcham and Onkaparinga is a regional collaboration to build resilience to climate change. An initiative through this partnership is the Resilient Asset Management Program (RAMM), which focuses on integrating resilience to climate change risks into our asset management processes.

These three initiatives are highlighted in the relevant Asset Management Plans under the future demand and risk management sections. We will continue to improve our asset management practices through integration of the latest climate information into our Asset Management Plan.

Theme 5: Technical language

Contributors: 1

Response:

The technical language in the document has been noted and a glossary has been added to each document for technical terms.

Theme 6: Climate change evidence

Contributors: 1

Response:

The most recent Intergovernmental Panel on Climate Change (2021) Assessment Report makes it clear that:

- We are on track for between 1.2°C and 1.9°C of warming by 2040
- We must limit warming to 1.5°C to avoid the worst impacts of climate change
- There is still time to take action, but the window is closing fast
- We need to prepare for the climate change that is now locked in

In southern Adelaide, the impacts of climate change include:

- More frequent, long-running, and intense heat waves, including more hot nights.
- Less rain in total but more intense storms and flooding.
- Sea level rise, more coastal erosion, and more extreme storm surges.
- Changes to growing seasons.
- More frequent and extreme fire danger days.

We recognise that the world is in a state of climate emergency and that all levels of Government have a responsibility to act. In the coming decades, the impacts of climate change will continue to increase the risks to our community, our economy and our environment. We prepare and respond to the impacts by reducing our greenhouse gas emissions, building resilience and managing the risks of the climate impacts we can't avoid.

Updates to AMPs

Document	Update
All documents	Added Acknowledgement to Country Minor grammatical updates Graphic design including style, images, tables, graphs and iconography
All AMPs	Glossary of terms
Building AMP	Valuation for 30 June 2024 incorporated. Resulting in minor changes in building quantities and values.
Open Space AMP	Valuation for 30 June 2024 incorporated. Resulting in minor changes in open space quantities and values. Minor change in condition quantities.
Plant and Equipment AMP	Valuation for 30 June 2024 incorporated. Resulting in minor changes in asset quantities and values. IT operational costs excluded, decreasing operational values.
Stormwater AMP	Valuation for 30 June 2024 incorporated. Resulting in minor changes in asset quantities and values.
Transport AMP	Valuation for 30 June 2024 incorporated. Resulting in minor changes in asset quantities and values Transport 3.2 Technical service levels – added casualty statistics Transforming Jetty Road funding redistributed across 2025-26 and 2026-27 including external funding to match current program. Operational costs associated with Transforming Jetty Road clarified to align with financial assumptions for additional annual operational costs to be 0.5% of project value (\$200,000).
Asset Management Strategy	1 Document Purpose and scope and 2.2 Integration with organisational strategies – include reference International Infrastructure Management Manual and ISO 55000 international standard for asset management 3.7 Climate Change – change RAMP name to “Resilient Asset Management <i>Program</i> ” 2.4 Asset Portfolio – Valuation for 30 June 2024 incorporated. Resulting in minor changes in asset quantities and values. 3.4 Data Management – new table defining data structure and terminology (Table 3.4)

Item No: 9.8

Subject: **TREASURY MANAGEMENT POLICY**

Summary

Council's current Treasury Management Policy is due for review. This policy supports the financial principle of managing debt and cash in a holistic manner to minimise financial risk. No changes have been made to the content of the existing policy, however, with Council's level of debt budgeted to increase significantly it is timely that this document be reviewed by the Audit and Risk Committee.

Recommendation

That the Audit and Risk Committee notes this report.

Background

The current Treasury Management Policy was endorsed by Council in 2021 and is now due for review. No changes have been made to the content of the current policy; however, it has been transferred into the new policy template.

Report

The primary objectives of Council's Treasury Policy are the optimisation of earnings; operating in a financially sustainable manner; ensuring risks are identified and managed; and maintaining compliance with appropriate legislation.

The Policy sets the principles for effectively managing Council's treasury management in the context of the annual business plan and budget, long-term financial plan, and associated cash flows. It outlines how required borrowings will be raised and how cash and investments will be managed to fund council operations.

Refer Attachment 1

Council has set out in the 2024-25 Annual Business Plan and Long Term Financial Plan 2024 – 2034 its intention to significantly increase the use of debt over the next three years to fund major upgrades in the City using the principal of inter-generational equity. The principles outlined in this policy will guide when and how this funding will be sourced.

Treasury Management Principles

A number of principles are followed in relation to sound treasury management as follows:

- Cash and investments should normally be used in preference to additional debt.
- Borrowings should be made when the funds are required and not for a particular project.

- Borrowings should not be for the long-term if a cash surplus is likely in the future.
- Interest rate risks need to be managed.

The Policy details a treasury management approach whereby council's finances will be managed holistically in accordance with overall financial sustainability strategies and annually reviewed financial targets. The targets are set as part of the annual budget process taking into consideration the Long Term Financial Plan. This policy enables council to:

- measure and report on target ranges for its Net Financial Liabilities Ratio.
- measure and report on target range for its Interest Cover Ratio.
- not retain and quarantine money for specific purposes unless required by legislation or agreement with other parties.
- borrow funds in accordance with the requirements set out in its Long Term Financial Plan.
- maintain a minimum amount of liquidity including access to immediate credit facilities.
- apply any funds that are not immediately required to meet approved expenditure in the following order of priority:
 - (i) reduce existing borrowings where it is cost effective to do so;
 - (ii) defer the timing of new borrowings;
 - (iii) invest in accordance with the policy.

Budget

There are no budget implications associated with this report.

Life Cycle Costs

There are no life cycle costs associated with this report.

Strategic Plan

Statutory compliance

Council Policy

Treasury Management Policy

Statutory Provisions

Local Government Act 1999, sections 44, 47, 48, 122, 134, 139, 140

Local Government (Financial Management) Regulations 2011, Regulations 5, 10

Written By: Manager Finance

General Manager: Strategy and Corporate, Ms S Wachtel

Treasury Management

1. Purpose

The purpose of this policy is to provide clear direction to management, staff and Council in relation to the treasury (funds) management and is designed to actively support Council's commitment to financial sustainability.

2. Scope

This policy applies to all Council activities.

3. Roles and Responsibilities

Council	On-going review of treasury performance and risks. Approve total borrowings. Approval of investments fixed for a period greater than 12 months.
Chief Executive Officer	Overseeing compliance, implementation and performance against investment objectives and ensuring reporting to Council.
Finance Manager	Prudently manage Council's liquidity and its borrowings and investments. Implementation of investment and financial risk management activities. Making recommendations in relation to borrowings. Ensure the principles of this policy are followed. Ensure appropriate financial processes are established and maintained to manage financial risks in accordance with this policy.

4. Policy Statement

The primary objectives of Council's Treasury Policy is the optimisation of earnings, operating in a financially sustainable manner, ensuring risks are identified and managed and maintaining compliance with appropriate legislation.

This policy sets the principles for effectively managing Council's treasury management in the context of the annual business plan and budget, long-term financial plan, and associated cash flows. It outlines how required borrowings will be raised and how cash and investments will be managed to fund Council operations.

Treasury Management Strategy

- 4.1. Finances will be managed holistically in accordance with overall financial sustainability strategies and annually reviewed targets. This means that Council will:
- (a) maintain target ranges for Net Financial Liabilities and Net Financial Liabilities Ratio
 - (b) maintain target range for Interest Cover Ratio
 - (c) not retain and quarantine money for particular future purposes unless required by legislation or agreement with other parties
 - (d) borrow funds in accordance with the requirements set out in its Long Term Financial Plan
 - (e) maintain a minimum amount of liquidity.

Liquidity

- 4.2. Council will maintain a minimum amount of cash on hand or at call to meet projected cash needs and maintain a \$1 million standby credit facility with the LGFA which can be accessed immediately on the approval of the Chief Executive Officer (or delegate) should the need arise.
- 4.3. Any funds that are not immediately required to meet approved expenditure or minimum liquidity will be applied in the following order of priority:
- 1. reduce existing borrowings where it is cost effective to do so
 - 2. defer the timing of new borrowings
 - 3. invest in accordance with this policy.

Borrowings

- 4.4. Council recognises the prudent use of borrowings to spread costs over time in support of the principle of intergenerational equity.
- 4.5. Borrowings will be managed in accordance with overall financial sustainability strategies and legislative requirements. This means that Council will:
- (a) approve borrowings having regard to the annual budget, long term financial plan and financial targets
 - (b) borrow in accordance legislative powers pursuant to section 44(3)(c) of the *Local Government Act 1999*
 - (c) not attach borrowings to specific expenditure commitments or assets
 - (d) maintain flexibility and capacity to borrowings comprising a mixture of:
 - (i) maturity dates
 - (ii) variable and fixed interest rates
 - (iii) interest only and amortising loans
 - (iv) cash advance debentures that enable principal draw down and repayment without penalty
 - (e) borrow from the LGFA (being the preferred financial institution) or the Commonwealth Bank, ANZ, NAB or Westpac
 - (f) not borrow directly from any retail market through the issue of bonds or other debentures
 - (g) not deal in swaps and derivatives without Council approval.

- 4.6. Loans to community organisations must be approved by Council and will be funded by borrowings in accordance with this policy and Council's "Borrowing Guidelines for Community Organisations".

Municipal Investments

- 4.7. Council's Municipal funds that are not immediately required for operational needs and cannot be applied to either reduce existing borrowings or to avoid raising new borrowings will be invested.
- 4.8. When investing these funds Council will select the investment type which delivers the best value having regard to investment returns, transaction costs, future funding needs and other relevant factors. This means that council will invest surplus funds with:
- (1) the LGFA (being the preferred financial institution)
 - (2) SA or Commonwealth Government Bonds
 - (3) interest bearing deposits or bank accepted/endorsed bills with banks with:
 - (i) short term credit rating from S&P of not less than A1 for investments of not more than 12 months
 - (ii) long-term credit rating from S&P of not less than AA- for investments greater than 12 months.
- 4.9. Investments will be made in accordance with this policy by the Chief Executive Officer (or delegate) in accordance with section 139 of the *Local Government Act 1999*. Council approval is required for Municipal investments with a maturity date greater than 12 months.

Alwyndor Investments

- 4.10. Alwyndor's investments are to be made in accordance with the Alwyndor Investment Management Strategy (IMS). The IMS will be recommended by the Alwyndor Management Committee (AMC), Audit Committee and endorsed by Council.
- 4.11. When investing these funds Alwyndor management (under approved delegation) will determine an appropriate investment strategy with permitted financial products based on cash flow requirements and agreed risk profile in accordance with the approved IMS.
- 4.12. Permitted financial products are as specified in the *Aged Care Act 1997*.
- 4.13. Consideration will be given to different asset investment types and timeframes, including cash and deposits; bonds and debentures; income securities and shares.
- 4.14. Any holdings in cash, deposits, bonds and debentures and income securities must meet credit rating exposures as in the approved IMS.
- 4.15. Investments are not to be made in speculative instruments; private shareholdings or leveraged products and other complex instruments.
- 4.16. Investments can be made with a maturity date greater than 12 months in accordance with the IMS principles.

Reserve Accounting

- 4.17. Council will not maintain cash-backed reserves unless required to by legislation or agreement with third parties.

4.18. Existing cash-backed reserves will be managed as follows:

- (1) provisions for future capital expenditure will be included in Council’s long term financial plan
- (2) existing cash reserve funds will be applied to reduce borrowings or to avoid raising new borrowings.

Reporting

4.19. Council will receive the following reports:

- (1) annual long term financial plan projections including financial targets
- (2) annual review of borrowing and investment performance pursuant to section 140 of the *Local Government Act 1999*
- (3) summary of the level of borrowings, investments and net financial liabilities at each budget review
- (4) as required a schedule of borrowings and cash when considering new borrowing or investing surplus cash for greater than 12 months
- (5) as required, in instances of a breach of policy, an audit report to the CEO, chair of the Audit Committee and Internal Auditor
- (6) as required a report on adherence to treasury management internal controls including liquidity, borrowing and investing of surplus funds.

5. Definitions

Key term or acronym	Definition
Treasury Management	Means managing borrowings, investments and cash flows.
Financial Sustainability	Means meeting long term service and infrastructure levels and standards without unplanned increases in rates or disruptive cuts to services.
Long Term Financial Plan	Means the primary financial document linked to the Strategic Plan and informed by the Asset Management Plan expressing activities over at least 10 years providing guidance to formulate a financially sustainable business plan and budget.
Net Financial Liabilities	Means total liabilities less financial assets, where financial assets for this purpose include cash, investments, receivables and prepayments, but excludes inventories and land held for resale.
Interest Cover Ratio	Means the extent to which operating revenues are committed to net interest expense.
Inter-generational Equity	Means resources and assets do not belong to one generation but are administered and preserved for future generations.
LGFA	Means Local Government Finance Authority, being an authority established under the <i>Local Government Finance Authority Act 1983</i> . Under the Act the South Australia Government guarantees all of the Authority’s liabilities, including monies accepted on deposit from clients. The Authority develops and implements borrowing and investment programs for the benefit and interests of Local Government.
S&P	Means Standard & Poors global credit rating agency which is independent and expresses an opinion about the ability and willingness of an institution such as a corporation or

	government, to meet its financial obligations in full and on time. An AA rating means the institution has a very strong capacity to meet financial commitments.
Reserve Funds	Means funds set aside in an account to meet any unexpected costs that may arise in the future costs of asset renewal or replacement.

6. Administration Use Only

Reference Number:	Document Set ID: 4868927
Strategic Alignment:	Our Holdfast 2050+
Strategic Risk:	Poor or ineffective management of legislative and regulatory obligations and ongoing changes
Responsible Officer(s):	Manager Finance Financial Accountant Lead Management Accountant Lead
First Issued / Approved:	14/4/11, 13/7/21
Minutes Date and Council Resolution Number:	TBA
Last Reviewed:	14/08/2024
Next Review Date:	14/08/2027
Applicable Legislation:	For borrowings: (1) <i>Local Government Act 1999</i> , sections 44, 122, 134. (2) Regulations 5 and 5B of the Financial Management Regulations under the Act For investments: (1) <i>Local Government Act 1999</i> , sections 47, 139, 140 (2) <i>Aged Care Act 1997</i>
Related Policies:	
Other Reference Documents:	Alwyndor Aged Care – Investment Management Strategy

Item No: 9.9

Subject: COUNCIL PUBLIC INTEREST DISCLOSURE POLICY

Summary

The current Council Public Interest Disclosure Policy is out of date (endorsed previously by Council on 9 July 2019 - C090719/1547) and is required to be reviewed due to significant legislative amendments.

Recommendation

That the Audit and Risk Committee endorses the Public Interest Disclosure Policy, for presentation and adoption by Council.

Background

The *Public Interest Disclosure Act 2018* commenced on 9 July 2019.

Public interest disclosures may be made about risks to public health or safety and/or to the environment and/or about potential corruption, misconduct and maladministration in public administration.

Amendments came into effect on 7 October 2021 because of changes to the *Independent Commissioner Against Corruption Act 2012* (ICAC Act), making the Office for Public Integrity (OPI) a standalone independent body and creating an Independent Commission Against Corruption (ICAC).

The Leadership Team and the Senior Leadership Team approved the policy for presentation to the Audit and Risk Committee.

Report

Corruption

Under the legislation, public officers must report to the OPI any conduct in public administration they think is corrupt. This includes a public officer breaching their duty to act honestly in their role at all times, as well as:

- abuse of public office;
- bribery or corruption of public officers;
- threats of reprisals against public officers;
- demanding or requiring a benefit on the basis of public office;
- offences relating to appointment of public office.

Misconduct and maladministration

ICAC will no longer investigate complaints about misconduct and maladministration in public administration, with these matters instead referred to the South Australian Ombudsman for investigation.

The Ombudsman has issued directions and guidelines outlining the reporting requirements for South Australian public officers and authorities to report relevant matters.

Public officers are also no longer mandated to report misconduct or maladministration in public administration. However, for the benefit of the public sector, local government and the South Australian community, all public officers are strongly encouraged to report any breaches of these matters to the OPI.

The definition of misconduct has also changed and must meet all four criteria:

1. The public officer's breach contravened a code of conduct.
2. The breach was intentional and serious.
3. The breach happened while acting in their capacity as a public officer.
4. The public officer's breach could result in disciplinary action.

For the avoidance of any doubt, the above amendments to the ICAC Act do not alter the definition of misconduct under common law.

Revised Council Public Interest Disclosure Policy

The purpose of this Policy is to ensure that Council:

- properly fulfils its legislative responsibilities;
- encourages and facilitates disclosures of public interest information in accordance with the objects and requirements of the PID Act;
- ensures there is appropriate oversight of public interest disclosures about corruption, misconduct and maladministration in public administration;
- provides appropriate protection for those who make disclosures in accordance with the PID Act; and
- acknowledges the need to appropriately support informants, the responsible officer and, as appropriate, those public officers affected by any appropriate disclosure.

The Policy is provided in Attachment 1.

Refer Attachment 1

The Strategy and Governance unit has developed a new Organisational Public Interest Disclosure Procedure to ensure staff are informed of the process linked to the policy and comply with it. As the procedure is administrative in nature, it does not require endorsement by the Audit and Risk Committee. The Senior Leadership Team has approved the procedure for implementation, pending the policy's adoption by the council.

Budget

There are no budget implications associated with this report.

Life Cycle Costs

There are no life cycle costs associated with this report.

Strategic Plan

Statutory compliance

Council Policy

Council Public Interest Disclosure Policy

Statutory Provisions

Not applicable

Written By: A/Manager Strategy and Governance

General Manager: Strategy and Corporate, Ms S Wachtel

PUBLIC INTEREST DISCLOSURE

1. Purpose

The purpose of this Policy is to ensure that Council:

- properly fulfils its legislative responsibilities
- encourages and facilitates disclosures of public interest information in accordance with the objects and requirements of the PID Act
- ensures there is appropriate oversight of public interest disclosures about corruption, misconduct and maladministration in public administration
- provides appropriate protection for those who make disclosures in accordance with the PID Act, and
- acknowledges the need to appropriately support informants, the responsible officer and, as appropriate, those public officers affected by any appropriate disclosure.

2. Scope

This Policy applies to appropriate disclosures of public interest information that are made in accordance with the PID Act by public officers including Elected Members, Council Committee Members, officers and employees of the Council (including Alwyndor), and by members of the public.

It should be noted that any matters relating to clients of Alwyndor are also subject to notification provisions in the *Aged Care Act 1997* (Cth) (*Aged Care Act*), which have shorter reporting timeframes than the PID Act.

Anyone can receive the protection of the PID Act if an appropriate disclosure is made of environmental and health information in accordance with the PID Act. Only public officers are eligible for the protections under the PID Act if making an appropriate disclosure of public administration information.

Nothing in this policy relieves public officers of other reporting requirements, namely:

- public officers must report to the Office for Public Integrity (OPI) any conduct in public administration they reasonably suspect involves corruption unless they know it has already been reported to OPI, and
- public officers are no longer mandated to report misconduct or maladministration in public administration however, the Ombudsman expects breaches of these matters to be reported to them.

