

City of Marion *Annual Report* 2022-2023

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Kurna Acknowledgement

Ngadiu tampendi Kurna meyunna yaitya
mattanya yainty yerta

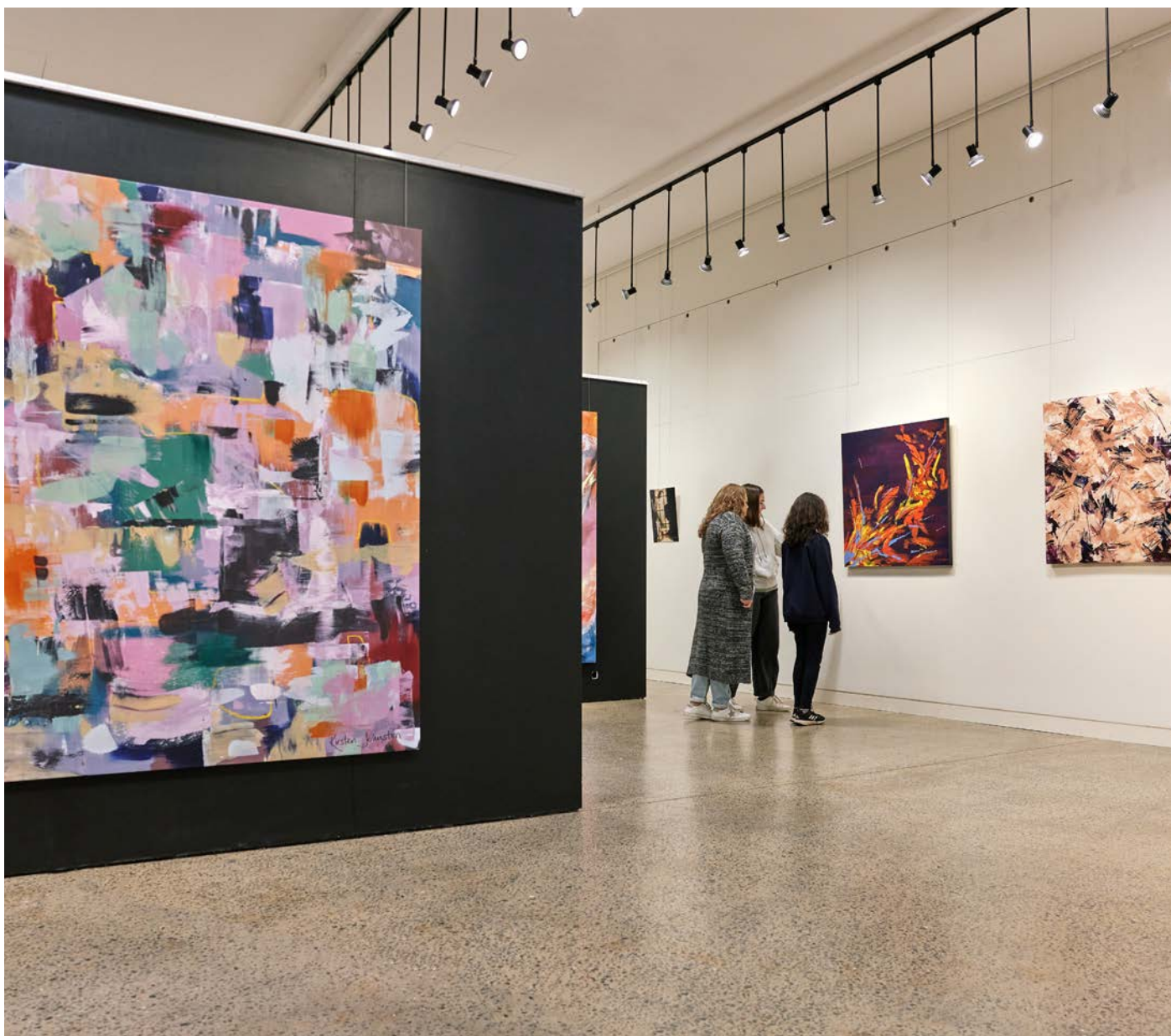
This Kurna acknowledgement was prepared in
consultation with traditional custodians.

Acknowledgement of Country

The City of Marion acknowledges we are situated
on the traditional lands of the Kurna people and
recognises the Kurna people as the traditional
custodians of the land.

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What is our Annual Report?

The Annual Report is a comprehensive council document which includes information prescribed by legislation, combined with general information about our key focus themes within the City of Marion. The Annual Report for 2022-2023 is a reflection of achievements measured against our strategic projects, services and programs that council aimed to deliver throughout the financial year in accordance with the Annual Business Plan for the corresponding year.

Welcome from the Mayor

Welcome to the City of Marion Annual Report for 2022-2023.

After the Council elections in November 2022, seven new Councillors were elected to join the five continuing Councillors and Mayor. We currently have a very sensible and harmonious group of elected Councillors.

Aware of the increasing cost of living, the Council established a 2 per cent average rate increase for 2022-2023.

Council has been grappling with escalating costs which have imposed significant budget strains this year. Thus, in June 2023, we found it necessary to set the average residential rate rise for the 2023-2024 financial year at just over five per cent. Despite this increase, our rate increase was one of the most modest in the State; significantly, it was less than the rate of inflation. (Please note that an increase in a property's valuation, relative to others, leads to variations in individual property rates above or below the average rate increase.)

Despite record capital expenditure, we kept borrowings low.

Key achievements this year include:

- Completion of the Glenthorne Adventure Playground* at O'Halloran Hill, a State Government project to which we contributed \$2.2m.
- Opening several large-scale projects including Hugh Johnson Boulevard Reserve, Capella Reserve Stage 2 upgrades, and the Tarnham Road Reserve tennis and netball courts.
- Attraction of 38,000 visitors to Neighbourhood Centres and over 330,000 to our three libraries.
- Renewal of over 20 km of roads, footpaths, kerbs, and stormwater pipes.
- Unveiling of the popular Majors Road Pump Track.
- Enhancement of community spaces with 5 reserve upgrades, 4 new playgrounds, and 4 public toilets.

Our commitment to greenery remains strong, surpassing tree planting targets: we planted 4,318 new street trees and 570 reserve trees.

Additionally, the incentive funds for residents to maintain verges and large trees have helped make our streets more attractive.

Yours faithfully,



Kris Hanna
Mayor



**Glenthorne National Park-Ityamaiipinna Yarta Adventure Playground*

Message from the CEO

The 2022-2023 financial year has been a transformative period of change and growth for the City of Marion.

Our Local Government Elections in late 2022 brought fresh perspectives to our Council with the induction of seven new members. Their induction process was thorough, ensuring they were well-prepared to serve the City of Marion's community. The Council planning day in January was a milestone event that solidified our commitment to transparency, teamwork, and tenacity.

There were several large-scale projects completed throughout the 2022-2023 financial year including the Majors Road Pump Track, Capella Reserve upgrade, Hugh Johnson Reserve development, the Tarnham Road Reserve upgrade and sport development, and the incredible Glenthorne Adventure Playground built in collaboration with the state government.

Other major achievements in 2022-2023 included the delivery of 204 Neighbourhood Centre programs to 38,000 visitors, 15 per cent increase in library visits with 334,525 visitors across our three libraries, and over 19km of resealed roads, renewals, and upgraded kerbs.

Next financial year we see the advancement of just over \$50M worth of projects, demonstrating our investment in local development and community facilities. This proposed spend involves significant funding support from state and federal governments and is made up of \$19.3M for the renewal of assets with \$31.4M allocated for new and upgraded assets.

Economically, the City of Marion stands strong, effectively managing our \$105M budget. The average rate increase for 2023-2024 of 5.2 per cent remains below the Reserve Bank inflation rate, emphasising our commitment to financial prudence.

Our focus on sustainability and environmental preservation is unwavering. We've exceeded our tree planting target with 4318 new street trees and 570 trees planted on reserves. The Oaklands Wetland continues to be a beacon of sustainable water management, with over 220 million litres of stormwater captured, cleaned, and stored. This water already irrigates more than 30 council reserves through an existing 11.5km underground pipe network. Work is underway on the 12km pipeline extension to the stormwater harvesting scheme, now known as Marion Water. This will deliver at least 143 megalitres (ML) of non-potable water to additional council reserves.

We were thrilled to complete the Digital Transformation Program (DTP) this year. This program was marked by a major focus on Customer Relationship Management (CRM), strengthening our connection with residents and improving the delivery of our services.

To further strengthen our service delivery, we've implemented a new Business Intelligence system. The advancement in this area enhances our reliance on Key Performance Indicators (KPIs), allowing us to make data-driven decisions to drive improvements in services for the community.

Finally, thank you to our community for your support. Together, we will continue to build a city that is prosperous, sustainable, and forward-thinking.

Regards,



Tony Harrison
Chief Executive Officer



Our purpose, vision and values

Our purpose

(Why we exist)

To improve our residents' quality of life; continuously, smartly and efficiently.

Our Community Vision

(What we want to become)

A community that is Liveable, Valuing Nature, Engaged, Prosperous, Innovative and Connected.

Our values

With the community and safety at the forefront of everything we do, we value:

Respect - Treating everyone as we want to be treated, where all contributions are valued

Integrity - Fostering trust and honesty in all of our interactions

Achievement - Enhancing our knowledge and performance to reach our shared goals, while being dedicated to supporting one another

Innovation - Encouraging new ideas, and learning from our experience to do things better



The six themes of our Community Vision represent the shared values and aspirations guiding how our city develops, towards 2040. These outcomes are important for this community now and into the future.

Liveable

By 2040 our city will be well planned, safe and welcoming, with high quality and environmentally sensitive housing, and where cultural diversity, arts, heritage and healthy lifestyles are celebrated.

Valuing Nature

By 2040 our city will be deeply connected with nature to enhance people's lives, while minimising the impact on the climate, and protecting the natural environment.

Engaged

By 2040 our city will be a community where people are engaged, empowered to make decisions, and work together to build strong neighbourhoods.

Prosperous

By 2040 our city will be a diverse and clean economy that attracts investment and jobs, and creates exports in sustainable business precincts while providing access to education and skills development.

Innovative

By 2040 our city will be a leader in embracing and developing new ideas and technology to create a vibrant community with opportunities for all.

Connected

By 2040 our city will be linked by a quality road, footpath and public transport network that brings people together socially, and harnesses technology to enable them to access services and facilities.

City of Marion Fast Facts

Location:	South-western suburbs of Adelaide
Land area:	56.17kms ²
Estimated resident population:	96,658
Population density per sqm:	1,737.2
Percentage of residents born overseas:	29.1%
Landmarks:	Cove Civic Centre Living Kaurua Cultural Centre Glenthorne National Park-Ityamaitpinna Yarta Hallet Cove Marion Coastal Walkway Marion Cultural Centre Marion Outdoor Pool Marino Community Hall Morphettville Racecourse Oaklands Wetland SA Aquatic and Leisure Centre Tonsley Innovation District Westfield Marion Shopping Centre
Gross Regional Product:	\$4.381b
Leading employment sectors:	Retail and Trade Health Care and Social Assistance Education and Training Other
Council Members:	13
Wards:	6
Operating expenditure:	\$104.945m
Revenue:	\$104.631m
Number of rateable properties:	44,902
Average residential rate:	\$1,598
Average rate increase from 2021-2022:	\$98.00
Library items loaned:	673,701
Website visits:	503,727 visitor views and 1,943,675 page views
Volunteers:	340
Volunteer hours:	33,097
Value of volunteer contributing hours:	\$1,542,982 (ABS hourly rate \$46.62)
Street and reserve trees planted:	4,898
Development applications:	1578
Value of development applications:	\$188.65
Distance of stormwater network (drains):	282km
Culverts and box drains:	6km
Distance of roads:	492km
Distance of footpaths and shared paths:	856km
Marion Coastal Walkway:	7.2km
Reserve Footpath:	28km
Walkway/Laneway:	9.3km

Strategic Plans

The City of Marion's 10-Year Strategic Plan 2019-2029 and Annual Business Plan 2022-2023 have provided directions for strategic decision-making. In the 2022-2023 financial year, work areas within council commenced, progressed and/or delivered a significant number of projects, including:

- The Cove Sports netball and lower oval upgrade.
- The Marino Community Hall upgrade.
- The expansion of council's recycled water distribution network to further green reserves.
- The Marion Golf Park (to be renamed Seacliff Golf Course).
- The Marion Cultural Centre Plaza upgrade.
- Consultation with the community to develop a new playground at Park Holme and Plympton.
- The completion of the upgrade to the Boat Shed Café.

- The continuation of works on the Coastal Walkway trail.
- Delivering civic events including 'Touch a Truck' and the 'Marion Celebrates' cultural festival.
- The upgrade of Warradale Park Tennis Club.
- The continuation of important climate and environmental initiatives.
- The support of the opening of Glenthorne National Park-Ityamaiitpinna Yarta Adventure Playground (partnership project with State Government).
- The continuation of works on the Flinders Bikeway to connect from Flinders through to Tonsley and north to Adelaide.

These initiatives will help us to deliver the Community Vision for a city that is **Liveable, Valuing Nature, Engaged, Prosperous, Innovative** and **Connected**.



Liveable

By 2040 our city will be well planned, safe and welcoming, with high quality and environmentally sensitive housing, and where cultural diversity, arts, heritage and healthy lifestyles are celebrated.



Reserve improvements

Throughout the 2022-2023 financial year four playgrounds were developed with highlights outlined below.

In addition, council has upgraded five open spaces, installed four public toilets and is currently working on design and consultation on six additional playgrounds and three open space upgrades.

Hugh Johnson Boulevard Reserve

Council transformed Hugh Johnson Boulevard Reserve, officially opening on 28 August 2022. The upgraded reserve includes two new playgrounds, a pump track, fitness equipment, pond and creek reinstatement and associated works.

Weaver Street Reserve

A \$570,000 redevelopment of this site included the upgrade of open space areas featuring a multi-purpose court with tennis, netball and basketball facilities. Reserve drawcards include an adventure climbing net and slide, fenced junior play area, nature play area and increased tree planting and irrigated lawn.

Tarnham Road Reserve

Tarnham Road Reserve upgrades include new recreational facilities for the community with dual-purpose tennis and netball courts (with lighting), two tennis courts, a skate zone, a ninja-style course, and more! The upgraded reserve was opened in April 2023.

Capella Reserve

Capella Drive Reserve, Hallett Cove was upgraded to provide new recreational facilities for the community including a new skatepark, fitness equipment, playground and amenities. The Upgrade was completed in August 2022.

Majors Road Pump Track

Work concluded in May 2023 on a regional 'Pump Track' alongside the Sam Willoughby International BMX (SWBMX) facility located off Majors Road, O'Halloran Hill.

The pump track has been designed for all users to encourage skill progression, social interaction and fitness.

The pump track is an endless loop with rollers, berms, jumps and transfer options that are designed to be ridden without pedalling. Instead riders use a pumping motion, pulling up on the face of rollers and pushing down on the backside.

The site offers a great connection to the surrounding mountain bike trails at O'Halloran Hill, Glenthorne National Park-Ityamaiitpinna Yarta.

Glenthorne National Park-Ityamaiitpinna Yarta Adventure Playground

A landmark multimillion-dollar playground nature playground was completed at Glenthorne National Park-Ityamaiitpinna Yarta. Marion Council partnered with the State Government to deliver this playground.

The nature play space features new additions including a flying fox, rope traverse, stepping logs and other fun elements for children of all ages to enjoy. The playground includes plenty of parking, shelters, barbeques and public toilets. Accessible equipment and pathways makes this space something for everyone to enjoy. There are great opportunities to take a walk or ride a bike at Glenthorne National Park-Ityamaiitpinna Yarta.

Positive ageing and inclusion

The Positive Ageing and Inclusion team supported 440 residents with gardening, almost 400 with domestic support, over 780 with home maintenance and delivered over 15,000 meals.

The team also hosted 95 social trips to destinations such as Monarto Zoo, Willunga, Tanunda and North Haven, ensuring community members are provided with support to undertake day trips via the use of volunteer assistance. Services are tailored by the team to offer flexibility and choice for participants, encouraging people to live their life to the fullest.

Other home services provided, included:

- 126 clients supported with home modifications.
- 784 clients receiving 1,055 hours of home maintenance including rubbish removal, spring cleaning and gutter cleaning.

Libraries

City of Marion's libraries facilitated 673,701 individual library items loaned, and delivered a variety of 491 programs which attracted 15,271 program attendees.

Neighbourhood centres

In our Neighbourhood Centres, we offered almost 3900 activity sessions throughout the year, and had over 33,000 attendances; all aiming to keep our community healthy and connected through the variety of term based, ad hoc or school holiday programs.

South Australian Living Arts Festival

The South Australian Living Arts Festival (SALA) is a celebration and recognition of South Australian Living Artists. The largest and most inclusive of its kind in Australia, the Festival encourages participation by all artists and showcases the diverse artistic talent in South Australia. Each year, the City of Marion hosts a variety of exhibitions and artistic displays across our community. The City of Marion acknowledges the role that artists and local venues play in cultural life and offers subsidies to assist individuals and groups with the cost of registering and participating in the SALA Festival.

Valuing Nature

By 2040 our city will be deeply connected with nature to enhance peoples' lives, while minimising the impact on the climate and protecting the natural environment



Tree planting initiatives

A total of 4,855 trees were successfully planted across various streets and reserves as part of the City of Marion's ongoing tree planting initiatives. These plantings were carried out as part of our comprehensive seven-year program, which was undertaken in areas including Ascot Park, O'Halloran Hill, Glengowrie, Plympton Park, and Warradale.

We responded to numerous customer requests for street tree plantings, and conducted infill plantings throughout the council area, covering a wide range of suburbs.

The Draft Tree Asset Management Plan will be presented to Council for their endorsement in July 2023 to proceed to community engagement.

Green Adelaide Education Program

The Green Adelaide program hosted a range of events involving schools, staff, students, parents and community members. School visits and online communications included the provision of resources to educators, working with youth environment groups, conducting bin audits, professional development, and project assistance.

Community gardens

We continue to support the community gardens at Glandore, Oaklands Park, Marino and Trott Park. A new community garden was established in Morphetville in May 2023. We will continue to work with the Cove Community Garden Group on their proposal for a community garden at Perry Barr Farm Reserve.

Waste and recycling education programs

These community programs provide resources and information to our community about how they can responsibly dispose of recyclable, organic and general waste and how they can reduce waste to landfill. Program activities included:

- 32 presentations to schools, kindergartens and community groups.
- Coastal community clean-up event to remove litter and microplastics at Hallett Cove Beach.
- Two 'Doggie Dunnie' green bins installed at our two dog parks in Glengowrie and Trott Park to divert pet waste from landfill to compost.
- Community tour of the new Southern Materials Recovery Facility.
- Volunteer bin buddies educated hundreds of Concert at the Cove attendees in the appropriate use of public recycling systems.
- Distribution of free kitchen caddies and replacement rolls of liner bags to 7,040 households.

Carbon emissions reduction

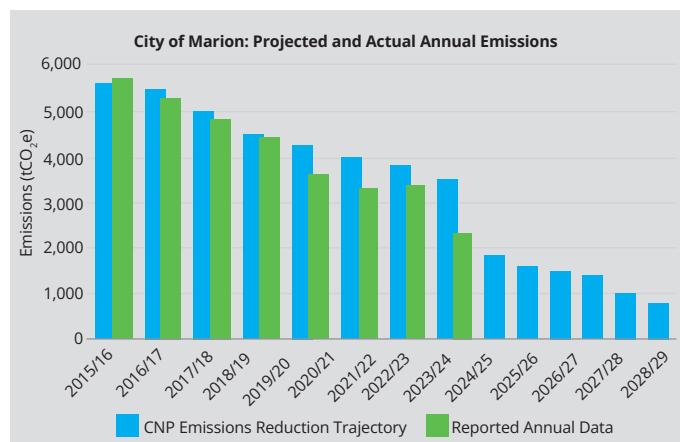
Under our Carbon Neutral Plan, Council's target is to be carbon neutral for council operations by 2030.

Council continues to implement energy efficiency measures as it moves to renewable energy sources. In early 2023 staff in our major project, property and sustainability teams attended a series of environmentally sustainable design training sessions along with staff from Charles Sturt and Port Adelaide Enfield councils. This training will assist our teams to incorporate environmentally sustainable design features into new and existing buildings. In January 2023 we switched to using 100 percent renewable electricity which resulted in a significant drop in emissions.

We maintain an inventory of carbon emissions from council's operational activities to monitor progress towards our goal of carbon neutrality. Current progress is shown below.

The City of Marion annual corporate greenhouse gas emissions for the 2022-23 financial year were 2,241 tonnes of CO₂ equivalent. Emissions from electricity dropped significantly during this period due to purchasing 100% Green Power (renewable energy) from the start of January 2023

Progress towards being carbon neutral by 2030



Valuing Marion's Nature Program

The program provides opportunities for the community to connect with nature and learn about the natural environments in the City of Marion. Events held in 2022-2023 included:

- Gazania Free Gardens Native Plant Swap
- Coastal Gardens Workshop
- Verge Gardening with Natives
- Oaklands Wetland Tours
- Bird Photography Workshop

Council is also supporting the 'Grow it Local' campaign which aims to get more people growing, sharing and eating locally grown foods.

Engaged

By 2040 our city will be a community where people are engaged, empowered to make decisions, and work together to build strong neighbourhoods.



Youth Collective Committee (YCC)

The Youth Collective Committee (YCC) is a group of twelve young people aged between 13 and 25, who are from a cross-section of backgrounds and live within the City of Marion. The Committee's purpose is to explore ideas about how to bridge the gap between Council and the youth of Marion. Its focus is on making a difference in areas such as:

- safety and security
- mental health
- environment
- arts and music
- education.

The YCC were selected as the winners of the 7News SA Young Achievers Connecting Communities Award for their youth led committee model and advocacy. The YCC conducted city-wide consultations to inform the Youth Action Plan and shared their findings with the City of Marion to inform the 4-year Business Plan.

Cultural arts and events

Over the last financial year, our local community attended and engaged in a number of cultural arts events and programs. The often booked out program included the following events:

Multicultural Music & Dance Spectacular!

Forty performers showcased the colour and diversity of contemporary and traditional culture in an uplifting experience to celebrate Harmony Week. The show included a Welcome to Country with didgeridoo, ancient Chinese zither and drum dance, percussive foot sounds of Irish Dance, the passion and beauty of Flamenco, and the excitement of Bollywood. The performers were aged from 13 to over 70, presenting a truly intergenerational show.

Anzac Eve Youth Vigil Event

50 young cadets stood guard throughout the night at the Marion RSL Club on Anzac eve. The vigil preserves the memory of the ANZACs for present and future generations and was the 15th Youth Vigil supported by the City of Marion.

Celebrating Refugee Week 2023

A special concert with acclaimed performers Farhan Shah and SufiOz, and Farid and Shaheen Drokhsan Duo mesmerized audiences with music, song and dance with artists from Pakistan, India, Afghanistan, Iran, Iraq, Syria and Europe. A special interview gave further insight into the journey of one musician and his family from Afghanistan to Australia, and his experience of settlement in a new country.

City of Marion Reconciliation Exhibition Kumangka - together, in one, in company

This exhibition in partnership with Gallery M, showcased and celebrated First Nations culture and artistic achievements, with exhibiting artists including Caroline Oakley, Damien Shen, Thomas Readett, Cedric Varcoe, and Jackie Saunders. The artists have individually won awards and art prizes and have worked in various national and international collections and galleries. Visitors attended an artist talk to gain deeper knowledge, and live painting sessions were delivered by Thomas Readett, creator of a mural in the gallery during the exhibition.

Community events and projects

The following events and projects are an example of the of diverse community events and projects delivered during 2022-2023:

Concert at the Cove

Concert at the Cove returned to the Hallett Cove foreshore, held on 4 February 2023, after a three-year pause. This was a family friendly event attracting around 3,000 visitors throughout the day. Teaming up with Fork on the Road, the event delivered an exceptional culinary journey, complemented by a diverse range of live music performances that celebrated various cultural influences.

Marion 100

Marion 100 is a community focus group that seeks to gather ideas from a range of voices from those within our community. The summits assist in guiding council on key priorities, this year the group discussed the environmental initiatives, residential parking, City of Marion events and marketing.

Australia Day Awards

The Australia Day Awards recognise the many people that help to make the City of Marion a great place. This annual community event celebrated the nominees and winners of each category.

- Citizen of the Year
- Young Person of the Year
- Sports Person of the Year
- Community Event of the Year

The festivities included live music, face painting, lawn games and a free barbeque.

On@CoM Sports in Reserves Program

The On@CoM programs are provided free for residents 5 to 18 years of age. The program provides a variety of fun sessions to encourage children and young people to be active and activate our local spaces. Activities include AFL coaching, soccer, mountain bike riding, swimming, parkour, skateboarding, chess, hip hop and more. 64 sporting and recreational activities were conducted with 1,838 attendances throughout the year.

Prosperous

By 2040 our city will be a diverse and clean economy that attracts investment and jobs, and creates exports in sustainable business precincts while providing access to education and skills development.



Revitalisation of Edwardstown Employment Precinct

The Edwardstown Employment Precinct is host to over 4,500 jobs, over 1,800 businesses and provides \$1b into our economy. Over the past 12 months, highlights included:

- Welcoming new businesses to the precinct and thanking them for supporting local jobs with a Mayoral visit.
- Partnering with the Government of South Australia and SA Power Networks to establish a community battery in Edwardstown to help tenants of at least 300 Housing SA homes in the area benefit from cheaper electricity.
- Supporting five businesses to establish an understanding and implement circular economy principles to repurpose and minimise waste.
- Constructing a raingarden, using local native plant species, to improve water quality and increase surface permeability.
- Supporting local artists to host SALA events, creating vibrancy in the precinct whilst stimulating the evening and weekend economy.
- Upskilling businesses on workforce planning to enable them to identify gaps in their workforce, source training opportunities, recruit apprentices and trainees and undertake succession planning.

Southern Business Mentoring Program

The cross-council collaboration with the Cities of Holdfast Bay, Onkaparinga and Yankalilla provides a one-on-one support program which was accessed by 92 City of Marion businesses, across 121 sessions in the 2022-2023 financial year. This is an 80 percent increase on the previous year. The service is purpose-built to respond to current trends faced by businesses and is designed to help businesses and start-ups across the region to connect and share insights for success and growth. The Southern Business Mentoring Program provides independent one-on-one support and advice across a range of disciplines.

