



## **AGENDA**

**FOR AUDIT AND RISK COMMITTEE MEETING TO BE HELD ON**

**12 NOVEMBER 2024 AT 6.30 PM**

**IN WITTBER & DR RUBY DAVY ROOMS, SALISBURY COMMUNITY HUB,**

**34 CHURCH STREET, SALISBURY**

### **MEMBERS**

Cr Kylie Grenfell (Chair)  
Cr B Brug (Deputy Chair)  
Ms P Davies  
Mr N Ediriweera  
Mr D Powell

### **REQUIRED STAFF**

Chief Executive Officer, Mr J Harry  
Deputy Chief Executive Officer, Mr C Mansueto  
Manager Governance, Mr R Deco  
Audit and Risk Manager, Ms S Kinsella

### **APOLOGIES**

### **LEAVE OF ABSENCE**

### **PRESENTATION OF MINUTES**

Presentation of the Minutes of the Audit and Risk Committee Meeting held on 09 October 2024.

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## REPORTS

### *For Decision*

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### *For Information*

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## QUESTIONS ON NOTICE

*There are no Questions on Notice.*

## MOTIONS ON NOTICE

*There are no Motions on Notice.*

## OTHER BUSINESS

*(Questions Without Notice, Motions Without Notice, CEO Update)*



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## ORDERS TO EXCLUDE THE PUBLIC

### 7.4.1 Salisbury City Centre - Prudential Report

#### Recommendation

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if the Audit and Risk Committee so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on grounds that:

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
  - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
  - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
  - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
  - *non-disclosure of this matter and discussion of this item in confidence would protect the sensitive commercial information.*

*On that basis the public's interest is best served by not disclosing the **Salisbury City Centre - Prudential Report** item and discussion at this point in time.*

3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Audit and Risk Committee orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

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## 7.4.2 Quarterly Cybersecurity Report - July to September 2024

### Recommendation

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if the Audit and Risk Committee so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on grounds that:

1. *Pursuant to Section 90(2) and (3)(e) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
  - *it relates to matters affecting the security of the council, members or employees of the council, or council property; or the safety of any person.*
2. *In weighing up the factors related to disclosure,*
  - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*

*On that basis the public's interest is best served by not disclosing the **Quarterly Cybersecurity Report - July to September 2024** item and discussion at this point in time.*

3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Audit and Risk Committee orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

**CLOSE**



**MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD IN WITTBER & DR  
RUBY DAVY ROOMS, SALISBURY COMMUNITY HUB,**

**34 CHURCH STREET, SALISBURY ON**

**9 OCTOBER 2024**

**MEMBERS PRESENT**

Cr Kylie Grenfell (Chair)  
Cr B Brug (Deputy Chair)  
Ms P Davies  
Mr N Ediriweera  
Mr D Powell

**CONSULTANT**

BDO, Engagement Partner, Mr A Tickle

**STAFF**

Chief Executive Officer, Mr J Harry  
Deputy Chief Executive Officer, Mr C Mansueto  
Manager Governance, Mr R Deco  
Audit and Risk Manager, Ms S Kinsella  
Manager Finance & Procurement Services, Ms K Gorge  
Team Leader Accounting Services, Ms M Hamilton

The meeting commenced at 6:31pm.

The Chairman welcomed the Elected Members, consultant and staff to the meeting.

**APOLOGIES**

Nil.

**LEAVE OF ABSENCE**

Nil.

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## PRESENTATION OF MINUTES

Moved Cr B Brug  
Seconded Mr D Powell

The Minutes of the Audit and Risk Committee Meeting held on 13 August 2024, be taken as read and confirmed.

**CARRIED**

## REPORTS

*For Decision*

### 7.1.1 End of Financial Year Statements and Analysis

Moved Mr N Ediriweera  
Seconded Ms P Davies

That Council:

1. Receives the information.
2. Notes that the Audit and Risk Committee, in accordance with Section 126(4)(a) of the *Local Government Act 1999*, reviewed the annual financial statements of the Council for the year ended 30 June 2024 and is satisfied they present fairly the state of affairs of Council.
3. Notes that the annual financial statements have 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.
4. Approves, in accordance with Regulation 22 of the *Local Government (Financial Management) Regulations 2011* clauses (3) (a) and (4), that the Chief Executive Officer and the Chair of the City of Salisbury Audit and Risk Committee sign the statement to certify the independence of the Council Auditor, BDO Australia.
5. Approves that the draft analysis of the Annual Financial Statements, as presented in Attachment 1 to this report (Item 7.1.1, Audit and Risk Committee, 9 October 2024), be included in the End of Year Financial Statements Report to Council.

**CARRIED**

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**7.1.2 BDO's Audit Completion Report 30 June 2024**

Moved Mr D Powell

Seconded Mr N Ediriweera

That Council:

1. Receives the Annual Completion Report for the year ending 30 June 2024, as set out in Attachment 1 to this report (Item 7.1.2, Audit and Risk Committee, 9 October 2024)
2. Notes the Management Representation Letter requested by BDO to be signed by the Chief Executive Officer and the Deputy Chief Executive Officer, as set out in Attachment 2 to this report (Item 7.1.2, Audit and Risk Committee 9 October 2024).

**CARRIED  
Unanimously**

**QUESTIONS ON NOTICE**

*There were no Questions on Notice.*

**MOTIONS ON NOTICE**

*There were no Motions on Notice.*

**OTHER BUSINESS**

*(Questions Without Notice, Motions Without Notice, CEO Update)*

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**A&R-QWON1 Mr N Ediriweera- Going concern status**

**Mr N Ediriweera asked a question in relation to Council's going concern status?**

*Question: Is the council in a going concern status?*

Management confirmed its view that Council is a going concern which was also supported by the External Auditor present at the meeting. key reasons in determining this position include:

- there are sufficient facilities available to deliver Council's planned expenditure, which can be drawn down as required;
- Funds can be drawn down within 24 hours of seeking the funds; and
- Each year Council reviews its 10 Year Long Term Financial Plan to estimate its future funding needs to deliver its planned budget.

**A&R-QWON2 Mr N Ediriweera- Lease liability**

**Mr N Ediriweera asked a question in relation to lease liability**

*Question: If the Lease liability was paid in advance, it should not be a pre-payment it should be a reduction in the liability?*

Manager Finance & Procurement Services, took this question on notice.

## ORDERS TO EXCLUDE THE PUBLIC

### 7.4.1 In-Confidence Session with the External Auditor as per Terms of Reference and approved Audit and Risk Committee Annual Work Plan 2023/2024 (verbal discussion)

Moved Ms P Davies

Seconded Mr D Powell

1. Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) of the Local Government Act 1999, that it is necessary and appropriate to exclude the public for the consideration of Agenda Item 7.4.1 In-Confidence Session with the External Auditor as per Terms of Reference and approved Audit and Risk Committee Annual Work Plan 2023/2024 (verbal discussion)

On the basis:

- it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
  - information the disclosure of which would, on balance, be contrary to the public interest; and
  - 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
  - commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.
2. In weighing up the factors related to disclosure,
    - disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations
    - non-disclosure of the discussion of this item in confidence would protect confidential information relating to Council's commercial position.

On that basis the public's interest is best served by not disclosing the **In-Confidence Session with the External Auditor as per Terms of Reference and approved Audit and Risk Committee Annual Work Plan 2023/2024 (verbal discussion)** item and discussion at this point in time.

3. Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, and staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

**CARRIED**

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The meeting moved into confidence at 7:13pm.

The meeting moved out of confidence and closed at 7:39pm.

CHAIRMAN.....

DATE.....



<b>ITEM</b>	7.1.1
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	12 November 2024
<b>HEADING</b>	3-Year Internal Audit Plan
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
<b>SUMMARY</b>	This report summarises the 3-year Internal Audit Plan which was last presented to the Audit and Risk Committee in August 2024.

**RECOMMENDATION**That Council:

1. Approves the updates made to the 3-year Internal Audit Plan 2024 to 2027 as set out in Attachment 1 to this report (Item no. 7.1.1, Audit and Risk Committee, 12 November 2024).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. City of Salisbury 3-Year Internal Audit Plan
2. Internal Audits - Indicative Scope

**1. BACKGROUND**

- 1.1 The 3-year Internal Audit Plan 2024-2027 was last considered by the Audit and Risk Committee in August 2024.

**2. REPORT**

The 3-year Internal Audit Plan 2024 to 2027 is set out in Attachment 1 to this report.

- 2.1 Update on Ongoing & Completed Audits as per 3-year Internal Audit Plan
  - 2.1.1 Tree Management (Co-sourced Internal Audit): This audit was conducted by Galpin's on behalf of the Council, and is presented in the current Audit and Risk Committee meeting's agenda (Item 7.2.1, Audit and Risk Committee, 12 November 2024).
  - 2.1.2 Procurement Better Practice Review was conducted by Bentleys on behalf of the Council, and is presented in the current Audit and Risk Committee meeting's agenda (Item 7.2.2, Audit and Risk Committee, 12 November 2024).
  - 2.1.3 Statutory LGA Compliance Review (Internal): presented in the current Audit and Risk Committee meeting's agenda (Item 7.2.3, Audit and Risk Committee, 12 November 2024).

2.1.4 Fraud and Corruption Prevention Internal Audit is currently underway by Bentleys on behalf of the Council and will be presented to the February Audit and Risk Committee.

2.2 Scheduled Audits:

- **Grants Management (co-sourced):** the overall objective of the internal audit is to provide assurance that the grants provided to City of Salisbury community and businesses are awarded to eligible recipients and managed effectively as per approved policies and procedures and aligned to the City Plan. The final report is anticipated to be presented at the April 2025 Audit and Risk Committee meeting.
- **IT Disaster Recovery (co-sourced):** the overall objective of the internal audit is to provide assurance that City of Salisbury has adequate disaster recovery processes in place, and the processes are likely to be effective in the event of a disruption. The final report is anticipated to be presented at the August 2025 Audit and Risk Committee, however, will complete in financial year end 2024/25.
- **Business Continuity (co-sourced):** The overall objective of the internal audit is to assess the adequacy of practices and procedures to manage City of Salisbury's business continuity. The internal audit will provide assurance that processes and measures in place ensure that, in the event of a disruption, critical business operations can be maintained, or restored in a timely manner, with minimal impact to City of Salisbury and its stakeholders. The final report is anticipated to be presented at the August 2025 Audit and Risk Committee, however, will complete in financial year end 2024/25.

2.3 Changes to the 3-Year Internal Audit Plan.

**Data Governance (Internal):** the overall objective of the audit is to provide assurance that City of Salisbury data governance processes ensure adequate protection of information. The State Records' 'self-assessment' tool will be applied for this audit, offering a scalable, tiered approach to help identify areas of strength and weakness. It will also help to develop and implement actions to address potential weaknesses.

The audit will commence 6 months after the rollout of our new Information Asset system 'Objective', which has been moved to 2025, date to be confirmed, report will be presented to Committee in FY 2025/26.

2.4 New Audits

Contingency is available in all financial years to respond to new and emerging risks and Council requirements.

2.5 Indicative Scopes for Pending Audits for the 24/25 FY Internal Audit Plan

The draft scopes for pending internal audits are included in Attachment 2 for ease of reference and information.

## 2.6 Strategic Risks

The below table aligns the Risks from our Strategic risk assessment and our Internal Audits for this FY 2024/2025

2024/2025 Audits	Risk
Statutory LGA Compliance review	Risk 8 - Ineffective Governance Risk
Tree Management	Risk 6 - Climate Change Adaptation Risk Risk 4 - Assets and Infrastructure Management
Procurement Better Practice	Risk 1 - Financial Sustainability
Fraud & Corruption Prevention Controls	Risk 1 - Financial Sustainability
Data Governance - State Records, Self-Assessment	Risk 3 - Information Systems and Technology Risk (excl. Cybersecurity)
Grants Management	Risk 1 - Financial Sustainability Risk 4 - Assets and Infrastructure Management
IT Disaster Recovery	Risk 2 - Cybersecurity Risk
Business Continuity	Risk 5 - Business Continuity & Emergency Management Risk

Note: Risk 7 'Human Resources, Organisational Capability and Safety Risk' is not captured in our 2024/2025 Internal Audit Plan.

Work Health and Safety (WHS) is regulated and subject to several audits including internal and external audits.

- LGRS conduct procedural validation audits to ensure Council meets minimum compliance with the Performance Standards for Self-Insured (PSSI).
- Internal auditing is planned and undertaken throughout the year to ensure Council meets performance requirements of the relevant internal procedures.

## 3. CONCLUSION

- 3.1 This report outlines the 3-year Internal Audit Plan, with an update on the timing of Internal Audits since previous update in August 2024.