3. Roles and Responsibilities

Elected Members, Council Committee Members, officers and employees of the Council (including Alwyndor), and by members of the public	Report disclosures of public interest information in accordance with requirements detailed within policy and procedure.
Responsible Officers: General Manager Assets & Delivery, or General Manager Community & Business General Manager Strategy & Corporate	Will liaise as required with the informant and any independent assessor in relation to any investigation process undertaken in accordance with the Public Interest Disclosure Procedure, and will ensure that the informant is provided with support and protection as necessary and appropriate in the circumstances of the disclosure.

4. Policy Statement

Council is committed to:

- referring appropriate disclosures to another relevant authority when necessary
- reporting the disclosure directly to the OPI in accordance with the requirements of the *Independent Commissioner Against Corruption Act 2012* (ICAC Act) and relevant guidelines where a disclosure relates to corruption, or serious or systemic misconduct or maladministration in public administration
- otherwise facilitating the investigation of appropriate disclosures in a manner which promotes fair and objective treatment of those involved, and
- rectifying any substantiated wrongdoing to the extent practicable.

This policy is designed to complement existing communication channels within Council, and operates in conjunction with relevant fraud, corruption and behavioural management policies.

Confidentiality

- 4.1 With the exception of circumstances listed in 4.2, the identity of an informant will be kept confidential.
- 4.2 A recipient of an appropriate disclosure may only divulge the identity of an informant where:
- on reasonable grounds, the recipient believes that it is necessary to divulge the identity of the informant in order to prevent or minimise an imminent risk of serious physical injury or death to any person, and the identity of the informant is then divulged to a person or authority that the recipient believes is the most appropriate authority or person to be able to take action to prevent or minimise the risk
 - the recipient has been issued with a notice from the Office for Public Integrity (OPI) advising that the identity of the informant is required by the OPI, in which case the recipient must disclose the identity of the Informant to the OPI
 - doing so is necessary for the matter to be properly investigated (but only to the extent necessary to ensure proper investigation), or
 - the informant consents to his/her identity being disclosed.
- 4.2 In considering whether to further disclose other information provided as part of an appropriate disclosure, council will be mindful of the prohibition against victimisation in the PID Act.

- 4.3 An informant may wish to remain anonymous, but in that event must ensure that the allegation is sufficiently supported by the provision of necessary details and evidence to enable the matter to be properly investigated.

Disclosures

- 4.4 Disclosures are to be handled in accordance with the Public Interest Disclosure Procedure.
- 4.5 Nothing in this Policy prevents a person from making a disclosure to a relevant authority external to council (i.e., the Ombudsman, ICAC or OPI). This is a choice to be made by the informant.
- 4.6 A disclosure may be made to the council's designated responsible officer in person, by telephone or in writing. The relevant contact details are:

General Manager Assets & Delivery, or
General Manager Community & Business, or
General Manager Strategy & Corporate
8299 9999
PID@holdfast.sa.gov.au, or

CONFIDENTIAL Public Interest Disclosure
Attention: Responsible Officer [include position title]
PO Box 19
BRIGHTON SA 5048

- 4.7 It should be noted that any disclosures relating to clients of Alwyndor must also be managed under the Aged Care Act, via the General Manager, Alwyndor.

Protection for an Informant

- 4.8 An informant who makes an appropriate disclosure is protected by the PID Act via:
- immunity from criminal or civil liability, as provided for in section 5(1)
 - a prohibition on disclosure of their identity, as provided for in section 8
 - a prohibition against victimization, as provided for in section 9, and
 - a prohibition against hindering, obstructing or preventing an informant from making an appropriate disclosure, as provided for in section 11.
- 4.9 Protections do not extend to people who knowingly make disclosures that are false or misleading in a material particular (whether by reason of the inclusion or omission of a particular). Disclosures that are false or misleading in a material particular are an offence.
- 4.10 Victimising informants is an offence and Council will take action as appropriate to protect Informants from victimisation.
- 4.11 Any Elected Member or employee or officer of council who:
- knowingly makes a disclosure that is materially false or misleading, or
 - commits an act of victimisation in relation to an informant, or
 - acts otherwise than in accordance with this Policy or the Public Interest Disclosure Procedure (including, but not limited to, divulging the identity of an informant) in relation to a disclosure
- may also face disciplinary action by the Council or the Chief Executive Officer (as appropriate) in accordance with relevant policies and codes of conduct.

Role of the Principal Officer

- 4.12 The Principal Officer is responsible for:
- ensuring that one or more appropriately qualified officers or employees of the council are designated as responsible officers of the council for the purposes of the PID Act and undertake any training required by the relevant Regulations
 - ensuring that the name and contact details of each responsible officer of the council are made available to officers and employees
 - as a matter of discretion, informing elected members on a confidential basis of investigations of a disclosure that have taken place and the outcome of an investigation. Factors that the Principal Officer can take into account in determining whether to inform elected members, and the level of detail provided, include:
 - (i) whether the informant has consented to their identity being divulged
 - (ii) if applicable, the identity of any person that is a subject of the disclosure
 - (iii) any impact of the investigation upon the council's achievement of its objectives under its strategic plans or policies
 - (iv) the impact of any action taken to finalise the matter on council's operations or budget.
- 4.13 Where a disclosure or subsequent investigation process is related to council employees and human resource processes, elected members will not be informed of the disclosure or investigation as these matters fall outside their roles and responsibilities under the *Local Government Act 1999*.

Role of the Responsible Officer

- 4.14 The responsible officer will liaise as required with the informant and any independent assessor in relation to any investigation process undertaken in accordance with the Public Interest Disclosure Procedure, and will ensure that the informant is provided with support and protection as necessary and appropriate in the circumstances of the disclosure.
- 4.15 A person designated as a responsible officer for the council must:
- receive and manage disclosures and ensure compliance with the PID Act, and the Organisational Public Interest Disclosure Procedure
 - make appropriate recommendations to the principal officer of the council in relation to dealing with disclosures, including any suggested changes to this Policy or the Organisational Public Interest Disclosure Procedure
 - provide advice to officer and employees of council in relation to the administration of the PID Act, and
 - complete any training courses approved by the Commissioner for the purposes of the Public Interest Disclosure Regulations.
- 4.16 A person designated as a responsible officer for council may:
- carry out any other functions relating to the PID Act.
 - seek legal advice from council's lawyers and/or guidance from SAPOL or other relevant authority in relation to the most appropriate course of action to pursue,
 - incur costs for that purpose in accordance with the council's Budget and delegations.

4.17 The responsible officer must ensure accurate records of an appropriate disclosure are securely and confidentially maintained including notes of all discussions, phone calls, and interviews. In performing their duties, the responsible officer will maintain a confidential file of information (including written documents, disks, tapes, film or other objects that contain information) that relates to disclosure and/or is a product of the associated investigation/reporting process. All such information will be securely stored in ECM and accessible only to responsible officers. In the event that a person's appointment as a responsible officer ends, the person must provide this information to the newly-appointed responsible officer and having done so will continue to be bound by a duty of confidentiality in respect of an informant's identity and the information received as a result of the disclosure. These provisions extend to any independent assessor.

5. Definitions

Refer to Appendix A on page 7.

6. Administration Use Only

Reference Number:	Document Set ID: 4846352
Strategic Alignment:	Council's vision for 2050+ is, in part, to create "a welcoming and healthy place for all in South Australia's most sustainable city". Both sustainability and wellbeing are built on a foundation of trust. The public interest disclosure policy contributes to building trust in public governance and Council.
Strategic Risk:	Poor or ineffective management of legislative and regulatory obligations and ongoing changes.
Responsible Officer(s):	General Manager Strategy & Corporate Manager Strategy & Governance
First Issued / Approved:	9 July 2019
Minutes Date and Council Resolution Number:	C090719/1547
Last Reviewed:	X January 2024
Next Review Date:	X January 2028
Applicable Legislation:	<i>Independent Commission Against Corruption Act 2012</i> <i>Ombudsman Act 1972</i> <i>Public Interest Disclosure Act 2018 and Regulations 2019</i> <i>Local Government Act 1999</i> <i>Criminal Law Consolidation Act 1935</i> <i>Aged Care Act 1997 (Cth)</i>
Related Policies:	<ul style="list-style-type: none"> • Council Fraud, Corruption, Misconduct and Maladministration Policy • Model Public Interest Disclosure Policy and Procedures (issued by the LGA)
Other Reference Documents:	<ul style="list-style-type: none"> • Ombudsman SA Directions and Guidelines • Office of Public Integrity Direction and Guidelines • Public Interest Disclosure Guidelines (issued by the ICAC)

	<ul style="list-style-type: none">• Codes of Conduct and associated policies for employees and Elected Members• Organisational Public Interest Disclosure Procedure.
--	---

Appendix A

- Commissioner -** the person holding or acting in the office of the Independent Commissioner Against Corruption.
- Corruption -** in public administration is defined in section 5(1) of the ICAC Act and means:
- an offence against Part 7 Division 4 (Offences relating to public officers) of the *Criminal Law Consolidation Act 1935*, which includes the following offences:
 - (i) bribery or corruption of public officers;
 - (ii) threats or reprisals against public officers;
 - (iii) abuse of public office;
 - (iv) demanding or requiring benefit on basis of public office;
 - (v) offences relating to appointment to public office; or
 - an offence against the *Public Sector (Honesty and Accountability) Act 1995* or the *Public Corporations Act 1993*, or an attempt to commit such an offence; or
 - an offence against the *Lobbyists Act 2015*, or an attempt to commit such an offence; or
 - any other offence (including an offence against Part 5 (Offences of dishonesty) of the *Criminal Law Consolidation Act 1935*) committed by a public officer while acting in his or her capacity as a public officer or by a former public officer and related to his or her former capacity as a public officer, or by a person before becoming a public officer and related to his or her capacity as a public officer, or an attempt to commit such an offence; or
 - any of the following in relation to an offence referred to in a preceding paragraph:
 - (i) aiding, abetting, counselling or procuring the commission of the offence
 - (ii) inducing, whether by threats or promises or otherwise, the commission of the offence
 - (iii) being in any way, directly or indirectly, knowingly concerned in, or party to, the commission of the offence
 - (iv) conspiring with others to effect the commission of the offence.
- Council -** the City of Holdfast Bay.
- Detriment** includes:
- injury, harm (including psychological harm), damage (including damage to reputation) or loss
 - intimidation or harassment
 - discrimination, disadvantage or adverse treatment in relation to a person's employment, and/or
 - threats of reprisal (which may be express or implied, and/or conditional or unconditional).
- Directions/
Guidelines –** refers to the Directions and Guidelines issued pursuant to section 20 of the ICAC Act and/or section 14 of the PID Act, which are available on the Commissioner's website (www.icac.sa.gov.au).
- Disclosure -** an appropriate disclosure of public interest information made by an informant to a relevant authority.
- A person makes an appropriate disclosure of environmental and health information if:
- (a) the person:

- believes on reasonable grounds that the information is true, or
 - is not in a position to form a belief on reasonable grounds about the truth of the information, but believes on reasonable grounds that the information may be true and is of sufficient significance to justify its disclosure so that its truth may be investigated, and
- (b) the disclosure is made to a relevant authority.

A person makes an appropriate disclosure of public administration information if:

(a) the person:

- is a public officer
- reasonably suspects that the information raises a potential issue of corruption, misconduct or maladministration in public administration, and

(b) the disclosure is made to a relevant authority.

Employee - refers to all the Council's employees, whether they are working in a full-time, part-time or casual capacity.

Environmental & health info - means information that raises a potential issue of a substantial risk to the environment or to the health or safety of the public generally or a significant section of the public.

Fraud - includes an intentional dishonest act or omission done with the purpose of deceiving.

Independent Assessor - means the person designated by the responsible officer as being responsible for investigating a disclosure made to the City of Holdfast Bay in accordance with the Organisational Public Interest Disclosure Procedure.

Informant - means a person who makes an appropriate disclosure of public interest information to a relevant authority.

Maladministration - in public administration is defined in section 4 of the *Ombudsman Act 1972* Act and means:

- conduct of a public officer, or a practice, policy or procedure of a public authority, that results in an irregular and unauthorised use of public money or substantial mismanagement of public resources, or
- conduct of a public officer involving substantial mismanagement in or in relation to the performance of official functions, and includes conduct resulting from impropriety, incompetence or negligence, and is to be assessed having regard to relevant statutory provisions and administrative instructions and directions.

Misconduct - in public administration is defined in section 4 of the *Ombudsman Act 1972* and means an intentional and serious contravention of a code of conduct by a public officer while acting in their capacity as a public officer that constitutes ground for disciplinary action against the officer.

Office for Public Integrity (OPI) - is the office established under the *ICAC Act* that has the function to:

- receive and assess complaints about public administration from members of the public
- receive and assess reports about corruption, misconduct and maladministration in public administration from the Ombudsman, the council and public officers
- refer complaints and reports to inquiry agencies, public authorities and public officers in circumstances approved by the Commissioner or make recommendations as to whether and by whom complaints and reports should be investigated
- give directions or guidance to public authorities in circumstances approved by the Commissioner, and

- perform other functions assigned to the Office by the Commissioner.

Public administration - defined at section 4 of the ICAC Act and, without limiting the acts that may comprise public administration, an administrative act within the meaning of the *Ombudsman Act 1972* will be taken to be carried out in the course of public administration.

Public administration information -

means information that raises a potential issue of corruption, misconduct or maladministration in public administration.

Public interest information -

means environmental or health information, or public administration information.

Principal Officer -

for the purposes of the PID Act means the Chief Executive Officer of the Council.

Public Officer -

has the meaning given by section 4 and Schedule 1 of the ICAC Act, and includes:

- a Council member; and
- an employee or officer of the Council.

Relevant Authority -

means the person or entity that receives an appropriate disclosure of public interest information in accordance with the PID Act, as follows:

Where the information relates to...	the relevant authority is...
a public officer* <small>*as defined and set out in Schedule 1 of the <i>Independent Commissioner Against Corruption Act 2012</i> - relevantly, this includes members, officers and employees of local government bodies</small>	either: <ul style="list-style-type: none"> • the person who is designated by the Guidelines as being taken to be responsible for management or supervision of the public officer; or • the person who is in fact responsible for the management or supervision of the public officer; or • the relevant responsible officer (as designated by the Council in accordance with section 12 of the PID Act)
a public sector agency or public sector employee	either: <ul style="list-style-type: none"> • the Commissioner for Public Sector Employment; or • the responsible officer for the relevant public sector agency
an agency to which the <i>Ombudsman Act 1972</i> applies	the Ombudsman
a location within the area of a particular council established under the <i>Local Government Act 1999</i>	a member, officer or employee of that Council
a risk to the environment	the Environment Protection Authority
an irregular and unauthorised use of public money or substantial	the Auditor-General
the commission, or suspected commission, of any offence	a member of the police force
a judicial officer	the Judicial Conduct Commissioner
a member of Parliament	the Presiding Officer of the House of Parliament to which the member belongs
a person or a matter of a prescribed class ¹	an authority declared by the regulations to be a relevant authority in relation to such information

<p>public interest information - being:</p> <ul style="list-style-type: none"> • environmental and health information (information that raises a potential issue of a substantial risk to the environment or to the health or safety of the public generally or a significant section of the public); or • public administration information (information that raises a potential issue of corruption, misconduct or maladministration in public administration) 	<ul style="list-style-type: none"> • the OPI; • a Minister of the Crown; or • any other prescribed person or person of a prescribed class
--	--

¹ at this stage, no prescribed persons or classes have been identified.

Responsible Officer - is a person who has completed any training courses approved by the Commissioner for the purposes of the Public Interest Disclosure Regulations 2019 and has been designated by the Council as responsible officer under section 12 of the PID Act.

Victimisation - occurs when a person causes detriment to another on the ground, or substantially on the ground, that the other person (or a third person) has made or intends to make an appropriate disclosure of public interest information.

Item No: 9.10

Subject: **ANNUAL WORK HEALTH AND SAFETY PROGRAM REVIEW**

Summary

This report has been developed to provide the Audit and Risk Committee with an overview of the Work Health and Safety (WHS) management system's performance in respect to legislative obligations under the WHS Act (SA) 2012 and Return to WorkSA Performance Standards for Self-Insured (PSSI) Employers.

Planned activities have been completed to schedule to address identified non-conformances and other improvements identified as part of audits undertaken by the Local Government Association Workers Compensation Scheme (LGAWCS). Planning for the next period will commence in October to implement additional system improvements as part of continuous improvement.

Recommendation

That the Audit and Risk Committee notes this report.

Background

The City of Holdfast Bay is a self-insured employer for workers compensation through a mutual self-insurer licence which covers all SA Local Government entities. Mutual Services (LGASA Mutual Pty Ltd) manage this licence through the LGA Mutual Liability Scheme (LGAMLS) and the LGAWCS. LGAWCS provides a full range of risk, work health safety and injury management services including claims management and vocational return to work services in respect of actual and potential liabilities for any workers compensation claims lodged against members.

All entities under the mutual licence must meet the PSSI. At council this is regularly verified through internal audits and reviews of the WHS management system which, so far as is reasonably practicable, ensures the health and safety of workers and others. Management's commitment to an effective work health and safety system is paramount to its success.

Council's WHS management system is comprised of:

- A WHS Plan aligned with legislative and self-insurer requirements incorporating improvements identified through audits;
- quarterly reports to the Senior Leadership Team;
- Work Health and Safety Committees;
- policies and procedures to define and support work health and safety processes;
- performance measuring and monitoring to ensure continuous improvement;
- provision of training;
- auditing; AND
- injury management and return to work processes.

Progress against the aforementioned plan is monitored by LGAWCS via periodic site visits, during which levels of completion are evaluated and evidenced, with any issues being clarified as required.

This continual improvement process links directly to our LGAWCS funding to provide a direct incentive mechanism. The LGAWCS program operates on an annual cycle. The current program started in October 2023 and will therefore finalise at the end of September 2024.

It is also a legislative requirement that Officers of council meet certain obligations as part of their due diligence. This includes acquiring and keeping up to date knowledge of work health and safety matters and ensuring processes are implemented to comply with work health and safety obligations. A report on WHS performance is prepared for consideration by the Senior Leadership Team (SLT) on a quarterly basis.

Council maintains commitment to staff engagement through our WHS Every Time branding and other initiatives, ensuring we continue to enhance awareness and positively influence our safety culture.

Report

Planning

The WHS Risk Evaluation Action Plan for 2022 – 2023 endorsed by the Senior Leadership Team successfully achieved 100% completion for the seventh consecutive year.

The subsequent plan for 2023-2024 which consisted of 28 actions is on track to be completed before 30 September with only one action to be finalised which will ensure council receives the LGAWCS self-insurance rebate.

Training

The training needs analysis, training plan and training compliance register have been reviewed to ensure WHS training is identified and provided based on the risk profile of positions.

Hazard Management

- In response to new legislation regarding management of psychosocial hazards at work, promotional materials were developed and training was held in April for managers, supervisors and leads.
- Work to reduce muscular skeletal injuries in Library Services has been completed with training and provision of new trolleys for books.
- Risk assessments and work procedures continue to be reviewed and updated. Progress is being monitored by the WHS Team.
- The compliance register for scheduled WHS activities for 2023-24 was finalised with all 295 actions except one (elevated work platform training) completed. The current

compliance register 2023-24 has 48 actions due for July/August. 37 have been completed with 11 overdue therefore it is 77% on track.