Climate change planning

Council continues to look at ways to reduce the severity of climate change (climate change abatement) and plan for projected impacts of climate change (climate change adaptation), according to our Climate Change policy.

As well as working at council level, we also work with State and Local Government across the Southern Adelaide Region through the Resilient South Regional Climate Partnership. The City of Marion achieved a number of key outcomes over the last financial year, including:

- Initiating a review of the Resilient South Regional Climate Action Plan (ReCAP) including securing \$99,000 of grant funding from the Australian Government's 'Preparing Australian Communities Program'.

- Progressing the Resilient Asset Management Project (RAMP). This project aims to incorporate climate risk into our asset management processes. This \$785,000 project is supported by the Resilient South council partners, Local Government Association (LGA) Research and Development Scheme, Commonwealth Government's Disaster Risk Reduction Grants Program and CSIRO.
- Initiating the Future Tree's project, which is identifying the vulnerability of the trees in our streets and reserves to climate impacts, as well as identifying new trees we can plant to keep our city green.

City of Marion grants

The City of Marion's five grant streams allocate over \$250,000 annually to assist organisations, and not-for-profit groups to deliver programs, events and projects that benefit our local community. Projects and activities are required to be inclusive and as accessible as possible for all groups, including people of various genders, ages, sexuality, cultural backgrounds, religious beliefs, and those living with disability. A total of 148 grants were distributed across the City of Marion throughout the year.

Design code amendments

Council progressed three Planning and Design Code Amendments for the Morphettville and Glengowrie Stables, Southern Suburbs and Centre Zones. These Code Amendments will unlock further development opportunities in key locations and address historical zoning issues around local centres.

The Southern Suburbs Code Amendment was open for public consultation in September 2023.

Community Leadership Program

The Community Leadership Program (CLP) aims to build the capacity of City of Marion residents to become leaders and bring about change in their local community. The program is provided annually for free by Council to City of Marion residents aged eighteen and over.

The CLP provides quality training to participants to:

- enhance leadership skills
- increase networks within the community
- increase interpersonal communication skills
- increase confidence in public speaking
- increase influencing and negotiation skills
- increase and understand emotional intelligence.

Over thirteen sessions, the 2022 CLP group, aged between 19 and 63 years, received training to enhance their leadership and interpersonal communication skills, increase networks within the community, build self-confidence and support the City of Marion to be a better place to live, play and work.

Innovative

By 2040 our city will be a leader in embracing and developing new ideas and technology to create a vibrant community with opportunities for all.



Recycled water pipeline

The City of Marion is constructing a 12km pipeline extension to our existing stormwater harvesting and reuse scheme based at the Oaklands Wetland. This \$5.67m project involves the creation of a business unit, Marion Water. It is being funded by council with the assistance of Federal and State Governments through an Off-Farm Efficiency Program grant. Under the scheme, harvested stormwater from our streets is treated at the wetland and stored in the aquifer, before being pumped into the pipe network to green and cool our public open spaces and community sports facilities.

Our existing network currently irrigates more than thirty reserves. The new extension will reach Flinders University, the Women's Memorial Playing Fields and the Seacliff area, including reserves in the City of Holdfast Bay and Mitcham.

This project is our next step to help drought-proof not only the City of Marion, but other customers in the southern region.

Digital Transformation Program

Eleven of the twelve Digital Transformation projects have now been completed. This was a large undertaking with a combination of technology, people, and processes at the core of these projects. We have built the foundation for future transformational change in how we work within the council and the wider community. We have transformed our interactive customer web portal as well as our finance, asset, and payroll systems which have improved our ability to manage our money, people and asset resources. COVID-19 brought about smarter ways to work collaboratively for our staff while working remotely across several council buildings. Upgrades to our hardware, software programs, and business processes have supported our staff to continue with core business regardless of their location.

Projects that have been implemented include:

- Online Payroll System
- Customer Relationship Management System – Salesforce
- Finance System – Financial Force
- Asset Management System – Assetic
- Data Analytics
- Microsoft 365
- Device upgrades and management
- SharePoint to enable intelligent intranet
- Geographic Information System transition to ESRI
- Property and rates system upgrade
- Audio visual access in meeting rooms and Council Chamber

The Unified Communications project (internet calls across the business and call centres) will be completed in the coming financial year. These systems will now move into the 'business as usual' (BAU) phase and we will continue to evolve these systems to drive transformational change through business efficiencies and enhanced customer service.

Coastal Management Plan

The City of Marion has been implementing a coastal monitoring program to detect changes in coastal land and identify coastal hazards. The program has been part-funded by the Department for Environment and Water and includes regular inspections of the coastline using drones, capturing data on the shape of the sea floor and wave conditions, and modelling future sea levels. In addition, the community have been helping us to monitor coastal changes at the five CoastSnap monitoring stations between Hallett Cove and Marino. No significant coastal changes have been recorded in the last year.

The City of Marion took out four top honours at the 22nd Annual Leadership Excellence Awards. Awards won included:

- Excellence in Infrastructure Delivery Award for Mitchell Park Sports and Community Centre Development
- Community Partnerships and Collaboration Award for the 'Early Years Collective Impact Initiative'
- Excellence in Cross Council Collaboration Award for the 'Advance Care Directive Peer-Led Workshop Project' involving the City of Marion, City of Onkaparinga, City of Holdfast Bay and City of Mitcham
- South Australian and Australasian Local Government Management Challenge 2023.

Parks & Leisure Australia SA/NT Awards of Excellence:

- Strategic and Master Planning Award for the 'City of Marion's Open Space Framework'
- Best Use of Technology Award for 'Data does grown on trees (Urban Tree Management)'.

2023 Local Government of South Australia Marketing Campaign of the Year Award for the 'Kitchen Caddy Rollout' campaign.

Connected

By 2040 our city will be linked by a quality road, footpath and public transport network that brings people together socially and harnesses technology to enable them to access services and facilities.



Stormwater management

This year, our teams have completed a number of projects within the City of Marion to reduce flooding.

Dalkeith Avenue, Dover Gardens – Capital Works Stormwater Drainage

To alleviate private property flooding, council has constructed new drainage infrastructure on Clacton Road, Dalkeith Avenue, Howard Street, Branksome Terrace and Folkstone Road at Dover Gardens. The works included the construction of a large purpose-built junction box and approximately 1 kilometre of new stormwater pipes. The total cost of the project was \$1.4m.

Naldera Street, Glandore – Capital Works Stormwater Drainage

Glandore is extremely flat making it difficult to drain stormwater for surrounding areas, with streets quickly becoming inundated with stormwater after heavy rains. To alleviate the stormwater flooding, council has constructed new drainage infrastructure along the tram corridor, extending south along Clark Avenue connecting Almond Grove, Naldera Street and Narkunda Street. Approximately 950m of drainage pipes were installed at a cost of \$1.1m.

Marino Community Hall

The City of Marion is seeking to reinvigorate local health, social, education, and creative industries by building a new community facility. The Marino Community Hall will address the shortage of fit for purpose creative facilities in southern Adelaide and be a hub for new community events. The Marino Community Hall will be a vibrant integrated arts and community facility providing economic and social benefit to the region's community.

The modern centre will replace the ageing existing facility, which is at the end of its useful life, which can no longer meet the needs and expectations of the community. The project funding partners include the City of Marion, State and Federal Government.

The new Marino Community Hall will provide numerous social benefits through the delivery of arts, multicultural and social programs increasing community participation across all ages of the region's population profile. This includes programs that support people who are socially isolated, new arrivals, multicultural groups, and people with disabilities.

The contract for the builder has been awarded and construction will start in August 2023. The facility is expected to be completed around June 2024.

Streetscapes

Morphett Road underwent a significant transformation to upgrade the streetscape between Diagonal Road and Sturt Road. The project delivered improved amenity, and a greener and more walkable street. The works included reconstruction of the existing footpath, extensive tree planting and landscaping including Water Sensitive Urban Design (diverting stormwater flows into rain gardens). The \$1.8m project was co-funded between the City of Marion and the Federal Government.

Parking Management Guidelines

The City of Marion developed a draft Parking Management Guideline that outlines a range of parking applications including restricted and unrestricted parking, timed parking, street access, criteria for parking infrastructure such as parking bays and education regarding road rules, signage, and driveway indicator markings.

The Draft Parking Management Guidelines are designed to:

- Be transparent in how decisions are made by council's transport team.
- Provide a consistent approach across the City of Marion.
- Provide guidance for staff, Council Members and the community on how to deal with a parking issue and the expectations on service levels.

Cove Sports Netball and Lower Oval Project

In 2022-2023 design work was completed for the Cove Sports Netball and Lower Oval project, which will deliver a new netball facility and multi-sport field. Once complete, the precinct will be the centrepiece for sport and recreation activities in the south of Marion, increasing user engagement in sports.

Coastal Walkway

In 2019, Council endorsed a \$4.88 million Coastal Walkway plan to re-open the gullies and extend the walkway to Field River mouth. State Government has provided \$2.44 million towards the project cost. In December 2022, the Bridge design elements were finalised and endorsed by Council, including an increased project budget, with construction works commencing in February 2023. Works are expected to be completed early 2024.



Image credit: Stellar Momentum

Council Area and Ward Boundaries

The Council comprises an elected Mayor and 12 Councillors. Our city has 28 suburbs, covered by six wards - each ward is represented by two Councillors. In the City of Marion, one Council Member represents an average of 5,520 voters.

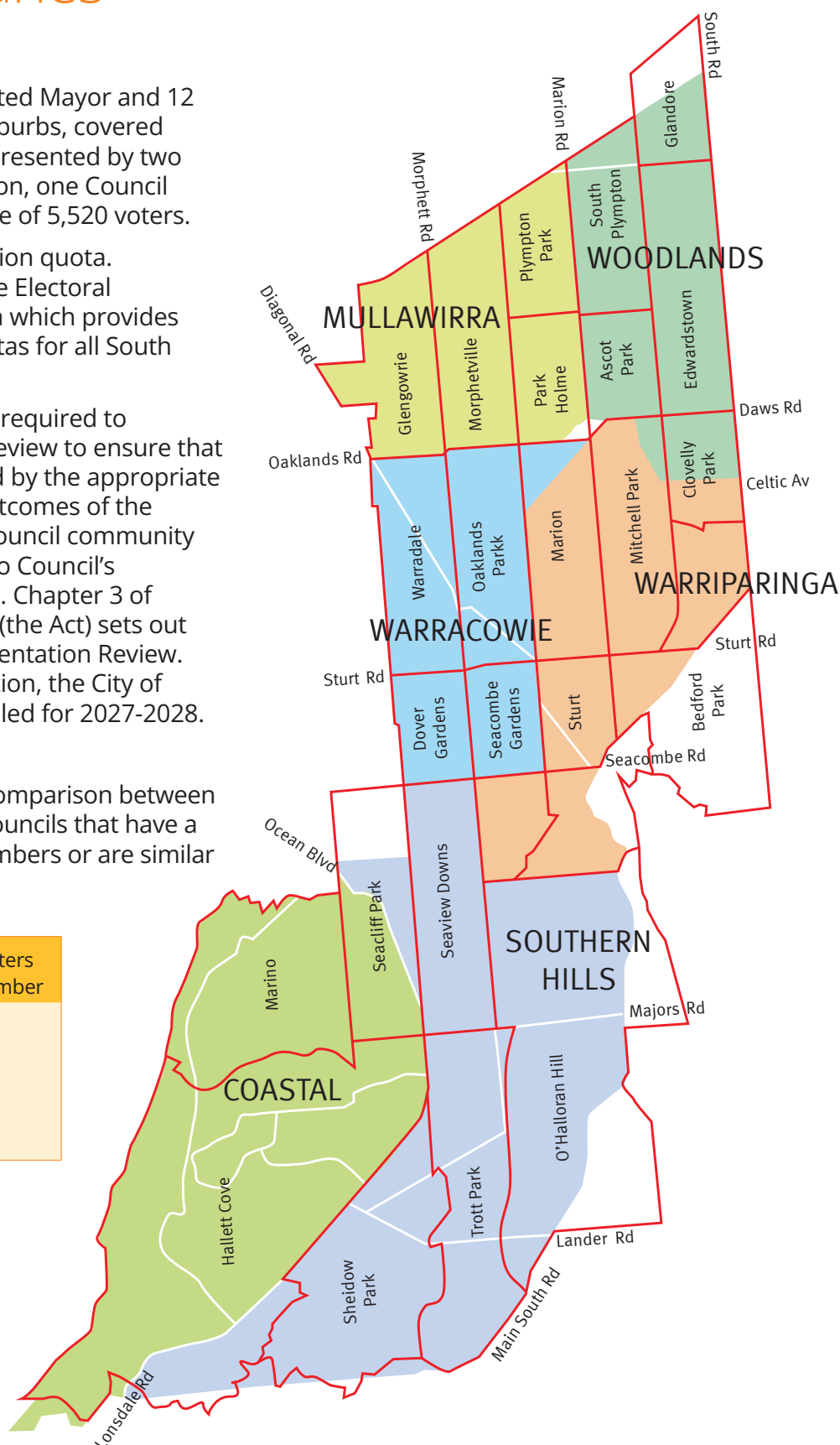
This is known as a representation quota. This quota is formulated by the Electoral Commission of South Australia which provides a table of Representation Quotas for all South Australian councils.

Every eight years, councils are required to undertake a Representation Review to ensure that each ward is fairly represented by the appropriate number of Councillors. The outcomes of the review determine whether a council community would benefit from a change to Council's composition or ward structure. Chapter 3 of the *Local Government Act 1999* (the Act) sets out the requirements for a Representation Review. In accordance with this legislation, the City of Marion's next review is scheduled for 2027-2028.

Representation Quotas

The data below represents a comparison between the City of Marion and other councils that have a combination of 12 Council Members or are similar in size.

Council Name	Number of voters per Council Member
Marion	1:5250
Holdfast Bay	1:2194
Tea Tree Gully	1:5746
Onkaparinga	1:10192



City of Marion Council Members

Marion Council comprises of the Mayor and 12 Ward Councillors who are elected from six different wards.



MAYOR
Kris Hanna

Coastal Ward

Marino, Seacliff Park (part), Hallett Cove



Councillor
Ian Crossland



Councillor
Tim Gard

2018 - 2022 Term of Council



Councillor
Ian Crossland



Councillor
Sarah Luscombe

2022 - 2026 Term of Council

Mullawirra Ward

Glengowrie, Morphetville, Park Holme, Plympton Park



Councillor
Kendra Clancy



Councillor
Jason Veliskou

2018 - 2022 Term of Council



Councillor
Amar Singh



Councillor
Jason Veliskou

2022 - 2026 Term of Council

Southern Hills Ward

Seaview Downs, O'Halloran Hill (part), Trott Park, Sheidow Park (Part), Seacliff Park (part)



**Councillor
Maggie Duncan**



**Councillor
Matthew Shilling**

2018 - 2022 Term of Council



**Councillor
Luke Naismith**



**Councillor
Jana Mates**

2022 - 2026 Term of Council

Warracowie Ward

Warradale, Oaklands Park, Dover Gardens, Seacombe Gardens, Marion (part)



**Councillor
Bruce Hull**



**Councillor
Nathan Prior**

2018 - 2022 Term of Council



**Councillor
Matt Taylor**



**Councillor
Nathan Prior**

2022 - 2026 Term of Council

Warriparinga Ward

Marion (Part) Mitchell Park (Part), Sturt, Bedford Park (Part), Clovelly Park (Part), Seacombe Heights, Darlington (Part), Tonsley



**Councillor
Luke Hutchinson**



**Councillor
Raelene Telfer**

2018 - 2022 Term of Council



**Councillor
Renuka Lama**



**Councillor
Raelene Telfer**

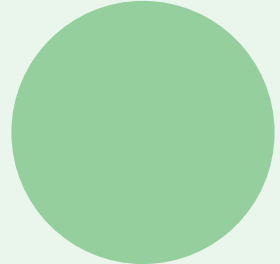
2022 - 2026 Term of Council

Woodlands Ward

South Plympton, Glandore (Part), Ascot Park, Edwardstown, Mitchell Park (Part), Clovelly Park (Part)



**Councillor
Dr Joseph Masika OAM**



**Councillor Vacancy
(From June '22)**

2018 - 2022 Term of Council



**Councillor
Dr Joseph Masika OAM**



**Councillor
Jayne Hoffmann**

2022 - 2026 Term of Council

City of Marion Chief Executive Officer and General Managers



**Chief Executive Officer
Tony Harrison**

July '22 - June '23

Office of the Chief Executive Officer,
People and Culture, City Services, City
Development, Corporate Services



**General Manager
Corporate Services
Sorana Dinmore**

July '22 – August '22

Finance, Information
Services, Strategic
Procurement,
Customer Experience,
Data Cross Council



**General Manager
Corporate Services
Angela Allison**

November '22 –
June '23

Finance, Information
Services, Strategic
Procurement,
Customer Experience
and Engagement



**General Manager
City Services
Ben Keen**

July '22 – June '23

Engineering Assets
and Environment,
Operations,
Community
Connections



**General Manager
City Development
Tony Lines**

July '22 – June '23

(General Manager
City Services)
City Property,
Development and
Regulatory Services,
City Activation,
Urban Renewal

The above information is reflective of staff vacancies throughout the 2022-2023 financial year.

Council Members

Every four years a Local Government Election is held. Members of our community nominate themselves to be considered for the position of Council Member within the City of Marion. Council Members represent their community for a four-year term. During the 2022-2023 financial year, a periodic election was held in accordance with the *Local Government (Elections) Act 1999*, with seven new Councillors elected. The next Council Election will occur in November 2026

The fundamental role of a Council Member is to deliver upon the expectations of the local and wider community while acting in accordance with *Local Government Act 1999*. The Act provides the legislative framework and ambit of responsibilities for all Council Members, whether it be as an individual or as part of the decision-making body of Council.

Council Members have regular commitments for attendance at Council and Committee Meetings and must attend in accordance with legislative requirements. Information sessions are also frequent, mainly in the form of Council Member Forums. The schedule below is a record of attendance for both current and former City of Marion Council Members throughout the period listed.

1 July 2022 - 12 November 2022

	General Council	Special Council	Finance, Risk & Audit	Review & Selection	Planning & Development	Asset & Sustainability	Council Assessment Panel	Informal Gatherings
Number of Meetings	5	1	2	2	2	3	5	3
Mayor Kris Hanna Presiding Member RSC	5/5	1/1	-	2/2	2/2	3/3	-	3/3
Cr Ian Crossland Presiding Member ASC	4/5	0/1	-	-	-	3/3	-	1/3
Cr Tim Gard	4/5	0/1	-	-	-	2/3	-	2/3
Cr Kendra Clancy Presiding Member PDC	4/5	1/1	-	-	-	-	-	2/3
Cr Jason Veliskou	5/5	1/1	-	-	2/2	-	-	3/3
Cr Maggie Duncan	5/5	1/1	2/2	2/2	-	-	-	3/3
Cr Matthew Shilling	5/5	1/1	-	2/2	-	-	2/5	3/3
Cr Bruce Hull	5/5	1/1	-	-	-	3/3	-	3/3
Cr Nathan Prior	4/5	1/1	-	-	-	3/3	-	3/3
Cr Luke Hutchinson	3/5	1/1	-	-	-	-	-	2/3
Cr Raelene Telfer	4/5	0/1	-	-	1/2	-	*2/5	2/3
Cr Joseph Masika	5/5	1/1	-	-	1/2	-	-	3/3

Note: The figures shown indicate the number of meetings a member attended out of the maximum they were eligible to attend.

** Stand-in Member only (Council Assessment Panel)*

13 November 2022 - 30 June 2023

	General Council	Special Council	Finance, Risk & Audit	Review & Selection	Planning & Development	Infrastructure	Environment	Council Assessment Panel	Informal Gatherings
Number of Meetings	12	0	4	2	2	3	3	6	12
Mayor Kris Hanna Presiding Member RSC	11/12	-	-	2/2	2/2	2/3	2/3	-	11/12
Cr Ian Crossland Presiding Member IC	12/12	-	-	-	-	3/3	-	-	11/12
Cr Sarah Luscombe	12/12	-	-	-	-	-	3/3	-	11/12
Cr Jason Veliskou Presiding Member EC	12/12	-	4/4	-	-	-	3/3	-	12/12
Cr Amar Singh	8/12	-	-	-	-	2/3	-	-	8/12
Cr Jana Mates	12/12	-	-	-	-	3/3	-	-	11/12
Cr Luke Naismith	11/12	-	-	2/2	-	-	-	-	10/12
Cr Nathan Prior Presiding Member PDC	9/12	-	-	-	2/2	-	-	5/6	11/12
Cr Matt Taylor	10/12	-	-	-	-	2/3	-	*1/6	11/12
Cr Raelene Telfer	12/12	-	-	-	-	-	3/3	-	12/12
Cr Renuka Lama	11/12	-	-	-	1/2	-	-	-	11/12
Cr Joseph Masika	11/12	-	-	-	-	-	1/3	-	9/12
Cr Jayne Hoffmann	11/12	-	3/3	2/2	-	-	-	-	11/12

Note: The figures shown indicate the number of meetings a member attended out of the maximum they were eligible to attend.

** Stand-in Member only (Council Assessment Panel)*

Council member training and development

In accordance with the Council Members Allowances and Benefits Policy, Council Members are provided the opportunity to register and attend further training as necessary for the fulfillment of their role. Certain circumstances require that Council Members are reimbursed for out-of-pocket expenses in relation to attendance at Training and Development events.

On occasions, Council Members are also nominated and required to travel to represent the City of Marion as a delegate at interstate events. All costs associated with training and development, or Council delegate activities are recorded in the Council Member Expense Register which is published on the City of Marion website. The table below summarises expenses for Interstate Delegate Activities and Training and Development during the 2022-2023 financial year.

	Meeting Procedures Training for new members	Understanding the Local Government Act 1999 - Training	LGA Ordinary General Meeting	Cultural Awareness Training	ALGA Conference 2023	Communication coaching	Chairing of Meetings Training
Mayor Kris Hanna	-	-	Y	Y	-	-	-
Cr Ian Crossland	-	-	-	Y	-	-	Y
Cr Sarah Luscombe	Y	Y	-	Y	-	-	Y
Cr Jason Veliskou	-	-	-	Y	-	-	Y
Cr Amar Singh	Y	-	-	Y	-	-	-
Cr Jana Mates	Y	-	-	Y	-	Y	Y
Cr Luke Naismith	Y	Y	-	Y	-	-	Y
Cr Nathan Prior	-	-	-	Y	-	-	Y
Cr Matt Taylor	-	Y	-	Y	-	-	Y
Cr Raelene Telfer	-	-	-	Y	-	-	Y
Cr Renuka Lama	-	-	-	Y	-	-	Y
Cr Joseph Masika	-	-	-	Y	-	-	Y
Cr Jayne Hoffmann	Y	Y	Y	Y	Y \$671.52 (flights) \$597 (Accommodation)	-	Y

Following a General Election, Council Members are required to undertake mandatory training to meet legislative requirements and respond to community expectations. The below table identifies the legislative requirements as contained in the LGA Training Standards for Council Members. This defines the key capabilities required to perform the council member role, the core modules and anticipated learning outcomes.

	Training Standards – Framework Modules	Completed 2022/2023	Scheduled for completion prior to Nov 2023
General	Induction program		Y
	Council Leadership Workshop		Y
Behaviour	Values, ethics & behaviour (Technical)	Y	
	WHS	Y	
	Values, Ethics & Behaviour (Behavioural)	Y	
	Communication skills	Y	
	Leadership skills - Strategic thinking & change management	Y	
	Leadership skills - Resilience	Y	
Civic	Introduction to Local Government	Y	
	Effective council meetings	Y	
	Council meeting procedures	Y	
	Representing council decisions	Y	
Legal	Role of a council member	Y	
	Registers, returns and resources	Y	
	Legal protections and oversight	Y	
Strategy & Finance	Integrated strategic management planning and performance		Y
	Strategic risk management & oversight		Y
	Financial management - Managing public funds, rating and other revenue sources and funding plan	Y	
	Financial management - Financial terminology and understanding financial statements and reports	Y	
Behaviour & Civic (Mayor)	Behaviour: Effective leadership	Y	
	Civic: Public speaking & media (Skills)	Y	
	Civic: Meeting procedures (Technical knowledge)	Y	
	Civic: Effective meetings (Chairing skills)	Y	

Council member gifts and benefits

Council Members in South Australia have a commitment to serve the best interests of the people within the community they represent and to discharge their duties conscientiously, to the best of their ability for public, not private, benefit at all times. As representatives of open, responsive and accountable government, Council Members must comply with all legislative requirements of their role. This includes a requirement to report any gift or benefit they receive in their capacity as a Council Member over the threshold of \$50 as gazetted. The City of Marion Council Members received five gifts varying in value from \$15 to \$395. The total value of the four gifts was \$923 and on four occasions, Members chose to keep these gifts. Further information can be viewed on the Gift and Benefit Register on the City of Marion website.

Council Member Allowances

Council Members are entitled to an allowance whilst representing their community. The *Local Government Act 1999* sets out the council member entitlement to an allowance. The Remuneration Tribunal of SA determines council member allowances on a four yearly basis, with an adjustment occurring on the first, second and third anniversaries of the periodic election to reflect the changes in CPI. The amounts applied in November 2022 were:

Remuneration from November 2022	
Mayor	\$91,312 per year
Deputy Mayor	\$28,536 per year
Council Member	\$22,828 per year



Council meetings

Information session

Council has a policy position regarding its administration of information sessions in accordance with legislative provisions. The Policy states that:

- Information sessions are open to the public whenever possible.
- Decisions to hold information sessions in confidence are made on a case-by-case basis.
- Council publishes notification details on the website to ensure that interested members of the public can attend.
- If Council decides to hold an information session in confidence, the reason for this decision is briefly stated on the website and reported upon via the Annual Report process.