3 YEAR INTERNAL AUDIT PLAN - OVERVIEW			
Previous Reports 2024 - 2020	2024 / 2025	2025 / 2026	2026 / 2027
<b>2024</b> 1) IA Strategic Reporting Process 3) Rates Setting and Revenue Process <b>2023</b> 4) IA Strategic Alignment of Investments in ERP Solutions 5) Salisbury Aquatic Centre Project 6) Position Paper Revenue Recognition 7) IA Fleet Heavy Vehicle, High Value and Portable Assets 8) Petty Cash & Till Floats <b>2022</b> 9) IA Capital Works Projects Audit 10) Interim Strategic Asset Management Plan 11) Top Cyber-Security Controls Review <b>2021</b> 12) IA Volunteer Management Audit 13) Work Health & Safety Audits 14) IA Events Incident Management Framework 15) External Audit - Tender Recommendation 16) IA Complaints Handling Process Audit 17) Emergency Management Plan <b>2020</b> 18) Management of Contaminated Sites 19) Purchase Card 20) Management of Road Asset Maintenance 21) Food Safety 22) Contract Management 23) Asset Management	Statutory LGA Compliance review <small>(Report: November and May)</small>	Procurement <small>(Start July - Report November)</small>	Statutory LGA Compliance review
	Tree Management <small>(Start: August 2023 / Report: November 24)</small>	Statutory LGA Compliance review <small>(Report: November and February)</small>	Asset Disposal
	Procurement Better Practice <small>(Start: September / Report: November)</small>	Community Consultation Process <small>(Start April / Report August)</small>	Strategic Asset Management Plan
	Fraud & Corruption Prevention Controls <small>(Start: September / Report: February)</small>	Risk Management / Internal Audit <small>(Start: July / Report November)</small>	Project Management
	Grants Management <small>(Start: January / Report: May)</small>	Data Governance - State Records, Self Assessment <small>(Start October / Report February)</small>	
	IT Disaster Recovery <small>(Start: February / Report August)</small>	Purchase Cards <small>(Start: December / Report May)</small>	
	Business Continuity <small>(Start: March / Report: August)</small>		
<b>Parking Bay</b>			
Objective - Information Database Contract Management Lease Management Community Safety			

Internal
Co-Sourced
Information Only



2024/2025 YEAR INTERNAL AUDIT PLAN			
Audit Title	Audit Title and Summary Description	Draft proposed scope	Internal / Co-sourced
Tree Management Framework	<b>Tree Management Framework Audit</b> Provide assurance that COS has established a Tree Management Framework for the management of its urban forest, covering policy measures in the area of tree planting, tree protection, tree removal, tree asset management, community consultation and engagement, and risk management, and ensure that the framework is adequate and implemented effectively.	Presented to Audit and Risk Committee November 2024	Co-sourced
Procurement	<b>Procurement Review</b> Provide a list of potential process gaps and recommendations for improvement. To review a sample of Exemptions and VendorPanel engagement and appointments to ensure compliance with the probity principles and COS policies, and provide process improvement recommendations. This review will support and enhance the strategic review on best practices across local government and private sector that has been agreed.	Presented to Audit and Risk Committee November 2024	Co-sourced
Statutory LGA Compliance review	<b>Statutory LGA Compliance review</b> The Legislative Compliance support registers have been developed by the LGA SA to provide guidance to support councils in achieving compliance through practical considerations, the Audit and Risk Manager has initiated a review to ensure the council's compliance with the Local Government Act 1999 (the Act).	Presented to Audit and Risk Committee November 2024	Internal
Fraud and Corruption Prevention Control	<b>Fraud and Corruption Prevention Control Audit</b> Provide assurance that current practices are effective to prevent, detect, and manage risks related to fraud, corruption, misconduct and maladministration, and ensure that controls are implemented as per agreed policies and procedures.	The scope of the audit is to ensure that the City: <ul style="list-style-type: none"><li>• has an effective fraud control framework, which is integrated with the City's organisation-wide risk management strategy.</li><li>• has appropriate, well understood and current fraud control plans, which address major risks</li><li>• has established effective fraud controls.</li><li>• has adequate internal systems, training and reporting processes to support effective implementation and monitoring of fraud control plans.</li><li>• regularly test, monitor and report on the effectiveness of the fraud control plan and associated practices.</li><li>• review the outcomes of testing and use the insights gained to inform continuous improvement in fraud prevention and to update fraud control plans to ensure their ongoing appropriateness.</li></ul>	Co-sourced
Data Governance Audit	<b>Data Governance Audit</b> Audit on data governance is to provide assurance that City of Salisbury data governance processes ensure adequate protection of information and effective data management required to meet business needs. The State Records', 'self assessment' tool will be applied for this audit, offering a scalable, tiered approach to help identify areas of strength and weakness..	The scope of the audit is to ensure that the City: <ul style="list-style-type: none"><li>•has appropriate policies and procedures covering all aspects of data governance and the data management lifecycle.</li><li>• has adequate compliance with legal and regulatory requirements regarding records management.</li><li>• has an adequate governance structure and processes in place to support the management of data, including data privacy, confidentiality and Freedom of Information requests and disclosures.</li><li>• The city has adequate documentation, retention schedules, and disposal procedures. Data collection and retention levels are adequate and effective as per policies and procedures and industry best practice guidelines.</li><li>• Data and database structures are designed and developed in an efficient manner to ease data analytics and avoid data redundancies.</li><li>• Audit trails and history logs on master data changes are available for traceability and reviewed.</li><li>• Data inventories are maintained and managed with appropriate levels of data security level category classifications, where relevant.</li><li>• Controls related to data content management, record management, data quality, data access, data sharing, data security and data risk management are adequate and implemented effectively. (Note: The audit will focus only on the safety and security aspects of data itself and full-fledged cybersecurity review is beyond the scope of this audit.)</li></ul>	Internal
Grants Management	<b>Grants Management Audit</b> Provide assurance that the grants provide to City of Salisbury community and businesses are awarded to eligible recipients, and managed effectively as per approved policies and procedures and aligned to the City Plan 2035.	The scope of the audit is to ensure that the City: <ul style="list-style-type: none"><li>• policies and procedures covering its grant management process are adequately developed for all categories of grants and communicated appropriately to the relevant stakeholders.</li><li>• has eligibility criteria and award process for all grant categories have been established and communicated, and have been complied with.</li><li>• has a central register of fund recipients, capturing the details of previous funding received.</li><li>• has Conflict of interest avoidance measures are incorporated and followed in the grant awarding process.</li><li>• Grants schemes are aligned to City Plan 2035.</li><li>•grants have terms and conditions or signed agreements specifying the expectations on usage and reporting requirements agreed by the Grant Recipient and COS.</li><li>• has a monitoring process in place to ascertain that Grant Recipients adhere to timely reporting requirements in the Grant Agreement.</li><li>• has any unused funding from the grant is dealt with appropriately as per the grant agreement or agreed terms and conditions.</li><li>• has any contingency percentages included in the grant scheme are appropriately allocated and disbursed.</li><li>• measures the effectiveness of the grant schemes, and use feedbacks for quality assurance purposes in future planning and grant scheme designing.</li></ul>	Co-sourced
IT Disaster Recovery	<b>IT Disaster Recovery Audit</b> Provide assurance that adequate disaster recovery processes are in place at City of Salisbury and the processes are likely to be effective in the event of a disruption.	The overall objective of the audit is to provide assurance that City of Salisbury has adequate disaster recovery processes in place, and the processes are likely to be effective in the event of a disruption. The specific objectives for the audit will be to ensure that: <ul style="list-style-type: none"><li>• A Disaster Recovery Plan exists with the exact steps to be covered if a disaster event occurs.</li><li>• The Disaster Recovery Plan steps captures the relevant scenario expectations including Maximum Allowable Outages (MAO), Recovery Point Objective (RPO) and Recovery Time Objective (RTO).</li><li>• The approved Disaster Recovery Plan is tested appropriately with relevant test case scenarios.</li><li>• Critical systems required to be recovered following a disaster event have been identified.</li><li>• Single points of failure have been identified.</li><li>• Business Continuity Plans are fully linked with IT disaster recovery arrangements.</li><li>• Server infrastructure includes testing of the ability to recover systems; and</li><li>• Backups are completed and taken off-site to provide additional resilience in the event of a disaster event.</li></ul>	Co-sourced
Business Continuity	<b>Business Continuity Audit</b> provides assurance on the Business Continuity Management (BCM) Framework and the measures in place to ensure that, in the event of a disruption, critical business operations can be maintained, or restored in a timely manner, with minimal impact to the CoS and its stakeholders.	The specific objectives for the audit will be to ensure that: <ul style="list-style-type: none"><li>• The City has formalised an overarching policy / procedure document covering the business continuity management process.</li><li>• Critical systems and functions requiring Business Continuity Plans (BCPs) are identified.</li><li>• BCPs are current and adequately developed for all critical functions and systems.</li><li>• BCPs for critical functions and systems covers business resumption and continuity / contingency strategies.</li><li>• Business Impact Analysis approaches and process are determined and agreed in the BCPs.</li><li>• Effective communication plans are established to manage public and media relations in the event of a disruption.</li><li>• There is an agreed process in place for activating BCPs when emergencies occur.</li><li>• Business continuity plans are adequately monitored and maintained.</li><li>• A formalized business continuity training program exists, and all individuals responsible for developing and implementing BCP have been adequately trained.</li><li>• Business continuity plans are tested periodically and the test results and lessons learned are reviewed, documented, and applied.</li></ul>	Co-sourced





<b>ITEM</b>	7.2.1
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	12 November 2024
<b>HEADING</b>	Internal Audit Report - Tree Management
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
<b>SUMMARY</b>	As per the adopted Internal Audit Plan 2023-26, The City's Tree Management Process was audited by Galpins on a co-sourced model. The internal audit was to provide assurance on the Council's tree management processes to ensure they comply with legislative requirements.

**RECOMMENDATION**That Council:

1. Notes the final internal audit report with management comments for the Tree Management internal audit as set out in attachment 1 to this report (Item no. 7.2.1, Audit and Risk Committee, 12 November 2024).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Internal Audit - Tree Management Framework

**1. BACKGROUND**

- 1.1 The City of Salisbury covers an area of 158km<sup>2</sup>, including around 400,000 trees within reserves and over 77,000 street trees. As a result, trees form an important part of the landscape and public spaces within the Council. Trees have numerous social, cultural, functional and environmental benefits for both Council and the wider community. They also, however, present a level of risk and can be an emotive issue that can lead to strong community engagement.
- 1.2 The Council has responsibility for the development and management of the landscapes. The Council is committed to the effective management of its trees, and there is a suite of policies and processes in place to assist in mitigating these risks, while ensuring the community experiences the benefits that trees provide.
- 1.3 This audit aimed to provide assurance that the Council's tree management framework is adequate and implemented effectively for the management of the City's urban forest, and covered policy measures in the areas of: tree planting; tree protection, tree removal, tree asset management, maintenance, community consultation and engagement and risk management.

- 1.4 The scope excluded private trees, as they are not directly impacted by the implementation of the Council's Tree management Framework.

## 2. EXTERNAL CONSULTATION / COMMUNICATION

### 2.1 Internal

- 2.1.1 General Manager, City Infrastructure
- 2.1.2 Team Leader, Natural Spaces & Environmental Management
- 2.1.3 Team Leader, Open Space Assets & Urban Streetscape
- 2.1.4 Manager Governance
- 2.1.5 Internal Audit and Risk Manager

### 2.2 External

- 2.2.1 Partner Internal Audit, Galpins

## 3. DISCUSSION

- 3.1 Attachment 1 to this report is the final Tree Management audit report.

- 3.2 The report (Section 1.4) identified several good practices including:

- 3.2.1 The Council's asset management system 'Confirm' has significant tree data and is user friendly;
- 3.2.2 The Council's staff are qualified, knowledgeable and proactive in implementing changes to legislation;
- 3.2.3 The introduction of 'Salesforce' has seen reduction in duplicate requests and the in-built functionality in relation to communication has had a positive impact;
- 3.2.4 For the 2025 planting season, the Council has decided to deliver new street tree planting in-house, with an aim to improve the success of the planting and maintenance program.

- 3.3 The report (Section 1.5) identified findings and recommendations, summary of these below:

Finding	Summary of Recommendations	Internal Audit Report - Tree Management Risk Rating	Expected Completion Date
<b>Strategic Intent for Tree Management</b>	Defining The City's strategic intention for trees.	Medium (8)	December 2025
<b>Tree Management Framework</b>	Updating the Tree Management Procedure.	Medium (8)	March 2025
	Clear understanding of Council's approach to tree protection.	Medium (6)	March 2025
	Education around tree management, updating internet information.	Better Practice	N/A

Finding	Summary of Recommendations	Internal Audit Report - Tree Management Risk Rating	Expected Completion Date
<b>Tree Management customer requests</b>	Review service levels around tree requests.	Medium (8)	June 2025
	Potential contractor access to Confirm system.	Medium (6)	December 2025
	Managing tree-related input into development applications.	Medium (8)	September 2025
	Strengthening communication for tree-related customer requests.	Medium (6)	June 2025
<b>Alignment of tree management to City Plan</b>	Finalising the forward approach to tree asset management.	Medium (9)	December 2025
	Implement the planned review of tree asset hierarchy and Levels of Service for Street Trees/Tree Management.	Medium (9)	October 2025
<b>Identifying and managing tree-related hazards</b>	Urban trees – ensuring tree inspection and remediation work is scheduled and funded.	Medium (10)	December 2025
	Reserve trees – programming and ongoing funding of remediation work.	Medium (10)	December 2025
<b>Legislative compliance</b>	Confirming legislative compliance.	Low (4)	April 2025

#### 4. FINANCIAL OVERVIEW

4.1 This internal audit commenced in August 2023. Galpins had completed 50% of the fieldwork, however, it was decided to temporarily suspend this audit in October 2023, following Council's resolution to undertake an internal review of Council's tree removal process. The audit recommenced in May 2024 with a budget variation fee of \$2,010 + GST. This addition was to:

- 4.1.1 re-meet the key trees team members and understand any changes to process that have occurred since the original audit commenced; and
- 4.1.2 review any new/updated documentation.

#### 5. CONCLUSION

5.1 The internal audit report confirms areas for improvement with management support and agreement. Actions will be added to the Internal Audit Actions Status Table to ensure actioned and closed within agreed timeframes, and inform status reporting.



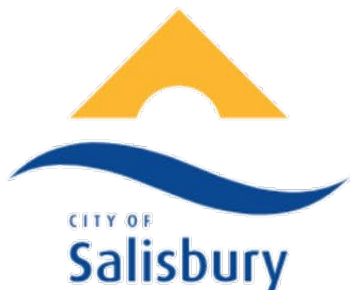
# Tree Management Framework

## Audit Report

August 2024



Prepared For



Galpins

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## Document Control

Date	Revision	Revision Details	Author	Reviewer
29.8.24	1.0	Draft Report	Danika Brown/ Janna Burnham	Janna Burnham
18.10.24	1.0	Final report	Danika Brown	Janna Burnham
29.10.24	2.0	Final Report – minor changes	Danika Brown	Janna Burnham



## 1. Executive Summary

### 1.1 Background

The City of Salisbury (the City) covers an area of 158km<sup>2</sup>, including around 400,000 trees within reserves and over 77,000 street trees. As a result, trees form an important part of the landscape and public spaces within the City. Trees have numerous social, cultural, functional and environmental benefits for both Council and the wider community. They also, however, present a level of risk and can be an emotive issue that can lead to strong community engagement.

The City have responsibility for the development and management of the City's landscapes. The City are committed to the effective management of their trees, and there is a suite of policies and processes in place to assist in mitigating these risks, while ensuring the community experience the benefits that trees provide.