Incidents

Ten notifiable incidents were reported to SafeWorkSA from January 2023 to 24 September 2024 (21 months). Eight were in relation to rupturing gas mains which are often at a shallow depth. Four were by contractors and four by council. Follow up meetings were conducted with the entity responsible for gas infrastructure (APA Group) to raise our concerns and seek any information relating to known discrepancies to depth to assist in better management in future.

Field Services are reviewing their documentation of our work procedures and providing this to APA to seek evidence of alignment with APA documentation of procedures.

One incident was a contractor falling through a roof. A fall arrest system was in place but not set up effectively. The worker was not injured.

The other incident was a power supply box that fell from a pole hitting the worker. No injury was sustained.

LGAWCS Review of WHS and Injury Management

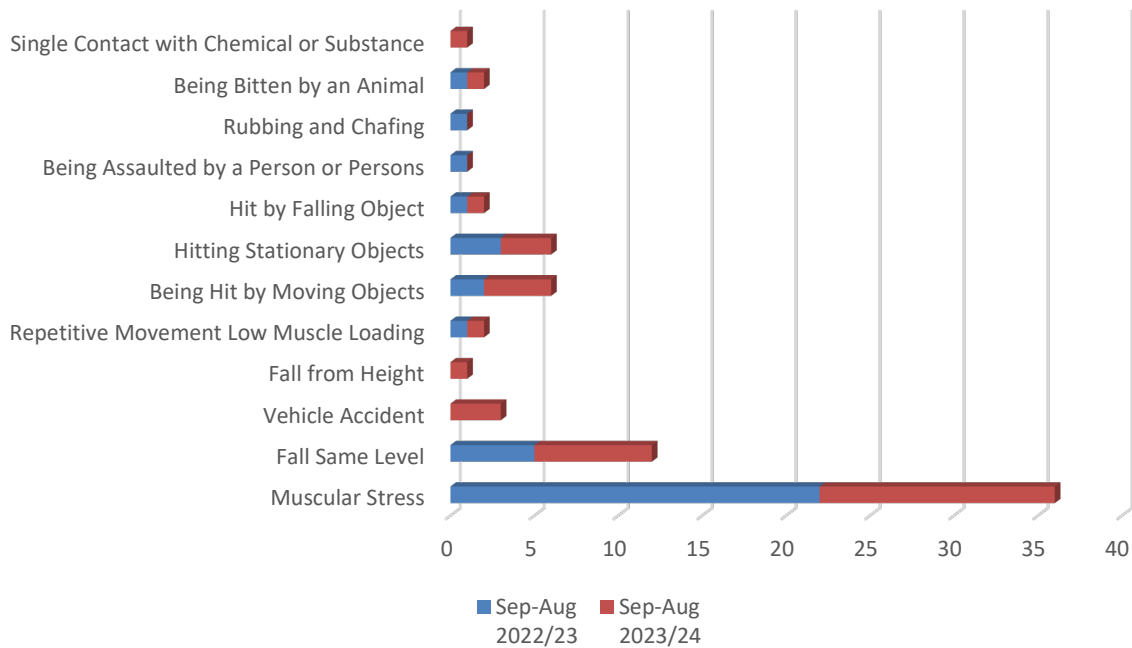
In August 2024 LGAWCS undertook a review of council's WHS system to assist in developing a plan for the next twelve months which will focus on corrective actions and performance improvement. Once the report has been received and accepted a planning session will be held with the Senior Leadership Team.

Injury management

Council continues to utilise the early intervention program with Alwyndor Therapy Services for soft tissue injuries to improve injury management outcomes.

The chart overleaf provides a comparison of mechanisms of injuries for the periods September 2022 – August 2023 and September 2023 – August 2024. Body stressing/muscular stress continues to be the highest mechanism of injuries.

Injury Mechanisms



Lost Time Injury Days –July 2023 to June 2024 Benchmarked to group sector average

	Frequency Rate	Duration Rate	Incident Rate
Holdfast Bay	5.4	10.5	1.1
Group Sector	10.1	13.7	2.0
Alwyndor	5.9	13.7	1.2
Group Sector	11.8	13.3	2.4

Frequency Rate = $LTI / (\text{Hours worked}) * 1\,000\,000$

Duration Rate = $LTI\ Days / LTI$

Incident Rate = $(LTI / \text{Employees}) * 100$ (Holdfast 186 Alwyndor 254 full time equivalent employees)

Budget

There are no direct budget implications associated with this report, however the LGAWCS does operate a financial incentive scheme linked to the WHS Evaluation Action Plan.

Life Cycle Costs

There are no life cycle costs associated with this report.

Strategic Plan

Statutory compliance

Council Policy

Work Health Safety and Return to Work Policy
Risk Management Policy

Statutory Provisions

Local Government Act 1999

Work Health and Safety Act 2012

Written By: Work Health and Safety Business Partner

General Manager: Strategy and Corporate, Ms S Wachtel

Item No: 9.11

Subject: **TERMS OF REFERENCE REVIEW**

Summary

Under the *Local Government Act 1999*, Council is required to establish an Audit and Risk Committee to perform the functions outlined in section 126. In accordance with section 41 of the Act, Council initially formed an Audit Committee in 2007, which was re-designated as the Audit and Risk Committee in 2022.

The Strategy and Governance team recently completed an annual review of the Terms of Reference, confirming that minimal amendments were necessary, and the document remains unchanged apart from the inclusion of a mechanism for review of independent members after serving two terms.

Recommendation

That the Audit and Risk Committee advises Council it has reviewed the Terms of Reference, as provided in Attachment 1, and recommends them for adoption by Council.

Background

The *Local Government Act 1999* (the Act) requires Council to have an Audit and Risk Committee to carry out the functions defined in section 126. Pursuant to section 41 of the Act, Council established an Audit Committee in 2007. This was redesignated as the Audit and Risk Committee in 2022.

As part of the 2023 Local Government Reform process, mandatory changes to the Terms of Reference and the functions of the Audit and Risk Committee were introduced. These changes were reviewed by the Audit and Risk Committee on 18 October 2023 and subsequently adopted by the Council on 24 October 2023.

Report

The Terms of Reference were last amended and adopted by Council on 24 October 2023 (Report No: 360/23, Motion No: C241023/7584) and are attached for reference.

Refer Attachment 1

The Strategy and Governance team recently completed an annual review of the Terms of Reference, confirming that minimal amendments were necessary apart from documenting the practice of review when independent members have served two terms.

As a practice of good governance, clause 3.4 provides for the position being advertised and affording the incumbent the opportunity to submit an expression of interest along with the opportunity being open for other candidates.

Budget

Not applicable

Life Cycle Costs

There are no life cycle costs associated with this report.

Strategic Plan

Statutory compliance

Council Policy

Not applicable

Statutory Provisions

Local Government Act 1999

Written By: A/Manager Strategy and Governance

General Manager: Strategy and Corporate, Ms S Wachtel

Audit and Risk Committee Terms of Reference

1. Establishment

- 1.1 Pursuant to section 41 of the *Local Government Act 1999* (the Act) the Council hereby establishes a committee to be known as the Audit and Risk Committee, in order to fulfill the role of an audit committee as required by section 126 of the Act.
- 1.2 The purpose of this Audit and Risk Committee is to provide independent assurance and advice to the council on accounting, risk management and governance matters.

2. Membership

- 2.1 The Audit and Risk Committee shall consist of five persons with the majority being Independent Members.
- 2.2 Independent Members of the Audit and Risk Committee must have recent and relevant financial, risk management or internal audit experience and must not be an employee of City of Holdfast Bay.
- 2.3 Members of the Audit and Risk Committee are appointed by Council. Elected Members are appointed for a term agreed by Council, and Independent Members are appointed for a term not exceeding three years. On expiry of their term, a member may be re-appointed by Council.
- 2.4 If Council proposes to remove an Independent Member from the Committee, it must give written notice to the Independent Member of its intention to do so and provide that Independent Member with the opportunity to be heard at an Executive Committee meeting, if that Independent Member so requests.
- 2.5 The Audit and Risk Committee shall recommend, and Council shall appoint, the Presiding Member of the Audit and Risk Committee. The Presiding Member must already be a member of the Audit and Risk Committee. The Mayor may not be appointed to the Role of Presiding Member of the Audit and Risk Committee.

3. Method of Appointment of Independent Committee Members

The method of appointment of Independent Committee Members will be as follows:

- 3.1 Council will advertise the vacancy in line with regular policy and procedure.
- 3.2 A selection panel will be convened comprising: two Elected Members appointed to the Committee; the Chief Executive Officer; and General Manager Strategy and Corporate.
- 3.3 The selection panel will make a recommendation to Council as to the appointment of the independent member for consideration and appointment by the Council.

Day Month Year – Motion Number

- 3.4 After independent members have served two terms, they are invited to submit an expression of interest (EOI) for reappointment. This process is open to other applicants, ensuring a competitive and transparent selection and an opportunity for review of the appropriate skillset and requirements of the Committee.

4. **Secretariat and Support**

- 4.1 The Chief Executive Officer shall ensure that the Audit and Risk Committee has access to reasonable administrative resources in order to carry out its duties (subject to any budget allocation being approved by Council).
- 4.2 The Chief Executive Officer shall ensure effective policies, systems and procedures are in place for the identification, assessment, monitoring, management and annual review of strategic, financial and operational risks.
- 4.3 The Audit and Risk Committee shall be provided with appropriate and timely training, both in the form of an induction program for new members and on an ongoing basis for all members.

5. **Meetings**

- 5.1 The Audit and Risk Committee shall meet at least four times each year, at least once per quarter, at appropriate times in the budgeting and financial reporting cycle, and otherwise as required. Pursuant to section 90 of the Act, meetings are public (except in special circumstances as defined by the Act) and will be conducted in a place open to the public.
- 5.2 Meetings of the Audit and Risk Committee are governed by the Local Government (Procedures at Meetings) Regulations 2013.
- 5.3 Unless required by legislation not to vote, each member must vote on every matter that is before the Audit and Risk Committee for decision.
- 5.4 The Presiding Member has a deliberative vote but not a casting vote in the event of a tie. A tied vote means that the motion is lost.
- 5.5 The quorum necessary for the transaction of business shall be three members. A duly convened meeting of the Audit and Risk Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by it.
- 5.6 The Chief Executive Officer, General Manager, Strategy and Corporate and other officers of Council may attend any meeting as observers or in support of matters being considered by the Audit and Risk Committee.
- 5.7 Council's External Auditor and Internal Auditor may be invited to attend meetings of the Audit and Risk Committee.

Day Month Year – Motion Number

- 5.8 Ordinary meetings of the Audit and Risk Committee will be held at times and places determined by Council or, subject to a decision of Council, the Audit and Risk Committee.
- 5.9 If necessary, Members may participate in the meeting by telephone or other electronic means provided that members of the public can hear the discussion between all members.
- 5.10 A special meeting of the Audit and Risk Committee may be called by the Chief Executive Officer in accordance with section 87(5) of the Act, at the request of the Presiding Member or at least two members of the Audit and Risk Committee.
- 5.11 The agenda and minutes of Audit and Risk Committee meetings, subject to any items that are discussed in confidence under section 90 of the Act and subsequently retained under section 91 of the Act, are also required to be made available to the public.
- 5.12 Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Audit and Risk Committee, no later than three business days before the date of the meeting. Supporting papers shall be sent to committee members (and to other attendees as appropriate) at the same time.
- 5.13 The Chief Executive Officer shall ensure that the proceedings and resolutions of all meetings of the Audit and Risk Committee are minuted and that the minutes comply with the requirements of the Local Government (Procedure at Meetings) Regulations 2013.
- 5.14 Minutes of Audit and Risk Committee meetings shall be circulated within five days after a meeting to all members of the Audit and Risk Committee and to members of the Council and will (as appropriate) be available to the public.

6. **Review**

- 6.1 The Audit and Risk Committee shall, at least once per year following the adoption of the audited financial statements by Council, review its own performance, terms of reference and provide a report to Council including any recommended changes.

7. **Role of the Committee**

- 7.1 The Audit and Risk Committee has no authority to act independently of Council. The primary role of the Audit and Risk Committee is to provide suggestions and recommendations to Council about matters relating to financial governance.
- 7.2 ***Financial Reporting***

The Audit Committee shall:

Day Month Year – Motion Number

- 7.2.1 pursuant to section 126 of the Act, review Council’s annual financial statements to ensure that they present fairly the state of affairs of the Council
- 7.2.2 monitor the integrity of the financial statements of Council, including its annual report, reviewing significant financial reporting issues and judgements which they contain
- 7.2.3 review:
 - 7.2.3.1 the consistency of, and/or changes to, accounting policies
 - 7.2.3.2 the application of accounting standards and appropriate estimates and judgements, taking into account the views of the external auditor
 - 7.2.3.3 the clarity of disclosure in the Council’s financial reports and the context in which statements are made
 - 7.2.3.4 all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management).

7.3 ***Strategic Management Plans and Annual Business Plan***

The Audit and Risk Committee shall:

- 7.3.1 pursuant to section 126 of the Act, propose and provide information relevant to a review of Council’s strategic management plans or annual business plan
- 7.3.2 review and provide recommendations to Council on the sustainability of Council’s financial performance and proposals with respect to debt levels included in the strategic management plans and, in particular, the long-term financial plan
- 7.3.3 provide an annual report to Council, outlining a summary of key advisory content from the previous twelve-month period.

7.4 ***Internal Controls and Risk Management Systems***

The Audit and Risk Committee shall:

- 7.4.1 pursuant to section 126 of the Act, review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis

Day Month Year – Motion Number

- 7.4.2 receive reports on risks rated high and above, pursuant to Council's Risk Management Policy and Procedure
- 7.4.3 verify annually that risks are controlled within risk appetite and tolerances and propose emerging risks for consideration as relevant
- 7.4.4 review and assess the effectiveness and maintenance of Council's internal controls and risk management policies, systems and procedures
- 7.4.5 review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management.

7.5 ***Public Interest Disclosures***

The Audit and Risk Committee shall:

- 7.5.1 review the Council's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters
- 7.5.2 ensure these arrangements allow independent investigation of such matters and appropriate follow-up action.

7.6 ***Internal Audit***

The Audit and Risk Committee shall, in accordance with Council's Internal Audit Policy and Procedure:

- 7.6.1 endorse the internal audit program
- 7.6.2 receive and review internal audit reports on a regular basis
- 7.6.3 review the status of internal audit recommendations
- 7.6.4 provide advice and recommendations to Council in relation to internal audit program and matters
- 7.6.5 monitor and review the effectiveness of Council's internal audit function
- 7.6.6 meet with the Internal Audit Partner at least once a year, without management being present, to discuss any issues arising from the Internal Audits carried out during the year. In addition, the Internal Audit Partner shall be given the right of direct access to the Mayor and the Presiding Member of the Audit and Risk Committee
- 7.6.7 monitor and review the selection process for the Internal Auditor. Appointment of Internal Auditor is the responsibility of management. If the Internal Auditor resigns, the Audit Committee shall investigate the

issues leading to the resignation and decide whether any action is required.

7.7 External Audit

The Audit and Risk Committee shall:

- 7.7.1 pursuant to section 126 of the Act, liaise with Council's external auditor
- 7.7.2 pursuant to section 129 of the Act, receive the external auditor's audit opinion with respect to Council's audited financial statements and the external auditor's report on particular matters arising from the audit
- 7.7.3 develop and recommend to Council a policy on the supply of non-audit services by the external auditor, taking into account any relevant ethical guidance on the matter
- 7.7.4 pursuant to section 128 of the Act, consider and make recommendations to the council, in relation to the appointment, re-appointment and removal of the Council's external auditor
- 7.7.5 include in the Annual Report, the remuneration payable to external auditor(s) for the annual audit of the Council's financial statements and other remuneration
- 7.7.6 include in the Annual Report, reference to a person if they ceased to be the auditor of the council during the relevant financial year, other than via expiry of their appointment, including the reason why the appointment came to an end
- 7.7.7 investigate the issues leading to the resignation of an external auditor and report to Council with any recommendations
- 7.7.8 oversee Council's relationship with the external auditor including, but not limited to:
 - 7.7.8.1 recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted
 - 7.7.8.2 recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit
 - 7.7.8.3 assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory

requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services

7.7.8.4 satisfying itself that there are no relationships that give rise to an actual, perceived or potential conflict of interest in the external auditor carrying out the external audit duties

7.7.8.5 monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners

7.7.8.6 assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the external auditor on the Audit Committee's own internal quality control procedures)

7.7.9 meet with the external auditor at least once per year, without management being present, to discuss the external auditor's report and any issues arising from the audit and otherwise as need

7.7.10 review and make recommendations on the annual audit plan, and in particular, its consistency with the scope of the external audit engagement

7.7.11 review the findings of the audit with the external auditor including, but not limited to, the following:

7.7.11.1 a discussion of any major issues which arose during the external audit

7.7.11.2 any accounting and audit judgements

7.7.11.3 levels of errors identified during the external audit

7.7.12 review the effectiveness of the external audit

7.7.13 review any representation letter requested by the external auditor before it is signed by administration

7.7.14 review the management letter and administration's response to the external auditor's findings and recommendations

7.7.15 pursuant to regulation 22 of the Local Government (Financial Management) Regulations 2011, consider and authorise the Presiding Member to sign a statement with the Chief Executive Officer on an annual basis certifying that the external auditor is independent of Council.

7.8 ***Economy and Efficiency Audits***

The Audit and Risk Committee shall:



Day Month Year – Motion Number

- 7.8.1 propose and review the exercise of powers under section 130A of the Act (relating to economy and efficiency audits)
- 7.8.2 receive a report prepared by any person appointed by Council pursuant to section 130A of the Act to examine any matter relating to financial management, or the efficiency and economy with which Council manages or uses its resources to achieve its objectives.

7.9 ***Reporting Responsibilities***

- 7.9.1 The Audit and Risk Committee minutes shall be presented to the Council after every meeting to identify and present advice and recommendations.
- 7.9.2 The Chief Executive Officer will identify matters, further to those matters covered elsewhere in these Terms of Reference, to be reported to the Audit and Risk Committee in detail where those matters are considered to be of material affect, have a material impact on the operation of Council as an elected body (e.g. impact on policies relating to Elected Members), or have significant impact on Council's operations.