On ten occasions the Chief Executive Officer ordered an allocation of time for discussions that were subject to confidentiality under section 90A(4) of the *Local Government Act 1999*. The below table outlines when additional confidentiality provisions were applied:

16/08/2022	City of Marion Property Asset Strategy (CoMPAS) Overview (Confidential)	Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
30/08/2022	Digital Transformation Program Update (Confidential)	Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
22/11/2022	Major Projects Update (Confidential)	Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
6/12/2022	Coastal Walkway Bridges	Major Project Update (Confidential) - Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
6/12/2022	Confidential Orders Review 2022 (Confidential)	Section 90A(4) and 90(3)	
21/01/2023	Annual Business Plan and Rates (Confidential)	Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
21/01/2023	Development of council's Draft 4 Year Business Plan 2023-2027 (Confidential)	Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
31/01/2023	Marion Water Business - context, strategy and proposed expansion (Confidential)	Section 90A(4) and 90(3)(b)(i) and (ii)	Commercial information
16/05/2023	Tennis and Netball Plan (Confidential)	Section 90A(4) and 90(3)(d)	Commercial information
30/05/2023	CoMBAS Concept Plans (Confidential)	Section 90A(4) and 90(3)(d)	Commercial information

Member behaviour reporting

As of May 2023, Schedule 4, Clause 1 of the *Local Government Act 1999* (the Act) identifies a new mandatory annual reporting obligation for all councils to include any contraventions of member integrity or behaviour during the relevant financial year; and any costs incurred by council as a result of dealing with complaints alleging contravention to the Act. Regulation 35(2b) outlines that for the purposes of the reporting requirements, total costs incurred are taken to include legal costs and or costs of engaging a consultant for dispute resolution purposes. Costs related to the use of administrative resources, council or council staff are excluded. For the 2022-2023 financial year, the City of Marion had no reports or investigations into any contravention of member integrity or behaviour.

Decision-making and structure of council

The Mayor and Council Members attend Council meetings and participate in the decision-making process, providing the direction and authority for the organisation's ongoing operations. While decisions are made at Council meetings, the City of Marion also has four Committees, which assist the Council to accomplish its objectives and add value to the decisions of Council through the provision of advice. From the 1 July 2021 – 30 June 2022, Council's formal decision-making and Committee structure comprised of:

- General Council
- Finance, Risk and Audit Committee
- Review and Selection Committee
- Council Assessment Panel
- Asset and Sustainability Committee
- Planning and Development Committee.

The Council Members elected not to re-establish the Asset and Sustainability Committee moving into the new term of Council, however two new Committees were established. From 29 November 2022, the two new Committees were established:

- Infrastructure Committee
- Environmental Committee

All meetings are open to the public. Documentation for each meeting (notice of meeting, agenda with reports, attachments and minutes) are available via Council's Administration Centre, the City of Marion website and libraries. Hard copies are also available at the specific meeting.

Council meetings

The *Local Government Act 1999* sets the legislative framework for legal and transparent decision-making by Council. Council meetings are the formal decision making arena for Council Members where it is decided what the future operational direction and commitments of council will be. Council meetings are held on the second and/or fourth Tuesday of the month, with special meetings called when required. The majority of meetings are chaired by our Mayor. Meetings follow an agenda, formal minutes are taken and meetings are recorded. Agendas, minutes and recordings are available on the City of Marion website. It is a legislative requirement that Council Members attend.

Resolutions of General Council

A 'resolution' is a legal decision formed by a majority vote within a formally constituted meeting of Council. During the 2022-2023 financial year, 347 resolutions were made by Council resulting from 133 corporate reports seeking a decision. The community made deputations on the following topics:

Artificial turf	July 2022
1 Cumbria Court, Mitchell Park	August 2022
1 Cumbria Court, Mitchell Park	August 2022
Solar at Marion Leisure and Fitness Centre	August 2022
Marion Park Golf Club development	August 2022
Cumbria Court	August 2022
Mitchell Park Neighbourhood Centre	August 2022
Marion Cricket Club	December 2022
Mitchell St, Glengowrie	December 2022
Mitchell Park Neighbourhood Centre EOI	February 2023
Mitchell Park Neighbourhood Centre EOI	February 2023
Mitchell Park Neighbourhood Centre EOI	February 2023
McConnell Avenue Reserve	February 2023
Stray cats	April 2023
Sam Willoughby International BMX	May 2023
Parking controls at Westfield Marion	May 2023
Huntingtons lease	May 2023
Plympton Sports and Recreation Club inclusion within the Draft ABP	June 2023

Review of decisions

As required by the *Local Government Act 1999*, the Council has developed a procedure for the Review of Decisions, outlining how decisions of Council or other people acting on behalf of Council are reviewed. Council's internal review of a Council decision policy and procedure is available from the City of Marion website. If possible, council endeavor to resolve any complaint or grievances in line with the policy and procedure, without it being escalated to the formal review process. In 2022-2023 council received four formal requests to conduct an internal review of decisions of Council.

The complaints related to the following:

Oakleigh Road	No error found	Progressed with installation of kerb ramp but not outside the complainants property
Coastal Walkway, beach access (concluded July 2023)	No error found in Council's consultation processes/decision to remove beach access/installation of viewing platform	Council apologised for the release of personal information on the Making Marion website
Oliphant Avenue, driveway link	No error found in process however communication was confusing	Council agreed to a 50/50 split of the cost of the driveway
Weroona Court, planning matter	No error found in planning and development processes	

Confidential items

The City of Marion is committed to the principle of open, accountable and transparent decision-making while acknowledging that, on occasions, it may be necessary to withhold access to information in accordance with the *Local Government Act 1999*. Council is accountable to the public which is the underlying principle when administering confidential information. The *Local Government Act 1999* regulates how Council can treat this information and only certain circumstances evoke the appropriate use of confidential orders. During the 2022-2023 financial year, Council (including committees) considered 52 reports in confidence in accordance with the *Local Government Act 1999*.

Section 90 *Local Government Act 1999*

When Council identifies a need to withhold access to information from the public or 'go into confidence', they also need to determine the reason and apply the corresponding clause as outlined in section 90 of the *Local Government Act 1999*. On occasions, more than one clause can apply to an item. During the 2022-2023 financial year, these clauses were used on 52 occasions to create confidential orders. The large table on the following page provides further detailed information about Council's use of various sections of the Act.

Section 91 *Local Government Act 1999*

Each time a confidential order is made, it is added to a confidential register which includes the date and subject of each item. The register is made available to the public in December of each year, by way of a Council report and attachments. This Council report is prepared for the purpose of a rigorous review of confidential orders to be undertaken in accordance with the Act. This includes the review of confidential orders made at General Council and Committee meetings. The review identifies items for full release, part release as well as items that will be retained in confidence and reviewed the following year. The small table below identifies the outcome of the review undertaken in December 2022.

Summary of Confidential Provisions

Relevant placita of <i>Local Government Act</i> (SA) 1999	Explanation	Number of times used
90(2)	• orders made in 2022-2023 under section 90(2)	52
	• orders made in 2022-2023 under section 91(7)	50
	• orders made under section 91(7) that expired, ceased to apply or were revoked during the financial year	30
91(7)	• orders made under section 91(7) that remained operative at the end of the financial year (not including orders made before 15 November 2010).	235

Section 90 Local Government Act 1999

The table below identifies the number of times a provision under Section 90(2) of the *Local Government Act 1999* was used (noting more than one provision can be used on an occasion):

Relevant placita of <i>Local Government Act</i> <i>(SA) 1999</i>	Explanation S 90 (2) Information the disclosure of which would;	Number of times used
3(a)	<ul style="list-style-type: none"> involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead). 	16
3(b) (i) and (ii)	<ul style="list-style-type: none"> could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and would, on balance, be contrary to the public interest. 	19
3(c)	<ul style="list-style-type: none"> information the disclosure of which would reveal a trade secret. 	0
3(d) (i) and (ii)	<ul style="list-style-type: none"> commercial information of a confidential nature (not being a trade secret) the disclosure of which - could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest. 	3
3(e)	<ul style="list-style-type: none"> matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person. 	8
3(f)	<ul style="list-style-type: none"> could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the prevention, detection or investigation of a criminal offence, or the right to a fair trial. 	0
3(g)	<ul style="list-style-type: none"> 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. 	4
3(h)	<ul style="list-style-type: none"> legal advice. 	3
3(i)	<ul style="list-style-type: none"> information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council. 	1
3(j) (i) and (ii)	<ul style="list-style-type: none"> would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and would, on balance, be contrary to the public interest. 	1
3(k)	<ul style="list-style-type: none"> tenders for the supply of goods, the provision of services or the carrying out of works. 	1
3(m)	<ul style="list-style-type: none"> relating to a proposal to prepare or amend a designated instrument under Part 5 Division 2 of the <i>Planning, Development and Infrastructure Act 2016</i> before the draft instrument or amendment is released for public consultation under that Act. 	3
3(n)	<ul style="list-style-type: none"> information relevant to the review of a determination of a council under the <i>Freedom of Information Act 1991 (SA)</i> 	0
3(o)	<ul style="list-style-type: none"> information relating to a proposed award recipient before the presentation of the award. 	0

Meeting Date	Report Subject / Title and use of S 90(2) to exclude the public	Use of 91(7) to retain documents or information in confidence - Documents released
SGC - 19/02/2015	Chief Executive Officer's Employment Contract (90(3) (a))	Nil
GC - 24/03/2015	Surplus Land associated with City Services Redevelopment (90(3)(b), (d), (i) and (ii))	Nil
GC - 25/08/2015	Investigation (90(3) (g))	Nil
GC - 08/09/2015	Investigation (90(3) (g))	Nil
GC - 24/05/2016	CEO Interim Performance Review (90(3) (a))	Nil
GC - 24/05/2016	CEO Annual Performance Review 2015/16 (90(3) (a))	Nil
GC - 28/06/2016	Glenthorne Farm (90(3)(d))	Nil
SGC - 01/08/2016	Local Government Association Membership (90(3)(d) and (h))	Minutes
GC - 23/08/2016	Finance and Audit Committee Confidential Minutes (90(3)(e))	Report and Minutes
GC - 24/01/2017	Confirmation of Confidential Minutes of the FAC Meeting held 10 October 2017 (90(3) (a), (b) and (h))	Report and Minutes
FAC - 28/02/2017	LGA Insurance Schemes Review (90(3)(d))	Nil
FAC - 28/02/2017	LGA Membership (90(3)(b) and (h))	Minutes
GC - 14/03/2017	Finance and Audit Committee Confidential Minutes(90(3)(b), (d) and (h))	Report and Minutes
GC - 14/03/2017	Local Government Association Membership (90(3)(b) and (h))	Minutes
GC - 14/03/2017	Local Government Association Insurance Schemes Review (90(3)(b) and (d))	Minutes
GC - 08/08/2017	Edwardstown Oval Redevelopment – Financial and Management Model (90(3)(b) and (d))	Minutes
RSC - 19/09/2017	CAP Independent Member applications (90(3) (a))	Report and Minutes
FAC - 10/10/2017	Section 48 Prudential Report – BMX (90 (3) (b) (i) (iii))	Nil
FAC - 10/10/2017	73 Cove Road Marino (90(3)(a), (h) and (i))	Nil
RSC - 07/11/2017	CEO Annual Performance Review 2016/17 and Employment Agreement (90(3) (a))	Nil
RSC - 07/11/2017	CEO KPI's Annual Confidential Report 2016/17 (90(3) (a))	Nil
GC - 28/11/2017	Confirmation of the confidential minutes of the RSC Meeting held 7 November 2017 (90(3) (a))	Report and Minutes
GC - 28/11/2017	CEO Annual Performance Review 2016/17 and Employment Agreement (90(3) (a))	Nil
GC - 12/12/2017	Interim Management for Edwardstown Soldiers Memorial Recreation Grounds (90(3) (b) and (h))	Minutes
FAC - 12/12/2017	BMX Project – Update Report (90(3)(b)(i)(iii))	Nil
FAC - 27/01/2018	Insurance Market Testing (90(3) (d))	Nil
GC - 30/01/2018	BMX Project – Update Report (90(3)(b))	Minutes
GC - 30/01/2018	Review of Confidentiality Orders: Investigation, GC250815F05 and Investigation, GC080915F03 (90(3) (g) and (h))	Report and Minutes
RSC - 30/01/2018	Selection of candidates for interview/appointment for the Finance and Audit Committee (90(3) (a))	Report
GC - 13/02/2018	Confirmation of Confidential Minutes of the RSC Meeting held 30 January 2018 (90(3) (a))	Report and Minutes
ISC - 06/03/2018	BMX Project – Progress Report (90(3) (d))	Nil
GC - 13/03/2018	Finance and Audit Committee Confidential Minutes (90(3) (d) and (g))	Report and Minutes
GC - 13/03/2018	Insurance Market Testing (90(3) (b) and (d))	Nil
GC - 13/03/2018	Management Model for Regional Facilities (90(3) (a) and (d))	Report and Minutes
GC - 27/03/2018	Confirmation of Confidential Minutes of the ISC Meeting held 6 March 2018 (90(3) (d))	Minutes
ISC - 01/05/2018	BMX Project (90(3) (b) and (d))	Nil
ISC - 03/07/2018	BMX - Progress Report on Darlington Site Option (90(3) (b) and (d))	Nil
GC - 24/07/2018	Confirmation of the Confidential Minutes for the ISC Meeting held on 3 July 2018 (90(3) (b) and (d))	Minutes
GC - 24/07/2018	Tonsley Water Agreement (90(3) (d))	Nil
GC - 14/08/2018	Proposed Class Action (90(3) (d))	Minutes
GC - 28/08/2018	EOI – 262 Sturt Road – Progress Report and Next Stage (90(3) (b) and (d))	Minutes
RSC - 28/08/2018	CEO Annual Performance Review 2017/18 (90(3) (a))	Nil
GC - 11/09/2018	Proposed Class Action (90(3) (d))	Minutes
GC - 11/09/2018	Outcome of Eoi for Hotel at 287 Diagonal Road, Oaklands Park (90(3) (b) and (d))	Nil
GC - 11/09/2018	Expression of Interest - Community Wireless Internet Services (90(3) (b) (d))	Minutes

Meeting Date	Report Subject / Title and use of S 90(2) to exclude the public	Use of 91(7) to retain documents or information in confidence - Documents released
GC - 11/09/2018	Coastal Walkway - Confidential Appendix (90(3) (h))	Minutes
GC - 11/09/2018	RSC Confidential Minutes from the Meeting 28 August 2018 (90(3) (a))	Report and Minutes
GC - 11/09/2018	CEO Annual Performance Review 2017/18 (90(3) (a))	Nil
GC - 27/11/2018	Code of Conduct Complaint (90(3) (a))	Nil
SGC - 22/01/2019	Cove Sports and Community Club Licence (90(3)(a), (h) and (e))	Minutes
GC - 29/01/2019	BMX Project – Outcome of Darlington Investigations (90(3) (g) and (h))	Minutes
GC - 29/01/2019	BMX Project – Financial Summary of Costs (90(3) (b))	Minutes
ISC - 05/03/2019	Marion Golf Club (90(3) (b))	Nil
GC - 12/03/2019	Outcome of Business Case – 262 Sturt Road, Marion (90(3) (b))	Minutes
GC - 26/03/2019	Confirmation of the confidential minutes of the ISC meeting held on 5 March 2019 (90(3) (b))	Report and Minutes
GC - 26/03/2019	Cove Sports Settlement of licence (90(3) (d))	Minutes
GC - 26/03/2019	Coastal Walkway Progress Report – Confidential Appendix (90(3) (h))	Minutes
GC - 23/04/2019	Progress Report on the Southern Football Facility, Major Road (90(3) (d))	Minutes
GC - 23/04/2019	Council Owned Vineyards (90(3) (d))	Report and Minutes
GC - 11/06/2019	Internal Audit Tender Outcomes (90 (3) (k) and (d))	Minutes
GC - 11/06/2019	Potential Land Acquisition (90(3) (b))	Nil
GC - 13/08/2019	Council Solutions Kerbside Waste Tender Outcomes (90(3) (b) and (d))	Nil
FAC - 20/08/2019	Service Review – Corporate ICT – Report (90(3) (a) and (d))	Nil
GC - 27/08/2019	Cat Curfew By-law Update (90(3) (h))	Minutes
SGC - 02/09/2019	Cove Sports and Community Committee Investigation (90(3) (f))	Nil
SGC - 02/09/2019	Cove Sports & Community Club Management (90(3) (f))	Nil
GC - 24/09/2019	Confirmation of Confidential Minutes of the FAC Meeting – 20/08/19 (90(3) (a) and (d))	Report and Minutes
GC - 24/09/2019	Cove Investigation – Response to Findings of Fact (90(3) (a))	Report and Minutes
RSC - 05/11/2019	CEO Annual Performance Review 2018/19 (90(3) (a))	Nil
SGC - 25/11/2019	Outcome of Capella Investigations and Director for Southern Soccer (90(3) (b) and (d))	Minutes
SGC - 25/11/2019	Future Land Strategy: City Services Surplus Land (90(3) (b) and (d))	Minutes
SGC - 25/11/2019	Cat Curfew By-Law Update (90(3) (h))	Minutes
SGC - 25/11/2019	Section 270 Report Cove Football Club (90(3) (f))	Report and Minutes
GC - 26/11/2019	Confirmation of Confidential Minutes of the RSC held on 5 November 2019 (90(3) (a))	Report and Minutes
GC - 26/11/2019	CEO Annual Performance Review 2018/19 (90(3) (a))	Nil
FAC - 10/12/2019	Southern Region Waste Resource Authority (SRWRA) Materials Recovery Facility (MRF) (90(3) (d))	Nil
GC - 10/12/2019	SWBMX Facility - Traffic Solutions on Majors Road (90(3) (b))	Minutes
GC - 10/12/2019	Electric Vehicle Charging Stations (90(3) (b))	Minutes
GC - 10/12/2019	SRWRA Materials Recovery Facility (MRF) (90(3) (d))	Minutes
GC - 10/12/2019	Edwardstown Soldiers Memorial Community Club (90(3) (d))	Nil
GC - 28/01/2020	Confirmation of Confidential Minutes of the FAC held on 10 December 2019 (90(3) (d))	Report and Minutes
GC - 11/02/2020	Edwardstown Memorial Sports and Community Club (90(3) (b) and (d))	Minutes
FAC - 25/02/2020	Disclosure Incident (90(3) (h))	Nil
FAC - 10/03/2020	Confirmation of Confidential Minutes of the FAC held on 25 February 2020 (90(3) (h))	Minutes
FAC - 20/03/2020	Adjourned Item - Edwardstown Memorial Sports and Community Club (90(3) (b) and (d))	Minutes
SGC - 20/03/2020	Confidential - Mitchell Park Sports and Community Centre Redevelopment (90(3) (b) and (d))	Report and Minutes
GC - 12/05/2020	Confidential - Rescission Motion - Disclosure Incident (90(3) (h) and (g))	Nil
GC - 26/05/2020	Confidential - Rescission Motion - Disclosure Incident (90(3) (h) and (g))	Nil
GC - 26/05/2020	Disclosure Incident (90(3) (h))	Nil
GC - 02/06/2020	Holmes Dyer Report (90(3) (b))	Report and Minutes

Meeting Date	Report Subject / Title and use of S 90(2) to exclude the public	Use of 91(7) to retain documents or information in confidence - Documents released
GC - 09/06/2020	Cats (Confinement) Variation By-law Legislative Review Committee (90(3) (h))	Minutes
GC - 09/06/2020	Holmes Dyer Report (90(3) (b))	Report and Minutes
GC - 09/06/2020	City Wide Attraction - Glenthorne National Park (90(3) (d))	Minutes
GC - 23/06/2020	Mitchell Park Sports and Community Centre Redevelopment (90(3) (b))	Nil
UPC - 14/07/2020	Revitalisation of the Edwardstown Employment Precinct (90(3) (b) and (d))	Nil
GC - 28/07/2020	Confirmation of Confidential Minutes of the UPCe meeting held on 14 July 2020 (90(3) (b) and (d))	Report and Minutes
GC - 28/07/2020	Cove Cobras Football Club Tenancy (90(3) (a), (b), (d) and (g))	Minutes
GC - 28/07/2020	Revitalisation of the Edwardstown Employment Precinct (90(3) (b) and (d))	Nil
SGC - 29/07/2020	Marion Sports and Community Club - Landlord Consent - Adjourned Item (90(3) (d))	Nil
GC - 11/08/2020	Edwardstown Creative Industries Co-working Hub Tender report - Adjourned Item (90(3) (k))	Nil
GC - 13/10/2020	SWBMX and Southern Soccer Facilities - Approval to Call Tenders for Construction (90(3) (b))	Minutes
RSC - 03/11/2020	CEO Annual Performance Review 2019-20 (90(3) (a))	Nil
GC - 24/11/2020	Alternative Water Supply Efficiency Measures Pilot Project: Seacliff Park Extension (90(3) (b))	Nil
GC - 24/11/2020	Edwardstown Soldiers Memorial Ground Funding Agreements (90(3) (b))	Nil
GC - 24/11/2020	Marion Golf Course - Management and Capital Investment (90(3) (d))	Nil
GC - 24/11/2020	Tarnham Road Reserve (90(3) (b))	Report, minutes, appendices 1-5
FAC - 08/12/2020	Service Review -Public Litter – (90(3) (a) (d))	Minutes
GC - 08/12/2020	Confidential - Rescission Motion - Edwardstown Soldiers Memorial Ground Funding Agreements (90(3) (b))	Minutes
GC - 08/12/2020	Confirmation of the confidential minutes for the RSC meeting held on 3 November 2020 (90(3) (a))	Report and Minutes
GC - 08/12/2020	CEO Annual Performance Review 2019-20 (90(3) (a))	Report, Appendices, Minutes
GC - 08/12/2020	Marion Golf Course - Management and Capital Investment (90(3) (d))	Nil
SGC - 16/12/2020	Motion - Edwardstown Soldiers Memorial Recreation Ground Funding Agreements (90(3) (b))	Minutes
RSC - 02/02/2021	CEO Recruitment (90(3) (a) and (d))	Nil
GC - 09/02/2021	Confirmation of the confidential minutes for the RSC Meeting held on 2 February 2021 (90(3) (a))	Report, minutes, appendix 1
GC - 09/02/2021	Confirmation of the confidential minutes for the FAC Meeting held on 8 December 2020 (90(3) (a) and (d))	Report and Minutes
GC - 09/02/2021	CEO Recruitment (90(3) (a) and (d))	Nil
GC - 09/02/2021	Code of Conduct 1 90(3) (a)	Nil
GC - 09/02/2021	Code of Conduct 2 (90(3) (a))	Nil
FAC - 23/02/2021	Service Review - Fleet Management and Maintenance - Report (90(3) (a) and (d))	Minutes
GC - 23/02/2021	Capella Reserve Construction of Carpark, Youth Plaza & Skatepark (90(3) (b), (k))	Nil
GC - 23/02/2021	Marion Golf Park Consultation & Marketing Plan (90(3) (d))	Report, minutes and appendix 1
GC - 09/03/2021	X Convenience Service Station Development Application (90(3) (h))	Report and Minutes
GC - 09/03/2021	Urban Renewal Opportunities (90(3) (d))	Nil
GC - 23/03/2021	Questions Taken on Notice Register (90(3) (d) (g))	Report and Minutes
GC - 23/03/2021	Edwardstown Soldiers Memorial Recreation Ground (ESMRG) 100 Percent Profit Share Model (90(3) (b) (g))	Nil
SGC - 23/03/2021	Confirmation of the confidential minutes for the SRC Meeting held on 23 March 2021 (90(3) (a))	Report and Minutes
SGC - 23/03/2021	CEO Recruitment (90(3) (a))	Nil
SGC - 08/04/2021	Chief Executive Officer Recruitment (90(3) (a))	Nil
SFAC - 13/04/2021	Confidential - Edwardstown Urban Renewal Project - Prudential Report (90(3) (d))	Nil
GC - 27/04/2021	Confirmation of the confidential minutes for the SGCI Meeting held on 8 April 2021 (90(3) (a))	Report and Minutes

Meeting Date	Report Subject / Title and use of S 90(2) to exclude the public	Use of 91(7) to retain documents or information in confidence - Documents released
GC - 27/04/2021	Confirmation of the confidential minutes for the SFAC Meeting held on 13 April 2021 (90(3) (d))	Report and Minutes
GC - 27/04/2021	Edwardstown Urban Renewal Project Prudential Report (90(3) (d))	Nil
GC - 27/04/2021	Edwardstown Soldiers Memorial Recreation Ground (ESMRG) 100 Percent Profit Share Model (90(3) (b) and (g))	Nil
GC - 27/04/2021	Question with Notice Edwardstown Urban Renewal Project (90(3) (d))	Nil
RSC - 04/05/2021	Staff Movements and Exit Survey Data (90(3) (a))	Nil
GC - 11/05/2021	Confirmation of the confidential minutes of the RSC Meeting held on 4 May 2021 (90(3) (a))	Report and Minutes
GC - 11/05/2021	Edwardstown Soldiers memorial Recreation Ground Future Management Model (90(3) (b))	Nil
GC - 25/05/2021	Residential Hard Waste and Dumped Rubbish Services(90(3) (a))	Minutes
GC - 08/06/2021	Digital Transformation Program (90(3) (a))	Minutes
GC - 22/06/2021	Coastal Walkway Update Field River (90(3) (b))	Minutes
SGC - 13/07/2021	Morphettville Racecourse and Surrounds (90(3) (d))	Report and Minutes
SGC - 13/07/2021	Request for Proposals - City Services Surplus Land (90(3) (d))	Nil
GC - 27/07/2021	Abandoned trolleys and the utilisation of the <i>Local Nuisance and Litter Control Act</i> (90(3) (h))	Minutes
RSC - 03/08/2021	Staff Movements and Exit Survey Data (90(3) (a))	Report and Minutes
GC - 10/08/2021	Animal Impounding (90(3) (b) and (d))	Nil
GC - 10/08/2021	Cove Cobras Football Club Update (90(3) (d))	Report and Minutes
GC - 10/08/2021	CEO Midway Probationary Review (90(3) (a))	Nil
SRSC - 20/08/2021	Appointment of Independent Members - Warriparinga Advisory Team (90(3) (a))	Report and Minutes
GC - 24/08/2021	Confirmation of the confidential minutes for the RSC held on 20 August 2021 (90(3) (a))	Report and Minutes
GC - 24/08/2021	Lot 707 Marion Road Bedford Park ((90(3) (m))	Nil
GC - 14/09/2021	Cove Sports and Community Club Feasibility Study and Business Case (90(3) (b))	Report and Minutes
GC - 14/09/2021	Westminster Reserve and Keaton Avenue Reserve - Revocation of Community Land Classification (90(3) (h))	Report, minutes and appendix 1
SRSC - 21/09/2021	Chief Executive Officer Probationary Review (90(3) (a))	Nil
PDC - 05/10/2021	Lot 707 Marion Road, Bedford Park (90(3) (g), (h) and (m))	Nil
FAC - 12/10/2021	2020-21 ACSC Annual Cyber Threat Report (90(3) (e))	Minutes
GC - 12/10/2021	Public Lighting - Claim for Consultancy Fee by Trans-Tasman Energy Group (90(3) (h))	Nil
GC - 12/10/2021	Confirmation of the Confidential Minutes of the SRSC Meeting held on 21 September 2021 (90(3) (a))	Report and Minutes
GC - 12/10/2021	Chief Executive Officer Probationary Review (90(3) (a))	Nil
GC - 26/10/2021	Confirmation of Confidential Minutes of the PDC meeting held on 5 October 2021 (90(3) (g), (h) and (m))	Report
GC - 26/10/2021	Confirmation of the Confidential Minutes of the FAC Meeting held on 12 October 2021 (90(3) (e))	Report and Minutes
GC - 26/10/2021	Culinary Escapades Pty Ltd Lease at the Marion Cultural Centre (90 (3)(b) and (d))	Nil
GC - 26/10/2021	Edwardstown Urban Renewal Project – Update (90(3) (d))	Nil
SRSC - 20/11/2021	Staff Movements and Exit Survey Data (90(3)(a))	Nil
SRSC - 20/11/2021	CEO Remuneration Review (90(3)(d))	Nil
GC - 23/11/2021	The Boatshed Cafe - Leasing Arrangements (90(3) (b) and (d))	Minutes
PDC - 07/12/2021	Confidential Business Arising Statement - Action Items (90(3)(g), (h) and (m))	Report and Minutes
FRAC - 14/12/2021	IT Security Update (90(3) (e))	Minutes
FRAC - 14/12/2021	Digital Transformation Program Update (90(3) (b) (i) (ii))	Minutes
GC - 14/12/2021	South Adelaide Basketball Club Proposal and 262 Sturt Road Precinct Plan (90(3)(d)(i) and (ii))	Report, Appendices 2, 3 and 4 and Minutes
GC - 14/12/2021	Coastal Walkway Update (90(3)(d)(i)(ii) and (k))	Nil
GC - 25/01/2022	The Boatshed Cafe - Future Considerations (90(3)(b)(i) and (ii))	Minutes
GC - 25/01/2022	Motion with Notice - Field River (90(3)(b)(i)(ii) and (d)(i)(ii))	Nil
GC - 25/01/2022	Confirmation of the Confidential Minutes of the FRAC Meeting held on 14 December 2021 (90(3)(e) and (b)(i) and (ii))	Report and Minutes