### 1.2 Objectives

The objective of this audit was to provide assurance that the City have established a Tree Management Framework. Audit also aimed to provide assurance that this framework is adequate and implemented effectively for the management of the City urban forest, and covered policy measures in the areas of:

- tree planting
- tree protection
- tree removal
- tree asset management
- maintenance
- community consultation and engagement, and
- risk management.

The scope excluded private trees, as they are not directly impacted by the implementation of the City's Tree Management Framework. For further detail on the scope and audit approach see **Appendix 1**.

### 1.3 Relevant Strategic Risks

The intent is to provide assurance around the City's strategic risk *"Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services. The detrimental effect on Council assets and infrastructure caused by environmental factors, including climate change, is not adequately addressed through Council planning. The detrimental effect on Council assets and infrastructure caused by social factors, such as changes in demographics, is not adequately addressed through Council planning."*

## 1.4 Good Practices Observed

The following good practices were observed during this audit:

- ✓ The Confirm system is used to maintain detailed tree data. Internal Audit (IA) performed a walkthrough of the system with staff and consider the system includes an appropriate level of tree data, with trees having asset identification numbers, GPS locations and details around condition included. This is a specific scope point and due to the positive result is not further discussed during the report.
- ✓ The City have qualified and knowledgeable staff in place to manage trees – in particular in the Natural Spaces and Environmental Management and Field Services teams.
- ✓ The Confirm system is user-friendly and available remotely to staff via tablets. Jobs can be assigned to specific staff and accessed via personalised dashboards.
- ✓ The City have implemented the Salesforce system within the last 12 months and staff reported positively on the functionality of the system, the reduction in duplicate requests and in-built functionality relating to communication. One key staff member reported that Salesforce has been a 'game changer' in enabling greater efficiency in services.
- ✓ From the 2025 planting season, the City have decided to deliver new street tree planting in house, with an aim to improve the success of the planting and maintenance program.
- ✓ Staff have proactively worked to implement recent sudden changes to legislation and the definition of significant/regulated trees.
- ✓ There is clear understanding of roles/responsibilities around tree removals and appeals.
- ✓ Field Service reported that the Customer Service team have made strong improvements in reducing duplicate enquiries since the introduction of the Salesforce system.



## 1.5 Key Findings and Recommendations

Based on the work undertaken, and when considering the design of relevant assessed controls to manage Council's strategic risk of *'Failure to manage the impact of environmental and social factors on Council infrastructure, assets and social services. The detrimental effect on Council assets and infrastructure caused by environmental factors, including climate change, is not adequately addressed through Council planning...'*, we conclude that the **design of controls is 'partially adequate'**, with the **operating effectiveness of controls being 'majority effective'**.<sup>1</sup>

- The control design rating is reflective of a need for strengthened strategic direction in relation to trees.
- Although this audit has identified a range of opportunities for improvement, the rated operating effectiveness of controls is reflective of the City's established approach to the management of trees, the qualified and dedicated team and the allocated budget to managing trees.

Council receives between 4,500 and 6,000 tree-related requests per year. Action and/or non-action around trees can attract high risk due to the potential impact on the safety of community members. The relevant teams work hard to respond to tree requests and closed 80% (around 3,400) cases received in the September 2023 to August 2024 period reviewed. Although there is a backlog of requests, this is worthy of mention.

Key findings from the review include:

- A need to define/formalise the City's strategic approach to the forward management of trees. For example, whether the City plans to maintain/increase tree canopy and strategic focus areas. IA note that any change has significant financial implications.
- A need to reconsider service levels associated with trees, including assessment of what is achievable within current resourcing levels and whether this aligns to desired service levels.
- A need to ensure that works to address trees rated as high risk are scheduled and supported by ongoing funding.

Galpins would like to thank the Council staff for their assistance with this review.

Findings and recommendations are summarised over page.

<sup>1</sup> For further details on risk ratings, see **Appendix 2 'Overall Control Environment Conclusion Rating Definitions'**.  
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Finding	Summary of Recommendations	Audit Risk Rating	CoS Risk Rating	Expected Completion Date
2.1 Strategic Intent for Tree Management	<b>Recommendation 1:</b> Defining The City's strategic intention for trees.	High (12)	Medium (8)	December 25
2.2 Tree Management Framework	<b>Recommendation 2:</b> Updating the Tree Management Procedure.	Medium (8)	Medium (8)	March 25
	<b>Recommendation 3:</b> Clear understanding of Council's approach to tree protection.	Medium (6)	Medium (6)	March 25
	<b>Recommendation 4:</b> Education around tree management, updating internet information.	Better practice	Better Practice	December 2024
2.3 Tree Management customer requests	<b>Recommendation 5:</b> Review service levels around tree requests.	Medium (6)	Medium (8)	June 25
	<b>Recommendation 6:</b> Potential contractor access to Confirm system.	Medium (6)	Medium (6)	December 25
	<b>Recommendation 7:</b> Managing tree-related input into development applications.	Medium (8)	Medium (8)	September 25
	<b>Recommendation 8:</b> Strengthening communication for tree-related customer requests.	Medium (6)	Medium (6)	June 25
2.4 Alignment of tree management to City Plan	<b>Recommendation 9:</b> Finalising the forward approach to tree asset management.	Medium (9)	Medium (9)	December 25
	<b>Recommendation 10:</b> Implement the planned review of tree asset hierarchy and Levels of Service for Street Trees/Tree Management.	Medium (9)	Medium (9)	October 25
2.5 Identifying and managing tree-related hazards	<b>Recommendation 11:</b> Urban trees – ensuring tree inspection and remediation work is scheduled and funded.	Medium (9)	Medium (10)	December 25
	<b>Recommendation 12:</b> Reserve trees – programming and ongoing funding of remediation work.	Medium (8)	Medium (10)	December 25
2.6 Legislative compliance	<b>Recommendation 13:</b> Confirming legislative compliance.	Low (4)	Low (4)	April 25

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## 2. Background: Tree Management

Tree management is a complex area across local government. From a strategic standpoint, a range of policies and procedures are relevant to tree management within the City. These include:

- Tree Management Policy
- Strategic Asset Management Plan (SAMP)
- Sustainability Strategy 2035
- Landscape Plan (2007)
- Urban Forest Strategy

In addition, legislative change and pending new State Government policies/procedures add complexity to how trees are to be managed.

### Tree management history: Local Government context

In 2010, a fatality as a result of a fallen tree limb within the City of Burnside prompted a review of tree management within Council.<sup>2</sup> The subsequent coronial inquest into the death (as well as the LGASA Independent Inquiry into Management of Trees on Public Land (2011)) indicated the Council's internal auditing, record management practices and tree risk assessment practices required improvement. As such, the local government sector recognised a need to be able to demonstrate appropriate action in relation to tree management.

It is well understood by Council that proactive management of trees is likely to improve outcomes in the long-term. This is also noted in the LGASA *Independent Inquiry into Management of Trees on Public Land* (2011):

*"Actions that reduce tree failures improve trees generally; the injuries and defects that lead to failures are reduced, maintenance costs are lower, and trees achieve a better form and live longer. Tree replacement costs are also reduced."*

### Key strategic challenges with managing trees

Trees are a dynamic, living asset and are hard to categorise within the normal context of an asset, such as roads and footpaths. As such, 'normal' asset management systems and processes within the Council context are not always suited to manage the complexities of trees. See over page.

<sup>2</sup> Another fatality within the City of Adelaide occurred in February 2024.

### Snapshot: complexities around tree management



Community expectations regarding the management of trees are often more varied than expectations regarding other assets, such as roads. For example, where one community member may see a large tree as being a problem (and want it removed), another community member may want it protected. This can be contrasted with expectations regarding the quality of a road, where generally, the quality of the road is largely indisputable.

### Operational activities for the management of trees by team

In addition to the physical challenges of managing trees, there is also operational complexity within Council to achieve this. Different responsibilities for trees are split across different teams. A summary is below.

Team	Tree-related role
Natural Spaces and Environmental Management Team	<ul style="list-style-type: none"> <li>Own/oversee Tree Management Framework</li> <li>Consider and provide advice around new developments</li> <li>Plan and oversight Street Tree Renewal program</li> <li>Provide tree advice on request (eg to Planning Team, Field Services)</li> <li>Provide initial assessment of requests for tree removal related to <u>capital works program</u></li> <li>Provide subject matter expertise around contracts for tree management (eg input into requests for tender, review of proposals)</li> <li>Plan for Reserve Tree planting</li> <li>Maintain Landmark Tree Register</li> <li>Manage/use tree asset management information from Confirm system</li> <li>Coordinate tree inspection program (tree risk assessment)</li> </ul>

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Team	Tree-related role
TL Open Spaces and Urban Streetscape	<ul style="list-style-type: none"> <li>Provide subject matter expertise/history around tree management</li> <li>Planning around footpath network and verges in relation to planting</li> </ul>
Development Engineering	<ul style="list-style-type: none"> <li>Process development applications, incorporating trees/tree removal</li> <li>Refer relevant applications for input from Field Services</li> </ul>
Field Services	<ul style="list-style-type: none"> <li>Implement tree management program around planting, reactive/proactive maintenance, condition assessment.</li> <li>Inspections and assessment following enquiries, inc for tree removal.</li> <li>Oversee contractors responsible for removal and pruning</li> <li>Monthly reporting to Environmental Sustainability and Trees Committee (ESAT)</li> <li>Provide input into Development Assessments.</li> <li>Rapid Response and After Hours Callout: clear fallen limbs/trees from roadways/public spaces</li> </ul>
Environmental Sustainability and Trees Committee	<ul style="list-style-type: none"> <li>Support the City in continuing its vision as a Sustainable City</li> <li>Ensure issues related to the maintenance and removal of street trees and trees that are in a reserve, immediately adjacent to private properties, are dealt with consistently across the City.<sup>3</sup></li> </ul>
Community Compliance	<ul style="list-style-type: none"> <li>Follow up cases (strong cases/clear non-compliance)</li> <li>Tree damaging activity noted by Field staff and then followed up by Community Compliance</li> </ul>
Project Delivery (City Infrastructure)	<ul style="list-style-type: none"> <li>Planting as part of capital works program.</li> <li>Oversee contractors responsible for removal, watering, planting (Streetscape Renewal) as part of the capital works program. (Note: pending change to in-house works)</li> <li>Community consultation regarding tree-related projects.</li> </ul>
Strategic Urban Planning Team	<ul style="list-style-type: none"> <li>Develop Sustainability Strategy 2035</li> <li>Focus on influencing implementation of 'directions' from the Strategy, including in relation to trees.</li> </ul>

<sup>3</sup> Source: ESAT Terms of Reference. Online, accessed 15.08.2024. URL: [www.salisbury.sa.gov.au/assets/downloads/Council/CURRENT-Environmental-Sustainability-and-Trees-Sub-Committee-Terms-of-Reference-April-2024.pdf](http://www.salisbury.sa.gov.au/assets/downloads/Council/CURRENT-Environmental-Sustainability-and-Trees-Sub-Committee-Terms-of-Reference-April-2024.pdf)

### 3. Detailed Findings and Recommendations

#### 2.1 Strategic Intent for Tree Management

##### Key Findings

- There is a need to more clearly define the City's strategic intention for trees. This can then be used to further direct internal action taken to manage Council's trees.

##### Discussion

The audit scope called for assurance that the City has established a Tree Management Framework (TMF) for the management of its urban forest. To do this, IA aimed to review documents in place against the City's strategic aims for its urban forest.

##### Defining strategic intent

Better practice is for overall strategy / strategic intent to be clear, with policies, procedures and relevant governance translating this into organisational action. A summary of the status of the City's TMF is below:

##### Status of overarching Tree Management Framework at the City of Salisbury



The City has policies and procedures in place around tree management (discussed in **Section 2.2**). Some strategic documents also reference trees at a high level. These are outlined overpage.

Strategic document	Detail	IA comment
City Plan 2035	References a dashboard statistic that 'Tree Canopy Coverage' was 18% as at 2020.	No further indicators around trees/future targets.
Strategic Asset Management Plan (SAMP)	References service standards around Street Trees (eg 1/property, maintain number of trees, diversity of species mix planted).	References street tree planting/service levels Does not reference reserve trees References Street Tree Asset Management Plan (see Section 2.4).
Sustainability Strategy 2035	Committed to ' <i>continuing to improve tree canopy cover in open spaces.</i> '	Not linked to an action item.
Tree Management Policy	Aims to provide ' <i>strategic direction and guidance in relation to the management of trees under the care, control and management of Council.</i> '	References approach to the care of trees rather than strategic direction.
Landscape Plan (2007)	Outlines intention for the council landscape including street trees.	Opportunity to ensure that this is up to date and reflects current intention around trees.
Urban Forest Strategy	N/A	Not yet developed – mentioned in SAMP.

The above documents provide some indication of intent, however IA found they do not further define forward strategic intent around trees, such as:

- whether there is an intention to maintain/increase<sup>4</sup> the current tree canopy cover across the City and associated targets in relation to trees (financial impacts associated)
- how/whether street trees will be considered as part of the City's tree canopy or whether they are more for local liveability
- what is Council's purpose for trees – e.g. for liveability, canopy, habitat, biodiversity, cooling, and
- strategic projects around trees – e.g. where to plant trees, type of trees that are climate resilient, alignment to climate resilience projects.<sup>5</sup>

<sup>4</sup> Decrease in cover unlikely, given current environment – such as recent State Government legislative change to strengthen tree protection.

<sup>5</sup> The audit scope also called for a review of whether the TMF covers 'environmental and social factors including the trees in public open space'. Audit found that TMF documents implicitly/broadly mention and/or acknowledge the social and environmental benefits of trees. There is no document in the TMF that specifically details the environmental and social factors around trees. The City Plan, Strategic Asset Management Plan, Sustainability Strategy 2035 and Thrive Strategy also reference the importance of the environment. See Recommendation 1.

IA understand that staff also are keen for this to be in place. We note that the SA State Government have recently changed legislation around trees, and have indicated targets around canopy cover. Green Adelaide also has an *Urban Greening Strategy* for metropolitan Adelaide under development.<sup>6</sup> Within this context, there is opportunity for the City to consider and define its strategic intent around the role of trees.