Table of Contents

Purpose of Report	3
Executive Summary	4
Table - Risks and Benefits of the Options	6
1. Methodology	7
2. Background	9
2.1 Factors Affecting Electricity Prices	9
2.2 Relative Cost of Renewable Generation	14
2.3 History of Councils Procuring Renewables through the Grid	16
2.4 What is a Retail PPA?	17
2.5 What are Renewable Energy Certificates?	17
3. Forecast Electricity Use - Renew 6 Group	19
3.1 Forecast Electricity Use - Holdfast Bay	20
4. Market Testing	21
4.1 Flow Power	21
4.2 ZEN Energy	23
5. Indicative Economics - Renew 6 Group	24
5.1 Indicative Economics - City of Holdfast Bay	26
6. Risks and Benefits of the Options	28
7. Considerations for Procurement	30
8. Conclusions	32
Appendix A - Leadership Survey Results	33
Appendix B - Final Workshop: Menti Results	36
Appendix C - Electricity Cost Modelling Assumptions	37

Purpose of Report

Presync was engaged by the group of six councils, referred to as the “Renew 6” Group, to investigate options for collective electricity procurement and to provide the results of an investigation into options for long-term electricity procurement undertaken collaboratively with the six councils known, namely:

- The City of Port Adelaide Enfield,
- The City of Salisbury,
- The City of West Torrens,
- The City of Holdfast Bay,
- The City of Onkaparinga and
- The Town of Gawler.

This report documents the findings of the investigation for the City of Holdfast Bay in particular. Similar reports have been presented to the other members of the group. The information in this report is intended to help inform decision-making by councils on future electricity procurement.

Executive Summary

Councils have experienced significant electricity price volatility in recent years and electricity costs are currently at unprecedented levels. The objective of the project is to seek cost-effective, renewable energy options, while mitigating price volatility. Presync expects at least another decade of electricity market transition with volatile and generally high prices; "normal" electricity procurement has been high risk since 2017, and promises to continue to be so. The experience of 2022, with councils signing up for electricity at unprecedented prices, suggests a rethink on how they should purchase electricity going forward. Clearly, the conventional practice of purchasing electricity for 1 to 4-year intervals has left councils exposed to cost volatility, and likely will continue to do so if this continues during the next ten years.

An alternative approach to electricity procurement offers the possibility of linking councils energy consumption to the lowest-cost source of generation - new renewables projects - via a Retail Power Purchasing Agreement (PPA). Such a contract is applicable to Council's large site and street lighting accounts, as well as high-consuming small sites with digital meters. Ideally, a Retail PPA would reduce and stabilise electricity costs, allow Council to reduce electricity emissions to zero immediately or on a bespoke trajectory, and assist a fair transition to a low-carbon economy by creating new economic opportunities in regional South Australia.

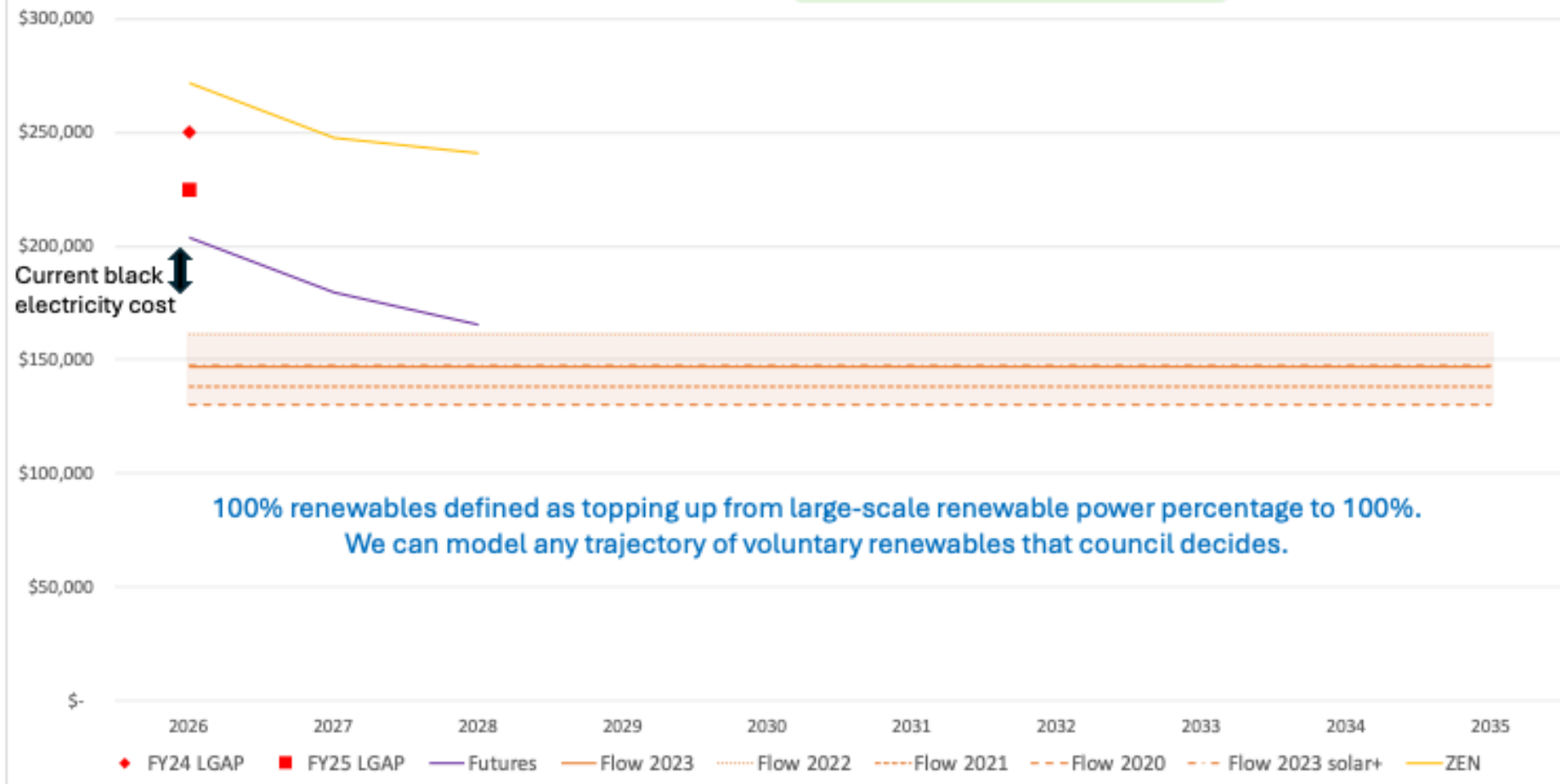
The work conducted during this project demonstrates that **procuring electricity from a Retail PPA is a viable choice and should provide significant cost savings and environmental benefits for the six councils.**

Based on this analysis, the market testing process, and our experience, Presync advises that the group of six councils has sufficient combined electricity consumption to secure a competitive Retail PPA. If some councils decide not to participate in the procurement process there would likely still be retailer interest in providing a PPA to the remaining councils, or to councils individually, though we expect prices would be higher. It may also be possible for the councils to join another similar group which has recently commenced a procurement process.

The indicative Retail PPA proposed by Flow Power has compelling economics compared to current pricing and to the ASX Electricity Futures market, as shown on page 5. **It appears this option would save Council between \$64k and \$120k annually compared to current prices for 100% renewable electricity.** This particular option is associated with specific new wind and solar projects in South Australia, mirroring the structure of the City of Adelaide's successful Retail PPA. It offers both lower prices and long-term price stability for electricity, further strengthened by the steady, flat-price Renewable Energy Certificates, facilitating the achievement of renewable goals while maintaining expenditure below current levels.

The table on page 6 Table - Risks and Benefits of the Options - highlights the benefits and risks of the various electricity procurement options. Benefits are in green, risks in red and other differences to current practice in blue.

Annual spend offer comparison - 100% renewable electricity - CHB



100% renewables defined as topping up from large-scale renewable power percentage to 100%.
We can model any trajectory of voluntary renewables that council decides.

Flow Power PPA modelling uses many scenarios to illustrate impact of firming using the wholesale or futures price.
Annual cost will vary but should remain within the shaded range for the entire term.

Table - Risks and Benefits of the Options

	Electricity Procurement Option		
Consideration	Standard retail contract (BAU)	Fixed-price Retail PPA as proposed by ZEN Energy	Project-linked PPA, wholesale firming, as proposed by Flow Power
<i>Price stability</i>	1-4 years, then fully exposed to market volatility	3 years, price then resets; firming exposed to market volatility	7.5 or 9.5 years. Some day-to-day variability but more stable overall.
<i>Relative price</i>	Baseline	Similar to baseline	Lowest
<i>Renewable certificates</i>	Optional via GreenPower. No project link.	All customers must achieve 100% during the term. Project linked.	Optional via long-term LGC purchase and surrender. Linked to projects that provide electricity
<i>Renewable certificate cost</i>	Baseline cost, requires 100% on top of compliance	Cost similar to baseline, top up to 100% from compliance level	Long-term flat price, lower than market price at least in the first few years, maybe longer.
<i>Renewable certificate volume</i>	Follows consumption	Follows consumption	Follows generation, year-end reconciliation process needed (cost included in management cost below)
<i>Upfront costs, logistical and legal practicalities</i>	Baseline	Similar to baseline though longer term may increase approval workload	Higher approval workload due to longest term and suite of interrelated contracts
<i>Ongoing costs and management</i>	Baseline	Similar to baseline	More monitoring and contract management effort, estimated around \$1,000 per month.
<i>Renewable Generation Project links</i>	None	Indirect	Direct links to 1 to 3 projects. This brings a new risk of project non-performance which is mitigated by a ceiling product.
<i>Real-time renewable/load matching</i>	None	Poor , solar generation only	~70%, achieved by using a well-matched South Australia wind farm
<i>Solar feed-in and battery business case</i>	Low fixed feed-in tariff. Limited battery arbitrage opportunities.	Low fixed feed-in tariff. Limited battery arbitrage opportunities.	Feed-in tariff is the wholesale price, varies from high to negative. Incentivises batteries with significant arbitrage opportunities to maximise revenue; future proofed for potential end to feed-in tariffs.
<i>Inclusion of small sites</i>	No	Maybe	Yes , if advanced meters are installed.
<i>Support for Virtual Net Metering, Virtual Powerplants etc</i>	Baseline	Offers Customer Battery Program	Virtual net metering is included. Wholesale price maximises the business case for VPPs with batteries, smart EV charging etc.
<i>Need for ACCC authorisation</i>	Discuss with LGAP	Unlikely, see ACCC consultation draft report	Unlikely, see ACCC consultation draft report

1. Methodology

The Cities of Port Adelaide Enfield, Salisbury, West Torrens, Holdfast Bay, Onkaparinga & Town of Gawler (the “Renew 6 Group”) engaged Presync to compare short term (business-as-usual) and long-term options for collective procurement of electricity, including renewable electricity.

Key project objectives include:

- Reduction in corporate greenhouse gas emissions by accessing renewable electricity at a price lower than current GreenPower pricing.
- Reduction in volatility in electricity pricing to increase budget certainty.
- Supporting future electricity procurement processes.
- Improving knowledge on renewable energy and procurement strategies that can respond to a rapidly changing electricity market.
- Exploring procurement options that deliver best return for each council, whether that be procuring electricity as a single group or as sub-groups.

Presync is experienced in facilitating retail renewable power purchase agreements (PPAs), including over thirty for councils in NSW and Queensland Councils, and is well advanced with another group of Adelaide councils coordinated by the Eastern Region Alliance on a very similar project to this one. We have worked with three similar groups of councils in NSW on business case development, procurement and in-service monitoring of retail renewable PPAs, with another councils group currently forming. We are familiar with the South Australian electricity market, having worked with a number of business customers on electricity projects in the state, and recently with another group of Adelaide councils which has proceeded into a procurement project.

Presync’s role in this project is to provide a renewable PPA advisory service including stakeholder engagement and capability building assistance internally, procurement strategy advice. Please note that Presync never accepts any form of commission or other payment from electricity retailers or equipment suppliers so as to remain independent and able to act in your best interests.

This project aims to explore the economics of various retail renewable electricity PPA arrangements compared to current and alternative future retail agreements, and considers upfront and ongoing costs, load/generation matching with an understanding of each council’s current and likely future electricity consumption, contract term, contract management and the practicalities and hurdles involved in arranging a suitable PPA. Alternative options for supply from additional behind the meter generation (including small and large scale on-site solar generation and consideration of feed-in tariffs going forward), integration of DERs, and the potential for supply via virtual power plants (VPPs) are also considered. Also considered are the logistical and legal practicalities, need for ACCC authorisation, optimal term length, contract management, and conversion of basic meters to advanced meters.

Significant background information and educational material is provided in Section 2 on the macro factors affecting the electricity grid and pricing in South Australia going forward, the

spectrum of renewable electricity structures available, and definitions of renewable electricity.

The methodology for this project, as agreed by the Project Steering Group, was as follows:

- Inception meeting with the Project Steering Group on 9 May, including initial provision of background information.
- Request for electricity data from councils, due 29 May.
- Survey of council leadership to gauge approach to electricity procurement, due 29 May (results are included as appendix A).
- Kickoff workshop with Project Group Leadership on 30 May including initial results on group consumption and survey findings.
- Load data analysis and forecasting, completed by 27 June.
- Market testing: indicative offers sought late June.
- Detailed commercial modelling indicative PPA structures against BAU options completed 15 July.
- Findings workshop held in person on 17 July, including presentation of all background material, the business case for various PPA models based on the indicative offers including annual cost and associated cost risk in multiple alternative future energy scenarios, and discussion of options to move into procurement.

2. Background

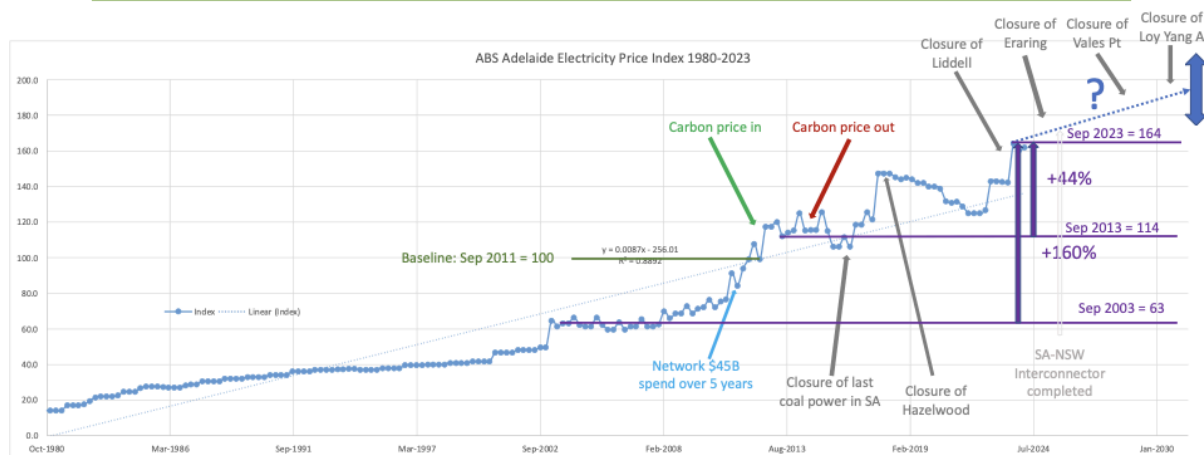
Many councils across South Australia recently renegotiated new electricity contracts in partnership with LGA Procurement. At the time, the electricity futures market was extremely high. Consequently, councils are paying record electricity prices. Additionally, while many councils were keen to purchase renewable electricity, some decided to defer this due to the high electricity costs, while others proceeded and are already 100% renewable though without any tangible links to specific projects in South Australia.

The primary objective of this project is to explore opportunities to acquire cost-effective, renewable energy while mitigating price volatility. The councils were aware of the City of Adelaide's successful approach to renewable energy procurement. The City of Adelaide was the first council in South Australia to secure 100% renewable energy through a PPA. Reportedly, the City of Adelaide has achieved significant financial savings and substantially decreased its greenhouse gas emissions. Many other councils across Australia are now benefiting from PPAs for the purchase of electricity, most in regional groups. In particular, Presync has facilitated approximately 50 Retail PPAs, including for Cairns Regional Council and over 30 for NSW councils.

2.1 Factors Affecting Electricity Prices

Electricity prices in South Australia have increased 160% since 2003 and 31% in the last two years, as demonstrated by data from the Australian Bureau of Statistics (ABS) in Figure 1. South Australia has a high proportion of renewable generation, leading to typically lower electricity prices when these sources are generating strongly. Conversely, during periods of reduced output from renewables, reliance on gas generation, coupled with imports of electricity from Victoria (largely brown coal), tends to elevate prices. This trend was particularly notable during 2022, as the Ukraine war exacerbated already high underlying international gas, oil, and coal prices, consequently driving up costs for gas and coal power stations. Such fluctuations underscore the vulnerability of an electricity system reliant on fossil fuels to international tensions and market instability.

Adelaide electricity price history



Electricity prices have almost tripled in the past two decades...
 the changes in the coming decade are far greater than in the past two...
 Normal electricity procurement has not been low risk, and is unlikely to be low risk

38



Figure 1 – Adelaide's electricity price history (source: ABS 6401.0 Consumer Price Index, Australia TABLE 9. CPI: Group, Sub-group and Expenditure Class, Index Numbers by Capital City)

The data indicates electricity procurement has been a rocky ride since the National Electricity Market (NEM) was created in the late 1990s. The electricity price is made up of the regulated transmission, distribution, market operation and environmental charges as well as the generation and retail costs. The significant price rises in the late 2000s were driven by network spending, including South AustraliaPN, to expand their networks. The carbon price in effect between 2011 and 2013 made only a slight impact in comparison with the other factors indicated.

South Australia faces additional exposure to the closure of coal-fired power stations in other states. In 2017, when the large Victorian brown coal plant Hazelwood shut with only a few months notice, unprecedented price rises resulted, and persisted for the next three years. New renewable generation gradually replaced the lost capacity and drove prices lower, until the Ukraine war in 2022 which exacerbated high underlying international gas/oil and coal prices, driving up costs for gas and coal power stations.

We have seen that an electricity system based on fossil fuels is susceptible to international tensions and market instability. Ongoing price risks for South Australia electricity include recent market announcements of early shutdowns of ageing coal power stations, notably Origin's Eraring plant in NSW, the largest in Australia, though the NSW Government recently intervened to underwrite Origin Energy to operate the Eraring Power Station until August 2027, potentially lengthening the transition period. These closures, largely driven by the inability of ageing coal power stations to compete with inexpensive renewables, alongside their high maintenance costs and unreliability, pose significant challenges.

The unreliability of these old coal power stations already regularly causes regular high prices, not just during 2022. An explosion at the Callide C power station in Queensland in April 2021 caused high prices for the following three months, and on 8-9 May 2024 unplanned outages at 2 NSW coal generators coupled with scheduled maintenance on the Victoria-NSW interconnector transmission line resulted in the highest prices there since 2022. These higher prices have flowed through to Victoria and South Australia in each case, as can be seen in the charts below.

Another large coal station in NSW (Liddell) shut in April 2023, and at least three more are now scheduled to shut by the early 2030s. Removal of such large chunks of supply in a finely balanced market tends to increase prices. This is more evident in the wholesale price history, as this removes the effects of changes to network and other regulated pricing. Figures 2 to 4 show recent wholesale price history by financial year and by month.