Meeting Date	Report Subject / Title and use of S 90(2) to exclude the public	Use of 91(7) to retain documents or information in confidence - Documents released
GC - 25/01/2022	Confirmation of the Confidential Minutes of the SRSC Meeting held on 7 December 2021 (90(3)(a) and (d)(i) and (ii))	Nil
GC - 25/01/2022	Confirmation of Minutes of the Confidential FRAC Meeting held on 11 October 2022 (90(3)(b))	Nil
RSC - 01/02/2022	COVID Mandatory Vaccination Policy Update (90(3)(a))	Nil
ASC - 01/02/2022	Edwardstown Urban Renewal Project (90(3)(d)(i)(iii))	Report and appendix
RSC - 01/02/2022	Council Assessment Panel Member Review (90(3)(a))	Nil
GC - 08/02/2022	Sam Willoughby International BMX Facility damage (90(3)(d) and (k))	Nil
FRAC - 22/02/2022	Civil Service Review (90(3)(a))	Nil
FRAC - 22/02/2022	External Audit Tender (90(3)(b))	Nil
FRAC - 22/02/2022	Cybersecurity – Quarterly Update (90(3)(b)(i) and (ii))	Nil
GC - 22/02/2022	SWBMX and Southern Soccer Facility Project Updates (90(3)(b))	Nil
GC - 22/02/2022	RSC - Appointment of Independent Council Assessment Panel (CAP) Members (90(3)(b))	Nil
GC - 08/03/2022	Confirmation of the Confidential Minutes of the ASC Meeting held on 1 February 2022 (90(3)(d)(i) and (ii))	Nil
GC - 08/03/2022	Confirmation of the Confidential Minutes of the RSC meeting held on 1 February 2022 (90(3)(a))	Nil
GC - 08/03/2022	External Audit Tender (90(3)(b))	Report and Minutes
GC - 08/03/2022	Confirmation of the Confidential Minutes of the FRAC Meeting held on 22 February 22 (90(3)(b)(i)(ii) and (a))	Report and Minutes
GC - 08/03/2022	BMX Pump Track Procurement (90(3)(k))	Report, appendix 1 and minutes
ASC - 05/04/2022	City of Marion Water Business Update (90(3)(b))	Nil
ASC - 05/04/2022	Marion Park Golf Course – Infrastructure Investment (90(3)(b))	Nil
GC - 12/04/2022	South Adelaide Basketball redevelopment -Feasibility and Business case (90(3)(d)(i) and (ii))	Report and Minutes
GC - 12/04/2022	Confirmation of Confidential Minutes of the SRSC held on 6 April 2022 (90(3)(a))	Nil
GC - 12/04/2022	Appointment of Deputy Independent Member -Council Assessment Panel (90(3)(a))	Nil
GC - 12/04/2022	BMX Pump Track Procurement (90(3)(k))	Report, minutes and appendix 1
GC - 10/05/2022	Confirmation of confidential Minutes of the ASC Meeting held on 5 April 2022 (90(3)(b))	Nil
GC - 10/05/2022	Confirmation of confidential Minutes of the Special FRAC Meeting held on 26 April 2022 (90(3)(b))	Nil
GC - 10/05/2022	Confidential Rescission Motion - Hard Waste Collections (90(3)(a))	Nil
GC - 10/05/2022	Confidential QoN - Civil Service Review (90(3)(d))	Nil
FRAC - 17/05/2022	Cybersecurity - Quarterly Update (90(3)(e))	Minutes
GC - 24/05/2022	Confirmation of Confidential Minutes of the RSC Meeting held on 3 May 2022 (90(3)(d) and (a))	Report and Minutes
GC - 24/05/2022	City of Marion Water Business Update (90(3)(b))	Nil
GC - 14/06/2022	Confirmation of Minutes of the Confidential FRAC Meeting held on 17 May 2022 (90(3)(e))	Minutes
GC - 14/06/2022	CEO Performance and Remuneration Review (90(3)(d))	Nil
GC - 28/06/2022	City Services Surplus Land (90(3)(d)(i) and (ii))	Nil
PDC - 05/07/2022	Confidential Business Arising Statement - Action Items (90(3)(g)(h) and (m))	Report and Minutes
GC - 26/07/2022	CoM Submission re LGA Draft Training Standards for Council Members (90(3)(j))	Nil
GC - 26/07/2022	Code of Conduct (90(3)(a))	Nil
RSC - 02/08/2022	Staff movements and exit survey data Quarter 4 2021-2022 (90(3)(a))	Nil
RSC - 02/08/2022	CEO Performance and Remuneration Review (90(3)(a))	Nil
GC - 09/08/2022	Southern Soccer & SWBMX Funding, Insurance and Closure (90(3)(b))	Report, appendices and minutes
FRAC - 16/08/2022	Meeting with the Internal Auditors in Confidence (90(3)(g))	Documents not retained
FRAC - 16/08/2022	Cybersecurity - Quarterly Update (90(3)(b)(i) and (ii))	Nil
FRAC - 16/08/2022	City of Marion Property Asset Strategy (CoMPAS) Overview (90(3)(b))	Report, appendices and minutes
GC - 23/08/2022	Confidential - Questions Taken on Notice Register (90(3)(b))	Documents not retained
GC - 23/08/2022	CEO Annual Performance and Remuneration Review (90(3)(a))	

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GC - 23/08/2022	Confirmation of Minutes of the Confidential RSC Meeting held on 2 August 2022 (90(3)(a))	Nil
GC - 23/08/2022	Marion Park Golf Course (90(3)(d)(i) and (ii))	Minutes
GC - 23/08/2022	Spinnaker Circuit Reserve East – Revocation of Community Land Classification 90(3)(b)	
GC - 23/08/2022	City of Marion Property Asset Strategy (CoMPAS) (90(3)(b))	Report, appendix and minutes
SGC - 30/08/2022	Confirmation of Minutes of the Confidential FRAC Meeting held on 16 August 2022 (90(3)(b))	Nil
SGC - 30/08/2022	City of Marion Water Business Update (90(3)(b))	Nil
GC - 13/09/2022	Code of Conduct (90(3)(a))	Nil
FRAC - 11/10/2022	Fraud and Corruption 2021-22 Report (90(3)(e))	Nil
FRAC - 11/10/2022	Sam Willoughby BMX Track Claim Progress Update (90(3)(b))	Nil
GC - 25/10/2023	Confirmation of Minutes of the Confidential FRAC Meeting held on 11 October 2022 (90(3)(e))	Nil
RSC - 01/11/2022	Finance, Risk and Audit Committee - Independent Member (90(3)(a))	Nil
01/11/2022	Staff Movements and Exits (90(3)(a))	Nil
GC - 29/11/2022	Appointment of Independent Member - Finance, Risk and Audit Committee (90(3)(a))	Nil
GC - 29/11/2022	Confirmation of Minutes of the Confidential RSC Meeting held on 1 November 2022 (90(3)(a))	Nil
GC - 13/12/2022	Potential Purchase 11, 13 & 15 Nunyah Avenue Park Holme (90(3)(b))	Report, appendix and minutes
GC - 13/12/2022	Coastal Walkway Gullies Report for Construction (90(3)(k))	Report, appendices and minutes with redactions
GC - 13/12/2022	Cove Sports Stage 1 - Scope Options (90(3)(b))	Report, appendix and minutes with redactions
FRAC - 13/12/2022	Marino Community Hall Section 48 (90(3)(b))	Report and Minutes
FRAC - 13/12/2022	Cybersecurity - Quarterly Update (90(3)(e))	Nil
GC - 24/01/2023	Confirmation of Minutes of the Confidential FRAC Meeting held on 13 December 2022 (90(3)(b) and (e))	Report and Minutes
GC - 24/01/2023	Boatshed Café (90(3)(b) (i) and (ii))	Nil
	Confirmation of Minutes of the Confidential FRAC	
GC - 28/02/2023	Meeting held on 21 February 2023 (90(3)(b)(d) and (e))	Nil
GC - 28/02/2023	Marion Water Business - context, strategy and proposed expansion (90(3)(b))	Nil
GC - 28/02/2023	Marino Hall Section 48 (90(3)(b))	Report and Minutes
GC - 28/02/2023	Internal Audit Contract (90(3)(d))	Nil
PDC - 07/03/2023	Confidential Business Arising Statement - Action Items (90 (3) (g), (h) and (m))	Report
RSC - 07/03/2023	Staff Movements and Exits (90(3)(a))	Nil
GC - 28/03/2023	Confirmation of Minutes of the Confidential PDC Meeting held on 7 March 2023 (90(3)(g), (h) and (m))	Report
GC - 28/03/2023	Confirmation of Minutes of the Confidential RSC held on 7 March 2023 (90(3)(a))	Report and Minutes
GC - 28/03/2023	Marino Community Hall - Approval to Release for Tender (90(3)(b))	Nil
GC - 28/03/2023	Cove Netball and Lower Oval - Notification of Release to Tender (90(3)(b))	Nil
RSC - 02/05/2023	CEO Performance Review Timeline (90(3)(a))	Nil
RSC - 02/05/2023	Staff Movements & Exit Q3 (90(3)(a))	Nil
FRAC - 16/05/2023	Quarterly Cyber Security Update (90(3) (e))	Nil
FRAC - 16/05/2023	Cyber Security Internal Audit (90(3)(e))	Nil
GC - 23/05/2023	Confirmation of Minutes of the Confidential RSC Meeting held on 2 May 2023 (90(3)(a))	Report and Minutes
GC - 23/05/2023	Timeline for CEO Performance Review (90(3)(a))	Minutes
GC - 13/06/2023	Confirmation of Minutes of the Confidential FRAC Meeting held on 16 May 2023 (90(3)(e))	Report and Minutes
GC - 13/06/2023	Annual Review of the Open Space Plan (90(3)(b))	Report and Minutes with redactions
SFRAC - 20/06/2023	Marion Administration Centre Internal Fit-out Project - Section 48 (90(3)(b))	Nil
SFRAC - 20/06/2023	Quarterly Incident and Claims Report (90(3)(i))	Nil



Council committees

The *Local Government Act 1999* allows the Council to form committees to assist the decision-making of Council. These committees do not make formal decisions as they are established to oversee and provide advice to assist the Council in the performance of its core functions.

The City of Marion has four committees, all of which have a specific purpose. The committees are made up of Council Members, Independent Members and council staff. Each committee convenes at various intervals throughout each year to coincide with key decisions that need to be made by Council.

Committee sitting fees

Sitting fees are set per session and range from \$1,000 to \$1,200 for Independent Members and nil for Council Members. Council Members presiding over committee meetings receive a 25 per cent loading above their regular annual allowance during their time on that committee (Council Assessment Panel has different allowance).

Review and Selection Committee - Function

The Review and Selection Committee was established for the following objectives:

- Reviewing the performance the Chief Executive Officer (CEO).
- Sourcing and recommending to Council the appointment of expert members to Committees.
- Recommending a process to Council for the recruitment of the CEO (as required).
- Reviewing, monitoring and recommending to Council relevant strategies regarding the organisation's culture and performance associated with the conduct of Council Members, employees and volunteers.
- Monitoring the organisation's direction regarding the efficient and effective delivery of strategic and operational human resource functions.
- Ensuring the organisation has appropriate employee wellbeing strategies.

The Review and Selection Committee met on four occasions during the 2022-2023 financial year.

Finance, Risk And Audit Committee - Function

The Finance Risk and Audit Committee was established for the purpose of:

- external audit
- internal audit and service reviews
- financial reporting and prudential requirements
- internal controls and risk management.

The Finance and Audit Committee met on six occasions during the 2022-2023 financial year. Sitting fees per meeting are Chairperson \$1,200 and Independent Members \$1,000.

Asset and Sustainability Committee - Function

The Asset and Sustainability Committee was established for the purpose of:

- Advising Council on the development, management and monitoring of council's strategic management of council assets and Asset Management Plans.
- Aligning council's provision and management of assets and infrastructure to its long-term strategic objectives.
- Establishing and monitoring community levels of service to justify assets and infrastructure.
- Monitoring the implementation of environmental sustainability initiatives and strategies, to be a sustainable organisation and support the community to reduce its impact on the environment.

The Asset and Sustainability Committee met on three occasions during the 2022-2023 financial year.

Planning and Development Committee - Function

The Planning and Development Committee was established for the purpose of advising Council on matters relating to the development and monitoring of the following areas:

- Urban planning, development and renewal.
- City growth, economic development and sustainability.
- New project concepts and innovative solutions.
- Monitoring and review of new/emerging issues and trends through tools such as environmental scans.
- Developing, reviewing and recommending to Council any policy relating to planning and developments.

The Planning and Development Committee met on four occasions during the 2022-2023 financial year.

Infrastructure Committee - Function

The Infrastructure Committee was established for the purpose of:

- Advising Council on the development, management and monitoring of Council's strategic management of council infrastructure, assets and Asset Management Plans.
- Aligning Council's provision and management of assets and infrastructure to its long-term strategic objectives and long-term financial plans.
- Establishing and monitoring community levels of service to justify assets and infrastructure.

The Infrastructure Committee met on three occasions during the 2022-2023 financial year.

Environment Committee - Function

The Environment Committee was established for the purpose of:

- Investigating, developing and reporting to Council for consideration of new environmental sustainability initiatives and strategies, that will enable council to

become a sustainable organisation, support the community to reduce its impact on the environment and build community resilience to the impacts of climate change.

- Monitoring the implementation of environmental plans (such as the Carbon Neutral Plan, Coastal Climate Change Plan) and evaluation of the plans outputs.
- Monitoring any Council Key Performance Indicators or metrics relating to environment and/or carbon neutrality, including tracking of carbon emissions reduction over time.

The Environment Committee met on three occasions during the 2022-2023 financial year.

Council Assessment Panel - Function

The Council Assessment Panel (CAP) has a total of five members. Four members are independent experts in the planning, development or architectural field, whilst one member is an Elected Member appointed by Council.

The CAP considers a wide range of development applications, ensuring that new development proposals are consistent with the Council's Development Plan or the Planning and Design Code. The role of the CAP is to make decisions to either approve or refuse certain types of development applications. The Panel is presented with a report on every application to be considered. Each report assesses the proposal against the provisions of the Development Plan or Planning and Design Code and includes documentation from the applicant (or their consultant) and copies of representations lodged in respect to the application being considered.

Members of the CAP are required to strictly adhere to the State Government's Code of Conduct. The Panel met on 11 occasions during the financial year and considered a total of 26 applications.

The Presiding Member received \$550 per meeting; Independent Members \$450 per meeting; and Council Members \$300 per meeting.

Independent member attendance at meetings

The Review and Selection, Planning and Development and Asset and Sustainability committees do not have external members appointed. The following table identifies external members appointed to a committee and their attendance at meetings throughout the financial year.

Name of Committee Member	Finance, Risk and Audit (FRAC)	Council Assessment Panel (CAP)
Total number of meetings	6	11
Michael Davis (CAP July '22-June '23)	-	11/11
Benjamin Russ (CAP July '22-June '23)	-	11/11
Bryn Adams (CAP July '22-June '23)	-	11/11
Yvonne Svensson (CAP July '22-June '23)	-	11/11
Jock Smylie** (CAP July'22-June'23)		
Cr Raelene Telfer (CAP July '22- Nov'22)	-	2/11
Cr Matthew Shilling ** (CAP July '22- Nov '22)	-	2/11
Cr Nathan Prior (CAP Nov '22- June '23)	-	5/11
Cr Matt Taylor** (CAP Nov '22- June '23)	-	1/11
Emma Hinchey (FRAC July '22-June '23)	6/6	-
David Papa (FRAC July '22- Nov '22)	2/2	-
Josh Hubbard (FRAC Dec '22 – June '23)	4/4	
Nicole Rantanen (FRAC July '22-June '23)	5/6	-

** Deputy Member

Development Services

The Development Services Unit comprises Planning, Building, Compliance and Administration support teams. Each team undertakes functions in accordance with the *Planning, Development and Infrastructure Act 2016* as well as the *Development Act 1993*. Functions include (but are not limited to) assessment, customer service, education and assistance.

Achievements 2021-2022 financial year

The total value of applications receiving approval in the 2022-23 financial year equated to approximately \$188.65m. The two largest approvals were for a \$20m, integrated animal care facility, including wildlife hospital and veterinary clinic, administration office, associated community education centre and retail shop, at O'Halloran Hill and an \$11m development for a two-storey function centre at Morphettsville Racecourse. A total of 364 applications were approved for new dwellings and 171 for dwelling additions, along with 950 approvals for class ten structures (sheds, pool, verandahs etc).

In relation to non-residential development the following applications received approval; one renewable energy facility, ten offices, seven new educational facilities or facility upgrades, two warehouses, 46 shops or shop additions.

There were 1,284 development approvals for building work granted. This is less than the years up to 2021, of particular note is that demolition of the entirety of a building does not require development approval since the implementation of the *Planning, Development and Infrastructure Act 2016*.

Number of building consents and values[1]*

2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1771	1734	1636	1758	1392	1284
\$221m	\$227m	\$195.7m	\$286.7m	\$240.9m	\$188.65m

*These figures include development approvals granted by Council or private certification only. They do not include developments such as land divisions, tree applications or developments that do not require building rules consents. They do not reflect applications refused by Council or granted approval by the State Commission Assessment Panel.

Code amendments

Southern Suburbs Residential Policy

On 23 May 2023, Council endorsed the 'Southern Suburbs Residential Policy - Code Amendment – for engagement'. Council's aim is for the rezoned Southern Neighbourhood Zone to be transitioned to the Hills Neighbourhood Zone and that one set of slope-related policies are used throughout the zone. This will provide opportunities for development to occur in appropriate locations, particularly on gentle sloping sites. Community consultation is due to commence in September 2023.

Centre zones

The Code Amendment seeks to address a variety of outstanding matters/irregularities associated with a few small-scale shopping centre sites where the spatial location and/or policy does not effectively support the land use or where there is potential to improve future site viability. The Code Amendment documentation is due to be considered by Council's Planning and Development Committee on 1 August 2023.

Morphettville residential stables

The former Residential Racecourse Zone, on the southern side of Bray Street in Morphettsville and western side of Morphetts Road in Glengowrie, provided the opportunity for stabling of horses and residing on the same property. However, to increase flexibility and future options for this land, a number of the stable owners have requested that the area be rezoned to an exclusively residential type zone, allowing residential development at densities similar to surrounding residential areas.

Council conducted pre-engagement with residents and landowners in the area in March and April 2023 and the Code Amendment is due to be considered by Council's Planning and Development Committee on 1 August 2023.

Land management

Preparation or finalisation of any management plans for community land

Council previously had ten General Community Land Management Plans which covered Operating Assets, Commercial Assets, Community Facilities, Sporting Facilities and Council Reserves.

Council reviewed and updated its Community Land Management Plans during the course of the financial year. At its General Council Meeting held on 13 June 2023 Council resolved to adopt six new Community Land Management Plans and revoke the previous ten Community Land Management Plans, whilst making a minor administrative change to the Marion Arena Community Land Management Plan.

The new Community Land Management Plans adopted by Council are:

- Leased Facilities
- Sporting Facilities
- Wetlands
- Coastal and Nature Conservation
- Reserves and Open Space
- Operational and Other Community Land

The revoked Community Land Management Plans (CLP) are:

- CLP 1: Operating Assets
- CLP 2: Commercial
- CLP 3: Major Community Facilities
- CLP 4: General Community Facilities
- CLP 5: Minor Community Facility
- CLP 6: Principal Sporting or Recreational Facilities
- CLP 7: General Sporting or Recreational Facilities
- CLP 8: Minor Sporting or Recreational Facilities
- CLP 9: Principal Reserves
- CLP 10: General Reserves

At its meeting held on 23 August 2022, Council resolved that Allotment 88 in Deposited Plan 17901 contained in Certificate of Title Volume 5546 Folio 484 and known as Spinnaker Circuit Reserve East would have its classification as Community Land revoked pursuant to Section 194(3)(b) of the

Local Government Act 1999. The land has been sold to the Catholic Church Endowment Society for the use of St Martin de Porres School.

In 2021 Council revoked the community land classification over the whole of the land in Certificate of Title Volume 3776 Folio 21 known as Kenton Avenue Reserve which allowed for a land division to be completed and a portion of the land to be transferred to Westminster School. The balance of the land was issued a new title described as Allotment 301 in Deposited Plan 130441 comprised in Certificate of Title Volume 6279 Folio 67 and on 8 December 2022 the community land classification was reinstated to the remaining portion of Kenton Avenue Reserve.

Regional subsidiaries

Council has the ability to join one or more councils to establish a regional subsidiary to provide a specified service or to manage and administer property or activities on behalf of the constituent councils.

Southern Region Waste Resource Authority

The Southern Region Waste Resource Authority (SRWRA) is a section 43 Regional Subsidiary of the Cities of Marion, Holdfast Bay and Onkaparinga. SRWRA is responsible for providing and operating waste management services on behalf of the constituent councils and ensuring that a long-term Waste Management Strategy exists in the southern region of Adelaide. SRWRA is managed by a board of 11 people, six Members and four Deputy Members with the 11th being an independent expert in business or waste management. The board is chaired by the Independent Member whom only has a casting vote. The equitable interest of the constituent councils in the authority is agreed as follows:

Council	Total %
City of Marion	30
City of Holdfast Bay	15
City of Onkaparinga	55



Governance

The *Local Government Act 1999* provides the legislative framework for legal and transparent decision making. The term 'governance' incorporates practices and procedures that set the benchmark for informed decision-making and the way we conduct council business.

The reporting obligations under the *Local Government Act 1999* are a major part of the Governance function at council. We are required to keep several registers which are a collation of information that is to be made available to the public. A list of registers is below and full registers can be viewed either via the City of Marion website or, in accordance with the Fees and Charges schedule, some registers can also be provided in hard copy from Customer Service.

Local Government Act 1999 - Registers

- Register of Interests – Council Members
- Register of allowances and benefits – Council Members
- Register of Gifts and Benefits – Council Members
- Register of Training and Development – Council Members
- Register of salaries and benefits – Employees
- Register of Interests
- Register of gifts and benefits – Employees
- Register of Community Land
- Register of Public Roads
- Register of by-laws

Local government act 1999 - codes

- Code of Conduct – Council Members
- Code of Conduct – Employees
- Code of Practice - Investigating Complaints
- Access to meetings and documents – code of practice
- Procedures at meetings – code of practice (adopted by Council for Council Members)
- Local Government (Procedures at Meetings) Regulations 2013

Freedom of information

The *South Australian Freedom of Information Act 1991* (FOI Act) gives opportunity for the public to access documents held by council, subject to restrictions as outlined in the FOI Act. These legislative requirements provide further transparency and therefore accountability for our management of various records.

The City of Marion website provides a statement and information regarding the process to follow when requesting such documentation. There are fees and charges associated with submitting and consequently having your FOI application processed. Each year the fees and charges are updated in accordance with consumer price indexation as outlined in the Government Gazette. In some cases, the cost can be large, therefore prior to submitting an application it is important to check whether the information is already publicly available via an alternative means.

Council is required to publish statistical information in our Annual Report each financial year to summarise the number of times that documents have been made publicly available via the FOI process.

Number of applications received	13
Still in progress as of 30 June 2023 (of the 13 received)	3
How were these applications treated	
Withdrawn by applicant	1
Determined by council	9
How council released the documents	
Full release of documents	4
Partial release of documents	5
No documents found	0
Refused released of documents	0
Internal review (decision confirmed)	0

Staff gifts and benefits

In response to Clause 2.21 of the Code of Conduct for Council Employees, adopted for the purposes of Section 110 (1) of the *Local Government Act 1999*, Council has adopted a Code of Expected Behaviours for staff which outlines that staff are not to accept gifts, benefits or favours that may influence or be reasonably seen to influence their decision-making. All council employees who receive a gift or benefit are required to record it within the gifts and benefits register which is made publicly available at the Council Office and updated quarterly on the City of Marion webpage.

During the 2022-2023 financial year, staff received and reported six gifts over the value of \$50. The total value of the six gifts was approximately \$850. On two occasions, these gifts were shared amongst a team. Two staff members were also gifted complimentary tickets to a Landscape and Architecture Awards event. The approximate value of these tickets was \$330. Further gifts were received by staff with a value below the threshold. These items are listed publicly on the gift and benefit register.