#### Risk Exposure

- Potential lack of clarity around the strategic intention for the City's trees may lead to inconsistent approaches to tree management – for example in relation to planned tree planting/management/ planning of strategic projects.

<b>Recommendation 1</b>	Clarify and define the COS' strategic intention around trees (for example – retain current levels, increase, decrease levels), including why trees are of importance to the environment/community. This direction can then be used to inform ongoing planning and operations of COS staff.  <i>Note – this will need to be informed by SA Government expectations (eg Urban Greening Strategy), new legislative requirements and Council's financial capacity. For example, in-house estimations are that the cost of planting/maintaining and watering a new tree in initial years is \$500.</i>		
<b>Audit Risk Rating</b>	High (12)	<b>CoS Risk Rating</b>	Medium (8)
<b>Descriptor</b>	Environment		
<b>Impact</b>	Moderate	<b>Likelihood</b>	Likely
<b>Agreed Actions</b>	Develop a strategy to provide clarity and direction.		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	December 2025		

<sup>6</sup> Green Adelaide: 'For Adelaide's urban environment to thrive, we need a roadmap for increasing tree canopy, cooling the city and boosting biodiversity.' Online, URL: [www.greenadelaide.sa.gov.au/projects/adelaide-greening-strategy](http://www.greenadelaide.sa.gov.au/projects/adelaide-greening-strategy)



## 2.2 Tree Management Framework

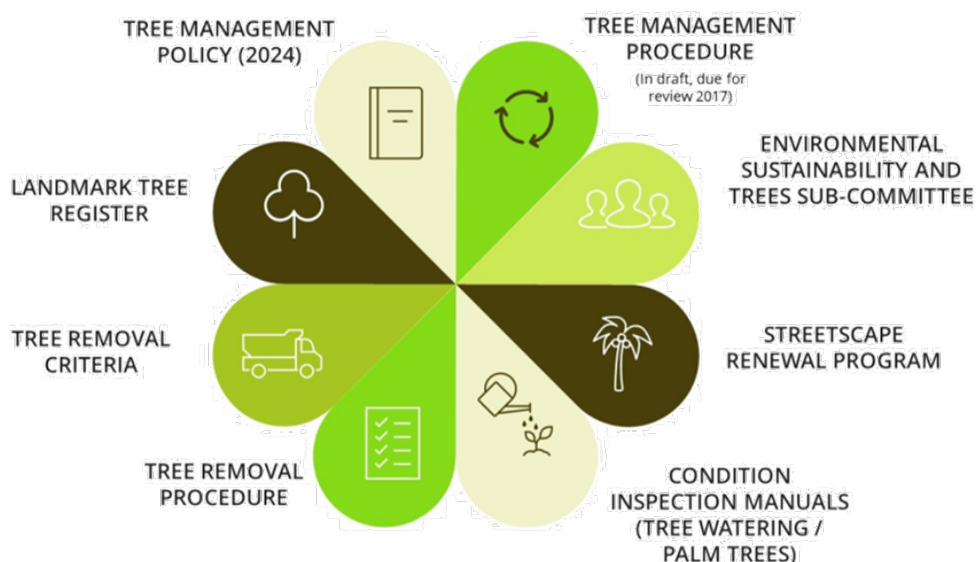
### Key Findings

- The Tree Management framework includes documents that give strong understanding around tree planting, protection, removal and maintenance.
- There is a need to finalise the Tree Management Procedure.

### Discussion

Audit reviewed whether COS has established a Tree Management Framework (TMF) for the management of its urban forest, covering policy measures around tree planting, tree protection, tree removal, tree asset management, maintenance, community consultation and engagement, and risk management. It also required confirmation of whether the TMF documents are adequately designed and established.

The below documents comprise the TMF:



These documents pull together a range of tree-related expectations and staff overall reported a strong understanding of these expectations. Assessment of these against key scope elements is below.

Element	Addressed in framework?	IA comments/findings
<b>Tree Planting</b>	<ul style="list-style-type: none"> <li>✓ In Tree Management (TM) Policy</li> <li>✓ Streetscape Renewal Program '(aims to renew about 1,000 trees each year)'</li> </ul>	<p>Tree Management Procedure in draft (due for review 2017). See <b>Recommendation 2</b>.</p> <p>Council website includes details of selected tree planting streets</p>

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Element	Addressed in framework?	IA comments/findings
	<ul style="list-style-type: none"> <li>✓ (Draft) Tree Management Procedure outlines planting principles (eg one per property, distance from driveways/Side Entry Pits, soil conditioner use)</li> <li>✓ Draft Strategic Asset Management Plan includes an action to clarify current planting mix for biodiversity purposes (by Dec 2024).</li> </ul>	from 2022-23. A webpage/social media update was being planned as at audit fieldwork.
<b>Tree Protection</b>	<ul style="list-style-type: none"> <li>✓ In TM Policy</li> <li>✓ Council demonstrated understanding of recent changes to PDI Act/ability to implement strengthened tree protection measures.</li> </ul>	Tree Management Policy and Tree Management Procedure refer to Enforcement Policy. Enforcement reportedly occurs rarely. See below and <b>Recommendation 3</b> .
<b>Tree Removal</b>	<ul style="list-style-type: none"> <li>✓ In TM Policy</li> <li>✓ In Tree Removal Procedure</li> <li>✓ Environmental Sustainability and Trees Sub Committee Terms of Reference clarify Committee's role re tree removal/appeals.</li> <li>✓ Impact of change to the PDI Act (Regulations) still being determined however staff demonstrated clear understanding.</li> </ul>	Processes/requirements around tree removal clear.
<b>Tree asset management</b>	<ul style="list-style-type: none"> <li>✓ In TM Policy</li> <li>✓ Key elements outlined in Strategic Asset Management Plan (for street trees)</li> <li>✓ Landmark Trees Site Register tracks landmark trees (within suburbs only)</li> <li>✓ Confirm system used to track tree asset information.</li> </ul>	<p>Opportunity to more formally document asset management approach. See <b>Section 2.4</b>.</p> <p>Opportunity to more formally outline roles/responsibilities re significant/landmark trees – see <b>Recommendation 2</b>.</p>
<b>Tree Maintenance</b>	<ul style="list-style-type: none"> <li>✓ In TM Policy</li> <li>✓ In Tree Management Procedure (minor)</li> <li>✓ For <u>street</u> trees: outlined in SAMP</li> <li>✓ Condition inspection manuals (tree watering and palm trees)</li> <li>✓ COS focus: street tree maintenance</li> <li>✓ Established unit pruning program in place for street trees.<sup>7</sup></li> </ul>	<p>Minor opportunity to review/update inspection manuals. Included in <b>Appendix 4</b>.</p> <p><b>Gap:</b> Maintenance program for trees rated high risk. See <b>Section 2.5</b>.</p> <p><b>Gap:</b> Approach to the maintenance of <u>reserve</u> trees. See <b>Section 2.5</b>.</p>

<sup>7</sup> The City is divided into 52 units, with each unit scheduled for pruning every 5 years. This pruning principally maintains access for vehicles along streets and clearance above footpaths and private land.

Element	Addressed in framework?	IA comments/findings
<b>Community consultation and engagement</b>	<ul style="list-style-type: none"> <li>✓ In TM Policy. This outlines that the City will consult with the community around tree removals/major tree projects, in line with the City's <i>Community Engagement Strategy</i>.</li> <li>✓ Audit sighted consultation examples and an overview of consultation for Streetscape Renewal Program (new approach trialed in 2024).</li> </ul>	Better practice: Opportunity to pursue further community education. See discussion below and <b>Recommendation 4</b> .
<b>Tree risk management</b>	<ul style="list-style-type: none"> <li>✓ In TM Policy</li> <li>✓ Draft SAMP outlines '<i>Street tree target zones are managed to minimise risk based on species and location</i>' (p.45)</li> <li>✓ Urban tree risk assessment – last conducted in 2019.</li> <li>✓ Trees identified as being in high visitation zones (eg streets/playgrounds) are assessed on a cyclic basis.</li> </ul>	Actions in SAMP around risk management need to be actioned. See <b>Section 2.5, Recommendation 11</b> and <b>Recommendation 12</b> .

#### Tree Management Procedure

The Tree Management Procedure is intended to detail technical specifications, for example around installation techniques and items to be considered and/or assessed when undertaking tree planting and establishment activities. It was due for review 2017, and includes references to documents that don't exist (eg Tree Maintenance Policy). Whilst the content appears largely relevant, it needs to be reviewed to ensure currency. See **Recommendation 2**.

#### Tree Protection

In line with the scope, IA reviewed the current framework in place around tree protection. Currently, the *Tree Management Policy* and draft *Tree Management Procedure* refer to the '*Enforcement Policy*' for guidance around tree protection. This is publicly available and refers to a general approach to enforcement across Council.

Key stakeholders reported that enforcement action around tree vandalism/damage occurs rarely, and IA understand this is common within local government. Community Compliance team members can attend a site but only in response to a community complaint. Enforcement can only be taken if the wrongdoing can be proved – for example by catching someone in the act of tree vandalism. In addition, the likelihood of taking enforcement action is dependent on Council's appetite for this to occur. See **Recommendation 3**.

### Community Consultation and Engagement

Three key stakeholders provided feedback about the challenge between growing/maintaining trees and potential impacts upon housing. IA noted that the City's webpage includes summary information about the importance of trees, and then proceeds to information about tree removal.

In addition, recent changes to the definition of regulated/significant trees in State Government legislation mean that smaller trees are now subject to protection.

Council receives a high amount of community requests in relation to trees (see **Section 2.3**). To assist in establishing expectations and potentially reducing requests, there is opportunity for the City to work to educate residents around trees, the City's strategy for trees, legislative requirements and planned initiatives.

IA understand that staff have commenced work to review and update tree-related information on the COS website, and that the Urban Services Committee has recently resolved to strengthen relevant educational materials. Note – community consultation was also a requirement in the previous independent inquiry into trees within SA. See **Section 2.7** and **Recommendation 4**.

### Risk Exposure

- Internal staff/contractors may not be aware of current requirements regarding tree management, if the Tree Management Procedure contains outdated information.
- The community may not be aware of tree-related requirements and Council's forward direction. This may impact via increased/unnecessary customer requests.

<b>Recommendation 2</b>	Update and finalise the Tree Management Procedure.  Note, one element to update and strengthen is around the management of significant/regulated and landmark trees – including roles/responsibilities for this across teams.		
<b>Audit Risk Rating</b>	Medium (6)	<b>CoS Risk Rating</b>	Medium (8)
<b>Descriptor</b>	Environment/Political/Community		
<b>Impact</b>	Minor	<b>Likelihood</b>	Possible
<b>Agreed Actions</b>	Complete review and update of Tree Management Procedure		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	March 2025		

<b>Recommendation 3</b>	Confirm the Council's intended approach to the protection of trees. For example: <ul style="list-style-type: none"> <li>is the current approach sufficient/in line with expectations</li> <li>is there an appetite to pursue additional action when tree vandalism/damage is identified.</li> </ul>
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	This decision is subject to internal appetite, budget and capacity to prove wrongdoing. The recommendation is aimed at ensuring a consistent understanding of the intended approach to tree protection.		
Audit Risk Rating	Medium (6)	CoS Risk Rating	Medium (6)
Descriptor	Environment/Political/Community		
Impact	Minor	Likelihood	Possible
Agreed Actions	<p>Confirm expectations as part of update of Tree Management Procedure (refer Recommendation #2).</p> <p>Council's overall intent to protect trees/ not support tree damaging activity will be reflected in our defined strategic direction around trees (refer Recommendation #1).</p>		
Action Officer	GMCI		
Completion Date	March 2025		

Recommendation 4	<p>Continue work to educate the community around trees. For example, continue work to update the website/social media with broader information including:</p> <ul style="list-style-type: none"> <li>information about the strategic intent for trees</li> <li>information about current tree strategic projects/success stories</li> <li>update around change of legislation/links to the PDI Act, and</li> <li>biodiversity of species planted.</li> </ul> <p>This approach is included as an example only, other education approaches may also be pursued.</p> <p><i>Note – this recommendation is considered better practice and a risk rating has not been applied.</i></p>		
Audit Risk Rating	Better practice	CoS Risk Rating	Better practice
Agreed Actions	<p>Noted and ongoing. Council also work with other partners, including Green Adelaide, to educate the community around trees. Development of the strategic intent (per Recommendation 1) will also be publicised to promote community education.</p> <p>Website will be updated to reflect changes to legislation.</p>		
Action Officer	GMCI		
Completion Date	Website information updated by December 2024		

## 2.3 Tree management customer requests handling

### Key Findings

- Council receives between 4,500 to 6,000 tree-related requests per year.
- From September 2023 to August 2024, Council closed 51% of the total 4,629 tree requests received within 60 days and a cumulative 65% of requests within 90 days.
- 18% of total requests tested at audit fieldwork were overdue (>10 days). 600 (13%) were aged over 60 days.
- Staff reported being 'stretched', and at times not being able to meet demand in a timely manner.
- Audit reviewed a sample of 16 cases in detail and found strong records, some delays in service and opportunities to improve communication.

### Discussion

Internal Audit reviewed the handling of public requests / complaints related to trees, and tested 16 records in detail.<sup>8</sup> Results indicate that the City generally maintain strong records in relation to tree requests:

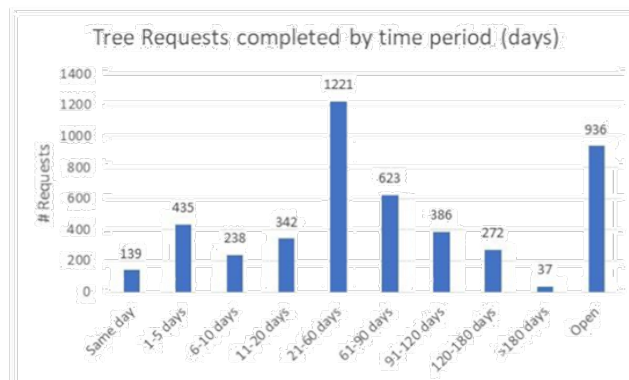
- ✓ the Salesforce system integrates with the Confirm asset management system and enables flow of information from receipt of request through to field staff actioning the requests, and
- ✓ records clearly indicate the stage that the request is at – e.g. awaiting inspection or assigned.