SA electricity wholesale market history - annual

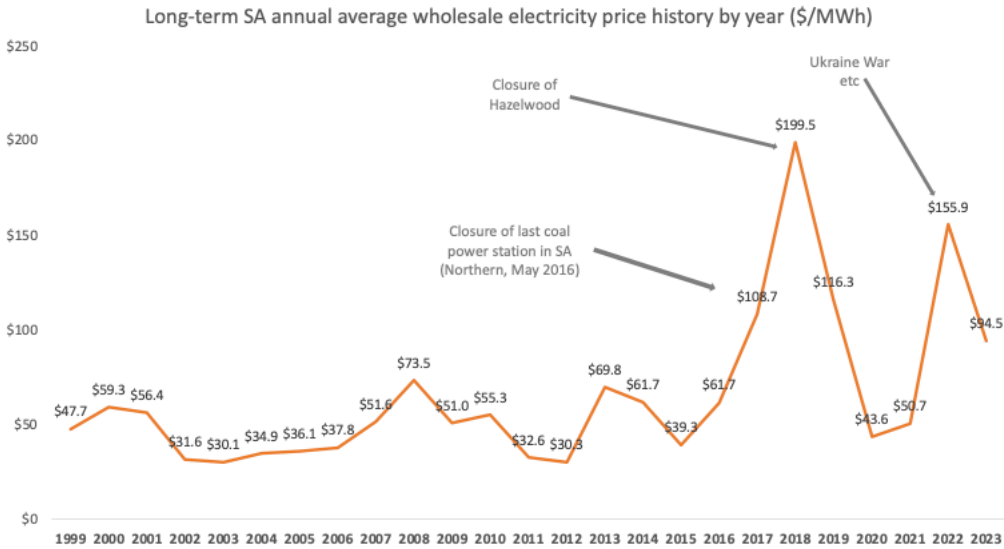
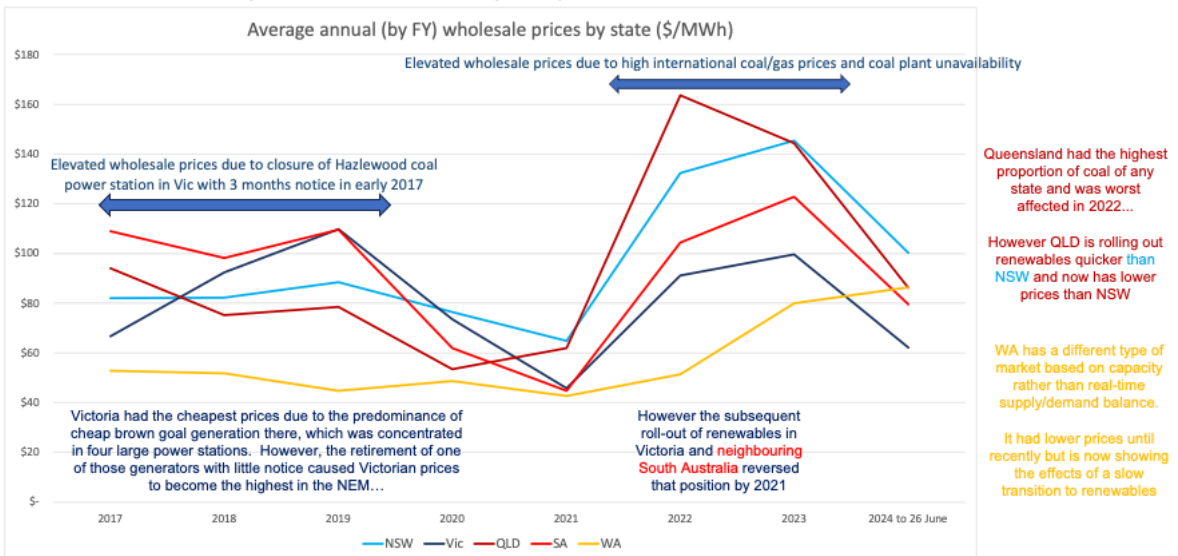


Figure 2: South Australia wholesale price history - by calendar year

The annual wholesale price in Figure 2 clearly shows the three-year impact of the short-notice retirement of Hazelwood in 2017, and indicates that events outside South Australia can still impact the state. In this regard it is worth comparing the different experiences of the main NEM states (and WA) since FY17 (Figure 3). Victoria had the cheapest prices due to the predominance of cheap brown coal generation there, which was concentrated in four large power stations. However, the retirement of one of those generators with little notice caused Victorian prices to become the highest in the NEM in the short term, however the subsequent roll-out of renewables in South Australia and Victoria reversed that position by 2021.

Wholesale price history by state – annual



Proportion of renewable generation is now correlated to lower electricity prices

Figure 3: Wholesale price history by state (financial years)

The last three years are an example of the impact of high international fossil fuel prices in a market where fossil fuel generation sets the prices for much of the time. Victoria and South Australia's higher

renewable proportion insulated those states from the 2022 energy price shock which clearly hit NSW and Queensland - which have the greatest proportion of coal generation - hardest, a position which remains today.

SA electricity wholesale market history/futures

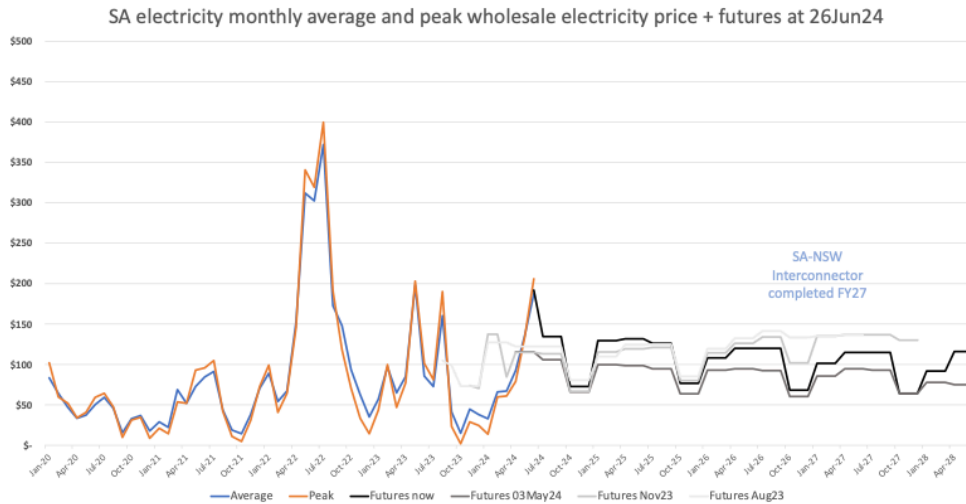


Figure 4: South Australia wholesale price history by month - with ASX futures pricing added for context

The monthly wholesale price trends in Figure 4 give a more granular picture of the same story. High prices last decade tended to occur on the hottest days of the year, when demand is highest and coal and gas generation most susceptible to heat-related outages. With the increasing deployment of solar PV, both behind the meter and as grid generators, this trend has changed due to high solar supply during hot weather. Since 2021 the highest prices have occurred in winter, and in 2021, 2022 and 2024 this was exacerbated by significant outages of coal-fired generation. 2023 also shows a spike in May but that was associated with the retirement of the Liddell power station, and was short-lived as this retirement was long expected and planned for.

The lines on the right of Figure 4 show the ASX futures market prices for as long as it looks (until mid 2028 only) and are the indicator of current business-as-usual electricity pricing for contracts one to four years in length. It is clear the market expects continued elevation of prices beyond historical levels, at above \$100/MWh in South Australia compared to the traditional range of \$30-60/MWh. The other feature of the futures market is that it can give no price assurance beyond mid 2028, a period in which further significant coal power retirement is scheduled.

The electricity system once delivered predictable, stable prices. When it is highly renewable it will again deliver predictable, stable and low prices. A glimpse of that future is available in Victoria and South Australia which have cheaper current and futures prices than NSW and Queensland due to higher renewable penetration. The South Australia wholesale market already exhibits very low prices during periods of high renewable generation, and high prices when relying on local gas generation and imported brown coal generation from Victoria. However the transition is not on track due to slowing commissioning and approval of new renewable and transmission projects, particularly wind farms, as shown in Figure 5.

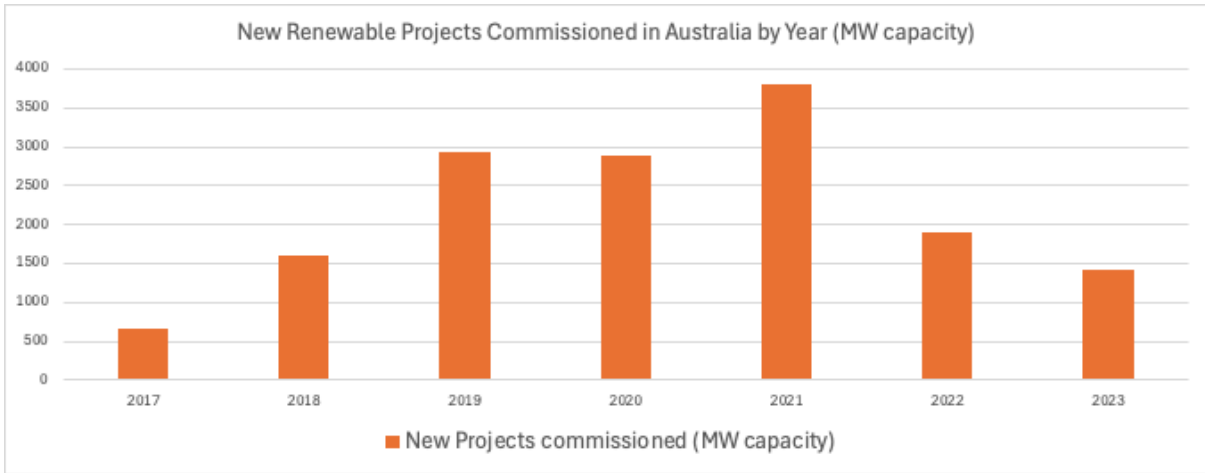


Figure 5: New Renewable Capacity Commissioned in Australia by Year (source Clean Energy Council)

Presync expects at least another decade of transition with volatile and generally high prices. We conclude that "normal" electricity procurement has been high risk since 2017, and promises to continue to be so.

The experience of 2022, with councils signing up for electricity at unprecedented prices, suggests a rethink on how they should purchase electricity going forward. Clearly, the conventional practice of purchasing electricity for 1 to 4-year intervals has left councils exposed to cost volatility, and likely will continue to do so if this continues during the next ten years. Below we present information on other options for consideration.

2.2 Relative Cost of Renewable Generation

As recently as fifteen years ago renewable generation was expensive, and coal and gas generation were relatively cheap. As Bloomberg shows in Figure 6, globally the cost of renewable generation has dropped fast with scale and since at least 2018, wind and solar have been cheaper than any other generation source. Higher international coal and gas prices are locking in that position. Some other generation technologies are shown as single points as there is no consistent history of their deployment.

Renewables are the cheapest new generation source

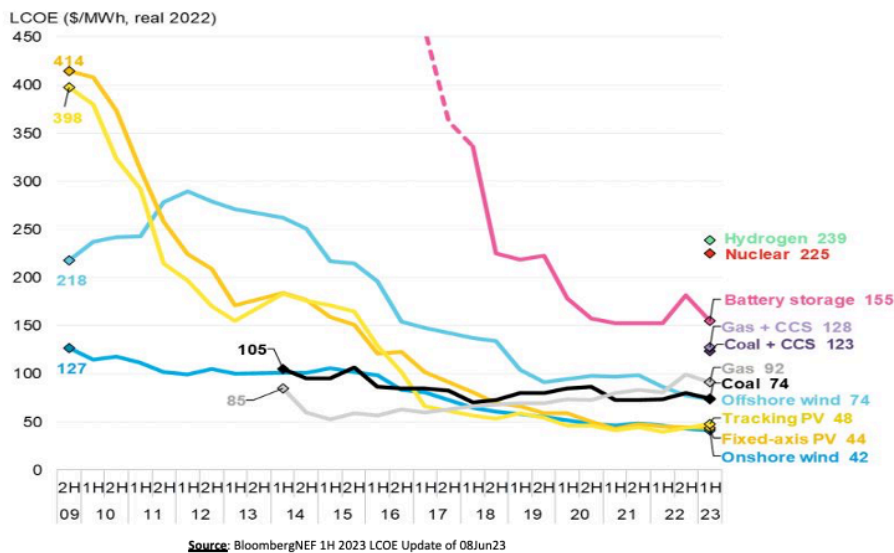
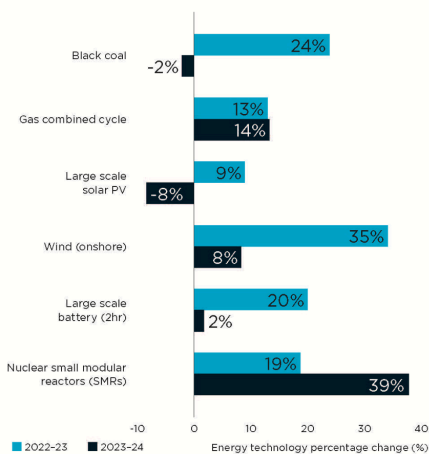


Figure 6: Bloomberg New Energy Finance levelised cost of energy trends for generation sources

The 2023-24 CSIRO GenCost analysis reinforces this position in Australia specifically in Figure 7.

Annual change in capital costs

Across the board, new build costs have generally stabilised as the impacts of inflation ease. However, cost pressure remains on gas, onshore wind and nuclear SMR.



Levelised cost of electricity (LCOE)

Solar PV and wind with firming have the lowest cost range of any new-build technology, both now and in 2030.

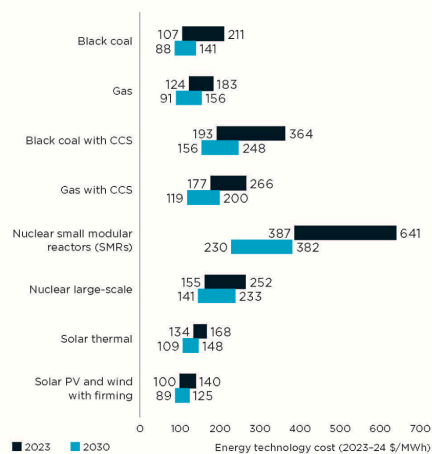


Figure 7: 2023-24 CSIRO GenCost analysis, source:

https://www.csiro.au/-/media/News-releases/2024/May/CSIRO-releases-2023-24-GenCost-report/24-00202_EN_INFOGRAPHIC_GenCost_FINAL.jpg

Our suggested electricity procurement approach for councils is based on the following principles:

- That electricity procurement, typically subject to substantial price volatility, is best handled with long-term contracting from sources not subject to input cost volatility, such as the price for fuel (oil, gas, coal etc); these long-term contracts give greater certainty over future electricity prices which allows more accurate long-term financial planning.
- That electricity procurement can and should support the transition of the NEM to an integrated system based largely on renewable energy.

For these reasons, we suggest basing procurement on securing electricity offtake from new, renewable electricity projects in your state, over a term sufficient to help make those projects bankable. Providing support to new generators which help transition the electricity market towards 100% renewables for all consumers is a co-benefit of this approach. Performance tracking of existing PPAs shows that this approach has resulted in much lower electricity costs for customers than business-as-usual procurement, and fixes those lower prices in place for a long term, typically seven to ten years.

We suggest three goals councils might consider when procuring electricity, see Figure 8. The first is purely about cost, and cost stability which is important for a council's Long-term Financial Plan.

The second brings in environmental goals such as those in the councils' various sustainability and climate strategies and action plans. Despite renewable electricity being cheaper to produce, traditional retail contracts charge renewable electricity as a significant price premium above the total cost of the electricity contract.

The third is about the bigger picture of a fair economic transition, for example as outlined by the South Australia Government [here](#) and [here](#).

We suggest that "normal" short-term electricity procurement doesn't achieve any of these goals, and that long-term procurement of renewable electricity from particular new projects in regional South Australia could achieve all three.

Why a PPA?

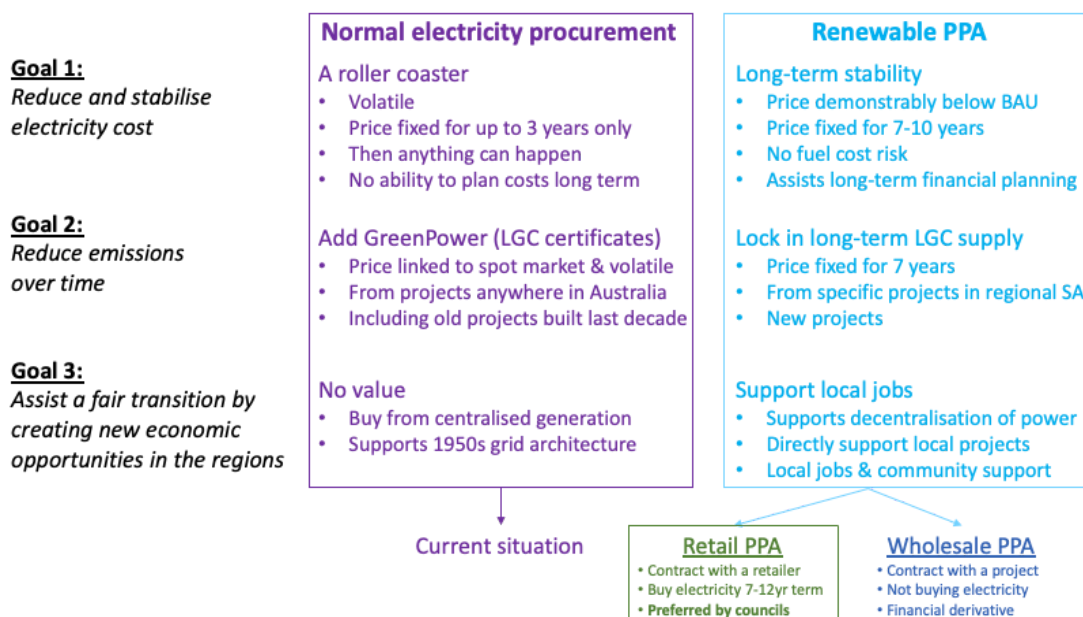


Figure 8: Goals for consideration in electricity procurement

Within the spectrum of renewable power purchase agreements there are wholesale and retail options.

- Wholesale means contracting directly with a project. Only a retailer can sell electricity, so this is a financial derivative rather than electricity procurement.
- Most councils pursue a Retail PPA, which puts a retailer between the customer and the projects, and allows a mix of wind and solar that best matches the timing of council's consumption to be procured. Retail PPAs are typically quicker and easier to achieve, and typically require commitment to a term of 7-10 years.

A wholesale PPA sits to the side of electricity procurement and would likely be considered a financial derivative requiring specialist accounting treatment. Most councils prefer to avoid structures which involve financial derivatives or require derivative accounting. A derivative is a financial instrument whose value changes in relation to changes in a variable, such as an interest rate, commodity price, credit rating, or foreign exchange rate; in this case the commodity price is the wholesale electricity price. An example is the contracts struck by the ACT Government with renewable projects starting in 2014.