Procurement

National Competition Policy

The National Competition Policy (NCP) supports economic reform from practices that restrain Australian markets and industries. This policy identifies various principles to encourage competitive markets that would enhance national productivity for the benefit of the community whilst eliminating any unfair advantages.

In relation to government activities, it specifies that government should not enjoy any competitive advantage simply as a result of their public ownership. By virtue of clause 7, of the NCP Principles Agreement, local government is also bound.

The City of Marion is required to report any activities undertaken in the financial year in relation to competitive neutrality principles such as:

- The commencement or cessation of significant business activities
- Any reviews or reformed by-laws that restrict competition, including proposals for new by-laws
- Complaints received alleging a breach or breaches of the NCP or unfairly competitive practices
- Structural reform of public monopolies.

Compliance with the NCP is reflected within the principles of council's Procurement and Contract Management Policy which seeks to:

- Obtain value in the expenditure of public money
- Provide for ethical and fair treatment of participants
- Ensure probity, accountability and transparency in procurement operations.

Council has not commenced or ceased any significant business activities controlled by council during the reporting period.



Competitive tendering

The City of Marion provides open and effective competition by providing contractors with fair and reasonable access to opportunities to do business with council. In procuring goods, services and construction works, the City of Marion maximises value for money at an acceptable level of risk to support the delivery of infrastructure, facilities and services which benefit the community. Public tendering is required for contracts valued at more than \$100,000. Public Tenders contain information for suppliers highlighting the evaluation criteria Council will be assessing and awarding tenders based on, for transparency to the market.

During the financial year, the City of Marion undertook 21 open market tenders to support the delivery of goods, services and works for the City of Marion and its residents.

Work Health And Safety

The City of Marion's Health Safety and Wellbeing, (HSW) Plan 2023-2026 begins with the values we live as a workplace community, being: respect, integrity, achievement and innovation.

Our workday consists of a range of interactions between a host of different people:

Colleagues, volunteers, supervisors, managers, contractors, suppliers, and support staff and more. There are many people with a variety of backgrounds that come together to make every day happen at the City of Marion. This wonderful assortment of people makes up our 'workplace community'.

The people that make up our 'workplace community' are the owners of our HSW performance:

Whether it's as simple as letting someone know about dangers, or as complex as tapping into our communal knowledge to develop a strategic approach to managing HSW. We perform at our best when we come together as a community.

When we come together as a workplace community we will have better, more sustainable outcomes.

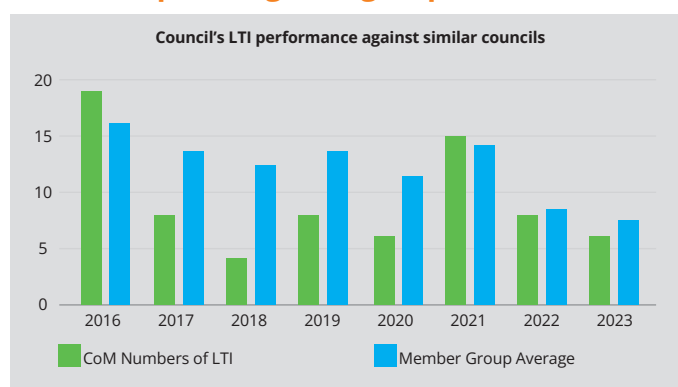
By working together, we will thrive and continue to improve our performance, sense of ownership and importantly - realise our ambitions.

The City of Marion has two HSW principles which underpin our workplace community:
'It's always about people' and 'Together we thrive'.

These principles are supported by the foundations of our plan; People, Culture and Performance. A key measure used by Council is the Lost Time Injury Frequency Rate (LTIFR). This is a measure of the number of injuries that have resulted in a full day or shift off work per million labour hours. The City of Marion recorded an LTIFR of 8.9 in 2022-2023. Six Lost Time Injuries were recorded for 2022-2023 compared with five Lost Time Injuries in 2021-2022. Council's LTI performance is shown in blue in the table below, using data sourced from the Local Government Association Workers' Compensation Scheme (LGAWCS) Claim Analysis Portal. This chart measures Council's LTI performance against similar councils.



LTIFR compared against group A councils



People and culture

The City of Marion had 360 full-time equivalent staff as at 30 June 2023. The following people initiatives/programs were delivered:

Employment pathways initiatives

Gap Year Program

Marion Council's GAP Year Program provides an employment pathway for Year 12 school leavers within the City of Marion. It is an initiative designed to provide unique, extended and valuable work experience to students in the year following their graduation from high school. Recruited to work in council, school leavers undertake work experience over a year of paid employment, in both the administrative and outside workforces doing real work and contributing to community outcomes.

By the end of 2023, thirteen young people will have successfully completed the GAP Year Program since its commencement in 2017. Feedback from GAP Year Program participants overwhelmingly indicates that the program has provided multiple opportunities to develop specific skills, gain a better understanding of business disciplines and functions, and develop self-confidence in a professional setting.

Council recently endorsed the continuation of the program until the end of 2026.

Diversity and Inclusion Traineeship Program

This program is in the fourth year of implementation and won a Local Government Professionals Excellence Award in 2021. The program is an initiative developed to foster a diverse, inclusive and multi-skilled workforce.

Each participant undertakes a certificate qualification that is completed during their 12-month placement with the City of Marion, thus providing learning and employment pathway opportunities for young people from diverse backgrounds.

The Diversity and Inclusion Traineeship Program targets three key areas:

- Aboriginal and Torres Strait Islander;
- Culturally and Linguistically Diverse; and
- Disability.



Each trainee gains valuable work experience and confidence. They contribute to council projects, priorities, and outcomes, and develop key transferable skills in a supported environment.

The success of the program is evident in our trainees gaining employment with a variety of organisations following the completion of their traineeships. Council recently endorsed the continuation of the program until the end of 2026.

Employee interstate travel

Position	Reason	Travel	Accommodation	Gifts
Unit Manager Asset Solutions	IPWEA International Asset Management Congress	N/A	\$699.84	\$0
General Manager Corporate Services	Leading Innovation Summit 2023	\$502.83	\$380	\$0
Manager Office of the CEO	Leading Innovation Summit 2023	\$533.12	\$340	\$0
Manager Office of the CEO	ALGA Conference	\$332.19	\$398	\$0
Unit Manager Organisational Development	Learning and Development Leadership Summit	\$868	\$579	\$0
Learning and Development Partner	Learning and Development Leadership Summit	\$868	\$579	\$0
Traffic Engineer	Road & public space lighting workshop	\$751	\$517	\$0
Community Development Officer	Power to the People: Building Citizen Driven Communities Conference	\$850	N/A	\$0
Coordinator Coastal Walkway	Coastal Engineering International Conference	\$550	N/A	\$0
General Manager City Development	Holmes Dyer Building Better Communities Sydney Study Tour	\$535	\$585	\$0
Manager City Property	Holmes Dyer Building Better Communities Sydney Study Tour	N/A	\$625	\$0

Diversity and inclusion

City of Marion is committed to diversity, equity and inclusion initiatives that broaden our talent pool and strengthen our decision making. We aim to create a working environment for our employees to thrive while delivery outcomes for our community. People and Culture have designed a strategic roadmap to ensure we continue to proactively plan, implement and measure our programs and build greater diversity, equity and inclusion across our workforce.

Disability access and inclusion plan (DAIP)

The Disability Access and Inclusion Plan (DAIP) demonstrates how the City of Marion promotes the rights of people living with a disability, working towards ensuring all people enjoy the same access and inclusion experience within our community. The DAIP has successfully delivered over 90 percent of the planned actions and is on track to complete all actions by June 2024.

Volunteer program

Our volunteer program provides a diverse group of volunteers with opportunities to realise a positive contribution to our community. During 2022-2023 our City of Marion volunteers contributed an impressive 33,097 hours of their time to the community.

A regular intake of new volunteers over the year has resulted in 340 passionate and committed people volunteering their time to support the City of Marion community. The results from the Annual Volunteer Survey are highly encouraging:

- 98 per cent of volunteers agree they were satisfied with their volunteer role and experience
- 100 per cent of volunteers believe their contributions make a difference
- 96 per cent feel happier after volunteering
- 82 per cent are satisfied with the coordination, support and communication provided by the City of Marion Volunteer Coordinators

The City of Marion continues to work to ensure the Volunteer Program keeps developing and has a positive impact on those participating in the program and the broader community.

As part of National Volunteer Week held on 15 to 21 May 2023, we celebrated our City of Marion volunteers with a special event held at Cooina Neighbourhood Centre to acknowledge and recognise the incredible work of our volunteers. We also had two volunteers with over 30 years of service.

Learning and development

Our corporate training programs have included a re-branded leadership program called CoMLeaderConnect which has delivered Leadership Essentials quarterly training to support and build on our leadership capabilities. We have continued our 'Emerging Leader in the Field' program in Operations with employees supported with accredited leadership and project management programs in Open Space and Civil.

LG Professional SA Awards

In May, our Local Government Management Challenge Team, 'Marion at First Sight', competed against 16 councils and won the state competition. They will go on to compete in the Nationals in August facing teams from all other states and New Zealand.

Reconciliation Action Plan

The City of Marion has been long committed to reconciliation efforts and were one of the first South Australian Councils to adopt a RAP in 2013. The current 2020-2023 Reconciliation Action Plan (RAP) includes significant, tangible and meaningful actions and activities that the organisation and community can achieve together to advance reconciliation. The City of Marion has delivered over 95 percent of intended actions and is now working on the next RAP to continue building upon efforts to support reconciliation.

Senior Executive Officer information

The City of Marion had three General Managers in addition to a Chief Executive Officer throughout the 2022-2023 financial year. The salary packages included 10.5 per cent superannuation and the option for the use of a motor vehicle which allowed for private use within South Australia on a salary sacrifice basis. Available benefits for each General Manager include the reimbursement of telephone expenses and the payment of memberships to professional bodies. No additional bonuses were payable.

Position	Female	Male	Salary Range
Chief Executive Officer		1	\$318,085
General Managers	1	2	\$240,000 - \$251,061



Community safety

Local nuisance and litter control

The provisions of the *Local Nuisance and Litter Control Act 2016* (the Act) came into operation on 1 July 2017. The Act regulates council's management of nuisance and litter-related complaints. In addition, council must publish the details of various complaints received from the community within the 2022-2023 financial year.

During the 2022-2023 financial year, the City of Marion received 2559 local nuisance complaints, which is an increase of 1513 more cases investigated than the previous financial year.

The table below identifies the nature of complaints received within the 2022-2023 financial year in accordance with section 5 of the Local Nuisance and Litter Control Regulations.

Nuisance Type	Number of complaints	Offences expiated	Offences prosecuted	Abatement notices issued	Applications by the council to the Court for orders for civil penalties under section 34	Other functions performed - \$18 exemptions
Smoke	78	0	0	0	0	0
Noise	170	11	0	0	0	28
Odour	43	0	0	0	0	0
Animal	40	1	0	0	0	0
Dust	59	0	0	0	0	0
Unsightly	204	0	0	6	0	0
Littering	1965	11	1	0	0	0
Totals	2559	23	1	6	0	28

Type of complaint/investigation	Number
Temporary signs and banners	19
Sale of produce	6
Activities on council land	19
Exceeding number of dogs	10
Keeping a prescribed animal (effective 1 Jan 23)	19
Cat nuisance	55
Cat curfew breaches (effective 1 Jan 23)	57
Exceeding number of cats	12
Miniskip and container permits	35
Complaints on council land	84
Total	316

Council investigated 316 complaints about the by-laws. The nature of complaints received are displayed above.

Council's by-laws

By-laws are local laws that a Council can create to enable the good rule and government of the local community, and they set out what can and can't be done in a range of situations and under a range of circumstances. Council enforces the by-laws through a range of measures including, advising breaches of the by-laws must cease and taking enforcement action via issuing warnings or expiation notices.

From 1 January 2023 the City of Marion's cat curfew became effective under by-law No. 6 Cats 2021. An education period was given to the community prior to this by-law being introduced requiring residents to keep their cats contained between the hours of 8pm and 7am daily. Permission to keep prescribed animals (peacocks and roosters) also became effective as of 1 January 2023 after an education period was initiated for this new by-law. Council's Register of By-Laws can be found via the City of Marion website.



Council's Authorised Officers issued four expiations for breaches under the by-laws as per the table below:

Expiation type	Number
Keep more than two cats	1
Cat not confined between 8pm and 7am	1
Keeping a prescribed animal (effective 1 Jan 23)	1
Light any fire	1
Total	4

Council can also receive applications from residents requesting to keep additional dogs, cats, roosters and peacocks. The number of applications that we assessed is reflected in the table below:

Application type	Number
Additional dog	126
Additional cat	34
Permission to keep a prescribed animal (effective 1 Jan 23)	2
Total	162

Our by-laws are also reviewed and improved

The below by-laws came into operation on 27 December 2021 and the significant changes of the cat curfew and permission to keep roosters and peacocks became enforceable on 1 January 2023.

- Permits and Penalties By-law No. 1
- Moveable Signs By-law No. 2
- Local Government Land By-law No. 3
- Dogs By-law No. 4
- Roads By-law No. 5
- Cats By-law No. 6
- Animal Management By-law No. 7.

The Animal Management By-law is a new by-law to prevent and manage nuisance caused by animals or birds. Under the by-law, a rooster or peacock are prohibited without a permit.

The Cats By-law provides that the owner or person responsible for the control of a cat must ensure that the cat is confined at all times to the premises occupied by that person between the hours of 8pm and 7am daily.

Community safety activity

Our Community Safety Inspectors are authorised under the *Local Government Act 1999, Dog and Cat Management Act 1995* and the Australian Road Rules to enforce a broad range of matters within the City of Marion.

In 2022-2023, in addition to the 2559 local nuisance events, the inspectors handled 8345 cases which is an increase of 1633 cases from last financial year. Community Safety Inspectors also issued 11,349 expiations to assist in keeping our community safe, which is an increase of 3359 from last financial year.

The City of Marion encourages responsible dog ownership. There are many occasions where our Community Safety Inspectors have intervened to keep both humans and animals safe and the data is displayed in the table below:

Case type	Number
Barking dog reports	183
Dogs wandering at large	355
Dog harassments on both human and animal	16
Dog attacks on human and animal	36
Dog not registered	190
Total	780

A broad range of activities and use of our facilities, keep our Community Safety Inspectors busy. City of Marion's Top 10 categories for customer events in 2022-2023 are displayed in the table below:

Case type	Number
Littering	1,965
Parking complaints	1566
Parking appeals	1116
Overhanging vegetation	928
Abandoned vehicles	456
Dogs wandering	355
Unightly properties	204
Dogs not registered	190
Noise complaints	170
Smoke complaints	78

As a result of the Community Safety Activity above, the following expiations were issued in accordance with *Local Government Act 1999, Dog and Cat Management Act 1995* and the Australian Road Rules (among others) and Council's By-Laws.

Total expiations issued during 2021-2022

Total number of expiation notices	Original penalty amount
11,349	\$1,192,589

A breakdown of categories for expiations are displayed in the table below:

Expiation category	Total number	Number
Parking	11,072	\$1,119,203
Dogs	232	\$54,680
Local nuisance	23	\$9,100
Fire prevention	18	\$8,356
Local government	4	\$1,250
Total	11,349	\$1,192,589



Asset management

The City of Marion has an Asset Management vision:

'To maintain the City of Marion's assets to agreed levels of service which maximise community value throughout an asset's life.'

Our assets enable the provision of services to the community and businesses for current and future generations. Assets play a vital role in the local economy and on residents' quality of life.

A significant portion of Council's annual spend is devoted to the operation, maintenance and renewal of public assets which deliver safe and sustainable

services to the community. We are delivering eight 10-year Asset Management Plans which are funded through the Long Term Financial Plan.

Council will continue to optimise our spending on these through better asset management to deliver current service levels in the most affordable and efficient way. Council recognises that climate change is likely to affect asset life and functionality. We are exploring ways to build asset resilience in response to climate impacts.

We own and manage over \$1 billion of assets



Artworks, Culture and Heritage



Fleet, Plant and Equipment



Buildings and Structures



Coastal Walkway



Open Space



Stormwater



Water Treatment and Resources



Transport

Risk

The City of Marion is committed to the achievement of its strategic objectives and 'improving our residents quality of life; continuously, smartly and efficiently'. We acknowledge that we must take on board and accept risk to gain benefit to improve our quality of life across the city. To manage this risk, a suite of documents has been developed, maintained and implemented. These include:

- Risk Management Policy
- Risk Management Framework
- Strategic and Corporate Risk Register.

These documents, in conjunction with our risk management program, provide assurance that the

City of Marion are able to manage corporate risk effectively in accordance with ISO31000:2018 'Risk Management - Guidelines'.

The Risk Registers listed above, are reviewed on a quarterly basis whereby any current risks rated as high have additional scrutiny placed on them, involving actions to mitigate the risk. The Risk Unit continued to manage the City of Marion's Business Continuity Plan throughout 2022-2023 as Council responded to and managed the impacts of COVID-19 on business operations and the community. Overall performance of the City of Marion's risk ensures that Council is able to achieve its strategic goals.

Financial Information

Brief overview of financial performance

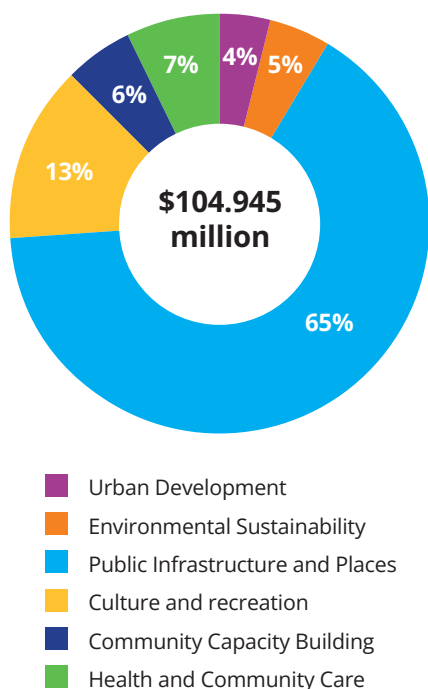
The City of Marion maintained its strong financial performance during the 2022-2023 financial year providing a sound financial basis to support council's long-term objectives identified in the Strategic Plan. Below is a snapshot of council's financial performance for 2022-2023.

Council maintained its strong commitment to minimise the financial rate burden while continuing to deliver significant infrastructure projects. To this end, the rates increase was held to an average of 2% in 2022-2023 on the back of a 1% increase in average rates for the 2021-2022 financial year.

Council recorded a minor operating deficit of \$0.314m in 2022-2023 and has achieved an average operating surplus for the past 5 years of 4.0%. Maintaining an operating surplus is critical to ensuring all core services are delivered along with maintaining the \$1.2b of community facilities, infrastructure and open space assets under council's control in accordance with our Asset Management Plans. This result is also necessary to ensure council's ability to fund major projects identified in the Long Term Financial Plan. The following information highlights key aspects of the full Financial Statements contained further in the Annual Report:

- recorded an operating deficit of \$0.314m while holding the average rates to a 2% increase in 2022-2023
- attracted \$9.899m in grant funding to support council's operating activities
- attracted an additional \$9.087m in grant funding largely linked to new and upgraded community infrastructure and sporting facilities
- \$104.631m in operating revenue with 81% coming from rates, up from 80% in 2021-2022
- \$104.945m operating expenditure (see diagram below).

Total operating expenditure



Function	Expenses
Development	
Urban Development	\$4.775m
Environment	
Environmental Sustainability	\$5.1m
Infrastructure	
Public Infrastructure and Places	\$68.309m
Community	
Culture and Recreations	\$13.433m
Community and Capacity Building	\$5.845m
Health and Community Care	\$7.483m
Total	\$104.945m



Financial management

The City of Marion maintains a strong financial position, providing a sound basis to support councils long-term objectives as identified in the Strategic Plan. The following information highlights income and expense streams with ratios provided as a mechanism to measure alignment with council's budget targets.

Statement of comprehensive income

The Statement of Comprehensive Income details council's revenue and expenses for the reporting period and reveals an operating deficit (before capital revenues and contributed assets) of \$0.314m for 2022-2023 compared to an operating surplus of \$0.542m for 2021-2022.

Operating income

Total operating income for 2022-2023 was \$104.631m compared to \$102.422m in 2021-2022. The increase of \$2.209m primarily results from a required increase in rates revenue of \$2.451m and an increase in user charges of \$0.985m offset by a reduction in grants, subsidies and contributions revenue of \$1.843m. The rate revenue increase relates to the 1% underlying growth in ratable properties and an average rate increase of 2% (well below underlying CPI). Council's income also reflects a net gain from its share in the regional subsidiary SRWRA of \$0.645m for 2022-2023.

Operating Expenses

Total Operating Expenses for 2022-2023 were \$104.945m compared to \$101.88m in 2021-2022. The increase in costs of \$3.065m (3.0%) was modest in the 2023 inflationary environment and primarily relates to an increase in employee expenses linked to Enterprise Agreements and Superannuation Guarantee contributions in addition to Council-endorsed positions to support operations. Materials, contracts and other expenses experienced a reduction of \$0.512m despite the cost pressures associated with the economic climate. This resulted from

strategic management of supply contracts and the conclusion of expenditure in 2022-2023 relating to digital transformation projects. Council incurred total expenditure by way of credit cards in 2022-2023 of \$0.269m.

Capital revenues and contributed assets

The Statement of Comprehensive Income also reports \$9.087m for 'Amounts Received Specifically for New or Upgraded Assets'. This income recognises the attraction of state and commonwealth capital grant funding for multiyear major projects including the Alternative Water Supply, Coastal Walking Trail Bridges, Mitchell Park Sports and Community Club and Sports and Recreation lighting upgrades along with several smaller new infrastructure and facility related projects. This income also reflects additional Local Roads and Community Infrastructure Grant funding of \$3.48m.

Statement of Financial Position

The Statement of Financial Position provides details of council's assets, liabilities and equity as at 30 June 2023. The majority of council's assets relate to community property and infrastructure assets (roads, paths, drainage, etc.).

Infrastructure, Property, Plant and Equipment (IPP&E)

Council's IPP&E decreased by 5.04% compared to 2021-2022 with much of the movement stemming from the revaluation of infrastructure assets. Other movements related to net asset additions of \$15.497m and depreciation of \$17.732m across all asset classes. The table below identifies the gross movements in council's non-current assets.

	2023 \$'000	2022 \$'000	Increase \$'000
Infrastructure	564,941	641,314	(76,373)
Buildings	143,439	130,923	12,516
Other	429,222	425,778	3,444



Monitoring financial performance and sustainability.

The City of Marion utilises a suite of key financial performance indicators to monitor performance and financial sustainability. The key performance indicator results for 2022-2023 are summarised as follows:

Operating surplus ratio

This ratio expresses the operating surplus/(deficit) as a percentage of total operating revenue. Council has set a target for this ratio of between 0 and 10% on average over any consecutive five year period.

2022-2023	2021-2022	2020-2021
(0.3%)	0.5%	0.3%

The operating surplus ratio has dipped slightly below council's target but is not significantly different to last financial year. While there has been a 2.2% increase in total income, there was a 3.0% increase in total operating expenses including depreciation. Council managed to reduce expenditure on materials contracts and other expenses by 1.13% despite the significant cost pressures experienced in the broader economic environment.

The average operating surplus ratio over the last five financial years is 4% which is well within council's target range. With council's focus on maintaining a balanced or better cash funding position it is necessary that an operating surplus sufficient to support council's capital expenditure requirements is achieved.

Rate revenue ratio

This ratio expresses rate revenue as a percentage of operating revenue. Although this ratio is not a prescribed measure required by the 'Model Set of Accounts' it is a valuable indicator as it highlights the council's reliance on rates as a revenue source and the need for council to seek alternative sources of income. Council's reliance on rates has increased by a modest 1% in 2022-2023. This is largely due to council attracting consistent grants subsidies and contributions along with increased patronage of council facilities generating greater user charges and increased investment income compared to 2021-2022.

	2023	2022	2021
Rate revenue ratio	80%	82%	85%

Working capital ratio

This ratio focuses on the council's liquidity position and assesses council's ability to meet current financial commitments. This ratio needs to be adjusted for restricted assets (eg. unspent specific tied grants that would need to be excluded from council's current assets as council would be restricted from using this cash to meet short term liabilities). It is calculated by dividing current assets (less restricted assets) by current liabilities (less liabilities associated with restricted assets). Council's target for this ratio is between 1.0 and 1.1¹. The utilisation of council's cash, quarantined in reserves for planned projects will continue to lower this ratio in future periods.

	2023	2022	2021
Working capital ratio	1.8	2.0	3.2

Asset renewal funding ratio

Net asset renewal expenditure is defined as net capital expenditures on the renewal and replacement of existing assets and excludes new/upgrade capital expenditure on the acquisition of additional assets. It is calculated by dividing net asset renewal figures by planned asset renewal expenditure. This ratio indicates whether the council is renewing or replacing existing assets at the rate of consumption.

Annual fluctuations result due to the mix of asset renewal and new/upgrade capital expenditure. The ratio of 82% achieved in 2022-2023, while below the target of 90%, reflects deferred expenditure on the vehicle replacement program due to supply constraints and savings achieved against planned expenditure in some capital renewal programs which did not impact the physical renewal targets.

Council's Long Term Financial Plan (LTFP) is budgeted to achieve an average Asset Renewal Funding Ratio of 100% over the next three years and over the 10 year term of the LTFP.

	2023	2022	2021
Asset renewal funding ratio	82%	78%	86%

Borrowings

In assessing the council's financial position, it is appropriate to consider liabilities in relation to borrowings. Borrowings are required from time to time to finance strategic long-term assets for the orderly development of the city. Council's total borrowings at 30 June 2023 were \$2.687m – a net decrease of \$0.876m over the level of borrowings in June 2022. No new borrowings were required to be taken out during the 2022-2023 year.

Key debt ratios

The following indicators are used to monitor the council's performance in relation to its current level of debt.

Net Financial Liabilities ratio

This ratio indicates the extent to which net financial liabilities of the council can be met by councils' total operating revenue and is calculated by dividing the former by the latter. The result below highlights council's Financial Assets exceed its Financial Liabilities predominantly as a result of a cash holding and other financial assets allocated for unexpended grants and committed funding for capital projects carried over or retimed to 2023-2024 and beyond. The council also retains sufficient cash reserves quarantined for multi-year major projects currently in progress and funding for planned major projects and long-term asset management objectives.