**Summary: tree-related customer requests (nb key statistics only – minor % not included)**

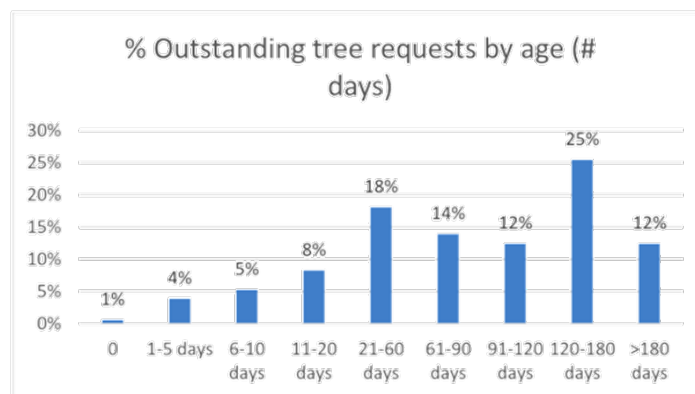


<sup>8</sup> Statistical sampling methodology – 95% confidence interval, 15% standard error. Sample chosen using a mix of random sampling and auditor judgement.

A summary of timeliness in completing requests is below and indicates ongoing effort to address requests:



Out of the 936 (20% of total received) open tree requests, 37% or 354 were aged over 180 days:






The above rate of closure of requests demonstrates strong effort from staff and contractors. The number of outstanding requests also indicates an opportunity for review/consideration of the City's expectations about timeliness and sufficiency of resources. See **Recommendation 5**.

#### Sample Testing Results

Audit tested a sample of 16 requests in detail around quality of information, timeliness of response and communication with the resident. Key results include:

✓	3 of 3 higher risk requests <sup>9</sup> were actioned in a timely manner (nb, no separate inspection required)
✓	3 of 16 (19%) completed in 62 days or less (reasonable response time)  Note SLA is for initial response within 10 days – discussed over page)

<sup>9</sup> Around branch collection/potential fire risk of dry leaves.

	<ul style="list-style-type: none"> <li>1 instance of evidence of a duplicate request being identified and closed – reducing double-handling/resources.</li> </ul>
	<ul style="list-style-type: none"> <li>9 requests (56%) outstanding and &gt;100 days.<sup>10</sup> Of these, all required initial arborist inspection.</li> </ul>
	<ul style="list-style-type: none"> <li>5 instances (31%) – opportunity to more clearly communicate status with residents. See discussion below.</li> </ul>

Data analysis and testing results above indicate some challenges in meeting timeliness around tree requests. Key questions are whether:

- **Current timeliness standards reasonable.** The Salesforce system currently has Service Level Agreements (SLAs) inbuilt in relation to trees. Audit anecdotally understand that the SLA is generally 10 days to action a tree request, however sighted some correspondence that 40 days are allowed for some requests.
- **Current resources are reasonable.**
- **Current practices efficient and effective.**

These three elements are discussed below.

Timeliness	Resources	Efficient/effective
<p>Data analysis and interviews indicated that this timeline is difficult to meet. For example:</p> <ul style="list-style-type: none"> <li>▪ one key Field Services team member noted that around 10-15 requests can be addressed per day (with approx 18 received/day)</li> <li>▪ IA's review of cases, and previous experience, indicates that tree requests is time-consuming and not able to be achieved within 10 days.<sup>11</sup></li> </ul> <p>See <b>Recommendation 5.</b></p>	<p>The City currently have a mix of in-house and contracted work</p> <ul style="list-style-type: none"> <li>▪ \$3.05m budget for 23-24, actual was \$3.53m (for removal, stumps, branch, pruning, purchase of plants, planting, inspections).</li> <li>▪ \$1.77m allocated to contractors for 23-24 for tree removal, pruning, supply, inspections, planting.</li> </ul> <p>See <b>Recommendation 5.</b></p>	<p>IA identified two elements that may impact efficiency/ effectiveness:</p> <ul style="list-style-type: none"> <li>▪ contractors do not currently have access to Confirm, details of their action must be manually uploaded into Confirm by staff once invoice is received.</li> <li>▪ Field Services reported burden associated with providing input (via referrals) into Development Assessments.</li> </ul> <p>See discussion over page.</p>

<sup>10</sup> One further request was recently raised and outstanding.

<sup>11</sup> For example, arborist inspection may be required before action can be decided/booked. Arborists already have a queue of work to address before reaching a new customer request.



### Efficiency options

#### Contractor access to Confirm

During interviews, staff from across teams indicated a desire for contractors to have access to the Confirm system, to update information about tree assets directly into the system. At present, contractors provide their records and a staff member must enter this into Confirm (double handling).

Audit understand that there are potential security issues associated with providing contractors access to Confirm. This may potentially be overcome via use of amended security settings, spot-checks of contractor behaviour and formal signed agreement by all contractor staff around behaviour.

See **Recommendation 6**.

#### Support for input into development applications

Field Services reported significant resources associated with providing input into development applications. The PDI Act places requirements on councils to process development applications in a timely manner. Someone must provide tree-related input on behalf of Council, to ensure that requirements as outlined in the Code have been met. Moving responsibility for this task to another team is likely to only move the issue and not resolve the cause. Over time, it is also likely that the number of development applications may fluctuate. See **Recommendation 6** and **Recommendation 7**

### Risk Exposure

- Inability to meet expected customer service levels around trees impacts upon reputation and community satisfaction.
- Development applications: risk of legislative non-compliance around providing timely input into development application; risk that time taken to provide input into DAs impacts upon ability to address other tree requests.

<b>Recommendation 5</b>	Clarify the City's expected service levels associated with tree requests. For example, consider: <ul style="list-style-type: none"> <li>▪ clear timeliness requirements for notifying residents of Council's intent</li> <li>▪ allocating a short timeframe to higher-risk requests</li> <li>▪ allocating a longer timeframe to lower-risk requests.</li> </ul> In line with this, review the adequacy of available resources to meet expected service levels.  <i>Note – suggested action only – service levels are at the City's description and IA note that an increase in service levels is likely to correlate to an increase in resources required.</i>		
<b>Audit Risk Rating</b>	Medium (6)	<b>CoS Risk Rating</b>	Medium (8)
<b>Descriptor</b>	Environment/Political/Community		
<b>Impact</b>	Minor	<b>Likelihood</b>	Possible

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Agreed Actions	Review service levels, workflows, processes and response timeframes
Action Officer	GMCI
Completion Date	June 2025

Recommendation 6	<p>Work to reduce in-house double-handling of tree-related data provided by contractors. This may be achieved by providing tree contractors with access to the Confirm system and/or development of another automated solution.</p> <p><i>Note – the intent of this recommendation is to reduce inefficiencies, however the security of the City's asset data is important. Appropriate controls must be achieved before access is potentially provided.</i></p>		
Audit Risk Rating	Medium (6)	CoS Risk Rating	Medium (6)
Descriptor	Finance / Service Interruption		
Impact	Minor	Likelihood	Possible
Agreed Actions	Automate solution and improve Confirm/Salesforce interface		
Action Officer	GMCI		
Completion Date	December 2025		

Recommendation 7	<p>Conduct a workshop to review the current approach to providing tree-related input into development applications. Options to consider include but are not limited to whether:</p> <ul style="list-style-type: none"> <li>additional resources are required (for example, additional arborists or targeted administrative support)</li> <li>current processes are as efficient as possible (for example, referral occurs at the optimal time)</li> <li>there is potential to reduce the number of applications referred by upskilling City Development staff about tree matters, and/or</li> <li>services of an external arborist/consultant can be used to assist when demand peaks.</li> </ul>		
Audit Risk Rating	Medium (8)	CoS Risk Rating	Medium (8)
Descriptor	Legal/regulatory; Environment/Political/Community; Operational		
Impact	Minor	Likelihood	Likely
Agreed Actions	Workshop as recommended		

Action Officer	GMCI
Completion Date	September 2025

#### Quality of communication

Audit reviewed the communication provided to residents, and found communication to be timely and clear in 11 (59%) of instances – for example with SMS' sent to residents. For five instances, communication was unclear. Details are included in **Appendix 4**. An example is included below:

Request #	Summary	Response provided	IA comment
00018072	Inspection of diseased tree.	<i>'Request 00018072 has <u>not</u> been resolved. The request has been assessed and currently meets our service levels. Thank you for helping make our City a better place. Need anything else? Pls go to <a href="https://my.salisbury.sa.gov.au/s/">https://my.salisbury.sa.gov.au/s/</a>. Pls do not reply to this SMS.'</i>	Response does not say what the result was (the tree was assessed and was not diseased, a healthy tree).

This communication may create frustration/repeat questions from residents. See **Recommendation 8**.

#### Risk Exposure

- Residents are dissatisfied with responses about a request for service, and complain and/or lodge additional requests for service. COS reputation may be impacted.

<b>Recommendation 8</b>	Review communication provided for tree-related customer requests and ensure that: <ul style="list-style-type: none"> <li>it clearly establishes expectations for timelines</li> <li>where a request is closed, that communication clearly identifies the action taken/not taken and enables residents to follow-up.</li> </ul>		
<b>Audit Risk Rating</b>	Medium (6)	<b>CoS Risk Rating</b>	Medium (6)
<b>Descriptor</b>	Environment/Political/Community		
<b>Impact</b>	Minor	<b>Likelihood</b>	Possible
<b>Agreed Actions</b>	Review timeframes and communication (in conjunction with Recommendation 5).		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	June 2025		

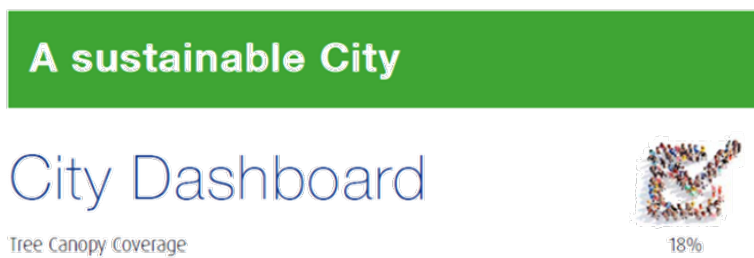
## 2.4 Alignment of Tree Asset Management Plan to City Plan 2035

### Key Findings

- The approach to street tree management is outlined in the Strategic Asset Management Plan (SAMP) and teams demonstrated clear understanding around this.
- The SAMP includes deliverables (rolled over from 2023/24) around review of the Tree AMP, review of asset hierarchy and community levels of service for street trees and reserve tree management.
- There is a need to update/finalise other tree asset management documentation: *Street Tree Asset Management Plan* (2015) and draft *Street Tree Asset Management Strategy*.

### Discussion

The audit required review of whether the City's Tree Asset Management Plan is aligned to deliverables in the *City Plan 2035*. The City Plan includes one reference to trees, with a 'City Dashboard' statistic showing 'Tree Canopy Coverage' at 18% at the time of developing the plan:



This is the only reference to trees in the City Plan.

### Tree-related deliverables in Asset Management Plans

The key plan outlining tree asset management is currently the *Strategic Asset Management Plan* (SAMP). It outlines asset management principles for street trees (eg 5-yearly cyclical pruning). IA also noted:

- ✓ Staff have a strong understanding of asset-related works for trees (cyclical pruning aligning to the SAMP, watering and planting initiatives)
- ✓ strong use of the Confirm system to hold data about trees – including tree condition (linked to associated risk).

The following deliverables have *rolled over* from the 2023-24 SAMP into the draft 2024-25 SAMP, as outlined in the table over page:

Table # in Draft SAMP 2024-25	Deliverables	Due Date
<b>6: Risk Management Plan</b>	Develop a reserve tree management renewal and maintenance programs and seek additional budget in 2025/26. Treatment cost: \$50,000 p.a (Rated as 'high' risk – discussed in <b>Section 2.5</b> ).	None noted
<b>10: Improvement Plan</b>	11. Trees - Undertake a review asset hierarchy and Community Levels of Service for Street Trees and current Tree Management Practices	October 2025
	12. Trees - Draft Asset Management Plan	December 2025

Audit understand that these items continue to be important, and that commencement is planned. A current and clearly documented approach to tree asset management can assist in ensuring that deliverables are achieved and resources are aligned appropriately. See **Recommendation 9** and **Recommendation 10**.

#### Risk Exposure

- Some gaps around documentation of the approach to tree asset management may result in inconsistent and/or unsupported treatment of trees.

<b>Recommendation 9</b>	Clarify and finalise the City's forward approach to tree asset management. In particular: <ul style="list-style-type: none"> <li>if a Tree Asset Management Plan is required as outlined in the SAMP, ensure that it is developed, and</li> <li>if a Tree Asset Management Plan is not supported (noting it has been in draft since 2015), clarify how the asset management will occur and where the expected approach will be documented.</li> </ul>		
<b>Audit Risk Rating</b>	Medium (9)	<b>CoS Risk Rating</b>	Medium (9)
<b>Descriptor</b>	Environmental		
<b>Impact</b>	Moderate (3)	<b>Likelihood</b>	Possible (3)
<b>Agreed Actions</b>	Prepare Tree AMP. Connected to Recommendation 1.		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	December 2025		

<b>Recommendation 10</b>	Continue work to implement the Strategic Asset Management Plan's deliverable of 'Undertake a review of [tree] asset hierarchy and Community Levels of Service for Street Trees and current Tree Management Practices.'  <i>Note – this item is included as a recommendation as it has been included in more than one year's version of the SAMP.</i>
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<b>Audit Risk Rating</b>	Medium (9)	<b>CoS Risk Rating</b>	Medium (9)
<b>Descriptor</b>	Environmental/political/community; Finance		
<b>Impact</b>	Moderate (3)	<b>Likelihood</b>	Possible (3)
<b>Agreed Actions</b>	Undertake review as per recommendation.		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	October 2025		

## 2.5 Processes for identification and management of potential tree related hazards

### Key Findings

- Overall, the City take a risk-based approach to the management of tree hazards. A professional team is in place, tree data is kept and some cyclical work occurs.
- COS last assessed the risk of urban trees in 2019, and reserve trees in 2023.
- Budget has not clearly rolled over to ensure that ongoing remediation/re-inspection of high risk trees can occur.