A supply-linked Retail PPA involves actual electricity procurement from an electricity retailer which is substantially underpinned by renewable generation from a renewable electricity project, or projects, located in the same state as the consumption. We usually recommend a single agreement with a selected retailer rather than a wholesale PPA, which is a direct contract with a project developer or project owner. A Retail PPA typically avoids the derivative accounting issues which can apply to wholesale PPAs, and is also available to customers of all load sizes. Supply-linked retail agreements are increasingly available from progressive retailers and we have facilitated over fifty of these with seven retailers. No retail electricity contract affects the reliability of delivery of electricity to council sites, which is always the responsibility of South Australia Power Networks.

To achieve their goals we recommend councils consider options for a long-term Retail PPA. Some providers may propose a 5.5-year term to December 2030, as this is when the current Renewable Energy Target ends. We suggest this may not be long enough to skip the considerable volatility likely to exist at the end of the decade, and would coincide with a great number of other PPAs which end then for which replacements must be found starting January 2031.

2.3 History of Councils Procuring Renewables through the Grid

Energy users can skip the risk of volatile pricing during the transition of the electricity system by linking their consumption to the lowest-cost source of generation: new renewable projects. This has only become possible since around 2017, when the City of Adelaide led the way with a long-term renewable PPA which started in July 2020. The City of Adelaide's electricity cost is set by the fixed price of generation from Clements Gap wind farm in mid-north South Australia and two new solar farms on the Eyre Peninsula (Streaky Bay) and South East (Coonalpyn).

These solar and wind farms not only provide inexpensive renewable electricity but also yield Renewable Energy Certificates throughout the term of the contract. The certificates provide assurance that the electricity consumed by the council are matched by the generation of renewable electricity. Through its contract, the City of Adelaide purchases the certificates and can therefore assert that their electricity consumption has zero emissions.

The Cities of Sydney and Newcastle entered into similar agreements around the same period, while many other councils in NSW and Victoria, and a few in Queensland, have since adopted Retail PPAs. In addition to reducing and stabilising electricity costs, Retail PPAs allow cost-effective emissions reduction, and contribute to a fair transition to the low-carbon economy by creating new economic opportunities in the regions, increasing local energy independence and security.

Council groups have increasingly joined forces to collectively procure renewable PPAs in both NSW and Victoria since around 2020. Examples include the [Victorian Energy Collaboration](#) led by the Eastern Alliance for Greenhouse Action, a formal collaboration of eight Councils in Melbourne's east, and the Central NSW Joint Organisation's [Retail PPA procurement](#) of 2022 for 16 councils.

The Australian Competition and Consumer Commission recently issued a consultation draft report¹ on "Sustainability collaborations and Australian competition law", which notes that they have already granted authorisation for agreements that involve sustainability-related public benefits, including:

"Joint buying groups to purchase renewable energy, resulting in reduced greenhouse gas emissions by enabling members of the buying group to transition to renewables at lower cost and with less risk than if they each sourced renewable energy individually."

2.4 What is a Retail PPA?

A renewable Retail PPA is typically based on purchasing electricity from renewable electricity projects within the same state, ideally new projects, over a period of time sufficient to help make those projects financially viable. This arrangement not only provides essential support to new generators, but also contributes to transitioning the electricity market towards 100% renewables for all consumers as a co-benefit.

Within a Retail PPA framework, a retailer facilitates the connection between electricity customers and renewable projects. This arrangement enables the procurement of a mix of wind and solar that best aligns with how councils consume electricity (i.e., a mix of daytime and nighttime consumption).

Retail PPAs typically require commitment to a term of 7 to 10 years and are available in various commercial models, ranging from fully firm pricing fixed for up to ten years to those incorporating an element of wholesale price exposure. Each of these have advantages and disadvantages, as outlined in Section 6.

2.5 What are Renewable Energy Certificates?

To be able to claim they are using "renewable" electricity and reduce electricity emissions, the Greenhouse Gas Protocol requires electricity users to purchase and voluntarily surrender Renewable Energy Certificates (RECs) for their consumption. In this case the RECs are Large-scale generation certificates (LGCs) as defined under the Federal Renewable Energy Target (RET). Renewable projects create both electricity and LGCs and these can be sold independently or "bundled" together.

Retail PPAs enable the purchasers to decide how many LGCs they would like to buy beyond the mandatory ("compliance") volume, which currently covers around 18-19% of consumption. There are further small-scale certificates purchased by all electricity users, and there is an argument that these could also be included when a council sets its target for voluntary LGC procurement. The volume of LGCs purchased voluntarily reduces the scope 2 emissions of the council, and this volume may change over time. The trajectory of voluntary LGC purchase and surrender is a decision for each council individually, though we note that Holdfast Bay already procures 100% GreenPower, which is calculated as a further 100% of consumption above compliance levels. Recognising that Council already purchases compliance certificates, we suggest there is no need to go beyond topping up from the compliance level to 100%, and the figures below have been calculated based on topping up from the compliance level for LGCs to 100%.

1

<https://www.accc.gov.au/system/files/Sustainability-collaborations-and-Australian-competition-law-draft-for-consultation-July-2024.pdf> section 4.2.1, para 55.

The additional voluntarily-purchased LGCs are then “surrendered” to the Clean Energy Regulator (CER) by or on behalf of the electricity user, resulting in the additional generation of renewable electricity beyond the mandated RET volume for the year in question. Reconciliation of LGC volumes and surrender typically occurs in February for the preceding year’s electricity use, though can occur more frequently, with 1 LGC required per each 1 MWh electricity consumed. The PPA may offer a fixed, or otherwise known, price for a set term, or it may involve ongoing purchase at the market price.

Three examples are provided below for clarity. In each example, electricity is purchased through a Retail PPA with a consistent and relatively low price. The three examples explain how the certificates may be purchased to provide assurance over renewables, in addition to the electricity:

- Example 1. **Zero RECs** (purchase electricity with zero Renewable Energy Certificates): the electricity purchased cannot be claimed as renewable.
- Example 2. **50% RECs** (purchase electricity plus Renewable Energy Certificates for half the electricity consumed): the electricity purchased is 50% renewable. For this example, the 50% level is arbitrary; a council may decide to purchase any level of certificates (e.g., 25%, 80% or some other percentage), and could perhaps increase the renewable percentage over time.
- Example 3. **100% RECs** (purchase electricity plus Renewable Energy Certificates for all the electricity consumed): all electricity purchased is zero emissions (i.e., 100% renewable).

Additionally, a council may decide to increase their purchase of certificates over time. For example, a council may commence purchasing all its electricity through a Retail PPA but initially with certificates for half the electricity consumed each year. The council could then move to 100% renewables in 2030 to meet a climate-related goal. In this example, the electricity is always purchased through the PPA and only the percentage of certificates purchased has changed. While all these options are theoretically possible, the final options in any Retail PPA will be subject to contract negotiations (i.e., there may be some limitations on the flexibility of purchasing RECs, depending on the contract, and this flexibility will be part of the negotiations).

Any use of voluntarily-surrendered LGCs will require councils to use the market-based method electricity as the primary method when accounting for their greenhouse gas emissions. The market-based method reflects the emissions intensity of different electricity products, markets and investments, including Retail PPAs, whereas the location-based method reflects the average emissions intensity of the electricity grid in the location (state) in which the energy consumption occurs. Any council with renewable electricity goals above the state average will need to use the market-based method.

3. Forecast Electricity Use - Renew 6 Group

In May 2024, Presync was contracted to conduct a comprehensive analysis of electricity consumption and generate a forecast of future usage for the six councils involved in this project. The forecasting process included a detailed analysis and discussions on electricity consumption history and predicted future consumption for councils, such as:

- New build or replacement sites,
- LED upgrades, particularly for street and other outdoor lighting,
- Solar installations,
- Energy efficiency projects,
- Electrification, and
- EV charging.

Where possible we have included small sites with advanced meters in the forecast. We suggest councils continue to install advanced meters at their higher-consuming sites where this is practical, and it may be possible then include these sites in a future procurement process. Not all PPA retailers serve small sites, so we recommend that small site inclusion be optional rather than required in any future request for tenders.

The load profile of the six councils combined is shown in Figure 9, revealing that a significant proportion of their consumption occurs during nighttime hours. This nocturnal load can be attributed to street lighting in addition to the lack of solar generation, underscoring the necessity for grid renewable generation sources beyond solar to ensure a good real-time match with consumption patterns.

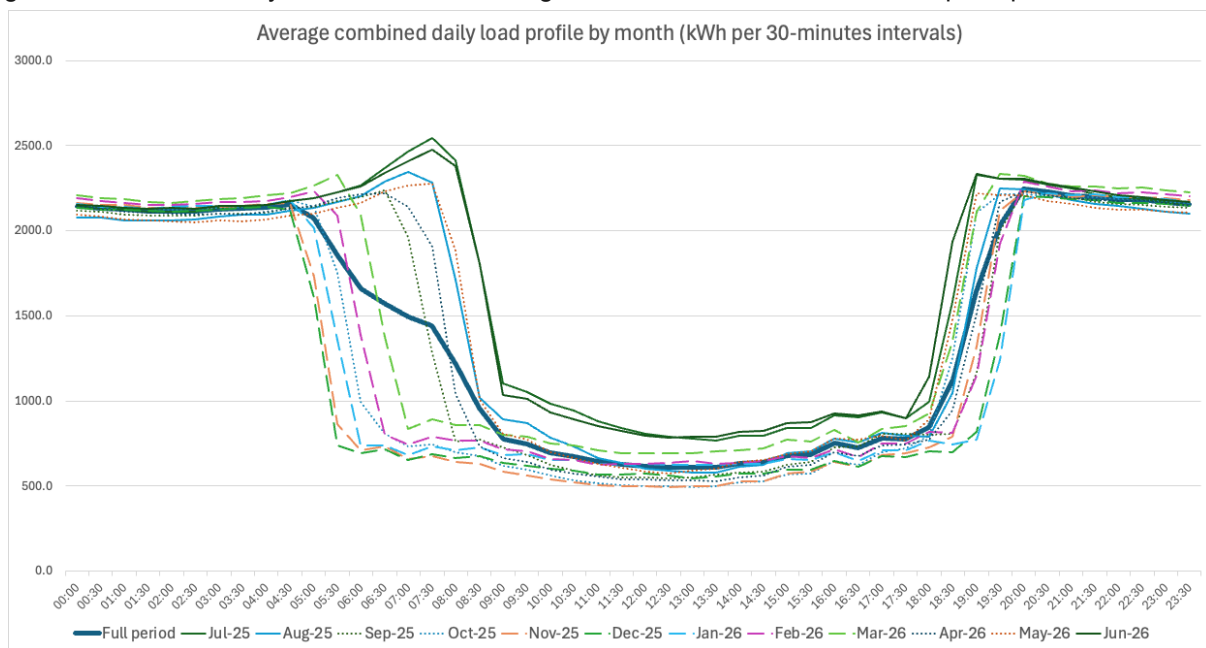


Figure 9 - Average 24-hour load profile of the six councils, aggregated. Electricity consumption is highest early in the morning and at night (i.e., the left and right ends of the graph), when streetlights are operating. Electricity consumption is lower during the day, represented by the dip in the middle of the graph.

3.1 Forecast Electricity Use - Holdfast Bay

Presync worked with Holdfast Bay staff to understand recent electricity consumption at the site level, as described above. A meeting on 31 May 2024 locked in the approach and a forecast was produced for review on 25 July.

The sites included in the forecast are as follows:

- 2 street lighting accounts forecast to consume 0.64GWh annually
- 3 “large” sites consuming 0.35GWh annually combined:
 - Glenelg Town Hall
 - Brighton Civic Centre
 - Glenelg Library
- 3 “small” sites consuming 0.24GWh annually combined:
 - Moseley Square
 - 6 Partridge St
 - Kauri Sports Centre

Council has two other large sites operated by subsidiaries (Alwyndor Aged Care and Brighton Caravan Park) that are not currently included, but may be able to be included in a future procurement project if so desired by Council and the operators of these sites. Inclusion of these sites would more than double Council’s total electricity consumption compared to the current forecast below.

The combined Holdfast Bay forecast load is **1.22GWh**, with a profile as shown in Figure 10. We note the similarity of this consumption profile to the broader group’s, with a significant proportion of consumption occurring during nighttime hours.

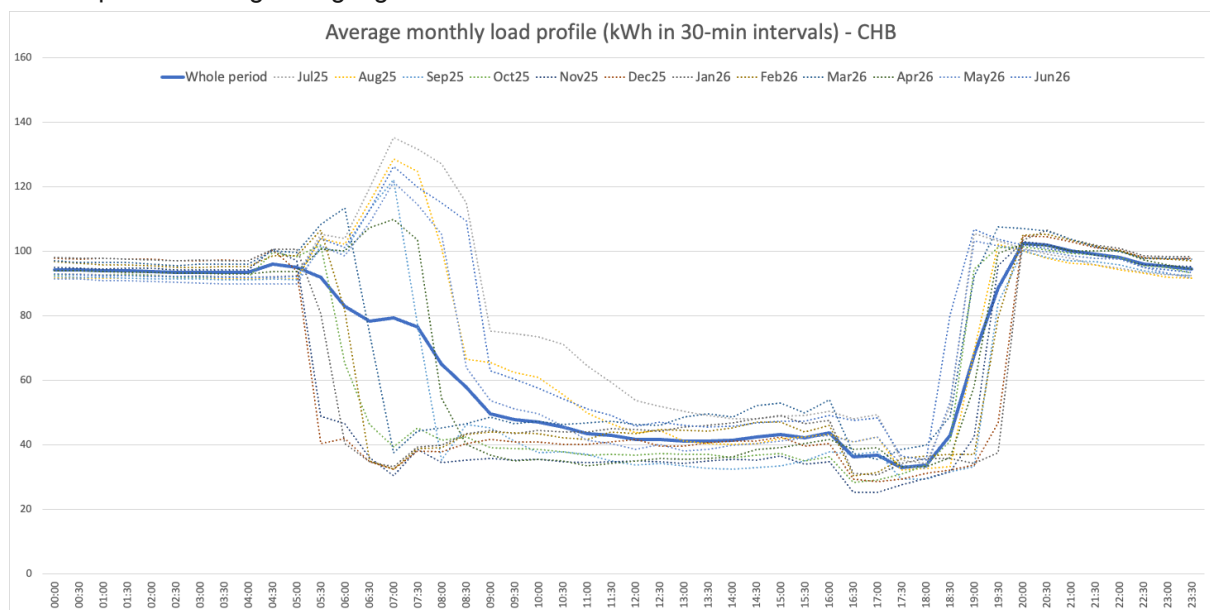


Figure 10 - City of Holdfast Bay forecast daily electricity consumption profile, by month

4. Market Testing

On behalf of the six councils, in late June 2024, Presync approached well-known PPA retailers to gauge their interest in supplying electricity to the councils. We sought indicative pricing for long-term Retail PPAs starting July 2025, based on the aggregated load for “a group of 6 Adelaide councils”.

The retailers approached were:

1. Flow Power
2. Iberdrola
3. ZEN Energy

All three have significant experience delivering Retail PPAs to councils in Australia.

Flow Power and ZEN Energy provided indicative pricing, while Iberdrola declined due to their long-standing relationship with LGAP South Australia through which they have contracted many of the Councils in the group, including Holdfast Bay. It appears Iberdrola prefers to continue to work directly with LGAP.

We have found that some companies offering Power Purchase Agreements may have policies only to deal directly with customers and will not tender in response to broker requests, so it is possible that our market testing and LGAP's process will yield non-intersecting groups of retailers.

The indicative offers received are summarised below.

4.1 Flow Power

Commercial structure and pricing:

- 9.5-year wind and solar offtake (July 2025 to December 2034), with the wind/solar mix optimised to best match the real-time consumption for each council.
- Three linked projects in South Australia offered:
 - Solar: Streaky Bay and Coonalpyn (City of Adelaide's linked solar projects, both operational since 2021); and
 - Wind: Goyder South wind farm stage 1 (Mid-north region, in late stages of construction; Flow Power is one of three parties with wholesale PPAs from this project, alongside the ACT Government and BHP for Olympic Dam).
- Flat offtake price over the whole term for each project with wholesale market firming.
 - Solar: \$65.48/MWh
 - Wind: \$73.19/MWh
- Flat renewable electricity certificate price over the term: \$29.65 per LGC (MWh)
- Retail margin TBD, likely around \$4.50/MWh on all consumption and export
- All network, market, and other environmental charges passed through at cost
- Allows unlimited changes in consumption
- There is some price volatility due to exposure to the wholesale price but the long-term matching with operating renewable projects provides cost stability, while an optional “ceiling” product can cap exposure to the wholesale price.
- The wholesale price exposure also improves the business case for local battery, virtual powerplant and load shifting projects.
- As wholesale prices are heavily correlated with grid carbon intensity, matching consumption to low-cost times also results in achieving low real-time emissions and assists the grid transition towards 100% renewables.
- Flow Power's model allows virtual net metering between sites (export from one site effectively replaces import at any other site on the same contract), and exposure to

the wholesale price maximises the battery business cas, including the ability to charge batteries at times of negative prices.

- Due to the exposure to the wholesale market it would be prudent to include some management costs when assessing an offer of this type. This may justify an extra FTE across the entire group, or alternatively, Presync could provide a monitoring and contract management service for around \$1,000 per month. This typically includes:
 - Monitoring consumption of all sites twice monthly.
 - Bill estimates at the end of each month.
 - Bill checks and follow up with retailer on any errors/surprises.
 - Ongoing contract management and advice, eg on the value of the ceiling product, changes to offtake volumes or projects and managing all correspondence with the retailer.
 - Annual forecasting of electricity budget and tracking to budget on a fortnightly basis.
 - Annual LGC reconciliation process as required.

Experience:

The respondent is the Retail PPA provider for City of Adelaide, City of Sydney and many other councils. Flow Power:

- Has over twenty years' experience in local market
- Is owned by Canadian Pension Fund OPTrust
- Pioneered the Retail PPA in 2018
- Offer offtake from multiple large wind and solar projects developed by others
- Develop their own mid-scale solar+battery projects
- Has a policy to deal directly with customers and not to pay trailing commissions to brokers.

Presync has 16 customers with Flow Power who have generally good experience with the commercial model and customer service provided.

When modelling this offer, Presync analysed the generation profiles of the nominated wind and solar projects and optimised the wind and solar mix to achieve a real-time match at the 30-minute level of around 70% between the generation sources and consumption for the group as a whole. The generation mix used to achieve this match was:

- 91% wind
- 9% solar

As the City of Holdfast Bay load profile differs slightly from the overall group's, we optimised the mix for Holdfast Bay individually, resulting in a real-time match of around 71% with the following generation mix:

- 87% wind
- 13% solar

4.2 ZEN Energy

Commercial structure and pricing:

- Fixed price 6-year term July 2025 to June 2031
- Only available projects in South Australia are solar, so not a good fit to this load profile, but ZEN note they are “expanding our wholesale position regularly and once our storage assets currently in various development phases are online, we expect to be able to provide more attractive pricing.”
- Fixed price for first 3 years (peak/off-peak \$/MWh):
 - FY26: \$263/\$135
 - FY27: \$247/\$126
 - FY28: \$257/\$117
- With a single price reset option for last 3 years
 - FYs 29-31 to be set when futures market available
- Renewable electricity certificate price declines each calendar year:
 - 2025 \$46.25
 - 2026 \$34.75
 - 2027: \$30.00
 - 2028: \$28.00
- Changes in consumption are typically limited to 20% in either direction.
- ZEN’s Customer Battery Program provides benefits to battery hosts including demand management and other savings; they are working on deploying batteries with a Sydney Council.
- This is a simple electricity contract similar to current arrangements which would likely not require any extra management effort.