	2023	2022	2021
Net financial liabilities ratio	(9.5%)	(11%)	(34%)

Interest cover ratio

Net interest costs are defined as total interest expenses less total interest revenues. This ratio shows the extent to which council's commitment to interest expenses are met by total operating revenues. Small negative ratios have been recorded for the past six years reflecting interest revenues being greater than interest expenses.

	2023	2022	2021
Interest coverage ratio	(0.9%)	(0.1%)	(0.2%)

1. Council's cash flow is in a good position to undertake day to day operations, along with having sufficient cash to cover the balances in its Accounting Reserves. Council's cash reserves quarantined for ongoing multi-year and future major projects and long term asset management objectives have impacted on this ratio.

Debt servicing ratio

This ratio shows the council's ability to service its debt obligations from operating revenues, with the target set between 0 and 10%. The ratio confirms that the council has a low and reducing debt holding and is well positioned for the future borrowing outlined in the Long Term Financial Plan. The 1.05% (diminishing) result is trending well below the maximum target of 10% as illustrated in the table below.

	2023	2022	2021
Debt servicing ratio	1.05%	1.08%	1.28%

Statement of Changes in Equity

The Statement of Changes in Equity reconciles the opening and closing balances of council's equity over the reporting period. The balance of equity represents council's net worth of \$1,174.7m as reflected in the Statement of Financial Position.

Cash Flow Statements

The Cash Flow Statement details the cash movements for the year and reconciles with Note 11 of the Annual Financial Statements. The Statement indicates an increase in Cash, Cash Equivalents and Investments of \$2.592m compared to 30 June 2022. As previously mentioned, a sizable portion of the cash position is committed to unexpended grants, carryovers and retimed capital works. Council also retains sufficient cash reserves quarantined for future major projects and long term asset management objectives.

Reserve funds

A review of the balances of these reserves indicates that they are at a level sufficient to meet their purpose and intent as listed in Note 9 Reserves of the Annual Financial Statements. Council's current reserve funds include:

Grants and carryovers reserve: \$19.261m

This consists of controlled grant, contribution and council funds for projects and capital works carried over to 2023-2024 or retimed to future years as required.

Open space reserve: \$2.052m

It is considered by management that the current balance of this fund is adequate to meet its intended purpose.

Asset sustainability reserve: \$6.306m

The current balance in this fund is considered to be adequate to provide the council with the funding capacity to manage its long term asset management objectives. Funding in this reserve will contribute to major projects currently in progress including the Marion Cultural Centre Plaza upgrade, the ongoing renewal of the Coastal Walkway and the 12km pipeline extension to the stormwater harvesting scheme.

Water reserve: \$1.159m

This reserve has been established to quarantine revenue received and savings identified from the sale and use of treated stormwater from the Oaklands Wetland to further develop third party supply opportunities.

Long Term Financial Plan (LTFP)

Council has a LTFP focused upon:

- Achieving the City of Marion's Strategic Directions
- Addressing issues arising and opportunities identified from internal audit reviews, service reviews and business excellence assessments
- Maintaining a breakeven or better cash funding position
- Improving the maintenance of assets in accordance with council's Asset Management Plans, with a priority on maintenance before renewal, and/or renewal before new (whichever is more cost effective)
- Reviewing existing services and assets to ensure they meet prioritised community needs
- Approving new Major Projects where it has the identified funding capacity to do so
- Maintaining Council's position for an average residential rate that remains low (in comparison with other metropolitan councils).

City of Marion

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023



General Purpose Financial Statements

for the year ended 30 June 2023

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General Purpose Financial Statements

for the year ended 30 June 2023

Council certificate

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 2023 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.



Tony Harrison
Chief Executive Officer

Date:

28/11/23



Kris Hanna
Mayor

Date:

28/11/23

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Income			
Rates Revenues	2a	84,330	81,879
Statutory charges	2b	2,542	2,348
User charges	2c	3,995	3,010
Grants, subsidies and contributions - operating	2g	9,899	11,742
Investment income	2d	1,157	365
Reimbursements	2e	792	690
Other income	2f	1,271	1,506
Net gain - equity accounted council businesses	19(a)	645	882
Total income		104,631	102,422
Expenses			
Employee costs	3a	42,378	40,134
Materials, contracts and other expenses	3b	44,629	45,141
Depreciation, amortisation and impairment	3c	17,732	16,334
Finance costs	3d	206	271
Total expenses		104,945	101,880
Operating surplus / (deficit)		(314)	542
Physical resources received free of charge	2i	727	1,396
Asset disposal and fair value adjustments	4	(382)	(1,384)
Amounts received specifically for new or upgraded assets	2g	9,087	6,259
Net surplus / (deficit) ¹		9,118	6,813
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	(58,179)	37,042
Changes in Revaluation Surplus - Equity Accounted Council Businesses	19	—	346
Total other comprehensive income		(58,179)	37,388
Total comprehensive income		(49,061)	44,201

(1) Transferred to Statement of Changes in Equity

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

City of Marion

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	26,631	24,639
Trade and other receivables	5b	6,512	5,279
Other financial assets	5c	3,000	2,400
Inventories	5d	678	500
Total current assets		36,821	32,818
Non-current assets			
Equity accounted investments in council businesses	6a	8,501	7,855
Other non-current assets	6b	18,725	6,659
Infrastructure, property, plant and equipment	7	1,137,602	1,198,015
Total non-current assets		1,164,828	1,212,529
TOTAL ASSETS		1,201,649	1,245,347
LIABILITIES			
Current liabilities			
Trade and other payables	8a	16,830	11,029
Borrowings	8b	929	876
Provisions	8c	6,722	6,346
Lease Liabilities	8d	6	10
Total current liabilities		24,487	18,261
Non-current liabilities			
Borrowings	8b	1,758	2,687
Provisions	8c	660	594
Lease Liabilities	8d	—	—
Total non-current liabilities		2,418	3,281
TOTAL LIABILITIES		26,905	21,542
Net assets		1,174,744	1,223,805
EQUITY			
Accumulated surplus		434,637	427,628
Asset revaluation reserves	9a	711,329	769,508
Other reserves	9b	28,778	26,669
Total council equity		1,174,744	1,223,805
Total equity		1,174,744	1,223,805

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 2023

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2023					
Balance at the end of previous reporting period		427,628	769,508	26,669	1,223,805
Net surplus / (deficit) for year		9,118	—	—	9,118
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	(58,179)	—	(58,179)
- Share of Gain (Loss) on Revaluation - Equity Accounted Council Businesses		—	—	—	—
Other comprehensive income		—	(58,179)	—	(58,179)
Total comprehensive income		9,118	(58,179)	—	(49,061)
Transfers between reserves		(2,109)	—	2,109	—
Balance at the end of period		434,637	711,329	28,778	1,174,744
2022					
Balance at the end of previous reporting period		403,189	732,120	44,295	1,179,604
Net surplus / (deficit) for year		6,813	—	—	6,813
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	37,042	—	37,042
- Share of Gain (Loss) on Revaluation - Equity Accounted Council Businesses		—	346	—	346
Other comprehensive income		—	37,388	—	37,388
Total comprehensive income		6,813	37,388	—	44,201
Transfers between reserves		17,626	—	(17,626)	—
Balance at the end of period		427,628	769,508	26,669	1,223,805

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

City of Marion

Statement of Cash Flows

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Rates receipts		83,921	82,059
Statutory charges		2,565	2,369
User charges		4,359	3,131
Grants, Subsidies and Contributions (operating purpose)		10,254	10,156
Investment receipts		1,157	365
Reimbursements		863	748
Other receipts		6,160	12,804
<u>Payments</u>			
Finance payments		(206)	(271)
Payments to employees		(42,116)	(41,046)
Payments for materials, contracts and other expenses		(51,385)	(56,484)
Net cash provided by (or used in) operating activities	11b	<u>15,572</u>	<u>13,831</u>
Cash flows from investing activities			
<u>Receipts</u>			
Net disposal of investment securities		–	34,900
Amounts received specifically for new or upgraded assets		15,116	4,153
Sale of replaced assets		1,082	266
Sale of surplus assets		2,415	97
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(9,684)	(9,959)
Expenditure on new/upgraded assets		(21,024)	(34,416)
Net purchase of investment securities		(600)	–
Net cash provided (or used in) investing activities		<u>(12,695)</u>	<u>(4,959)</u>
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(876)	(828)
Repayment of Finance Lease Liabilities		(9)	(117)
Net cash provided by (or used in) financing activities		<u>(885)</u>	<u>(945)</u>
Net increase (decrease) in cash held		<u>1,992</u>	<u>7,927</u>
plus: cash & cash equivalents at beginning of period		24,639	16,712
Cash and cash equivalents held at end of period	11a	<u>26,631</u>	<u>24,639</u>
Additional information:			
plus: investments on hand – end of year	6b	3,000	2,400
Total cash, cash equivalents and investments		<u>29,631</u>	<u>27,039</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 2023

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 30 May 2022

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 Estimates and assumptions

Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

(2) The local government reporting entity

City of Marion is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 245 Sturt Road, Sturt. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Other entities in which Council has an interest but does not control are reported in Note 19.

(3) Income recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2020/21	\$3,046,589	\$2,995,722	\$50,867
2021/22	\$4,601,320	\$3,124,230	\$1,477,790
2022/23	\$5,148,040	\$3,319,025	\$1,829,015

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

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

Construction contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(4) Cash, cash equivalents and other financial instruments

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

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

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

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

(5) Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

(6) Infrastructure, property, plant and equipment

6.1 Initial recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

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

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

Category	Individual Threshold
Infrastructure	\$10,000
Land	n/a
Land Improvements	\$5,000
Buildings	\$10,000
Furniture and Fittings	\$5,000
Equipment	\$5,000
Other	\$5,000

Thresholds are also applied to Aggregated Assets in determining whether the value is considered material.

Category	Aggregate Threshold
Infrastructure	
Reserve Lighting	\$250,000
Reserve Pathways	\$500,000
Buildings	
Bus Shelters	\$1,000,000
Shelters/Gazebos	\$250,000
Fencing	\$500,000
Furniture and Fittings	\$25,000
Equipment	
Irrigation	\$1,000,000
LED Lighting	\$1,000,000
Other	
BBQs	\$250,000
Reserve Furniture	\$500,000
Drink Fountains	\$50,000
Reserve Bollards	\$250,000
Reserve Bins	\$100,000
City Band Instruments	\$100,000
Council Artwork	\$100,000

6.3 Subsequent recognition

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

6.4 Depreciation of non-current assets

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

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.

	Short Life Years	Long Life Years
Furniture & Equipment		
Office Equipment	3 to 10	n/a
Office Furniture	15	n/a
Vehicles and Heavy Equipment	3 to 15	n/a
Other Plant & Equipment	7 to 25	n/a
LED Lighting	50	n/a
Irrigation – Equipment	10	n/a
Irrigation - Pipework	60	n/a
Buildings		
Sub Structure	n/a	80 to 200
Super Structure	40 to 80	n/a
Roofing	40	n/a
Services	40 to 50	n/a
Fitout	30	n/a
Infrastructure		
Sealed Roads – Surface	25 to 40	n/a
Road Base	60 to 100	200
Road Formation	200	n/a
Kerb	70 to 105	200
Footpath – Bitumen/Rubber	20 to 40	60 to 100
Footpath – Concrete	50 to 85	n/a
Footpath – Paved	50 to 85	n/a
Other Road Structures	20 to 100	40 to 80
Traffic Signs	15 to 20	n/a
Bridges	80 to 140	200
Stormwater Pipes Concrete	100 to 175	200
Stormwater Pipes PVC	60 to 100	n/a
Stormwater Pipes Ribloc	60 to 100	200
Junction Boxes	100 to 175	200
Pollutant Traps	100 to 175	200
Box Culverts	100 to 175	200
Headwalls	100 to 175	200
Drainage Pits	100 to 175	200
Other Infrastructure		
Wetland Assets	15 to 100	250
Car Parks	25 to 40	n/a
Lighting	15 to 25	n/a
Recreation Pathways	30 to 40	n/a
Sports Floodlights	25	n/a
Other Assets		
Playground Equipment	20	n/a
Reserve Furniture	25	n/a
Band Instruments	30	n/a
Civic Art Structures	15 to 80	n/a

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

6.5 Impairment

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

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

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

6.6 Borrowing costs

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

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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

(9) Employee benefits

9.1 Salaries, Wages & Compensated Absences

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

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

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Fund. The Fund has two types of membership, each of which is funded differently. Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

(10) Leases

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

Council as a Lessee

Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

Council recognises the right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of the costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight line basis over lease term.

The right-of-use asset is also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, Council recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. In calculating the present value of the lease payments the council uses the interest rate implicit in the lease.

iii) Short term leases and leases of low value assets

Council applies the short-term lease recognition exemption to its short term leases (i.e. a lease term less than 12 months from commencement date). Council also applies the low-value assets recognition exemption to leases that do not meet the underlying asset capitalisation threshold. These leases are recognised as an expense on a straight line basis over the lease term.

(11) 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.

(12) GST implications

In accordance with UIG Interpretation 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.

(13) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to Australian Accounting Standards – AASB 2020-3: Annual Improvement 2018-2020 and Other Amendments

Council adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2020-6: Amendments to Australian Accounting Standards – Classification of Liabilities as Current and Non-Current

AASB 2020-6 defers the effective date for applying the requirements added to AASB 101 in AASB 2020-1 from annual reporting periods beginning on or after 1 January 2022 to annual reporting periods beginning after 1 January 2023, with earlier application permitted.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

The adoption of the amendment did not have a material impact on the financial statements.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, these standards have not been adopted by Council and will be included in the financial statements on their effective date. The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Council.

Effective for annual report periods beginning on or after 1 January 2023.

AASB 2022-6: Amendments to Australian Accounting Standards – Non current Liabilities with Covenants.

Effective for annual report periods beginning on or after 1 January 2024.

AASB 2022-5: Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

Effective for annual report periods beginning on or after 1 January 2025.

AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an investor and its Associate or Joint Venture

Council has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective and concluded that they will not have a material in the financial statements.

(14) 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.

(15) Disclaimer

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

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income

\$ '000	2023	2022
(a) Rates Revenues		
General rates		
General rates	84,416	81,912
Less: mandatory rebates	(2,316)	(2,316)
Less: discretionary rebates, remissions and write-offs	(159)	(35)
Total general rates	81,941	79,561
Other rates (including service charges)		
Regional Landscape Levy	2,098	2,057
Total other rates (including service charges)	2,098	2,057
Other charges		
Penalties for late payment	291	261
Total other charges	291	261
Total rates	84,330	81,879
(b) Statutory charges		
Planning and Development Fees	1,098	978
Health and septic tank inspection fees	52	—
Animal registration fees and fines	578	599
Parking fines / expiation fees	797	771
Other licences, fees and fines	17	—
Total statutory charges	2,542	2,348
(c) User charges		
Hall and equipment hire	326	345
Sales - general	1,193	593
Sundry	844	881
Admission Fees	775	560
Rental Income	857	631
Total user charges	3,995	3,010
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	1,157	365
Total investment income	1,157	365

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(e) Reimbursements		
Private works	196	286
Other	596	404
Total reimbursements	792	690
(f) Other income		
Sundry	443	272
Donations & Contributions income	356	459
Labour Recovery	336	656
Insurance and other recoupments - infrastructure, property, plant and equipment	136	119
Total other income	1,271	1,506
(g) Grants, subsidies and contributions		
Local Roads and Community Infrastructure Phase 2	3,485	1,239
Alternative Water Supply	1,740	–
Coastal Walking Trail - New Bridges	1,107	–
Mitchell Park Sports and Community Club	502	1,230
Plympton Park Land	402	–
Sam Willoughby International BMX Facility	375	1,280
Sport and Recreation Lighting Upgrades	342	–
Cove Sports and Community Club Upgrade	251	–
Coastal Walking Trail Toilet	180	–
Ballara Park Reserve	177	–
Maldon Reserve Toilet	120	–
Edwardstown Oval Digital Screen	110	–
Woodend School Wombat Crossing	90	–
Majors Road Footpath (South Rd to Adams Rd)	80	–
Other Amounts Received Specifically for New or Upgraded Assets	126	680
Southern Soccer Facility	–	1,029
Hugh Johnson Boulevard Reserve	–	801
Total	9,087	6,259
Other grants, subsidies and contributions		
Financial Assistance Grants	5,148	4,601
Home and Community Care Grants	2,098	2,633
Roads to Recovery	845	976
Library Services	313	278
Family and Community Development	285	278
Food Waste Recycling Program	–	563
Coastal Walking Trail - Pathway Renewal	–	1,193
Other grants, subsidies and contributions	1,210	1,220
Total other grants, subsidies and contributions	9,899	11,742
Total grants, subsidies and contributions	18,986	18,001

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

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(i) Sources of grants		
Commonwealth Government	12,610	8,030
State Government	5,934	9,765
Other	442	206
Total	18,986	18,001

(ii) Individually significant items

Grants Commission - Financial Assistance Grant recognised as income	5,148	4,601
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2023: In June 2023, Council received full payment for the 2023/24 Grants Commission Financial Assistance Grants.

2022: In April 2022, Council received part payment for the 2022/23 Grants Commission Financial Assistance Grants. This payment was adjusted for minor reconciling amounts relating to the 2021/22 Grants Commission payment received in May 2021.

\$ '000	2023	2022
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(h) Conditions over grants and contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

Unexpended at the close of the previous reporting period	4,191	8,186
Less:		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Other	(2,793)	(7,831)
Subtotal	(2,793)	(7,831)
Plus:		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Other	8,299	3,836
Subtotal	8,299	3,836
Unexpended at the close of this reporting period	9,697	4,191
Net increase (decrease) in assets subject to conditions in the current reporting period	5,506	(3,995)

(i) Physical resources received free of charge

Roads, bridges and footpaths	727	1,396
Total physical resources received free of charge	727	1,396

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 3. Expenses

\$ '000	Notes	2023	2022
(a) Employee costs			
Salaries and wages		33,835	32,841
Employee leave expense		4,767	4,004
Superannuation - defined contribution plan contributions	18	3,615	3,213
Workers' compensation insurance		1,104	944
Less: capitalised and distributed costs		(943)	(868)
Total operating employee costs		42,378	40,134
Total number of employees (full time equivalent at end of reporting period)		382	387
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		28	28
Bad and doubtful debts		3	95
Elected members' expenses		377	370
Operating lease rentals - cancellable leases		123	290
Subtotal - prescribed expenses		531	783
(ii) Other materials, contracts and expenses			
Contractors		22,095	23,551
Maintenance		4,598	4,187
Parts, accessories and consumables		3,726	4,720
Infrastructure Contributions & Community Grants		2,093	2,491
Sundry		1,405	1,564
Levies Paid to Government - Regional Landscape Levy		2,089	2,057
Levies - other		224	136
Energy		1,855	1,478
Professional services		3,576	1,741
Insurance		738	669
Memberships & Subscriptions		556	437
Legal expenses		240	359
Printing & Postage		322	276
Bank Fees & Charges		38	184
Library Materials		192	184
Telecommunication Charges		186	174
Fringe Benefits Tax		109	113
Advertising		56	37
Subtotal - Other material, contracts and expenses		44,098	44,358
Total materials, contracts and other expenses		44,629	45,141

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 3. Expenses (continued)

\$ '000	2023	2022
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	4,227	3,746
Infrastructure	9,624	8,992
- Other	1,433	1,193
Right-of-use assets	12	130
Plant and equipment	1,483	1,416
Furniture and fittings	106	84
Intangible Assets	37	54
Other assets	810	719
Subtotal	17,732	16,334
<u>Total depreciation, amortisation and impairment</u>	<u>17,732</u>	<u>16,334</u>

(d) Finance costs

Interest on loans	203	271
Charges on Finance Leases	3	—
<u>Total finance costs</u>	<u>206</u>	<u>271</u>

Note 4. Asset disposal and fair value adjustments

\$ '000	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	1,082	266
Less: carrying amount of assets sold	(2,925)	(1,676)
Gain (loss) on disposal	(1,843)	(1,410)
(ii) Assets surplus to requirements		
Proceeds from disposal	2,415	97
Less: carrying amount of assets sold	(954)	(71)
Gain (loss) on disposal	1,461	26
<u>Net gain (loss) on disposal or revaluation of assets</u>	<u>(382)</u>	<u>(1,384)</u>

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 5. Current assets

\$ '000	2023	2022
(a) Cash and cash equivalent assets		
Cash on hand and at bank	131	839
Short term deposits and bills, etc.	26,500	23,800
<u>Total cash and cash equivalent assets</u>	<u>26,631</u>	<u>24,639</u>

(b) Trade and other receivables

Rates - general and other	2,255	1,710
Rates Postponed for State Seniors	38	174
Accrued revenues	212	72
Debtors - general	2,458	1,732
GST recoupment	805	800
Prepayments	744	791
<u>Total trade and other receivables</u>	<u>6,512</u>	<u>5,279</u>

(c) Other financial assets

Other Financial Assets (Term Deposits with over 90 days to maturity)	3,000	2,400
<u>Total Other Financial Assets</u>	<u>3,000</u>	<u>2,400</u>

Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.

(d) Inventories

Stores and materials	678	500
<u>Total inventories</u>	<u>678</u>	<u>500</u>

Note 6. Non-current assets

\$ '000	Notes	2023	2022
(a) Equity accounted investments in council businesses			
Southern Region Waste Resource Authority	19(a)i	8,501	7,855
<u>Total equity accounted investments in Council businesses</u>		<u>8,501</u>	<u>7,855</u>

(b) Other non-current assets

Capital work in progress	18,725	6,659
<u>Total other non-current assets</u>	<u>18,725</u>	<u>6,659</u>

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

\$ '000	Fair Value Level	as at 30/06/22				Asset movements during the reporting period						as at 30/06/23			
		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	3	353,242	–	–	353,242	3,114	–	(737)	–	–	–	355,619	–	–	355,619
Buildings and other structures	3	205,947	–	(75,024)	130,923	3,719	537	(426)	(4,227)	–	12,914	237,742	–	(94,303)	143,439
Infrastructure	3	844,563	–	(203,249)	641,314	1,962	3,192	(811)	(9,624)	–	(71,093)	950,052	–	(385,111)	564,941
Other Infrastructure	3	58,371	–	(14,801)	43,570	1,841	–	(194)	(1,433)	–	–	59,860	–	(16,076)	43,784
Right-of-use assets		–	775	(767)	8	–	9	–	(12)	–	–	–	785	(780)	5
Plant and equipment		–	27,273	(11,164)	16,109	1,015	1,298	(817)	(1,483)	–	–	–	27,489	(11,366)	16,123
Furniture and fittings		–	1,819	(758)	1,061	–	–	–	(106)	–	–	–	1,819	(863)	956
Intangible Assets		1,141	–	(985)	156	–	–	(15)	(37)	–	–	711	–	(606)	105
Other assets	3	16,710	–	(5,078)	11,632	2,625	65	(880)	(810)	–	–	17,731	–	(5,101)	12,630
Total infrastructure, property, plant and equipment		1,479,974	29,867	(311,826)	1,198,015	14,276	5,101	(3,880)	(17,732)	–	(58,179)	1,621,715	30,093	(514,206)	1,137,602
Comparatives		1,379,673	28,315	(278,502)	1,129,486	39,627	9,822	(1,747)	(16,334)	117	37,042	1,479,974	29,867	(311,826)	1,198,015

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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

Information on valuations

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

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

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

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

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques

Other information

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

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

Highest and best use

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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

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.

Fair value hierarchy level 2 valuations: Land is 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 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they 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.

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. A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset. Currently there are no assets that require this treatment.

Buildings & Other Structures

A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2023.

Infrastructure

A comprehensive revaluation of infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) was carried out by independent valuation for this reporting period, 30 June 2023.

A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018 for other infrastructure assets such as car parks, lighting, walking trails and reserve pathways

All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Equipment & Equipment

These assets are recognised on the cost basis.

All other Assets

A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8. Liabilities

\$ '000	2023 Current	2023 Non Current	2022 Current	2022 Non Current
(a) Trade and other payables				
Goods and services	5,784	—	5,652	—
- Grants, subsidies, contributions - operating	451	—	974	—
- Grants and contributions - capital	9,246	—	3,217	—
Accrued expenses - employee entitlements	1,317	—	1,041	—
Accrued expenses - other	7	—	83	—
Other	25	—	62	—
<u>Total trade and other payables</u>	<u>16,830</u>	<u>—</u>	<u>11,029</u>	<u>—</u>

(b) Borrowings

Loans	929	1,758	876	2,687
<u>Total Borrowings</u>	<u>929</u>	<u>1,758</u>	<u>876</u>	<u>2,687</u>

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

(c) Provisions

Employee entitlements (including oncosts)	6,722	660	6,346	594
<u>Total provisions</u>	<u>6,722</u>	<u>660</u>	<u>6,346</u>	<u>594</u>

(d) Lease Liabilities

Lease Liabilities	6	—	10	—
<u>Total other liabilities</u>	<u>6</u>	<u>—</u>	<u>10</u>	<u>—</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 9. Reserves

	as at 30/06/22				as at 30/06/23
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset revaluation reserve					
Land	250,696	—	—	—	250,696
Buildings and other structures	84,875	12,914	—	—	97,789
Infrastructure - Stormwater drainage	96,024	(24,569)	—	—	71,455
Infrastructure - Roads, Bridges and Footpaths	327,774	(46,524)	—	—	281,250
Infrastructure - Other	4,353	—	—	—	4,353
Other assets	5,073	—	—	—	5,073
JV's / associates - other comprehensive income	713	—	—	—	713
Total asset revaluation reserve	769,508	(58,179)	—	—	711,329
Comparatives	732,120	37,388	—	—	769,508

	as at 30/06/22				as at 30/06/23
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Open Space Reserve	2,512	2,635	(3,095)	—	2,052
Grants/Carry Forward Projects Reserve	12,853	19,261	(12,853)	—	19,261
Asset Sustainability Reserve	10,151	61	(3,906)	—	6,306
Water Reserve	1,153	6	—	—	1,159
Total other reserves	26,669	21,963	(19,854)	—	28,778
Comparatives	44,295	5,752	(23,378)	—	26,669

Purposes of reserves

Asset revaluation reserves

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

Open Space Reserve

Purpose - this reserve has been established to account for the following:

- I. set aside open space contributions provided by developers in accordance with the Planning, Development and Infrastructure Act 2016 (conditions may apply)
- II. separate net proceeds associated with Road Closures.
- III. net proceeds associated with disposal of minor land holdings
- IV. funds received from the 'Urban Trees Fund'

Use of Fund - monies can be applied to the development of Open Space facilities as approved by Council and in accordance with the Open Space Policy. Interest revenues earned on contributions provided by developers are transferred to the Fund.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 9. Reserves (continued)

Grants and Carryovers Reserve

Purpose - this reserve was created for:

Grants received in advance - occasionally a funding body has provided untied Grant funds relating to the following financial year(s) in advance. When this has occurred, it has been necessary to transfer these funds to this reserve so that they can be matched against the expenditures planned to be incurred in the next financial year.