### Discussion

Audit reviewed whether the City has effective processes in place to identify and manage potential tree-related hazards. Overall, the City has taken a risk-based approach to identify and manage tree-related hazards:

- ✓ An audit of trees was completed in 2019 for urban areas.
- ✓ Key staff reported that an audit of higher-risk reserve trees was completed in 2023.
  - Urgent/highest risk issues were aimed to be addressed via a contractor.

IA also found that:

- The urban tree audit was due for update in 2023, and as at audit fieldwork had not yet been scheduled to be repeated. The urban tree audit is used to assess the status of trees and update associated tree asset data within Confirm. See **Recommendation 11**.
- There is not yet a formal inspection regime to ensure that high priority/high risk trees are re-assessed and remediated as required.
  - As at audit fieldwork, an inspection regime had been developed but implementation was dependent upon resourcing.
  - The team reported that the contractor allocated the urgent/highest risk issues associated with reserve trees did not complete all work in the last financial year, and funding for completion of this work was not allocated for 2024-25. See **Recommendation 12**.
  - IA sighted evidence of a separate review of trees at Carisbrooke Park prior to a major Adelaide Fringe event. There was limited evidence available regarding the depth of this review, however, this indicates a proactive approach to managing risks related to large trees in public areas.

### Risk Exposure

- Preventable injury to a community member from a tree previously identified as high risk but not sufficiently remediated.

<b>Recommendation 11</b>	For urban trees, ensure that: <ul style="list-style-type: none"> <li>repeat audit/condition inspection and associated risk rating of urban trees is scheduled, and</li> <li>associated remediation work and inspection regimes are funded on an ongoing basis and implemented.</li> </ul>		
<b>Audit Risk Rating</b>	Medium (8)	<b>CoS Risk Rating</b>	Medium (10)
<b>Descriptor</b>	Reputation / Community		
<b>Impact</b>	Major	<b>Likelihood</b>	Unlikely
<b>Agreed Actions</b>	Undertake audit followed by remedial works identified. Include ongoing funding in future budgets.  Condition audits of trees continue to be part of regular operational activities (including via unit pruning contract).		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	December 2025		

<b>Recommendation 12</b>	Ensure that remediation and inspection work associated with the recent audit of reserve trees is: <ul style="list-style-type: none"> <li>programmed, and</li> <li>funded on an ongoing basis (including for 2024-25 and ongoing).</li> </ul>		
<b>Audit Risk Rating</b>	Medium (8)	<b>CoS Risk Rating</b>	Medium (10)
<b>Descriptor</b>	Reputation/Community		
<b>Impact</b>	Major	<b>Likelihood</b>	Unlikely
<b>Agreed Actions</b>	Undertake audit followed by remedial works identified. Include ongoing funding in future budgets.		
<b>Action Officer</b>	GMCI		
<b>Completion Date</b>	December 2024 (for budget bid)		



## 2.6 Assessment of legislative compliance

### Key Findings

- There is opportunity to ensure that all tree-related legislative obligations are mapped, and that staff periodically review this and confirm ongoing compliance with requirements.

### Discussion

COS have a range of legislative obligations relating to tree management under the following:

- Local Government Act 1999*
- Planning, Development and Infrastructure Act 2016 (PDI Act)*
- Natural Resource Management Act 2004*
- Environmental Protection Act 1993*
- Aboriginal Heritage Act 1988, and*
- Electricity Act 1996*
- Commonwealth Environmental Protection and Biodiversity Conservation Act 1999*
- Road Traffic Act 1961*
- Heritage Places Act 1993*
- Water Industry Act 2012.*

Interviewed staff demonstrated strong understanding of the PDI Act and relevant recent updates to regulation. In addition, one key staff member confidently explained their understanding of various legislation including the *Water Industry Act 2012* and *Electricity Act 1996*. Some legislation is referenced in the Strategic Asset Management Plan.

IA understand that Council mapped its legislative obligations in relation to trees in previous years, however a copy of this document was not provided and is in need of updating.

### Risk Exposure

- Council staff may not be fully aware of all legislative obligations around trees – potential breach of legislative obligations.

<b>Recommendation 13</b>	Develop/update a legislative compliance register that tracks all tree-related legislative obligations. Schedule a reminder to periodically ensure this register aligns with current legislation.		
<b>Audit Risk Rating</b>	Low (4)	<b>CoS Risk Rating</b>	Low (4)
<b>Descriptor</b>	Legal/regulatory		
<b>Impact</b>	Minor	<b>Likelihood</b>	Unlikely
<b>Agreed Actions</b>	Through the Local Government Association Statutory Compliance Register (recently launched for use by the sector), the Audit and Risk Manager will initiate a rolling compliance review. Regular review updates will be provided to the Audit and Risk Committee.		
<b>Action Officer</b>	Audit and Risk Manager		
<b>Completion Date</b>	April 2025		

## 2.7 Implementation of *Independent inquiry into management of trees on public land* recommendations

### Key Findings

- The City has made strong progress in implementing recommendations from the previous inquiry into the management of trees on public land.

### Discussion

Audit reviewed whether CoS has implemented recommendations in the LGA's 2011 *Independent inquiry into management of trees on public land* final report. The purpose of this inquiry was to provide independent advice to the LGA around the most appropriate method for the future management of council-owned trees, considering current and future climate changes. Recommendations were made in the LGA's report in an aim to provide a strategy for local government to protect and enhance the benefits that trees have on public land, while managing risks.

During the current review, IA found that:

- 5 of 10 recommendations were implemented
- 2 of 10 were partially implemented, and
- 3 of 10 were no longer applicable due to the no longer being relevant.<sup>12</sup>

Detail on 'partially implemented' recommendations is below, with further detail in **Appendix 5**.

Recommendation	Status	Audit Comment
Tree Management Policies be developed through consultation and include procedures to keep the community informed of tree values (inc. community education programs), the adopted objectives of tree management and how they are being achieved.	Partially implemented	<p>TMP includes details for community consultation and engagement:</p> <ul style="list-style-type: none"> <li>▪ informing and consulting about tree removals and major tree projects</li> <li>▪ increasing community knowledge about the benefits of trees, and</li> <li>▪ encouraging involvement in tree planting.</li> </ul> <p>There is opportunity to strengthen delivery in this area. See <b>Recommendation 4</b>.</p>
All councils adopt a proactive approach to managing the risks in existing trees.	Partially implemented	<p>The City have a pragmatic approach to managing tree risk within resources. Street trees and higher-risk reserve trees have been inspected. The street tree inspection is due for re-completion; there is a need to ensure remedial action can be achieved/is funded ongoing. See <b>section 2.5</b>, as well as <b>Recommendation 11</b> and <b>Recommendation 12</b>.</p>

<sup>12</sup> Recommendations around councils supervising new developments (no longer applicable), obligations on private contractors not engaged by councils, use of (reportedly now outdated) Botanic Gardens preliminary screening assessment methodology.



# APPENDICES

## Appendix 1. Scope of the audit engagement

### Objective

The objective of this audit is to provide assurance that COS has established a Tree Management Framework for the management of its urban forest, covering policy measures in the area of tree planting, tree protection, tree removal, tree asset management, maintenance, community consultation and engagement, and risk management, and ensure that the framework is adequate and implemented effectively.

### Scope

The specific objective of this audit is to ensure that:

1. The City has formalised policies and procedures covering its Tree Management Framework that are adequately designed and established.
2. The Tree Management Framework covers Environmental and Social factors including the trees in public open space and private sphere.
3. The City's Tree Management Framework is implemented effectively.
4. The City's Tree Asset Management Plan is aligned to relevant deliverables in the City Plan 2035.
5. The City maintains appropriate level of traceability and verification using tree data captured within the asset management system.
6. Urban forest management including Street Tree Renewal Program is implemented effectively.
7. Public requests / complaints related to tree removal, tree planting, tree litter and other tree management related matters are resolved and reported effectively in accordance with clearly documented policies and procedures.
8. Any key legislative compliance requirements related to tree management arising from Local Government Act 1999, Planning, Development and Infrastructure Act 2016, Commonwealth Environmental Protection and Biodiversity Conservation Act 1999, Natural Resource Management Act 2004, Environmental Protection Act 1993, Electricity Act 1996, Heritage Places Act 1993, Road Traffic Act 1961, Aboriginal Heritage Act 1988 and Water Industry Act 2012, are identified and their level of compliance assessed at a high level.
9. City of Salisbury has effective processes in place to identify and manage potential tree related hazards.
10. COS has implemented recommendations specific to Councils, highlighted in the LGA's "Independent inquiry into management of trees on public land" final report published in 2011.

The auditable tree categories include the following:

- Regulated / significant trees
- Street tree renewal program
- Reserve trees including high risk trees

Private trees are outside the scope of this audit as they are not directly impacted by the implementation of the Council's Tree Management Framework.

### Audit Approach

The approach to undertaking this audit will be as follows:

- Obtain the necessary information required to develop an audit program and to obtain a good knowledge of the auditable activities. This will be undertaken through research, reviewing existing procedures and policy documentation, and talking to key staff members.



- Conduct the fieldwork, which incorporates an evaluation of the effectiveness of controls undertaken through sample testing of outcomes.
- Discuss audit issues with staff and management throughout the audit process to remove opportunities for misunderstandings and to allow management to consider resolutions to audit issues.
- Discuss the final audit issues with management at the exit interview. Upon conclusion, Internal Audit will issue a draft audit report for management comments.
- Conduct the audit in line with the Institute of Internal Auditors International Standards for Professional Practice of Internal Auditing and their Code of Ethics.
- Communicate findings and assessments on an on-going process to ensure that there is a good understanding and acceptance of the rationale for audit opinions and recommendations.

#### Audit Output and Outcome

The output of the audit will be a report that is agreed and accepted by the GM City Infrastructure, containing:

- A one or two page Executive Summary; and
- Detailed findings and recommendations, with a suitable audit trail evidencing the findings.

The primary outcome of the audit will be an opinion on the effectiveness of tree management processes in place at the City of Salisbury.

#### Risk Assessment

This audit is linked to Risk 4 of the City's Strategic Risk Register, with its high inherent risk rating and medium residual risk rating, as follows:

Risk Description	Relevant Causes from Strategic Risk Register	Inherent Risk Rating	Residual Risk Rating
Strategic Risk 4: Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services. The detrimental effect on Council assets and infrastructure caused by environmental factors, including climate change, is not adequately addressed through Council planning. The detrimental effect on Council assets and infrastructure caused by social factors, such as changes in demographics, is not adequately addressed through Council planning.	<ul style="list-style-type: none"> <li>• Inadequate understanding and planning for factors impacting the environment</li> <li>• Failure to consider environmental consequences when planning and designing infrastructure</li> <li>• Inadequate understanding of and planning for the impact of climate change on City infrastructure and assets</li> <li>• Failure to monitor and forecast demographic changes in the City and adjust objectives and plans accordingly</li> <li>• City Plan becomes obsolete or fails to anticipate the financial impact of demographic changes</li> <li>• Failure to maintain a social infrastructure plan for the existing and future assets</li> <li>• Failure to update Asset Management Plans</li> </ul>	High	Medium

## Appendix 2. Overall Control Environment

### Conclusion Rating Definitions

This internal audit project aimed to assess the controls established to address a key strategic risk or risks as documented in the Executive Summary, using CoS' control environment definitions. Based on the work undertaken, and when considering the design and/or effectiveness of controls collectively, we conclude that the control environment is one of the following ratings:

Rating	Definition
<b>Design Adequacy of Controls</b>	
Adequate	The control is designed in a manner that it can give reasonable assurance that the risk will be mitigated. In other words, existing systems and procedures cover known circumstances and provide reasonable assurance for majority of risks.
Majority Adequate	The control design is adequate for majority risks, except for minor areas for improvement.
Partially adequate	The control is designed in a way that will partially mitigate the risk and designed in a way to partially meet the design objectives.
Significant Improvement Required	The control is designed poorly and requires significant changes to adequately mitigate the risk.
Inadequate	The design of the control is not sufficient enough to give reasonable assurance that the risk will be mitigated. There may be no systems and procedures in place, or existing systems and procedures are obsolete and require review.
<b>Operating Effectiveness of Controls</b>	
Effective	The control as described has been fully implemented and in all cases has been applied effectively in terms of being consistent, complete, reliable and timely.
Majority Effective	The control has been implemented as described and in the majority of cases has been consistently and/or effectively applied. There is potential to enhance the effectiveness of the control, but only with minor adjustments.
Partially effective	The control partially operates in a manner that is effective in terms of being consistent, complete, reliable and timely.
Significant Improvement Required	The control has been implemented as described, but with significant deficiencies in the consistency or effectiveness of implementation and requires significant management action to improve the effectiveness of the control.
Ineffective	The control has not been implemented as described. Urgent management action is required to implement the described control processes

## Appendix 3. City of Salisbury Risk Matrix

### APPENDIX B: LIKELIHOOD RATING CRITERIA

– Determine How Likely is the Event Occurring (for **Step 1**)

RATING	SCORE	DESCRIPTION
Rare	1	The event may occur only in exceptional circumstances (i.e. extremely low probability, and will only occur in exceptional circumstances - could occur once in a period greater than 20 years)
Unlikely	2	The event could occur at some stage (i.e. probability of occurrence at least once within a 10 to 20-year period)
Possible	3	The event might occur at some time (i.e. probability of occurrence within 3 to 9 years)
Likely	4	The event will probably occur at most times (i.e. probability of occurrence within 1 to 2 years)
Almost Certain	5	The event is expected to occur in most times (i.e. probability of occurrence at least once within 1 year)

**APPENDIX C: CONSEQUENCE RATING CRITERIA**(excluding Project Risks) (for **Step 2**) – Determine the Impact of the Event When / If it Occurs