Experience:

- Local South Australia company with solid credentials, has had a retail licence since 2018 and was previously a solar installer
- Customers include South Australia Government, CSIRO, Bunnings, SSROC (26 NSW councils), and recently SBS (via Presync)
- Offtake from 20+ solar and wind farms and are now developing their own utility-scale projects
- Strong sustainability commitments via Science-Based Targets Initiative (SBTi), partnering with customers to transition contracts to 100% renewable electricity, and committed to only sign new contracts where 100% renewable is achieved within the contract period.

5. Indicative Economics - Renew 6 Group

Presync conducted techno-economic modelling of the proposed Retail PPAs for the councils combined, and for Holdfast Bay individually, over 10 financial years: FY 2026 to FY 2035. The model compares the costs for retail electricity along with renewable electricity certificates. The model excludes regulated network, market, and environmental charges as these remain constant across different retail approaches (i.e., these fees are mandatory on all retail electricity contracts). Other assumptions used in the model are listed at Appendix C.

The results of the modelling illustrate the price volatility associated with conventional electricity procurement. Current prices are significantly higher than historic pricing levels.

Figure 11 depicts the results of the pricing comparison. The indicative Retail PPA offer described above is compared to current pricing from the ASX Electricity Futures Market and expected future prices. The indicative Retail PPA pricing demonstrates clear cost advantages over current ASX Electricity Futures prices in 2026 and 2027, offering cost stability beyond those years until the middle of next decade. The modelling indicates that councils could achieve 100% renewable energy coverage with a long-term Retail PPA for much less than its current expenditure on conventional electricity.

Economic results –electricity only



Figure 11 - Annual cost of the retail electricity options for the Renew 6 Group combined. The annual retail costs associated with the The ZEN offer are shown in yellow while the Flow Power indicative offer is shown as several orange lines; the orange shaded area indicates the range of expected annual retail cost given extremely different wholesale pricing scenarios. The red diamond and square depict the current FY24 and FY25 prices paid by most of the councils. The solid purple line depicts the ASX Electricity Futures Market price which is available only until FY28.

Figure 12 depicts the same pricing comparison for 100% renewable electricity, that is the same volumes of electricity as in Figure 11 plus enough renewable electricity certificates (LGCs) to “top up” from the LGC compliance level to 100% of consumption. Council might choose another LGC purchase volume, or vary the volume by year, and that can be modelled separately.

The LGC prices indicatively offered by the two retailers and the current market price are shown by year in Figure 13. Immediate savings would be possible with the Flow Power offer for all councils for

compliance LGCs, and particularly for those councils already buying voluntary LGCs, including some members of this group. These savings are included in the Figure 11 and Figure 12 annual costs.

Economic results –100% renewable electricity

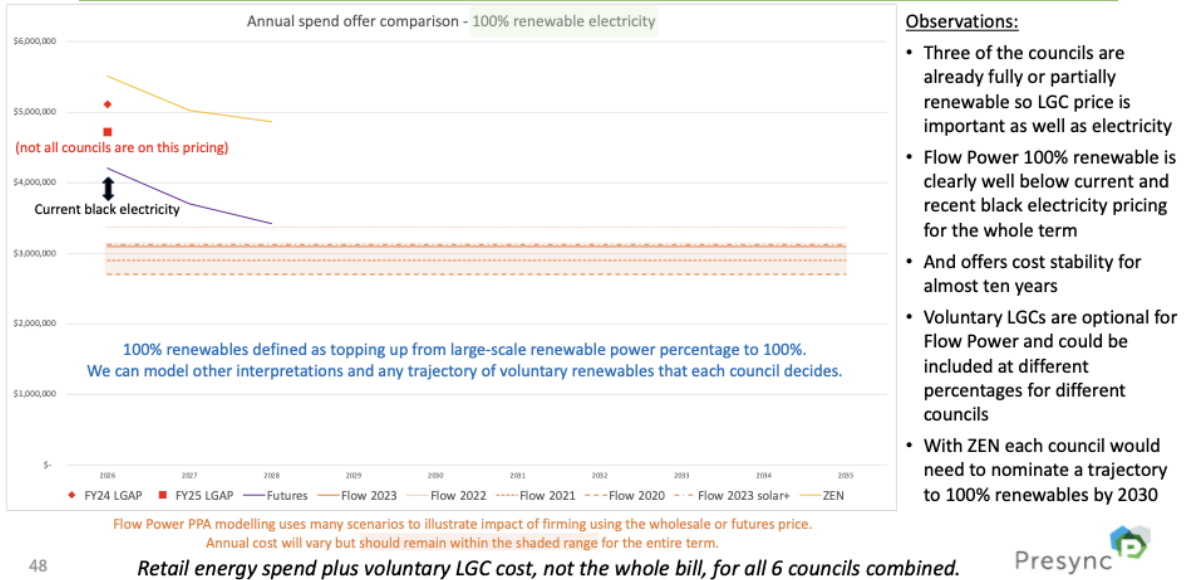


Figure 12 - Annual cost of the 100% renewable retail electricity options for the Renew 6 Group combined. The annual retail costs associated with the The ZEN offer are shown in yellow while the Flow Power indicative offer is shown as several orange lines; the orange shaded area indicates the range of expected annual retail cost given extremely different wholesale pricing scenarios. The red diamond and square depict the current FY24 and FY25 prices paid by most of the councils. The solid purple line depicts the ASX Electricity Futures Market price which is available only until FY28.

Renewable electricity certificate pricing offers

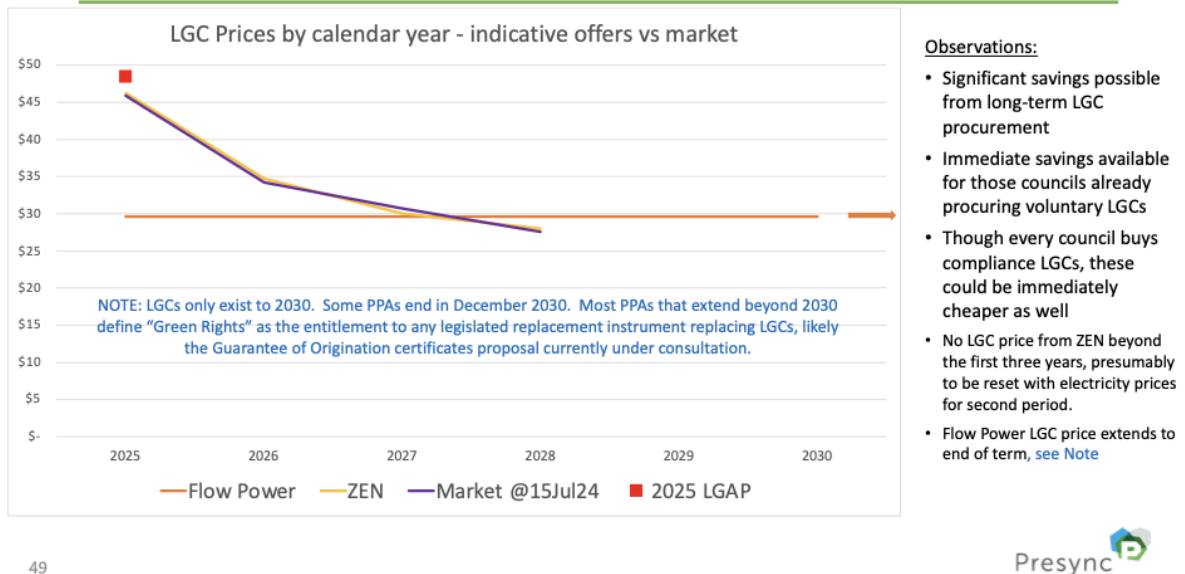


Figure 13 - Annual LGC prices indicatively offered

5.1 Indicative Economics - City of Holdfast Bay

The modelling presented above was based on the combined data of six councils. The situations of individual councils were also examined. The individual load forecast for Holdfast Bay was used with the two indicative offers and the current and projected future business-as-usual prices exactly as described above. The Flow Power offer was modelled with the wind/solar offtake mix discussed above. The results follow.

Figure 14 depicts the results of the pricing comparison for electricity and compliance LGCs for the forecast consumption of the City of Holdfast Bay sites. We see that business-as-usual electricity procurement conducted today should result in lower prices than were experienced in FY24 and FY25. The Flow Power indicative offer would lock in a cost range for almost 10 years which is entirely below this recent experience and almost all future projections for South Australia electricity prices as far as these are available. As discussed above, we expect continued price volatility on the futures and physical markets until the NEM is near 100% renewable generation, so insulating Council's electricity budget from these shocks seems advisable.

An annual retail electricity cost range (including compliance LGCs) of \$100-132k (equivalent to \$82-108/MWh) appears achievable, well below the comparable cost for the same amount and profile of electricity using Council's existing FY24 prices (\$199k, equivalent to \$163/MWh) and FY25 prices (\$182k, equivalent to \$149/MWh). ZEN's prices are currently much higher and don't offer any long-term cost stability, though this position may change should Council move to a procurement process.

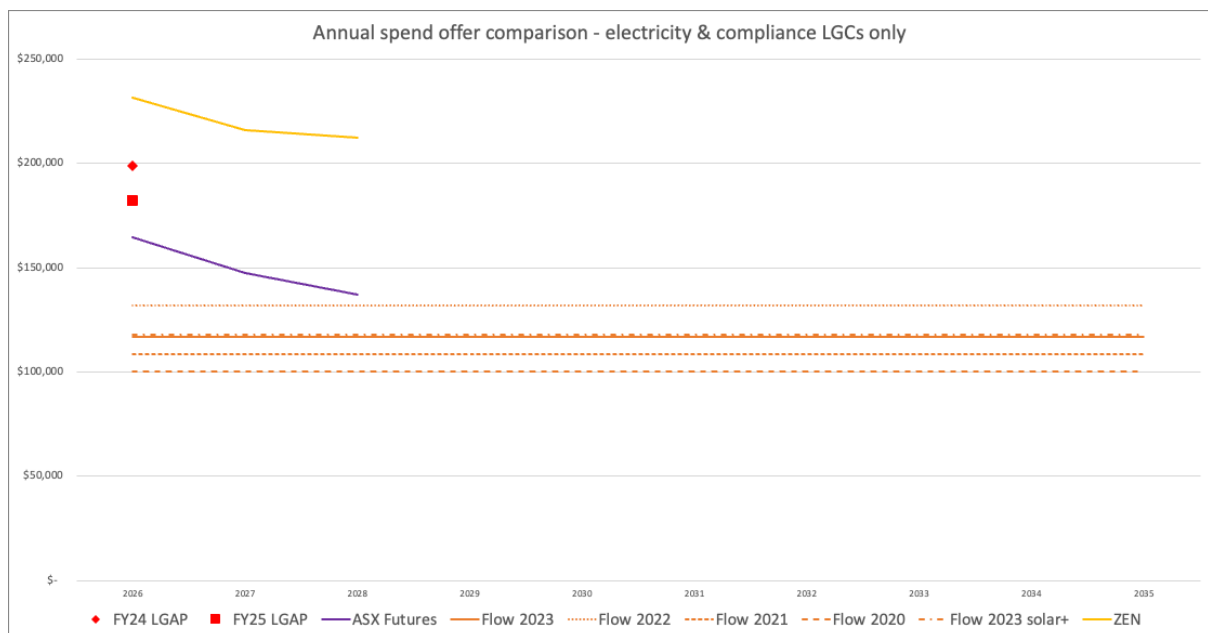


Figure 14 - Annual cost (by financial year) of the retail electricity options for City of Holdfast Bay alone.

Figure 15 depicts the same pricing comparison for 100% renewable electricity, that is the same volumes of electricity as in Figure 14 plus enough renewable electricity certificates (LGCs) to "top up" from the LGC compliance level to 100% of consumption. This is directly relevant as Council is buying 100% renewables today at the LGAP prices indicated.

An annual retail cost range (electricity plus top up from compliance to 100% LGCs) of \$130-161k (equivalent to \$106-132/MWh) appears achievable, well below the comparable cost for the same amount and profile of electricity and LGCs using Council's existing FY24 prices (\$250k, equivalent to

\$205/MWh) and FY25 prices (\$225k, equivalent to \$184/MWh). Indeed, the indicative Flow Power pricing for 100% renewable electricity from particular linked projects is cheaper than what Council is paying today for non-renewable electricity. ZEN's prices are currently much higher and don't offer any long-term cost stability, though this position may change should Council move to a procurement process.

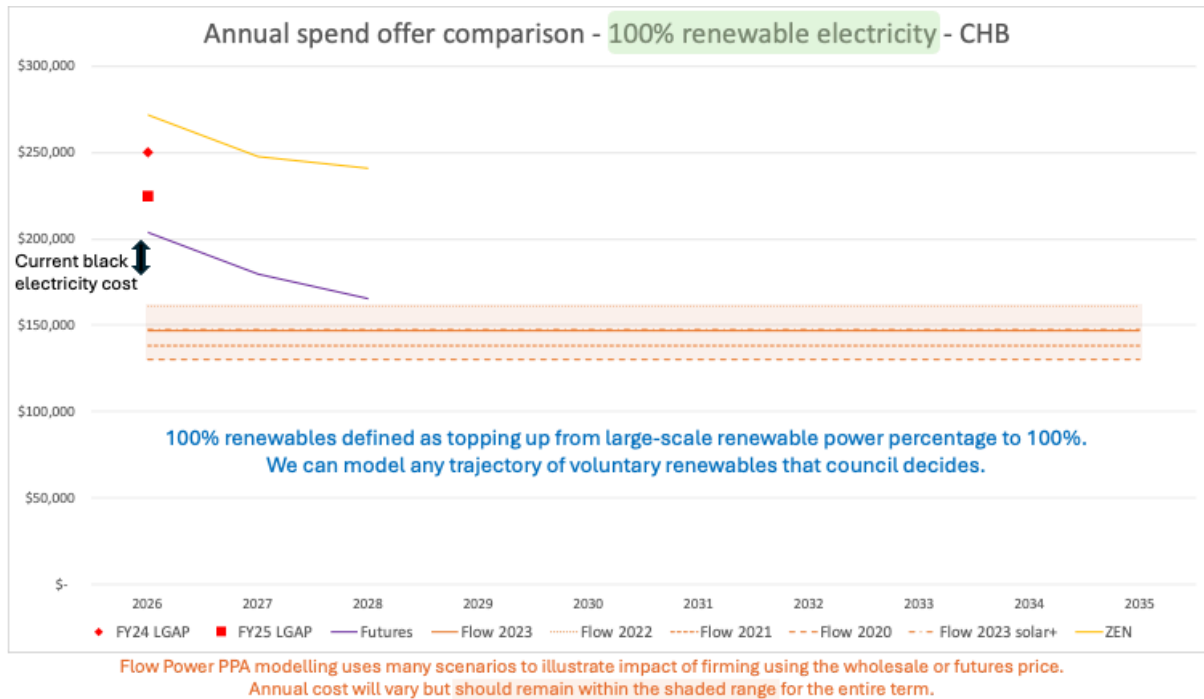


Figure 15 - Annual cost of the 100% renewable retail electricity options for City of Holdfast Bay alone.

6. Risks and Benefits of the Options

The following table highlights the benefits and risks of the various electricity procurement options. Benefits are in green, risks in red and other differences to current practice in blue.

	Electricity Procurement Option		
Consideration	Standard retail contract (BAU)	Fixed-price Retail PPA as proposed by ZEN Energy	Project-linked PPA, wholesale firming, as proposed by Flow Power
<i>Price stability</i>	1-4 years, then fully exposed to market volatility	3 years, price then resets; firming exposed to market volatility	7.5 or 9.5 years. Some day-to-day variability but more stable overall.
<i>Relative price</i>	Baseline	Similar to baseline	Lowest
<i>Renewable certificates</i>	Optional via GreenPower. No project link.	All customers must achieve 100% during the term. Project linked.	Optional via long-term LGC purchase and surrender. Linked to projects that provide electricity
<i>Renewable certificate cost</i>	Baseline cost, requires 100% on top of compliance	Cost similar to baseline, top up to 100% from compliance level	Long-term flat price, lower than market price at least in the first few years, maybe longer.
<i>Renewable certificate volume</i>	Follows consumption	Follows consumption	Follows generation, year-end reconciliation process needed (cost included in management cost below)
<i>Upfront costs, logistical and legal practicalities</i>	Baseline	Similar to baseline though longer term may increase approval workload	Higher approval workload due to longest term and suite of interrelated contracts
<i>Ongoing costs and management</i>	Baseline	Similar to baseline	More monitoring and contract management effort, estimated around \$1,000 per month.
<i>Renewable Generation Project links</i>	None	Indirect	Direct links to 1 to 3 projects. This brings a new risk of project non-performance which is mitigated by a ceiling product.
<i>Real-time renewable/ load matching</i>	None	Poor, solar generation only	~70%, achieved by using a well-matched South Australia wind farm
<i>Solar feed-in and battery business case</i>	Low fixed feed-in tariff. Limited battery arbitrage opportunities.	Low fixed feed-in tariff. Limited battery arbitrage opportunities.	Feed-in tariff is the wholesale price, varies from high to negative. Incentivises batteries with significant arbitrage opportunities to maximise revenue; future proofed for potential end to feed-in tariffs.
<i>Inclusion of small sites</i>	No	Maybe	Yes, if advanced meters are installed.

<i>Support for Virtual Net Metering, Virtual Powerplants etc</i>	Baseline	Offers Customer Battery Program	Virtual net metering is included. Wholesale price maximises the business case for VPPs with batteries, smart EV charging etc.
<i>Need for ACCC authorisation</i>	Discuss with LGAP	Unlikely, see ACCC consultation draft report	Unlikely, see ACCC consultation draft report

7. Considerations for Procurement

If considering group procurement of a Retail PPA, the participating councils should give some thought to their requirements and their relative weighting. It would be wise to start the procurement process by September 2024 in order to have sufficient time to run the procurement process in time for a start date of July 2025. An indicative timeline is shown at figure 16.