Carryovers - typically represents unspent capital and service improvements budgets carried forward to the following financial year.

Use of Fund - monies are utilised in accordance with the original purpose.

Asset Sustainability Reserve

Purpose - this is a reserve fund established to:

I. Primary Purpose – Provide Council with the ability to access sufficient funds to enable it to respond to a major infrastructure failure or fund an infrastructure gap identified in periodic asset audits.

II. Assist Council fund its Long Term Asset Management objectives.

III. Provide a means by which to spread the cost of intergenerational assets thereby reducing the need for borrowings

IV. Provide a means by which Council can strategically plan to maintain its asset base within a long term financial framework.

The Asset Sustainability Reserve will be funded from planned surpluses identified in the Long Term Financial Plan (LTFP).

Use of Fund - Reserve transfers will be controlled by specific Council resolutions or identified as part of the approved annual Strategic Plan and Budget.

Water Reserve

Purpose - this reserve is established to quarantine revenue received and savings identified from the sale and use of treated stormwater from Oaklands Wetland to further develop third party supply opportunities.

Use of Fund - Reserve transfers require approval at Executive level.

Note 10. Assets subject to restrictions

\$ '000	2023	2022
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

Cash and financial assets

Grant funds received in advance	9,621	4,191
Total cash and financial assets	9,621	4,191
Total assets subject to externally imposed restrictions	9,621	4,191

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2023	2022
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(a) Reconciliation of cash

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

Total cash and equivalent assets	5	26,631	24,639
Balances per Statement of Cash Flows		26,631	24,639

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

Net surplus/(deficit)		9,118	6,813
Non-cash items in income statements			
Depreciation, amortisation and impairment		17,732	16,334
Equity movements in equity accounted investments (increase)/decrease		(645)	(882)
Non-cash asset acquisitions		(727)	(1,396)
Grants received for capital programs		(15,116)	(6,259)
Net (gain)/loss on disposals		382	1,384
		10,744	15,994
Add (less): changes in net current assets			
Net (increase)/decrease in inventories		(178)	(189)
Net (increase)/decrease in receivables		(1,233)	2,831
Net increase/(decrease) in other liabilities		(4)	(16)
Net increase/(decrease) in trade and other payables		5,801	(4,597)
Net increase/(decrease) in unpaid employee benefits		442	(192)
Net cash provided by (or used in) operations		15,572	13,831

(c) Non-cash financing and investing activities

Acquisition of assets by means of:

Physical resources received free of charge	2i	727	1,396
Amounts recognised in income statement		727	1,396
Total non-cash financing and investing activities		727	1,396

(d) Financing arrangements

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

Corporate credit cards	150	125
LGFA cash advance debenture facility	11,000	11,000

Council has immediate access to a short-term cash advance debenture facility at variable interest rate borrowings from the Local Government Finance Authority of SA.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12(a). Functions

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

\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Functions/Activities										
Development Assessment	1,260	1,179	4,199	4,573	(2,939)	(3,394)	—	—	—	—
Crime Prevention	1	3	420	393	(419)	(390)	—	—	—	—
Community Support & Development	6,130	5,417	15,163	15,548	(9,033)	(10,131)	2,422	2,821	154,501	150,515
Public & Environment Health	624	736	1,458	1,184	(834)	(448)	481	553	—	—
Community Safety Inspection	1,687	1,411	2,552	2,235	(865)	(824)	—	—	—	—
Public Infrastructure	3,619	5,333	21,454	20,847	(17,835)	(15,514)	2,971	4,832	636,750	700,382
Open Space	1,062	1,120	18,910	18,335	(17,848)	(17,215)	241	198	301,749	298,674
Public Conveniences	1	10	798	664	(797)	(654)	—	—	4,729	3,170
Strategic Projects	77	52	1,489	1,788	(1,412)	(1,736)	18	—	25	52
Asset Management	—	—	—	—	—	—	—	—	16,227	15,236
Neighbourhood Centres	395	340	1,989	1,560	(1,594)	(1,220)	285	285	7,902	7,648
Cultural Development	286	254	4,227	3,600	(3,941)	(3,346)	44	13	19,047	14,308
Libraries	464	589	8,638	8,614	(8,174)	(8,025)	317	362	15,081	13,938
Waste & Recycling	89	110	10,701	10,269	(10,612)	(10,159)	—	—	—	—
Trees	81	53	3,266	2,471	(3,185)	(2,418)	54	20	—	—
Economic Development	99	90	1,074	1,120	(975)	(1,030)	—	—	—	—
Governance	—	—	2,184	2,555	(2,184)	(2,555)	—	—	—	—
Service Quality	1	1	242	163	(241)	(162)	—	—	587	742
Treasury	88,110	84,842	6,181	5,961	81,929	78,881	3,066	2,658	45,051	40,682
Total Functions/Activities	103,986	101,540	104,945	101,880	(959)	(340)	9,899	11,742	1,201,649	1,245,347

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

DEVELOPMENT ASSESSMENT

Building and planning services which ensure that houses are safely constructed and designed and developed in a manner which is sympathetic to the local neighbourhood

CRIME PREVENTION

Services such as graffiti removal and working with other agencies to improve the safety and amenity of the community

COMMUNITY SUPPORT & DEVELOPMENT

Services such as home and community care, youth services, support for volunteers and community transport providing direct support to groups within the community

PUBLIC & ENVIRONMENTAL HEALTH

Services such as food safety and public health inspections, immunisation and enforcement of certain environmental regulations as well as Planning, information, advice and demonstration to promote environmentally sensitive practices by both Council and the community

COMMUNITY SAFETY INSPECTION

Services include dog and cat control, pest control, parking control and the enforcement of by-laws to ensure that the community is safe and orderly

PUBLIC INFRASTRUCTURE

Includes the design, development and maintenance of footpaths, streets, drainage and kerb and water table, as well as street signs, traffic control devices and line-marking ensuring that local neighbourhoods are safe and accessible with good amenity

OPEN SPACE

Parks, reserves, ovals and streetscape development and maintenance providing well maintained public spaces for use by all members of the community

PUBLIC CONVENIENCES

Services such as provision and maintenance of public toilets in close proximity to highly frequented reserves and other open space areas

STRATEGIC PROJECTS

Delivery of Major Projects across the city aimed at providing improved services and facilities for the Community

ASSET MANAGEMENT

Management and maintenance of Council properties enabling them to be utilised by members of the community for various purposes such as meetings, social activities and programs

NEIGHBOURHOOD CENTRES

Providing opportunities for learning and social activities for all ages and interests

CULTURAL DEVELOPMENT

Supporting community involvement in arts and cultural activity and expression, celebrating diversity, indigenous people and those from culturally and linguistically diverse backgrounds. This includes the Marion Cultural Centre and Living Kurna Cultural Centre providing cultural and artistic experiences for the community

LIBRARIES

Three libraries and a delivery service providing opportunities for learning and social activities for all ages and interests

WASTE & RECYCLING

Services including domestic kerbside collection, hard rubbish collection, street sweeping and general litter collection to maintain cleanliness and amenity

TREES

Provision of street trees and revegetation programs to improve amenity and promote, where possible, the use of indigenous plants

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 12(b). Components of functions (continued)

ECONOMIC DEVELOPMENT

Planning and support for existing and potential businesses to assist businesses to adapt to changing circumstance and provide an employment base for the Marion community

ORGANISATION OF EXCELLENCE

To lead in the delivery of the Community Vision, the organisation must maintain its sustainability. This underpins our Corporate Vision of "An Organisation of Excellence". To achieve this, the following essential support services are funded in the budget.

Governance

Elected Member Support

Provision of services which enable Elected Members to undertake their role in making decisions for the Council and community, including Council meetings, elections and council receptions.

Strategic, corporate and sustainability planning and policy development

To ensure that Council is progressing towards achieving the Community Vision 2040 and its strategic social, cultural, and economic and environmental sustainability goals in a transparent and accountable manner, working with our Local, State, and Commonwealth Government partners

Risk management policy, development and internal audit

Activities to ensure that Council is continuously improving its management systems

External relations, communication and community engagement

Enables the community to be appropriately and adequately informed about the activities and decisions of the Council.

Service Quality

Customer Experience

In particular the Customer Service Centre, which enables Council staff to liaise with the community to address issues and concerns directly with Council, as well as provide the community with information and referral to other services provided in the region.

Information Technology

Provides support to Council staff for their technological needs to enable them to contribute towards delivery of the Community Vision as well as access by the community to Council information and services through the internet and email

Information Management

Enables Council to keep adequate and appropriate records of activities and decisions

TREASURY

Including budgeting, rating, accounts management and payroll, which ensure sound and transparent financial management which enables Council to provide adequate services and facilities and appropriately address community needs

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 4.05% and 4.90% (2022: 0.43% and 2.17%). Short term deposits have an average maturity of 105.3 days and a weighted average interest rate of 4.6% (2022: 92 days and 0.41%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

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 5.80% (2022: 5.05%). 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.

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 - interest bearing borrowings

Accounting Policy:

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

Terms & Conditions:

Secured over future revenues, borrowings are repayable over 10 to 15 years; interest is charged at fixed rates between 5.80% and 6.25% (2022: 5.8% and 6.25%).

Carrying Amount:

Approximates fair value.

Liabilities - leases

Accounting policy:

Accounted for in accordance with AASB 16 as stated in Note 17.

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2023					
Financial assets					
Cash and cash equivalents	26,631	—	—	26,631	26,631
Receivables	5,768	—	—	5,768	5,768
Other financial assets	3,000	—	—	3,000	3,000
Total financial assets	35,399	—	—	35,399	35,399
Financial liabilities					
Payables	5,816	—	—	5,816	5,816
Borrowings	1,081	—	—	1,081	929
Non-current borrowings	—	1,659	415	2,074	1,758
Total financial liabilities	6,897	1,659	415	8,971	8,503
Total financial assets and liabilities	42,296	1,659	415	44,370	43,902
2022					
Financial assets					
Cash and cash equivalents	24,639	—	—	24,639	24,639
Receivables	5,279	—	—	5,279	5,279
Other financial assets	2,400	—	—	2,400	2,400
Total financial assets	32,318	—	—	32,318	32,318
Financial liabilities					
Payables	5,783	—	—	5,783	5,783
Borrowings	1,081	—	—	1,081	876
Non-current borrowings	—	2,325	830	3,155	2,687
Total financial liabilities	6,864	2,325	830	10,019	9,346
Total financial assets and liabilities	39,182	2,325	830	42,337	41,664

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

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

\$ '000	2023		2022	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	6.23%	2,687	6.09%	3,563
		<u>2,687</u>		<u>3,563</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. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

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

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

Expected credit losses (ECL)

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

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

Note 14. Capital expenditure and investment property commitments

\$ '000	2023	2022
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Capital commitments

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

Buildings	9,940	1,255
Infrastructure	7,116	2,655
Plant and equipment	1,557	2,093
Other	3,388	581

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 14. Capital expenditure and investment property commitments (continued)

\$ '000	2023	2022
	<u>22,001</u>	<u>6,584</u>
These expenditures are payable:		
Not later than one year	<u>22,001</u>	<u>6,584</u>
	<u>22,001</u>	<u>6,584</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 15. Financial indicators

	Indicator 2023	Indicators 2022	Indicators 2021
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>			
1. Operating Surplus Ratio			
Operating surplus			
Total operating income	(0.3)%	0.5%	0.3%
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	(9)%	(11)%	(34)%
<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>			
Adjusted Operating Surplus Ratio			
Operating surplus			
Total operating income	(2.1)%	(0.9)%	0.2%
Adjustments to Ratios			
<i>In recent years the Commonwealth 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>			
Adjusted Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	(5)%	(8)%	(32)%
3. Asset Renewal Funding Ratio			
Asset renewals			
Targeted Renewal Expenditure	82%	78%	86%
<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>			

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 16. Uniform presentation of finances

\$ '000	2023	2022
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The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

Income

Rates	84,330	81,879
Statutory charges	2,542	2,348
User charges	3,995	3,010
Grants, subsidies and contributions - operating	9,899	11,742
Investment income	1,157	365
Reimbursements	792	690
Other income	1,271	1,506
Net gain - equity accounted council businesses	645	882
Total Income	104,631	102,422

Expenses

Employee costs	42,378	40,134
Materials, contracts and other expenses	44,629	45,141
Depreciation, amortisation and impairment	17,732	16,334
Finance costs	206	271
Total Expenses	104,945	101,880

Operating surplus / (deficit)	(314)	542
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Timing adjustment for grant revenue	(1,829)	(1,478)
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Adjusted Operating surplus / (deficit)	(2,143)	(936)
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Net outlays on existing assets

Capital expenditure on renewal and replacement of existing assets	(9,684)	(9,959)
Add back depreciation, amortisation and impairment	17,732	16,334
Add back proceeds from sale of replaced assets	1,082	266
	9,130	6,641

Net outlays on new and upgraded assets

Capital Expenditure on New and Upgraded Assets	(21,024)	(34,416)
Add back amounts received specifically for new and upgraded assets	15,116	4,153
add back Proceeds from Sale of Surplus Assets	2,415	97
	(3,493)	(30,166)

Annual net impact to financing activities (surplus/(deficit))	3,494	(24,461)
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Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 17. Leases (continued)

Computer and Office Equipment

Council has entered into non-cancellable operating leases for various items of computer and office equipment.

No contingent rentals were paid during the current or previous reporting periods.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

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:

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 17. Leases (continued)

(a) Right of use assets

\$ '000	Right-of-use assets	Total
2023		
Opening balance	8	8
Adjustments to right-of-use assets due to re-measurement of lease liability	10	10
Depreciation charge	(12)	(12)
Impairment of right-of-use assets	—	—
Reclassification to Software as a Service	—	—
Balance at 30 June	6	6
2022		
Opening balance	21	21
Adjustments to right-of-use assets due to re-measurement of lease liability	117	117
Depreciation charge	(130)	(130)
Impairment of right-of-use assets	—	—
Reclassification to Software as a Service	—	—
Balance at 30 June	8	8

(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	2023	2022
Balance at 1 July	10	26
Accretion of interest	3	19
Payments	(16)	(152)
Re-measurement of Lease liability	12	117
Balance at 30 June	9	10
Classified as:		
Current	9	10

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

Council had total cash outflows for leases of \$138,415

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	12	130
Interest expense on lease liabilities	3	19
Expense relating to leases of low-value assets	90	260
Other	33	30
Total amount recognised in profit or loss	138	439

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.5% in 2022/23; 10.0% in 2021/22). 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 2021/22) of "superannuation" salary.

In addition, Council makes a separate contribution of 4.2% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

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

Contributions to other superannuation schemes

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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	
	2023	2022	2023	2022
Council's share of net income				
Joint ventures	645	882	8,501	7,855
Total Council's share of net income	645	882	8,501	7,855

((a)i) Joint ventures, associates and joint operations

(a) Carrying amounts

\$ '000	Principal Activity	2023	2022
Southern Region Waste Resource Authority (SRWRA)	Waste and Recycling	8,501	7,855
Total carrying amounts - joint ventures and associates		8,501	7,855

Southern Region Waste Resource Authority (SRWRA)

The Southern Region Waste Resource Authority was established under Section 43 of the Local Government Act to provide and operate services for the management of waste and waste facilities under its control on behalf of its constituent councils.

The SRWRA owns and operates the Southern Region Waste Disposal Depot on behalf of the Cities of Holdfast Bay, Marion and Onkaparinga.

The City of Marion has an equal voting right and a 30% interest in the assets and liabilities of SRWRA. For the year ended 30 June 2022, the net assets of SRWRA total \$26,185,000. The City of Marion interest, totalling \$7,855,000 is disclosed below.

In 2006 the decision was taken to equity account for this investment due to a change in the operations of the business. Initial balances were brought to account through accumulated surplus.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2023	2022	2023	2022	2023	2022
Southern Region Waste Resource Authority (SRWRA)	30.00%	30.00%	30.00%	30.00%	33.00%	33.00%

Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 19. Interests in other entities (continued)

(c) Movement in investment in joint venture or associate

\$ '000	Southern Region Waste Resource Authority (SRWRA)	
	2023	2022
Opening Balance	7,855	6,627
Share in Operating Result	646	882
Adjustments to Equity - Share of Asset Revaluation	—	346
Council's equity share in the joint venture or associate	8,501	7,855

(d) Joint Operations Expenditure Commitments

Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

\$ '000	2023	2022
(i) Capital expenditures payable		
Committed Projects	—	79
	—	79

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.

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.

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.

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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

3. Bank guarantees

Council currently has no guaranteed loans or other banking facilities advanced to community organisations and sporting bodies at reporting date.

4. Legal expenses

Council is the planning consent authority for its area under the Planning, Development and infrastructure Act 2016 (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 9 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.

5. Legal Matter

Proceedings have been filed in the Supreme Court against 61 Councils in South Australia, including City of Marion. The claim alleges unpaid consultancy fees. A joint defence is being coordinated by the Local Government Association of SA as agent for the Councils. The amount claimed has not been recognised on the basis that an outflow of economic resources to settle it is not viewed as probable at this stage.

Note 22. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2023, 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.

Note 23. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. With council elections held during the year there were seven new Elected Members who commenced in November 2022. In all, 24 persons were paid the following total compensation:

\$ '000	2023	2022
The compensation paid to key management personnel comprises:		
Salaries, Allowances & Other Short-Term Employee Benefits	1,407	1,212
Post-employment benefits	98	80
Total	1,505	1,292

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

Receipts from key management personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received no receipts from Key Management Personnel.



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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of City of Marion

Opinion

We have audited the accompanying financial report of City of Marion (the Council), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of City of Marion.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Council as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

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

Council's responsibility for the financial report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's responsibility for the audit of the financial report

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

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

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner

29 November 2023



INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS

To the members of City of Marion

Opinion

We have audited the compliance of City of Marion (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2022 to 30 June 2023 have been conducted properly and in accordance with law.

In our opinion, City of Marion has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2022 to 30 June 2023.

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 Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2022 to 30 June 2023. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's responsibility for internal controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the *Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Council to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2022 to 30 June 2023. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

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Limitations of controls

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

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

Limitation of use

This report has been prepared for the members of the Council in Accordance with Section 129 of the *Local Government Act 1999* in relation to the internal controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

29 November 2023

General Purpose Financial Statements

for the year ended 30 June 2023

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Marion for the year ended 30 June 2023, the Council's Auditor, Galpins has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Tony Harrison
CHIEF EXECUTIVE OFFICER



Emma Hinchey
PRESIDING MEMBER
FINANCE RISK AND AUDIT COMMITTEE

Date: 9/11/23

CITY OF MARION

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2023

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Marion for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (Including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor

Partner

27 October 2023

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Annual Report to the City of Marion on the operations of the Finance, Risk and Audit Committee for 2022 - 2023

INTRODUCTION

This report provides an overview of the City of Marion Finance, Risk and Audit Committee (the Committee) operations for the 2022-2023 financial year. Clause 4.21 of the Committee's Terms of Reference provides that the Committee shall report annually to the Council summarising the activities of the Committee during the previous year.

During the financial year ending June 30, 2023, the Committee met on six (6) occasions, including one special meeting to consider a range of matters within the functions of the Committee's Terms of Reference.

This report includes a summary on the following matters considered by the Committee:

- Financial Reporting
- Risk Management
- External Audit
- Internal Audit
- Prudential Reports
- Committee Membership and Attendance

FINANCIAL REPORTING

End of Financial Year Reporting

The Committee received the Annual Financial Statements for the year ended 30 June 2022. The Annual Financial Statements demonstrate Council's financial performance, providing a basis for achieving the long-term objectives set out in the Strategic Plan.

In summary, Council achieved an operating surplus of \$0.542m in 2021-22 compared to an operating surplus of \$0.256m for 2020-21. The key factors contributing to the movement in operating surplus were provided to the Committee in an Analytical Review comparing the actual performance against the Adopted Budget.

Budget Reviews

The Committee reviewed the Quarterly Budget Review documents prepared by management and recommended them to Council for adoption. Some of the key points noted below were raised by the Committee:

- Considerations when setting the budget including setting appropriate resources to deliver projects
- Asset Consumption Ratio target appears to be high and suggested the target could be moved, with this to be re-assessed next financial year.

Annual Report to the City of Marion on the operations of the Finance, Risk and Audit Committee for 2022 - 2023

Annual Business Plan and Long-Term Financial Plan

The Committee reviewed the Draft Annual Business Plan and Budget 2022-2023 and Draft Long Term Financial Plan in February 2023 and again after public consultation in May 2023. The Committee provided feedback on the reasonableness, fairness and equity of the potential rating approaches for 2023-2024, including in the context of Council's LTFP and on-going financial sustainability. The Committee also tested some of the assumptions around the proposed KPI's and noted the new initiatives and service improvements incorporated into the Draft ABP 2023-2024 and Draft LTFP. The Committee discussed the proposed rate increase of 5.2% noting the work that had been undertaken to set a rate increase that balances the impact on the community without compromising on operational service or capital project delivery and maintaining a long term financially sustainable position for the City of Marion.

The Committee commented this was a high-risk budgeting year, given the challenging environment, supply chain issues, inflation and CPI and acknowledged the high-quality document that had been produced.

RISK MANAGEMENT

The Council's risk management program continues to be aligned to the ISO31000 Risk Management Standards. The Council continues to commit to further embedding the risk management processes across the Council.

Risk Reports

The Committee received quarterly Corporate Risk review reports. The Corporate Risk review is an internal process undertaken by engaging with the Senior Leadership Team. The review also includes an environmental scan outlining issues that are topical from a risk and opportunity perspective. The organisation's high risks remained reasonably static across the year with 6 or 7 reported each quarter. Key changes to the Corporate Risks included the supply chain risk being elevated to a high risk for the first half of 2022-2023, before being re-rated to a medium risk as the new normal for undertaking business and which is factored into all new projects from the beginning. The Committee noted the good work that has been done on new causes and drivers in relation to the risk for poor data quality and information governance relating to the Digital Transformation Project (DTP).

The Committee also received the bi-annual report on the Strategic Risk Register and annual report on the Fraud Risk Register. All risks have had reasonable updates provided at each review, although the risk ratings have had little movement over 2022-2023.

Annual Report to the City of Marion on the operations of the Finance, Risk and Audit Committee for 2022 - 2023

Business Continuity Program

The Committee noted the Business Continuity Program Annual Report 2021-2022 and provided feedback. It was noted that recent turnover of staff had resulted in a skills gap in the Incident Management Team, however, new staff will be trained and upskilled on the BCP requirements. The Committee suggested that the impact on the loss of access to systems as well as physical incidents be considered for further scenario training. The Committee endorsed an updated Business Continuity Plan in October 2022. At its 20 June 2023 meeting, the Committee received the 2022-2023 Business Continuity Program update, including information about a Business Continuity Exercise that was undertaken prior to the end of the financial year.

Incidents, Claims and Insurance

The Committee received information on incidents, claims and insurance, with details split across each quarter. The Committee noted two significant weather events, occurring in November 2022 and March 2023 which saw spikes in the number of incidents relating to trees, however not resulting in the number of incidents being any higher than previous financial years. The Committee noted incidents at City of Marion properties and the mitigation strategies that have been put in place. The Committee also received updates on the Sam Willoughby International BMX track claim process - which was denied.

AUDIT

External Audit

The Committee met with the External Auditors without management present and discussed the audit process noting that it was a relatively smooth process for their first year. The auditors noted the work they had performed on the asset valuations and the depreciation charges. They observed some delays in receiving initial information but advised staff were very cooperative overall.

The Committee also received the Interim External Audit for the year ending 30 June 2023. Overall, the external auditors found that Council demonstrated a high level of compliance with the implementation of an internal control framework consistent with the principles within the Better Practice Model. During their interim visit they found that the majority of key internal controls reviewed were in place and were operating effectively (92 out of 100 core controls reviewed). The principles underpinning the Better Practice Model were used by the Council in the identification of its business cycles, the establishment of its internal controls and the implementation of its financial risk management process.

Annual Report to the City of Marion on the operations of the Finance, Risk and Audit Committee for 2022 - 2023

Internal Audit

The Committee endorsed the Internal Audit Plan for 2022-2023 at the May 2022 meeting. There were five (5) completed projects for the financial year including:

- Digital Transformation Health Check (Including Human Resources)
- Volunteer Management
- Community Consultation
- Customer Experience
- Cyber Security

An additional Audit was added to the program to review the implementation of recommendations. This was completed in June 2023 resulting in all audits being completed prior to the end of the financial year. The Committee considered the Draft Internal Plan for 2023-25 which is based on current global risk exposures, industry trends, the Council's assurance map and the current corporate risk registers.

The Committee continues to monitor the Digital Transformation Project, the ever-developing cyber risk environment and the current economic environment and the impact it may have on ratepayers and Council.