RATING	Score	AREA OF IMPACT / CONSEQUENCE FACTORS (aligned to LGA sector recommended factors)				
		Environment / Political / Community	Reputation	Finance	Legal / Regulatory	Injury / Operational Management
Insignificant	1	Nil	Nil	Less than \$20,000	None	Nil
Minor	2	Minor short-term environment, conservation, political or community issue.	Minor media interest	\$20,000 - \$100,000	Minor legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>• Unexpected/unplanned absence of a staff member.</li> <li>• Potential for minor injury.</li> <li>• First aid treatment required.</li> </ul>
Moderate	3	Environment, conservation, political or community incident requiring City intervention.	Moderate media interest	\$100,000 - \$500,000	Limited legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>• Unexpected/unplanned absence of a key staff member.</li> <li>• Medical treatment required.</li> </ul>
Major	4	Medium-term issue with major environment, conservation, political or community impact.	High media interest	\$500,000 - \$1 million	Major legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>• Unexpected/unplanned absence of several key staff members from a single area.</li> <li>• Significant injury to staff disabling them/dangerous near miss.</li> </ul>
Catastrophic	5	Long-term issue with major environment, conservation, political or community impact.	Public censure or government inquiry	More than \$1 million	Critical legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>• Unexpected/unplanned absence of a significant number of staff, e.g. during a pandemic.</li> <li>• Death / critical injury to staff.</li> </ul>

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### Consequence Table for Project Risks

Rank	Score	Cost	Schedule	Performance	Reputation	Safety
Insignificant	1	< 2.5% of total Project Budget	< 2.5% of total Project Schedule	Would cause the delivered capability to be functionally fit for all desired missions or tasks, but there may be some qualification to the level to which it would perform non-critical elements of the mission or task. Few such qualifications would exist.	Little community interest, low profile, no media items	Minor injuries not requiring first aid treatment, or near miss
Minor	2	2.5-10% of total Project Budget	2.5-10% of total Project Schedule	Would cause the delivered capability to be functionally fit for all desired missions or tasks, but there would be some qualification to the level to which it would perform non-critical elements of the mission or task. Several such qualifications would exist.	Low impact, some passing interest, low media profile	Minor Medical attention. Negligible impact on morale
Moderate	3	10-14% of total Project Budget	10-14% of total Project Schedule	Would cause the delivered capability to be partly functionally fit for purpose (i.e. degraded ability to perform all desired missions or tasks; however, there are known workarounds). There would be some qualification to the level to which it would perform (e.g. due to issues of relationships, concurrency, etc.). Several such qualifications would exist.	Moderate impact, moderate public interest, public embarrassment, moderate media profile	Medical attention required. Short Term effect on morale and project outcome.
Major  Catastrophic	4	15-19% of total Project Budget	15-19% of total Project Schedule	Would cause the delivered capability to be only partly functionally fit for purpose (i.e. degraded ability to perform some core missions or essential tasks or unable to perform non-core missions or tasks, and there are no known workarounds).	Sustained public interest, high negative media profile, Premier/Cabinet publicly involved, third party action	Serious Long-Term Injury. Temporary disablement. Significant impact on morale and project outcome.
	5	>20% of total Project Budget	>20% of total Project Schedule		Widespread public agitation, Government censure, high multiple impacts, widespread negative media profile	Death. Long term effect on morale and project outcome.

**APPENDIX D: RISK MATRIX**(derived from **Step 3 & 4**)

Likelihood Score	Almost Certain	5	Medium 5	Medium 10	High 15	Very High 20	Very High 25
	Likely	4	Low 4	Medium 8	High 12	High 16	Very High 20
	Possible	3	Low 3	Medium 6	Medium 9	High 12	High 15
	Unlikely	2	Low 2	Low 4	Medium 6	Medium 8	Medium 10
	Rare	1	Low 1	Low 2	Low 3	Low 4	Medium 5
			1	2	3	4	5
			Insignificant	Minor	Moderate	Major	Catastrophic
			Consequence Score				

**RISK RATING / EVALUATION STEPS**

**Step 1:** give a score between 1 and 5, on the likelihood of event occurring

**Step 2:** give a score between 1 and 5, on the impact of the event if it occurred

**Step 3:** Multiply the two scores in Step 1 and 2 above to generate risk score

**Step 4:** Apply the score from step 3 to the rating table below to determine risk level rating

**RISK RATING SCALE SUMMARY**

Risk Profile	Risk Score Ranges
Very High	20 to 25
High Risk	12 to 16
Medium Risk	5 to 10
Low Risk	1 to 4

**RESIDUAL RISK LEVEL CONTEXT, REPORTING FREQUENCY AND ACTION REQUIRED**

Risk Profile	Context	Risk Types	Report to	Frequency of Reporting	Action Plan Required
Very High	Acceptable / Unacceptable	Strategic / Operational <sup>1</sup> / Project <sup>2</sup>	CEO / Executive Management Group / Audit & Risk Committee / Council	Quarterly / Periodically (as required)	Yes
High Risk	Acceptable / Unacceptable	Strategic / Operational <sup>1</sup> / Project <sup>2</sup>	CEO / Executive Management Group / Audit & Risk Committee	Quarterly / Periodically (as required)	Yes
Medium Risk	Acceptable / Unacceptable	Strategic / Operational <sup>1</sup> / Project <sup>2</sup>	CEO / Executive Management Group / Audit & Risk Committee	Periodically (as required)	Maybe
Low Risk	Acceptable	Strategic / Operational / Project	Executive Management Group	Periodically (as required)	No

<sup>1</sup> For Operational Risks, only high / very high risks will be reported to Council via A&RC and EMG, and all risks will be reported to CEO/EMG.

<sup>2</sup> For Project Risks, only very high risks for selective projects will be reported to Council via A&RC and EMG, and all risks will be reported to CEO/EMG.

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## Appendix 4. Quality of communication

Audit reviewed the communication provided to residents, and found communication to be sufficient in 11 (59%) of instances. For five instances, communication was unclear. Details are below:

Request #	Summary	Response provided:	Comment
00018072	Inspection of diseased tree.	<i>'Request 00018072 has <u>not</u> been resolved. The request has been assessed and currently meets our service levels. Thank you for helping make our City a better place. Need anything else? Pls go to <a href="https://my.salisbury.sa.gov.au/s/">https://my.salisbury.sa.gov.au/s/</a>. Pls do not reply to this SMS. '</i>	Response does not say what the result was (tree assessed and not diseased, healthy tree)
00006287	Branches at fence line for collection	Initial request in Dec 2023: '1/12/2023 SMS: 'Request 00006287 has now been assigned and will be actioned within 15 business days. To track the progress, pls go to <a href="https://my.salisbury.sa.gov.au/s/">https://my.salisbury.sa.gov.au/s/</a> . Pls do not reply to this SMS.'	Expectation established in December 23 for action within 2 weeks (outstanding as at August 24)
00016484	Excessive bark	'Thanks for Request 00016484. It will be assigned to the relevant team within 1 day(s). To track the progress, pls go to <a href="https://my.salisbury.sa.gov.au/s/">https://my.salisbury.sa.gov.au/s/</a> . Pls do not reply to this SMS' [outstanding as at audit, no further comms provided]	Expectation established in April 24 for immediate action (outstanding as at August 24)
00019800	Planting request	Dear Salisbury Community Member, we wish to advise the reference number for your recent request regarding planting is 19800. We will undertake the tree planting work next planting season May – October 2025. Please contact the City of Salisbury on 8406 8222 or email <a href="mailto:mysalisbury@salisbury.sa.gov.au">mysalisbury@salisbury.sa.gov.au</a> if you require further information. —	Response does not indicate if a tree will be planted.
00013364	Pruning	SMS: 'Request 00013364 has now been closed as we have been notified of this issue by another community member. If you would like to track the progress of the request please go to <a href="https://my.salisbury.sa.gov.au/s/">https://my.salisbury.sa.gov.au/s/</a> . Please do not reply to this SMS.'	Did not give this resident the link to the open case – therefore could not check progress online.



## Appendix 5. Implementation of Recommendations from Tree Inquiry

Below is a more detailed summary of COS' progress in implementing recommendations related to the LGA's *Independent inquiry into the management of trees on public land*.

Recommendation	Status	Audit Comment
All councils develop and adopt a formal Tree Management Policy (TMP) with linkages to the council's Strategic Management Plans.	Sufficiently addressed	In place. There is opportunity to strengthen strategic linkages/direction. See <b>Recommendation 1</b> .
Tree Management Policies be developed through consultation and include procedures to keep the community informed of tree values (inc. community education programs), the adopted objectives of tree management and how they are being achieved.	Partially implemented	<p>The TMP outline's aims for community consultation and engagement. This includes:</p> <ul style="list-style-type: none"> <li>informing and consulting about tree removals and major tree projects</li> <li>increasing community knowledge about the benefits of trees</li> <li>encouraging community involvement in tree planting.</li> </ul> <p>There is opportunity to continue strengthening in this area. See <b>Recommendation 4</b>.</p>
All councils adopt a proactive approach to managing the risks in existing trees.	Partially implemented	COS have inspected street trees and higher-risk reserve trees, meeting the intent of this recommendation. This is a pragmatic approach to managing tree risk within resources. The street tree inspection is due to be re-completed, and there is a need to ensure remedial action can be achieved. See <b>Recommendation 11</b> and <b>Recommendation 12</b> .
All councils have a tree register which is an essential component in the proactive management of tree risks.	Implemented	Council use the Confirm system to track tree asset data and hold significant information about trees.
A standard approach be used for collecting data on tree and limb failure across councils in South Australia.	Sufficiently addressed	Council use qualified arborists to record data/inspect trees. One staff member gave feedback around the difficulty in capturing tree/limb failure information in the event of a storm – with multiple groups including the SES and CFS working to make sites safe. No additional finding is raised here due to the difficulty in coordinating these groups.
Councils should be aware of and consider the merits of alternative options to manage risk, where the	Implemented	Approach to inspection, maintenance, pruning in place.

Recommendation	Status	Audit Comment
last resort option would be to remove the tree.		
Councils develop protocols for site and species selection, nursery stock selection, and planting and establishment techniques.	Sufficiently addressed	Techniques addressed in Tree Management Procedure. Species/stock selection had previously been decided and in light of climate resilience is again being reviewed.

## Appendix 6. Documents reviewed

Documents Reviewed
City Landscape Plan - January 2008
city_plan_2035
City-of-Salisbury_Sustainability-Strategy_FINAL (1)
Condition Inspection Manual - Palm Tree Audit v0.2
Condition Inspection Manual - Tree Watering v0.1
Condition Ratings
Confirm Dashboard
Confirm Enquiries
copy 2021-22 STRP Consultation Cover Letter 2021-22_04 EXAMPLE
copy of 2021-22 FINAL_Street Tree Program 270121 DL EXAMPLE
CoS Strategic Asset Management Plan 2023-24
Customer Enquiry Flow Chart - v1.1
Development Sites and Trees
DRAFT-for-consultation-Strategic-Asset-Management-Plan-2024-25
Email from Audit & Risk Manager - Tree Claims Details
Environmental Sustainability and Trees Sub Committee ToR [from Urban Services Committee Agenda 15.04.24]
Environmental Sustainability and Trees Sub-Committee - 08.05.23 Agenda
ESATS_12082024_SR_2560_4_SAVED - Tree legislation change impacts
Examples of community consultation re Street Tree Renewal
IBDC_16042024_SR_2604_1_SAVED - Tree planting inhouse
Independent inquiry into management of trees on public land final report
Landmark Trees Site Register Audit Sheet
Landscape Design Policy
Letter 1 - Approved
Letter 1a - Approval Supported - Reg-Sig Tree - Ref to Planning
Letter 2 - Refusal - Non Regulated
Letter 3 - Refusal - Regulated-Significant
Motion from Urban Services Committee re educational material
New PDI updates/legislation and impact upon trees
Original Salesforce Tree Maintenance Report-2024-08-08-11-25-36
Our Community CRM - City Infrastructure SLA's and Automated Comms - Oct 2023
Parks and Landscape Service Level Summary 2019 - reviewed for f...
Planning, Development and Infrastructure (General) Regulations 2017
Planning, Development and Infrastructure Act 2016
PlanSA - FAQ Regulated and Significant Tree Reforms
Planting Programs
Street Tree Asset Management Strategy
Street Tree Planting Guidelines 22
Street Trees Asset Management Plan - March 2015
Terms of Reference - Tree Management Appeals Sub-Committee - February 2022
Tree dashboard
Tree Management Policy - CoS (dated 2018, re-approved 2020)

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Documents Reviewed
Tree Management Procedure v3
Tree Removal Criteria [from Environmental Sustainability and Trees Sub-Committee Agenda 08.07.24]
Tree Removal Procedure [from Urban Services Committee Agenda 15.04.24]
Tree removal sections from PDI and Local Government Act 1999
Tree Services Budget Contractual 23_24
Tree Services Budget Last 3 Years
Tree-Management-Policy-2024
Unit Pruning Data Master
Various Customer Service Requests and supporting documentation



## Appendix 7. Staff members interviewed

- General Manager, City Infrastructure
- Manager, Field Services
- Manager, Infrastructure Design and Delivery
- Team Leader, Tree Planting and Maintenance
- Team Leader Natural Spaces & Environmental Management
- Team Leader, Open Spaces and Urban Streetscape
- Parks & Open Space Assets Specialist
- Coordinator Strategic Sustainability
- Audit and Risk Manager

## Disclaimers

### Inherent limitations

This report has been prepared for the information and internal use of the City of Salisbury in accordance with the scope and objectives outlined in the Executive Summary of this report. The services provided in connection with this engagement comprise an advisory engagement which is not subject to the Australian Auditing Standards or the Australian Standards on Review and Assurance Engagements. Consequently, no express opinions or conclusions have been drawn or intended to convey assurance. Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected.

Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures were on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, the City of Salisbury's management and personnel. We have not sought to independently verify those sources. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the City of Salisbury. The internal audit findings expressed in this report have been formed on the above basis.

### Third party reliance

This report is solely for the purpose set out in the Executive Summary of this report and for the City of Salisbury's information, and is not to be used for any other purpose or distributed to any other party without Galpins' prior written consent. This internal audit report has been prepared at the request of the City of Salisbury or its delegate in connection with our engagement to perform internal audit services. Other than our responsibility to City of Salisbury, neither Galpins nor any member or employee of Galpins undertakes responsibility arising in any way from reliance placed by a third party, including but not limited to the City of Salisbury's external auditor, on this internal audit report. Any reliance placed is that party's sole responsibility.

## About us



*Galpins' audit/ advisory leadership team (from L to R): Tim Muhlhausler, Jessica Kellaway, Luke Williams and Janna Burnham*

Galpins is a South Australian Firm. All partners and staff are residents of South Australia, and many of our suppliers are also South Australian owned. Our services are delivered from three offices located at Norwood, Stirling and Mount Gambier.