Figure 16 - Indicative procurement timeline

To ensure the broadest pool of participants in a tender process we suggest the following approach:

- Sites to be included:
 - Mandatory: large sites and street lighting accounts
 - Optional: small sites with advance meters, or all small sites
- Term:
 - Ideally 7 to 10 years, though retailers are free to propose any other term that may be more advantageous
- Inclusions of on-site solar generation, batteries, virtual power plants, smart EV charging etc:
 - Preference for a long-term energy partner able to integrate a portfolio of increasingly dynamic loads, potentially including stationary battery storage and electric vehicles, facilitating participation in the demand response and ancillary services markets as these evolve, and generally taking advantage of opportunities to further reduce electricity costs.
 - Addition of onsite generation is not to be restricted in any way and there must be no requirement to obtain consent from the retailer.
 - Export from behind the meter generation to be netted off at an account level (preferably) or a feed-in-tariff proposed.
- Inclusion of solar farms for one or more councils
 - Several councils have expressed interest in developing or partnering with third parties to establish solar farms (including battery storage) on their sites and land (owned or managed).
 - Retailers may optionally propose to facilitate such projects, whether they be behind council meters or on new sites acting as market generators, or even develop them on a council's behalf, but this should not be a mandatory requirement.
- Project type
 - Suggest no preference as long as renewable and with a preference for the best match between generation and consumption
 - Need to consider whether to indicate a preference for new projects (greatest impact) or existing projects (lower risk)

- Project location:
 - Suggest anywhere in South Australia
- Type of PPA:
 - Tenderers should be authorised electricity retailers able to provide an electricity supply agreement with each participant based on supply-linked PPAs rather than financial derivative products, substantially underpinned by renewable generation from identifiable renewable electricity generation projects in South Australia.
 - Each participant council should have common renewable offtake pricing based on the offtake volume of the entire group, while “firming” prices are expected to vary by participant.
- Contract structure:
 - Must be bilateral contracts with the retailer without reference to the group or other members.
 - Each participant council will make its own procurement decisions based on a common tender evaluation process and it is possible, though not likely, that some councils will proceed to contract negotiation with the selected tenderer while others will not.
- LGC volume:
 - Councils should determine their LGC requirement trajectory before commencing procurement.
 - Ideally the retailer will accommodate councils with different requirements
 - Perhaps have a minimum starting renewable content (suggest 50% including the mandatory large-scale and a portion of the mandatory small-scale percentages), and/or a commitment to increase LGC purchase over time.
- Consumption flexibility:
 - Terms should allow for the addition or removal of sites without additional retail fees and should provide maximum flexibility for changes in consumption and addition of onsite generation.

8. Conclusions

The work conducted during this project demonstrates that procuring a Retail PPA is a viable choice and should provide significant cost savings and environmental benefits for the six councils. Based on this analysis, the market testing process, and our experience, Presync advises that the group of six councils is a suitable size for a Retail PPA. If some councils decide not to participate in the procurement process there would likely still be retailer interest in providing a PPA to the remaining councils, or to councils individually, though we expect prices would be higher. It may also be possible for the councils to join another similar group which has recently commenced a procurement process.

The indicative Retail PPA proposed by Flow Power has compelling economics compared to current pricing and to the ASX Electricity Futures market. This particular option is associated with specific new wind and solar projects in South Australia, mirroring the structure of the City of Adelaide's successful PPA. It offers both lower prices and long-term price stability for electricity, further strengthened by the steady, flat-price Renewable Energy Certificates, facilitating the achievement of renewable goals while maintaining expenditure below current levels. There is some price volatility due to exposure to the wholesale price but the long-term matching with operating renewable projects provides cost stability, while an optional "ceiling" product can cap exposure to the wholesale price. The wholesale price exposure also improves the business case for local battery, virtual powerplant and load shifting projects. As wholesale prices are heavily correlated with grid carbon intensity, matching consumption to low-cost times also results in achieving low real-time emissions and assists the grid transition towards 100% renewables.

While ZEN Energy's initial indicative offer was not attractive it is likely that they and other retailers of Retail PPAs will participate in a competitive tender process should the councils choose to follow this route.

Appendix A - Leadership Survey Results

Survey of council leadership

- Getting early buy-in from decision makers has proven to be worthwhile in similar projects
- Steering Group members engaged approvers of a future long-term electricity contract
- To gauge feedback on key factors, including:
 - goals
 - term
 - risk appetite
 - preferred commercial structure
 - willingness to participate in group procurement
- We have compiled the results to enable discussion on the implications for the project
 - For individual councils and the broader group.

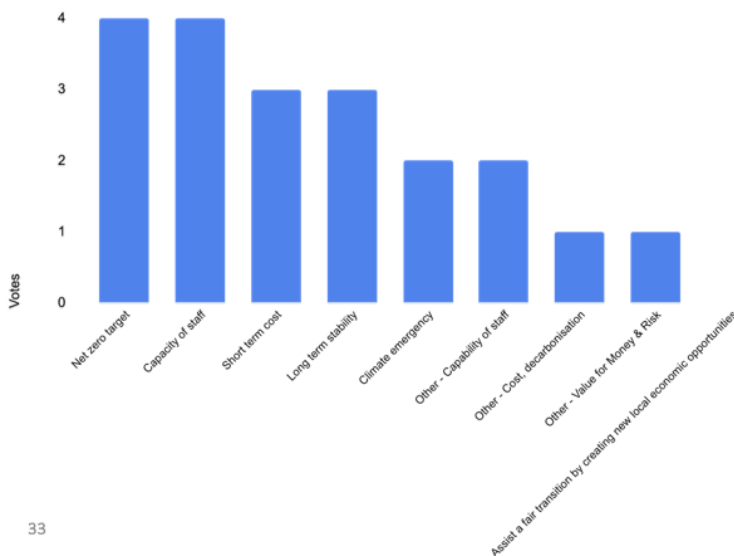
Thank you for your work on getting the surveys compiled and returned

32



Factors in procurement decisions

Factors currently influencing electricity procurement decisions



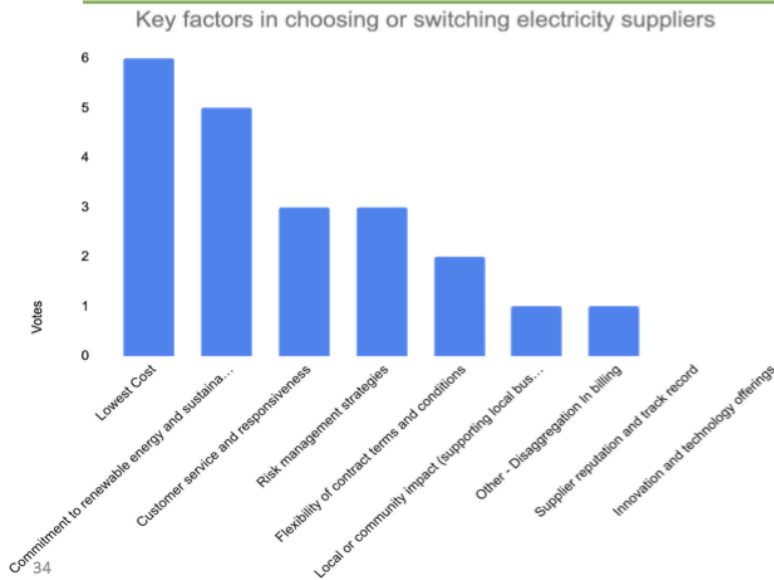
Comments and discussion points:

- Sustainability is a major driver
- Staff capacity/capability is a major concern
- Majority value long-term cost stability
- Though short-term cost important too

33



Factors in choosing a retailer



Comments and discussion points:

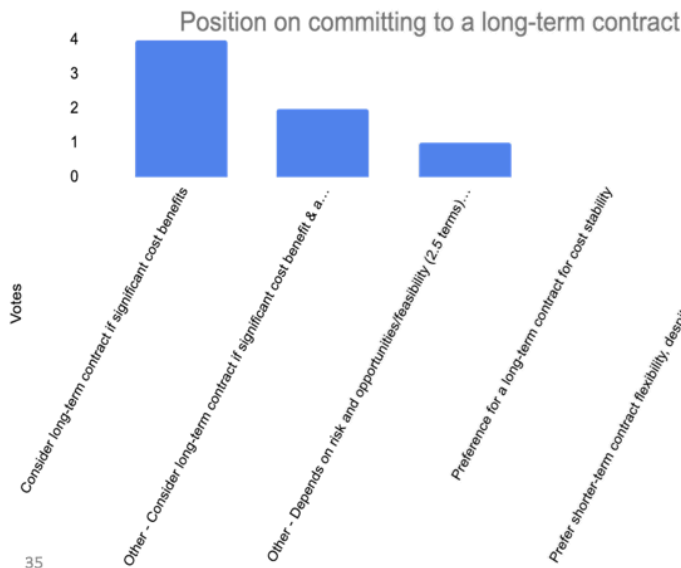
- Cost is the leading factor
- Followed by sustainability credentials
- also risk management approach
- and customer service/flexibility

Also mentioned:

- “disaggregation in billing”
- “Flexibility of contract terms and conditions – There was a question around setting up community VPP similar to Mitcham Council in the future and if the Council PPA would limit us to support such an initiative.”



Contract length

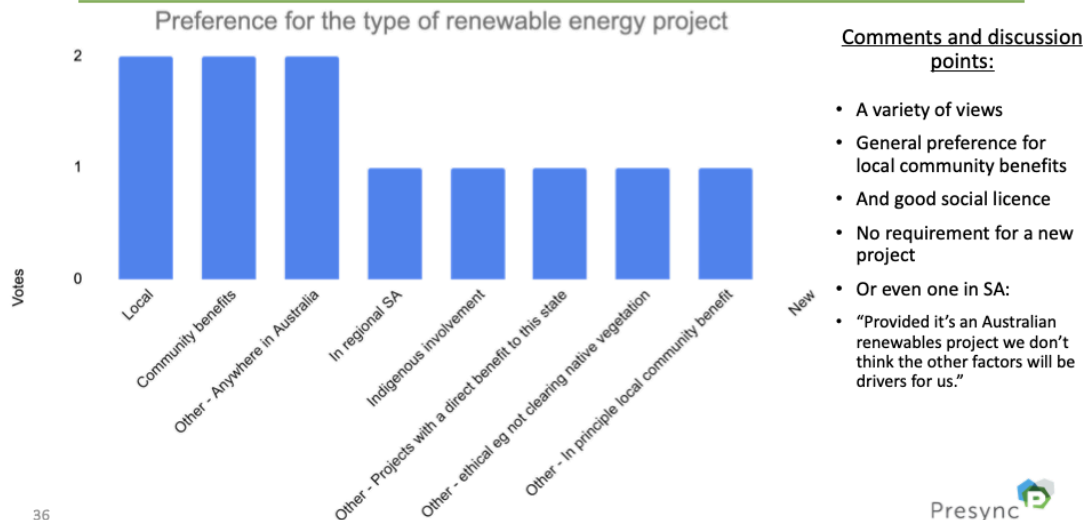


Comments and discussion points:

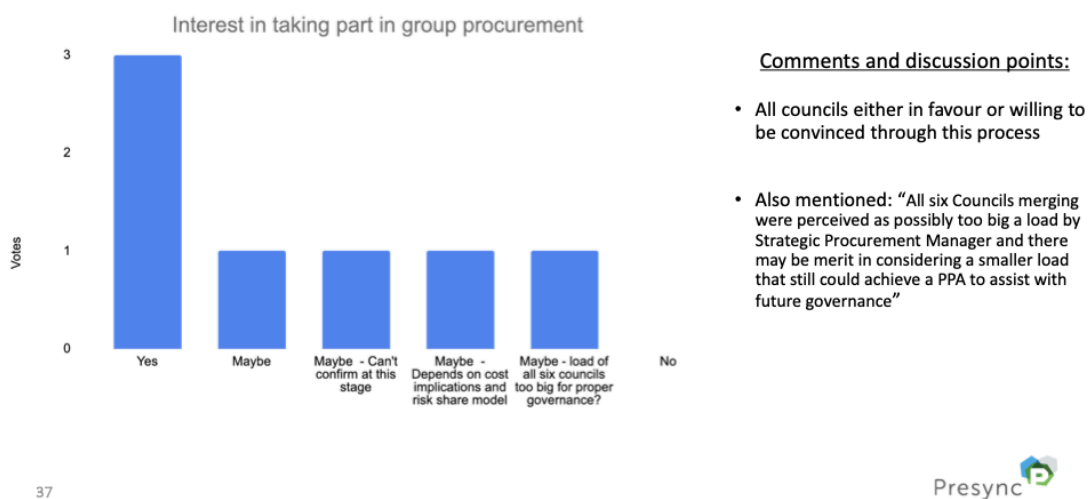
- Majority willing to consider long-term contracting
- Though “significant cost benefit & acceptable shared risk model” is a prerequisite for some
- “It depends on risk and opportunities / feasibility (over two and half terms) - strength of business case”
- One council disputes that pricing is volatile: “The cost of electricity, apart from a blip because of the RvU war, has remained predictable and steady. The cost uncertainty comes from the application of delivery costs and tariff changes...Apart from underpinning a single suppliers business model for a long period, there is a greater risk and cost, once committed to a single provider.”
- Another says: “CEO is comfortable with a longer-term PPA contract where it delivers firstly on price stability, and secondly on reduced pricing. Keen to avoid the BAU electricity re-contracting churn.”



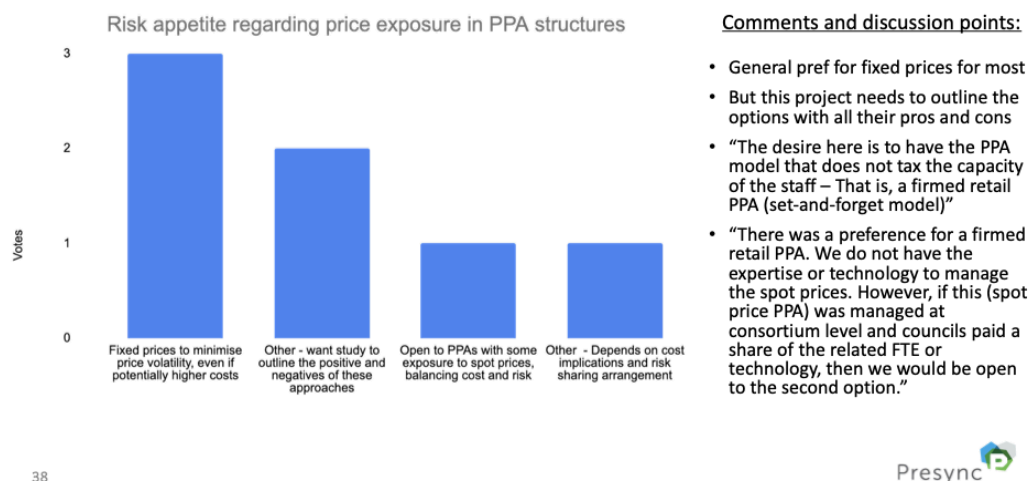
Attributes of linked projects



Interest in group procurement



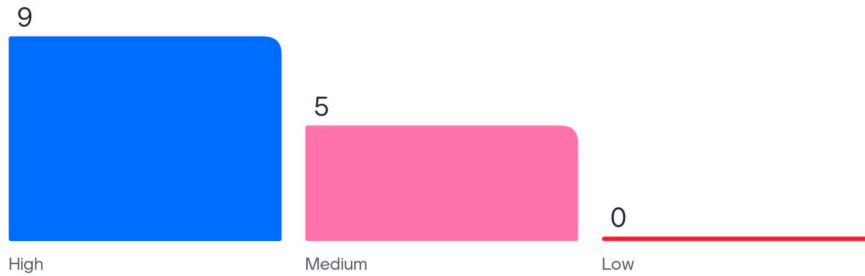
Risk appetite



Appendix B - Final Workshop: Menti Results

Mentimeter

Based on what you heard today, what's your level of understanding/comfort on the differences between short & long term (PPA) electricity procurement?



Mentimeter

Based on the findings and recommendations what is your interest to pursue a Stage 2 Procurement stage with the Renew 6 consortium?



Mentimeter

Apart from the feasibility findings report due late July, what else would be needed to secure approval to participate in a Stage 2 procurement phase?



Mentimeter

Appendix C - Electricity Cost Modelling Assumptions

Presync analysed the forecast load of the group, and each council individually at 30-minute resolution, which enabled calculation of retail electricity costs using both traditional time-of-use structures and structures related to the wholesale price. These load forecasts, which include all known efficiency, solar and other relevant projects, as well as forecasts for new sites to be added, were used to calculate electricity costs under the current electricity contracts for the current and previous financial years to establish the relative economics of the indicative PPA options against business-as-usual.

The model compares the annual costs by financial year for retail electricity along with renewable electricity certificates, starting in FY 2025-2026 and extending for a further nine financial years. The model excludes regulated network, market, and environmental charges as these remain constant across different retail approaches as these fees are mandatory on all retail electricity contracts.

To understand the future retail electricity cost for each council's consumption the model includes 5 years of historical South Australia wholesale price data plus the ability to tweak these data sets to explore future pricing scenarios. The wholesale pricing was simplified from 5-minute level to 30-minute level by averaging as this is the resolution we have on the consumption and renewable generation data.

One key trend to understand in the modelling is the impact of the divergence of daytime and nighttime electricity prices. Traditionally prices were higher during the working day and lower at night, the basis of peak/off-peak pricing. With the continued roll-out of behind the meter solar on the demand side and of solar farms on the supply side we have observed that daytime prices are increasingly depressed on sunny days, with negative prices now common in the middle of the day. This has implications for future electricity costs. First, the traditional peak/off-peak model of pricing is now meaningless as we are starting to see off-peak prices exceed peak prices. Second, the value of exported local solar generation continues to decrease, which should encourage shifting of discretionary loads to daytime and the use of storage to capture excess solar generation. Third, the value of non-solar renewable grid generation increases. Where there is discretion available to adjust the timing of consumption we suggest operating plant and equipment primarily during daylight hours.

Business-as-usual options are based on the base (all-time flat) South Australia electricity futures pricing available from the ASX on 15 July 2024. Likewise the pricing for LGCs for the calendar years 2025 to 2028 was based on observable market prices on 15 July 2024.

We modelled both indicative Retail PPA options from the market sounding as described in the body of this report. One of these offers fixed prices for each year based on a peak/off-peak structure, while the other offers direct "run-of-plant" offtake to particular wind and solar projects, supported by the spot price when renewable generation doesn't match consumption, modelled at the thirty-minute interval level. For this offer, the retailer provided

generation data for the linked solar and wind projects and this was used to assess the match on generation and consumption and to calculate the retail costs.

The wholesale-price-linked PPA is based on the optimal mix of wind and solar offtake (calculated for each council separately to achieve the highest real-time match at the 30-minute level for the full year) at known prices, and varies based on the spot price environment. We have modelled five scenarios to show the indicative range of cost variability, based on backcasts using the real price data for the calendar years 2020-2023, as well as a fifth scenario based on 2023 with additional solar depression (lower prices in the middle of the day and higher prices before sunrise and after sunset).

The economics of the two PPAs (yellow line and orange set of lines) starting in FY 2026 are shown against the known business-as-usual costs for FY 2024 and FY 2025 (noted as red points in year 1), and projected BAU costs for FYs 2026 to 2028 (purple line). Beyond this point there is no assurance on future BAU costs.

The assumptions made in the model are as follows:

- Addition to ASX futures price to account for load shape and retail margin: 10%
 - *We believe this is conservative given the councils load shape, which is high at night when prices are high and low during the day when prices are low.*
- NPV Discount Rate: 7.0% *(not used in the results presented in this report)*
- LGC volume required for “100% Renewable” scenario: top up from current large-scale renewable power percentage (18.48% in calendar year 2024) to 100% of annual consumption.
- Flow Power retail margin on all consumption: \$4.38/MWh