PRUDENTIAL REPORTS

The following reports were presented to the Finance, Risk and Audit Committee seeking feedback in accordance with Section 48 of the Local Government Act 1999 (the Act) which requires Council to consider a report for any project where the expected capital cost is likely to exceed \$4M (indexed). The Committee provided feedback on each of the projects and whether they had adequately addressed the requirements under the Act prior to endorsement by Council:

- Marion Administration Centre Internal Fit-out Project - Section 48
- Marion Water Business Section 48 Prudential Report; proposed expansion project
- Marino Community Hall Section 48

OTHER ITEMS CONSIDERED INCLUDE:

- *Implementation of Internal Audit Recommendations*
- *Independence of Council's Auditor*
- *Cyber Security Updates*
- *Digital Transformation Program Updates*
- *Australian Service Excellence Standards – Audit Outcome*
- *Work Health and Safety Management System Annual Report*
- *Annual Ombudsman Report*
- *Asset Valuations*
- *City of Marion 2022 Asset Management Maturity Assessment Results*

Annual Report to the City of Marion on the operations of the Finance, Risk and Audit Committee for 2022 - 2023

COMMITTEE MEMBERSHIP AND ATTENDANCE

The committee comprises of three independent members and up to two Council Member Representatives. Following the Local Government Elections and expiry of term for an independent member, there was a change in membership from December 2022. The Membership is outlined below:

July 2022 – November 2022	December 2022 – June 2023
Mrs Emma Hinchey (Chair) Mr David Papa Ms Nicolle Rantanen Councillor Maggie Duncan	Mrs Emma Hinchey (Chair) Mr Josh Hubbard Ms Nicolle Rantanen Councillor Jason Veliskou Councillor Jayne Hoffmann

The table below identifies the term of appointment for each member and the number of meetings attended during 2022-2023

Meeting Date	Emma Hinchey (Chair) 1 Jan 2017 – 30 Nov 2024	David Papa 1 Dec 2019 – 30 Nov 2022	Nicolle Rantanen 1 Dec 2020 – 30 Nov 2023	Mr Josh Hubbard 1 Dec 2022 – 30 Nov 2025	Councillor Maggie Duncan 1 Dec 2021 – 10 Nov 2022	Councillor Jason Veliskou 30 Nov 2022 – 30 Nov 2023	Councillor Jayne Hoffmann 13 Dec 2022 – 30 Nov 2023
16 Aug '22	✓	✓	✓	NA	✓	NA	NA
11 Oct '22	✓	✓	✓	NA	✓	NA	NA
13 Dec '22	✓	NA	✓	✓	NA	✓	NA
21 Feb '23	✓	NA	✓	✓	NA	✓	✓
16 May '23	✓	NA	✓	✓	NA	✓	✓
20 Jun '23 (Special FRAC)	✓	NA	✗	✓	NA	✓	✓

In conclusion, this report indicates that the Committee has undertaken its principle functions as set out in Section 126(4) of the *Local Government Act 1999* which include:

- Reviewing annual financial statements to ensure that they present fairly the state of affairs of the Council
- Proposing, and providing information relevant to, a review of the Council's strategic management plans and annual business plan
- Liaising with the Council's Internal and External auditors
- Reviewing risk management systems and processes across the Council

Annual Report to the City of Marion on the operations of the Finance, Risk and Audit Committee for 2022 - 2023

The body of work undertaken by the Committee is maturing and the Committee is striving to ensure that its work is beneficial in the context of contributing to the City of Marion's strategic objectives.

The Committee would like to thank members and management for their valuable contribution to the work of the Committee for this period. Council is invited to provide any comment or feedback for continuing development of the Committee's operations.

Emma Hinchey

Chair

City of Marion Finance, Risk and Audit Committee



ANNUAL REPORT

2022 to 2023

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 in 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, has completed its second year of operation 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



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CHAIRPERSON'S MESSAGE

We all have a role to play in the management of waste.

At SRWRA this is at the very core of our mission, and I am pleased to share with you the progress we have made and our commitment to creating a sustainable future through responsible waste management practices.

At SRWRA, we take great pride in our journey towards taking increasing responsibility for the management of the waste streams produced by our Constituent Councils and our other customers. We do this from the perspective of seeking the highest and best use of recovered materials, not only for the present but for future generations as well. This is the very foundation on which we have developed an integrated waste management precinct.

While the foundation of our precinct was a modern engineered landfill, which received 90,300 tonnes of waste in the past year, in progressing the development of an integrated waste precinct, we have strategically and consciously aligned ourselves with industry experts to harness the opportunities arising in the rapidly evolving landscape of integrated waste management.

LMS and Joule continue to capture and produce green energy from landfill gas in sufficient quantities to power the equivalent of 3,600 homes.

Through our joint venture with IWS, the Southern Recycling Centre has diverted more than 38,500 tonnes of municipal material from landfill, making a tangible contribution towards the targets set out in the Australian Government National Waste Policy Action Plan which seeks to halve the organic waste sent to landfill by 2030 and to achieve an 80% average recovery rate from all waste streams.

Our Material Recovery Facility, operated with Re.Group, which stands as one of the most advanced recycling facilities in Australia received the Outstanding Facility Award at the 2022 Waste Innovation and Recycling Awards. This facility processed 37,900 tonnes of commingled recyclables from household 'yellow bins,' diverting more than 77% from landfill and extending the life of materials by turning them into valuable products. Our ambition for this facility is to ensure that the output from this facility is of the highest quality, providing a solid platform for the future development of a circular economy industry in the southern region of Adelaide. This ambition has been challenged over the past 12 months as the price of many commodities has plummeted and we are a long way from having a viable circular economy, this needs Commonwealth and State leadership in supporting new industries to develop along with procurement policies which mandate the use of recycled materials in much greater quantities.



For us to achieve the targets set out in the Australian Government National Waste Policy Action Plan, we must all accept our roles and responsibility in the management of waste.

We are making progress towards the target of achieving an 80% average recovery rate from all waste streams, nationally, we currently sit at 63.1% and we have achieved an estimated increase of 2.2 percentage points since 2016/2017. To achieve this we need the right waste in the right bin - up to 30% of all recyclables ends up in the municipal waste bin. At SRWRA we will play our part by working with our Constituent Councils to provide a greater focus on education.

On a national scale, the average waste generated per person stands at 2.95 tonnes and, according to the most recent National Waste Report (2022), this has increased by 3% since 2016/2017 against a target of a 10% reduction. Quite simply we produce too much waste and we can all do something about that.

Despite the challenges of global commodities markets, we continue to maintain highly competitive waste disposal costs and reported an Operating Surplus of \$2.15 million for the year ending June 30, 2023. These surplus funds will support our future investment in waste management activities and our post-closure costs.

None of these accomplishments would have been possible without the dedication and expertise of our outstanding team. Under the accomplished leadership of CEO Chris Adams, they have collectively contributed to SRWRA's success. On behalf of the Board, I extend my heartfelt gratitude to them. I also want to express my thanks to the Board and the Audit & Risk Committee for their unwavering commitment to ensuring that SRWRA fulfills its mission.

In closing, I encourage you to explore our Annual Report for FY2023, which demonstrates our continued dedication to meeting the objectives outlined in our Charter. Together, we can make a meaningful impact on waste management in our region and contribute to a more sustainable future for all.

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 in the 2022 Waste Innovation and Recycling Awards, winning the Outstanding Facility Award, and was recently showcased on the 'War on Waste' Docuseries (Season 3, Episode 1). 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.

SRWRA's green energy precinct continues to grow with the addition of an Anaerobic Digester. The digester is owned and operated by LMS Energy and is part of their ongoing innovation program. The Southern Recycling Centre is supporting this research by providing organic feed stock for the digester trial.

The Authority has continued to provide a cost-effective waste management solution for its Constituent Councils and their communities. The Authority is in a strong financial position with net assets of \$28.3 million.



Over the last 12 months, the Authority invested in the education of school children within our communities through the Les Perry Memorial Grants Program. This year, 15 schools from two Constituent Council areas took part in the Les Perry Memorial Grants Program and received a total of \$9,918 in grant funding to support learning about environmentally responsible waste management.

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

SRWRA is fortunate to have a highly committed and capable Board, led by a highly experienced Chairperson, Mark Booth. The time commitment required of the Board is increasing as SRWRA grows and increases in complexity. I would like to recognise the strong contribution of the Board and 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 2023



MEMBERS



DEPUTY MEMBERS



A kangaroo is sitting in a lush green field in the foreground. In the background, there is a vineyard with rows of grapevines, a communication tower, and a line of trees under a clear blue sky.

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED **30 JUNE 2023**

SOUTHERN REGION WASTE RESOURCE AUTHORITY

General Purpose Financial Report for the financial year ended 30 June 2023

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SOUTHERN REGION WASTE RESOURCE AUTHORITY

Annual Financial Statements for the financial year ended 30 June 2023

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 2023 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: 25/9/2023

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Comprehensive Income for the financial year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
Income			
User charges	2	15,283	10,534
Investment income	2	891	656
Other	2	399	2,309
Net gain - equity accounted Joint Venture	13	1,717	2,988
Total Income		18,290	16,487
Expenses			
Employee costs	3	1,151	951
Finance costs	3	-	1
Materials, contracts & other expenses	3	13,591	11,671
Depreciation, amortisation & impairment	3	1,397	936
Total Expenses		16,139	13,559
Operating Surplus		2,151	2,928
Asset disposal & fair value adjustments	3	-	13
Amounts received specifically for new/upgraded assets		-	-
Net Surplus		2,151	2,941
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	1,153
Total Other Comprehensive Income		-	1,153
Total Comprehensive Income		2,151	4,094

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 2023

	Notes	2023 \$'000	2022 \$'000
Assets			
Current Assets			
Cash and cash equivalents	4	7,816	5,828
Trade & other receivables	4	3,759	2,501
Loan - Related Party	11,13	400	400
Total Current Assets		11,975	8,729
Non-current Assets			
Equity accounted joint venture	13	9,508	8,808
Property, plant & equipment	5	24,868	25,693
Total Non-current Assets		34,376	34,501
Total Assets		46,351	43,230
Liabilities			
Current Liabilities			
Trade & other payables	6	4,153	3,203
Provisions	6	137	119
Total Current Liabilities		4,290	3,322
Non-Current Liabilities			
Provisions	6	13,725	13,723
Total Non-current Liabilities		13,725	13,723
Total Liabilities		18,015	17,045
Net Assets		28,336	26,185
Equity			
Accumulated surplus		25,961	23,810
Asset revaluation reserve		2,375	2,375
Total Equity		28,336	26,185

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 2023

	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at start of period - 1 July 2021	20,869	1,222	22,091
Net Surplus/ (Deficit) for Year	2,941	-	2,941
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	1,153	1,153
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2022	23,810	2,375	26,185
 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

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 2023

	Notes	2023 \$'000	2022 \$'000
Cash Flows from Operating Activities			
Operating receipts from customers		14,424	13,334
Investment receipts		891	656
Operating payments to suppliers & employees		(13,772)	(12,228)
Finance payments		-	(1)
Net Cash provided by (or used in) Operating Activities	7	1,543	1,761
Cash Flows from Investing Activities			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets	3	-	57
Distributions from equity accounted Joint Ventures	13	1,750	700
Contributions to equity accounted Joint Ventures	13	(733)	(703)
Expenditure on renewal/replacement of assets	5	(310)	-
Expenditure on new/upgraded assets	5	(262)	(1,730)
Net Cash provided by (or used in) Investing Activities		445	(1,676)
Cash Flows from Financing Activities			
Repayment Related Party Loans		-	1,500
Payment of Related Party Loans		-	(400)
Net Cash provided by (or used in) Financing Activities		-	1,100
Net Increase (Decrease) in cash held		1,988	1,185
Cash & cash equivalents at beginning of period	4	5,828	4,643
Cash & cash equivalents at end of period	4	7,816	5,828

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 2023

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.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2023

Receivables are generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 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 2023

6 Payables

6.1 Goods & Services

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

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

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

7.2 Superannuation

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

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation 10.5% in 2022/23 (10.0% in 2021/22).

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 2023

8 Provisions for Landfill Capping, Rehabilitation and Restoration Costs

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

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

These uncertainties may result in future actual expenditure differing from the amounts currently provided. Expenditure relating to ongoing rehabilitation and restoration will reduce any provision previously established.

The Authority monitors the remaining airspace, the airspace consumption efficiency (compaction) ratio, the discount rate and the inflation rate used to calculate the net present value of the future landing capping, rehabilitation and restoration costs on an annual basis and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet.

A complete review of all future capping, rehabilitation and restoration costs including a review of all the key assumptions and estimates in relation to the measurement of these costs is performed on a regular basis with the assistance of external consultants to ensure all projected costs have been independently verified. However - strategic decisions potentially impacting the expected remaining life and future management strategies for the landfill are currently under consideration by the Board, and as such revaluation of the provision has been intentionally delayed causing the value of the provision to be overdue for reassessment. The next scheduled review of all capping and closure liability estimates is expected to occur in FY24, by which time it is expected that decisions regarding the future management of the landfill will have been finalised. As a result, readers of these financial statements should be aware that the value of the provisions, and related impact on the statement of comprehensive income, may change materially in the FY24 financial statements, and these financial statements should be read in this context.

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.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2023

11 Comparative Information

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

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 2023.

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 2023

	2023 \$'000	2022 \$'000
Note 2 - Income		
User Charges		
Landfill Operations	15,283	10,534
	15,283	10,534
Investment Income		
Interest on investments	148	34
Rental income	743	622
	891	656
Other Income		
Other income	399	353
Joint Venture cost reimbursement	-	1,956
	399	2,309
Note 3 - Expenses		
Employee Costs		
Salaries and Wages	981	829
Employee leave expense	3	(13)
Superannuation	120	99
Workers' Compensation Insurance	47	36
Less: Capitalised and distributed costs	-	-
	1,151	951
Materials, Contracts & Other Expenses		
Auditor's Remuneration	19	39
Board Expenses	46	52
Contractors	584	403
Fuels & oils	272	199
Equipment hire	130	28
Maintenance	588	292
Legal	21	52
Levies - EPA	11,372	8,137
Professional services	177	166
Joint Venture costs*	-	1,956
Sundry	382	347
	13,591	11,671

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2023

Note 3 - Expenses (cont)

	2023 \$'000	2022 \$'000
Depreciation, Amortisation & Impairment		
Buildings & Structures	357	314
Plant & Equipment	292	310
Office Equipment	15	6
Super Cell	375	156
Super Cell Capping	316	132
Post Closure Rehabilitation	36	15
Future Restoration Costs	6	3
	1,397	936
Asset Disposals		
Proceeds from disposal	-	57
Less: Carrying amount of assets sold	-	(44)
Gain (Loss) on disposal	-	13

Note 4 - Current Assets

Cash & Cash Equivalents

Cash on Hand and at Bank	2,181	2,575
Short-term deposits	5,635	3,253
	7,816	5,828

Trade & Other Receivables

Debtors - general	3,575	2,394
Accrued Revenues	107	13
Prepayments	32	49
Sundry Debtors	45	45
	3,759	2,501

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2023

Note 5 - Property, Plant & Equipment

	2022 \$'000				2023 \$'000			
	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount
Land	6,335	-	-	6,335	6,335	-	-	6,335
Buildings & Structures	560	11,637	(1,265)	10,932	560	11,875	(1,622)	10,813
Plant & Equipment	-	4,994	(2,950)	2,044	-	5,138	(3,242)	1,896
Office Equipment	-	122	(118)	4	-	143	(132)	11
Super Cell	-	8,988	(5,756)	3,232	-	8,988	(6,131)	2,857
Super Cell Capping	5,426	-	(2,702)	2,724	5,426	-	(3,021)	2,405
Post Closure Rehabilitation	6,143	-	(5,833)	310	6,143	-	(5,869)	274
Future Restoration Costs	4,228	-	(4,172)	56	4,228	-	(4,173)	55
Work in Progress	-	56	-	56	-	222	-	222
	22,692	25,797	(22,796)	25,693	22,692	26,366	(24,190)	24,868

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the financial year ended 30 June 2023

Note 5 - Property, Plant & Equipment

	2022 \$'000	Movement in Property, Plant & Equipment during the Financial Year						2023 \$'000
	Carrying Value	Renewal / Replacement	Additions New/Upgrade	Disposals	Revaluation	Adjustment / Transfer	Depreciation	Carrying Value
Land	6,335	-	-	-	-	-	-	6,335
Buildings & Structures	10,932	-	238	-	-	-	(357)	10,813
Plant & Equipment	2,044	144	-	-	-	-	(292)	1,896
Office Equipment	4	-	22	-	-	-	(15)	11
Super Cell	3,232	-	-	-	-	-	(375)	2,857
Super Cell Capping	2,724	-	-	-	-	(3)	(316)	2,405
Post Closure Rehabilitation	310	-	-	-	-	-	(36)	274
Future Restoration Costs	56	-	-	-	-	5	(6)	55
Work in Progress	56	166	-	-	-	-	-	222
	25,693	310	260	-	-	2	(1,397)	24,868
2022 \$'000	25,745	-	1,730	(44)	1,153	(1,955)	(936)	25,693

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2023

Note 6 - Liabilities

	2023 \$'000		2022 \$'000	
	Current	Non-current	Current	Non-current
Trade & Other Payables				
Goods & services	4,137	-	3,186	-
Payments received in advance	16	-	17	-
	4,153	-	3,203	-

Provisions

Annual Leave	76	-	58	-
Long Service Leave	61	7	61	5
Super Cell Capping	-	7,980	-	7,980
Post Closure Rehabilitation	-	4,064	-	4,064
Future Restoration Costs	-	1,674	-	1,674
	137	13,725	119	13,723

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)	-	-	-	-
Payments	-	-	-	-
Unwinding of Present Value Discounts	-	-	-	-
Closing Balance	7,980	4,064	1,674	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 2023

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:

	2023 \$'000	2022 \$'000
Total cash & equivalent assets	7,816	5,828
Less: Short-term borrowings	-	-
Balances per Cash Flow Statement	<u>7,816</u>	<u>5,828</u>

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

Net Surplus (Deficit)	2,151	2,941
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,397	936
Transfer of Work in Progress	-	1,955
Equity adjustment - Joint Venture	-	(16)
Net (Gain) Loss on equity accounted joint ventures	(1,717)	(2,988)
Net (Gain) Loss on disposal of assets	-	(13)
	<u>1,831</u>	<u>2,815</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(1,258)	507
Net increase (decrease) in trade & other payables	950	(1,549)
Net increase (decrease) in other provisions	20	(12)
Net Cash provided by (or used in) operations	<u>1,543</u>	<u>1,761</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 2023

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% (2022: 0.5%).

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Gate Accounting Policy: Carried at nominal values less any allowance for doubtful Fees & Associated debts. An allowance for doubtful debts is recognised (and re-assessed annually) Charges when collection in full is no longer probable.

Carrying amount: approximates fair value (after deduction of any allowance).

Liabilities - Creditors Accounting Policy: Liabilities are recognised for amounts to be paid in the future and Accruals for goods and services received, whether or not billed to the Authority.

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

Net Fair Value

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

Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2023

Note 8 - Financial Instruments

Liquidity Analysis

2023	≤ 1 year	Maturity		Non-interest bearing	Total
		> 1 year ≤ 5 years	> 5 years		
	\$'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

2022	≤ 1 year	Maturity		Non-interest bearing	Total
		> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Amortised Cost					
Cash Assets	5,828	-	-	-	5,828
Receivables	-	-	-	2,501	2,501
Total	5,828	-	-	2,501	8,329
Financial Liabilities					
Payables	-	-	-	3,203	3,203
Borrowings	-	-	-	-	-
Total	-	-	-	3,203	3,203

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2023

Note 9 - Commitments for Expenditure

	2023 \$'000	2022 \$'000
Capital Commitments		
Capital expenditure committed at reporting date but which is not recognised in the financial statements as liabilities are as follows:		
Committed Projects	-	79
	<u>-</u>	<u>79</u>

Note 10 - Events Occurring After Reporting Date

There were no events that occurred after reporting date that requires to be disclosed.

Note 11 - Disclosure of Related Party Transactions

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 6 persons were paid the following total compensation:

Salaries, allowances & other short term benefits	499	402
Total	499	402

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)	8,077	363	Provision of waste disposal services
City of Holdfast Bay (Member Council)	1,289	101	Provision of waste disposal services
City of Marion (Member Council)	3,576	311	Provision of waste disposal services
Southern Materials Recycling Facility (Joint Venture)	2,747	751	Provision of waste disposal services
Southern Recycling Centre (Joint venture)	7,425	893	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 2023

Note 12 - Uniform Presentation of Finances

	2023 \$'000	2022 \$'000
Income		
<i>User charges</i>	15,283	10,534
<i>Investment income</i>	891	656
<i>Other</i>	399	2,309
<i>Net gain - equity accounted Joint Venture</i>	1,717	2,988
	18,290	16,487
Expenses		
<i>Employee costs</i>	1,151	951
<i>Finance costs</i>	-	1
<i>Materials, contracts & other expenses</i>	13,591	11,671
<i>Depreciation, amortisation & impairment</i>	1,397	936
	(16,139)	(13,559)
 Operating Surplus / (Deficit)	 2,151	 2,928
Net Outlays on Existing Assets		
<i>Capital Expenditure on renewal and replacement of Existing Assets</i>	(310)	-
<i>Depreciation, Amortisation, Impairment and Movement in Landfill Provisions</i>	1,397	936
<i>Proceeds from Sale of Replaced Assets</i>	-	57
	1,087	993
Net Outlays on New and Upgraded Assets		
<i>Capital Expenditure on New and Upgraded Assets</i>	(262)	(1,730)
<i>Amounts received specifically for New and Upgraded Assets</i>	-	-
<i>Proceeds from Sale of Surplus Assets</i>	-	-
	(262)	(1,730)
 Net Lending / (Borrowing) for Financial Year	 2,976	 2,191

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2023

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.

	2023 \$'000	2022 \$'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	1,620	1,164
New Capital Contributions	-	-
Share in Operating Result	1,540	1,140
Equity Adjustment	-	16
Distributions Received	(1,750)	(700)
Share in Equity of Joint Operation	1,410	1,620

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 2023

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.

	2023 \$'000	2022 \$'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	7,188	4,637
Capital Contributions (cash contribution)	733	703
Capital Contributions (transfer of plant assets)	-	-
Capital Contribution (conversion to loan)	-	-
Share in Operating Result	177	1,848
Share in Equity of Joint Operation	8,098	7,188

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 \$0.495 million (increase) (FY22: \$2.327 million increase) in the current financial year.

The Authority has an outstanding receivable loan with the Southern Materials Recovery Facility totalling \$0.4 million (FY22: \$0.4 million) as at the reporting date.

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 2023

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 2023

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
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

2022					
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 2023

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, Greg Connor, 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 2023, 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.

22 August 2023

Greg Connor
Presiding Member
Southern Region Waste Resource Authority
Audit & Risk Committee

Dated



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SOUTHERN REGION WASTE RESOURCE AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2023

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 2023, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor

Director

26 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of SRWRA (the Authority), which comprises the statements of financial position as at 30 June 2023, 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 2023, 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 revaluation of landfill capping and post closure liabilities. The postponement is to allow greater clarity over the strategic direction of the landfill, which will inform the appropriate assumptions to be used for the revaluation. 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.

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 2023



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ABN: 89 656 702 886

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under Professional Standards Legislation



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 2022 to 30 June 2023 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 2022 to 30 June 2023.

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 2022 to 30 June 2023. 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.

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 2022 to 30 June 2023. 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 2023



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 2023, 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.



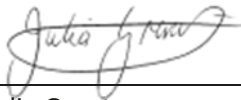
Mark Booth
Chairperson
Southern Region Waste Resource Authority

23.8.23

Dated

Chief Executive Officer's Certificate of Compliance**Auditor Independence****Southern Region Waste Resource Authority**

I, Julia Grant, the person occupying the position of Acting Chief Executive Officer of the City of Onkaparinga, for the financial year ending, 30 June 2023, 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.



Julia Grant

Acting Chief Executive Officer for the 22/23 financial year
City of Onkaparinga

25/08/2023

Dated

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**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 2023, 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

23/08/2023

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.

23 August 2023

**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 2023, 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

23/8/23
Dated

ATTENDANCE AT BOARD MEETINGS

BOARD MEMBERS	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
CHAIRPERSON Mark Booth	6	5
CITY OF ONKAPARINGA Kirk Richardson	6	5
CITY OF ONKAPARINGA Richard Peat <i>Term Completed November 2022</i>	3	0
CITY OF ONKAPARINGA Jordan Pritchard <i>Appointed January 2023</i>	3	2
CITY OF MARION Sorana Dinmore <i>Term completed August 2022</i>		
CITY OF MARION Angela Allison <i>Appointed December 2022</i>	3	3
CITY OF MARION Ray Barnwell	6	6
CITY OF HOLDFAST BAY Roberto Bria	6	5
CITY OF HOLDFAST BAY John Smedley	6	6
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	6	3
CITY OF ONKAPARINGA Jessica Tucker	6	6
CITY OF MARION Bruce Hull <i>Term Completed November 2022</i>	3	0
CITY OF MARION Ian Crossland	6	1
CITY OF HOLDFAST BAY Clare Lindop <i>Term Completed November 2022</i>	3	2
CITY OF HOLDFAST BAY Monique O'Donohue <i>Appointed December 2022</i>	3	2
CITY OF HOLDFAST BAY Michael De Heus <i>Term completed June 2023</i>	2	1

ATTENDANCE AT AUDIT & RISK COMMITTEE MEETINGS

	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
Please Note: Deputy Members are only required to attend a Meeting when the Member is an apology		
GREG CONNOR Presiding Member	4	4
SAM SPADAVECCHIA	4	4
EMMA HINCHEY <i>Term completed December 2022</i>	2	2
MARK BOOTH	4	4
JOHN SMEDLEY Deputy SRWRA Representative	4	1

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
Investigate markets and develop pathways for the receipt and processing of commercial and industrial products and associated reuse and commercial opportunities.	Ongoing
Investigate options and pathways for the receipt and processing of organic waste and associated reuse and commercial opportunities.	Ongoing
Investigate options to establish a Bio Pad to process green waste.	Complete
Grow the customer base for SRWRA and its Joint Venture partners	Complete
Develop business case for the construction and operation of an education facility at SRWRA.	Ongoing



AIMS, OBJECTIVES AND KEY MEASURES

OPERATIONAL EXCELLENCE ACTIONS	STATUS
Continuously review and improve workplace safety systems.	Ongoing
Maximise remaining landfill airspace.	Ongoing
Develop project scope and business case for the installation of rooftop solar power on the SMRF roof.	In progress
Maximise the compatible use of buffer land.	Ongoing
Continuous improvement of litter capture on site.	Ongoing
Governance & Risk Actions	Status
Maintain a contemporary suite of policies.	Ongoing
Work in accordance with the Risk Management Policy and Framework.	Ongoing
Review and update the Business Continuity Plan.	In progress
Review and update the Work Emergency & Evacuation Plan.	In progress
Develop a Technology Disaster Recovery Plan.	In progress
Board and Committee meetings are delivered as per the agreed timing and schedule.	Completed
The Annual Business Plan and Budget is prepared, reviewed, and reported and adopted in accordance with statutory timelines.	Completed

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 zero lost time injury (LTI) in 2022-2023 which presents a 100% reduction over the previous twelve months.

Annual lost time injuries:

ANNUAL LOST TIME INJURIES

(Lost time injuries represent one complete shift or more of lost time)

2020 – 2021	2021 – 2022	2022 – 2023
1	1	0

(Lost time injuries represent one complete shift or more of lost time)

INJURY MANAGEMENT

SRWRA received no worker compensation claims during 2022-2023. This is consistent with the previous twelve months, 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
538	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

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