We provide high quality audit, assurance, consulting and advisory services to a wide range of clients including State and local government agencies, the not-for-profit sector, superannuation funds and companies. Our Audit and Assurance team is one of the largest in South Australia.

Galpins is a preferred supplier to the South Australian Government for the provision of Audit and Financial Advisory Services. We were originally selected in August 2007 and have been the largest provider of services under this contract outside of the "Big 4" accounting firms.

Galpins has strong experience in delivering internal audit and advisory services covering performance, compliance, financial assurance, governance and strategy, as well as consulting reviews. We aim to provide a pragmatic, valuable service to our clients and work hard to deliver quality work that meets your needs. Galpins offer a strong, skilled service and our repeated work with a range of state government clients demonstrates the ongoing quality and value of these services. Examples of clients include:

- |                                      |                                  |
|--------------------------------------|----------------------------------|
| ▪ City of Salisbury                  | ▪ City of Burnside               |
| ▪ City of West Torrens               | ▪ City of Playford               |
| ▪ City of Holdfast Bay               | ▪ Coorong Council                |
| ▪ Local Government Finance Authority | ▪ Department for Education       |
| ▪ Auditor-General's Department       | ▪ PIRSA                          |
| ▪ Department Environment and Water   | ▪ Department Premier and Cabinet |

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<b>ITEM</b>	7.2.2
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	12 November 2024
<b>HEADING</b>	Better Practice Review - Procurement
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
<b>SUMMARY</b>	The Council is committed to enhancing its procurement processes which is a critical function within our business operations. Bentleys was commissioned to assess the Council's current procurement processes and practices, identify areas for improvement, and provide actionable recommendations to enhance efficiency, transparency, and accountability in procurement activities.

## **RECOMMENDATION**

### That Council:

1. Notes the final review with management comments for the Procurement Better Practice Review as set out in attachment 1 to this report (Item 7.2.2, Audit and Risk Committee, 12 November 2024).

## **ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Better Practice Review - Procurement

### **1. BACKGROUND**

- 1.1 The primary objective of this review was to offer an insightful examination of best practices from both the private sector and Local Government. The intent was to identify areas for improvement and opportunities to adopt more effective methodologies.
- 1.2 Bentleys are in attendance to present their findings and recommendations to the Audit and Risk Committee.

### **2. EXTERNAL CONSULTATION / COMMUNICATION**

#### **2.1 Internal**

- 2.1.1 Chief Executive Officer
- 2.1.2 Deputy Chief Executive Officer
- 2.1.3 Manager Finance and Procurement
- 2.1.4 Team Leader Procurement & Systems
- 2.1.5 Manager Governance
- 2.1.6 Internal Audit and Risk Manager

## 2.2 External

2.2.1 Partner | Bentleys

2.2.2 Senior Consultant | Bentleys

## 3. DISCUSSION

3.1 The report is broken down into four sections.

3.1.1 Data integration: the review identified areas which when implemented will help streamline operations, enhance efficiency, and ensure compliance with regulatory standards as follows;

- Consider additional stages to our procurement lifecycle
- Implement process improvement recommendations
- Better utilise the systems capabilities

3.1.2 Current state assessment

- The report calls out the current strengths, gaps and inconsistencies

3.1.3 Areas for improvement and recommendations

- The report provides comprehensive recommendations that the Council has reviewed and provided a response with action dates to address for the following areas:
  - Procurement lifecycle
  - Planning and strategy
  - Sourcing and solicitation
  - Evaluation and award
  - Contact management and supplier relationships
  - Continuous improvement
  - Risk Management

3.1.4 Market insights

- The report refers to key feedback that will be considered by Council.

## 4. FINANCIAL OVERVIEW

4.1 This better practice review was completed within agreed budget.

## 5. CONCLUSION

5.1 Good engagement took place with Bentleys throughout the process. Regular check-in meetings were held with all stakeholders.

5.2 The final report confirms areas for improvement with management support and agreement. Actions will be added to the Internal Audit Actions Status Table to ensure they will be actioned and closed within the agreed timeframes and inform status reporting.





October 2024

## City of Salisbury

Procurement Review

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04 November 2024

Sharon Kinsella  
Audit and Risk Manager  
City of Salisbury  
34 Church Street,  
SALISBURY SA 5108

Dear Sharon

**Procurement Process Improvement Review**

Please find attached our report on Procurement Process Improvement Review for City of Salisbury.

We would like to take this opportunity to thank management and staff for the assistance provided to us during the course of this project.

If you have any queries, please feel free to contact me on 08 8372 7900 at any time.

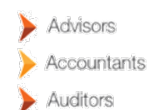
Yours sincerely

Maurice Pagnozzi  
Partner

Enclosure



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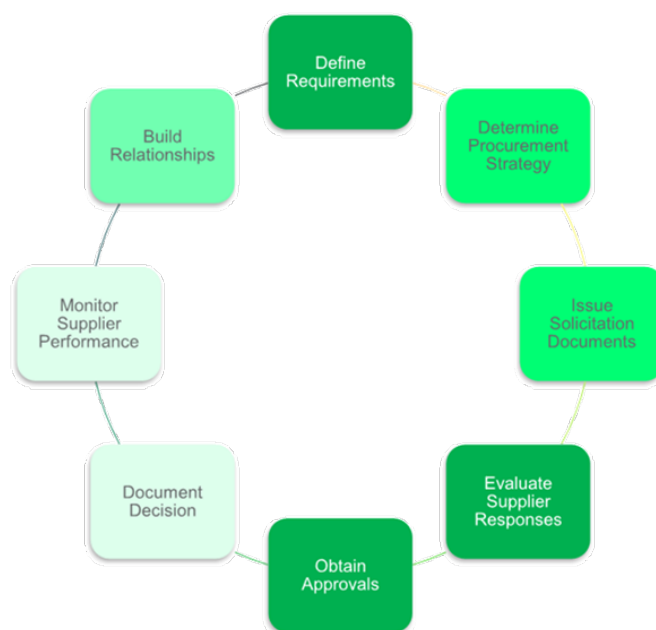
## Executive summary

The City of Salisbury (the Council) commissioned this Procurement Process Improvement Review to enhance efficiency, transparency, and accountability in procurement activities. This review for the Council aimed to evaluate the current procurement practices and identify areas for enhancement. Our comprehensive analysis highlights the Council's commitment to enhancing its procurement processes which is evident through the implementation of the "Ready Contracts" system and the engagement of this review. The consultation and documentation reviewed underscore a commitment to transparency and continuous improvement.

The current procurement practices exhibit several strengths, including a strong commitment to improvement and a robust policy framework.

The following visual provides high-level maturity assessment of procurement activities against best practices for each procurement stage based on the current activities conducted in each stage.

For details on the same, refer to section **1.1.4 Assessment Against best practices for procurement**.



Legend:

Maturity Level	Basic	Ad-hoc	Tactical	In development	Strategic
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City of Salisbury // October 2024

The review also identified areas that require attention, particularly in data integration and process efficiency which when implemented will help streamline operations, enhance efficiency, and ensure compliance with regulatory standards.

The following table summarises the recommendations from our review and management's acceptance and priority for each. For details related to each recommendation, refer to the highlighted section reference provided.

Section Reference	Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
2.1	<b>Procurement Lifecycle</b> to consider some additional stages and activities to fill the gaps in the current process and provide a more robust structure for procurement operations	Yes	Noted and will consider as part of work with the re-established Procurement Steering Group	6-12 months	December 2025
2.2	Implement <b>process improvement recommendations</b> to enhance the efficiency and effectiveness of procurement function. One action relates to embedding the processes within the new system.	Yes	Noted and will consider as part of work with the re-established Procurement Steering Group and the new system implementation	Within 6 months	June 2025
2.3	Implement the <b>systems related improvement recommendations</b> to better utilise the system's capabilities and ensure that procurements are aligned to support the delivery of strategic objective while supporting more efficient and transparent procurement processes.	Yes	Noted and will consider as part of the new system implementation	Within 6 months	March 2025

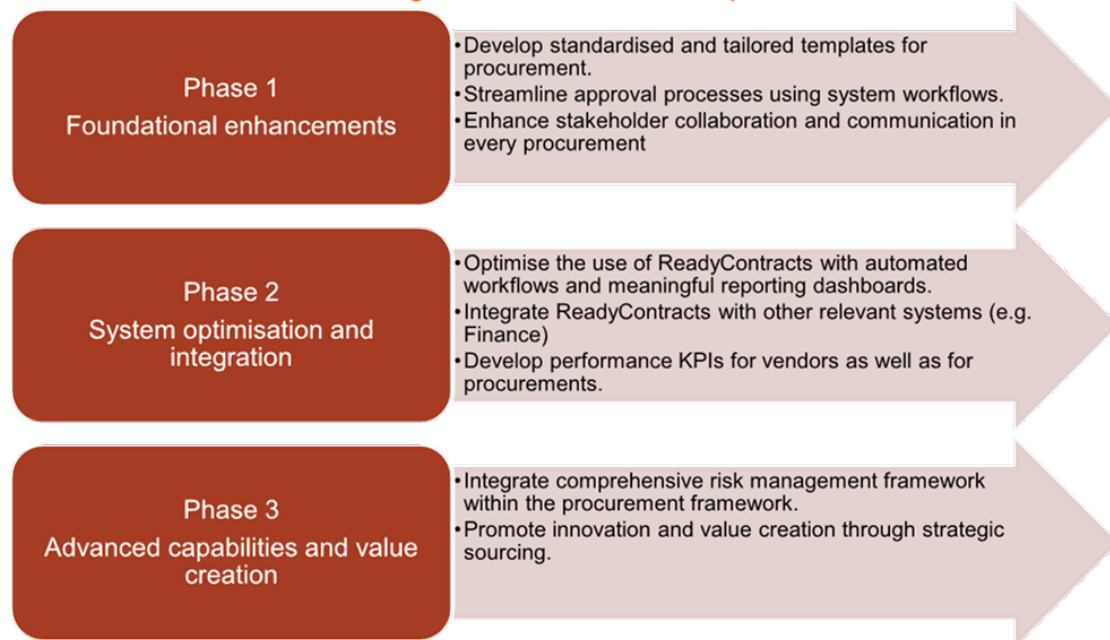
By addressing the recommendations outlined in this report, including fostering a culture of continuous improvement, ensuring clarity and consistency in documentation, and reducing redundant templates, the Council can achieve significant improvements in efficiency, transparency, and value for money in its procurement activities.

The key to success lies in adopting a phased approach, focusing first on **foundational enhancements**, followed by **system optimisation and integration**, and finally, the **development of advanced capabilities**. **Continuous improvement** and **risk management** should be embedded in the procurement culture, ensuring that processes and systems are regularly reviewed and refined.

Provided in **Figure 1** is a recommended roadmap for implementation.



Figure 1: Recommended roadmap



By embracing innovation, collaboration, and a commitment to best practices, the COS can transform its procurement function into a strategic framework that supports the organisation's goals and objectives.



City of Salisbury // October 2024

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## Introduction

This report presents the findings and recommendations related to the Procurement Process Improvement Review conducted for the City of Salisbury (the Council). The review was commissioned to assess the Council's current procurement processes and practices, identify areas for improvement, and provide actionable recommendations to enhance efficiency, transparency, and accountability in procurement activities.

The review was conducted in the context of the Council's ongoing implementation of a new procurement system, Ready Contracts, as part of its broader Project Connect initiative. This initiative aims to transform the Council's procurement function by leveraging technology and streamlining processes to achieve better value for money and support the Council's strategic objectives.

## Background

The Council is committed to enhancing its procurement processes which is critical function within their business operations. The Council endeavours to fortify its procurement process in alignment with industry standards. In view of this commitment, the Council engaged Bentleys SA to conduct this review, reinforcing their pursuit of excellence and efficiency within local government operations. This partnership underscores the Council's commitment to leveraging external expertise to ensure that their procurement practices not only meet but exceed current industry standards. The insights and recommendations from this engagement are expected to play a pivotal role in shaping the future of procurement within the Council, ensuring more robust, transparent, and efficient processes.

## Objective

The primary objective of this review is to offer the Council an insightful examination of best practices from both the private sector and local government. The intent is to identify areas for improvement and opportunities to adopt more effective methodologies.

## Scope and methodology

The review was conducted following a detailed approach that encompasses:

- **Current procurement landscape:** A high-level assessment of current procurement practices deployed by the Council by reviewing relevant procurement policies, frameworks, processes and all available procurement data and documentation and through interviews with key stakeholders.
- **Expertise and Insights:** Collected information, best practices, and lessons learned from the private sector and local government relevant to the Council.
- **Benchmarking:** Comparing existing and planned practices against best practices to pinpoint gaps and improvement areas.
- **Analysis and Recommendations:** Analysing the gathered information to formulate actionable recommendations tailored to the local government context, aimed at enhancing our practices and adding meaningful value to our organisation.





## 1. Current state assessment

### 1.1 Overview of procurement practices

The Council's procurement processes are currently characterised by a mix of manual and system-based steps, with a significant reliance on email communication and document sharing.

#### 1.1.1 Strengths

- **Commitment to Improvement:** The Council demonstrates a strong commitment to enhancing its procurement processes, as evidenced by the engagement of external expertise.
- **Policy Framework:** The Council has established a robust policy framework that guides its procurement activities.
- **Stakeholder Engagement:** Key stakeholders are actively involved in the procurement process, ensuring that diverse perspectives are considered.

#### 1.1.2 Policy and framework assessment

The Council has a comprehensive Procurement Policy and Framework that provides a good foundation for sound procurement practices. The policy outlines the Council's commitment to key principles and the Framework further details the Council's procurement processes, roles and responsibilities and risk management approach. The existing policies, frameworks, and guidelines demonstrate a commitment to achieving value for money, ethical conduct, and sustainability in procurement activities. The documents provide a structured approach to procurement, outlining clear procedures and requirements for different stages of the procurement lifecycle.

##### 1.1.2.1 Gaps and inconsistencies

Despite the strengths of the existing documentation, some gaps and inconsistencies have been identified:

1. **Lack of regular documentation review:** It's important to note that the Procurement Framework document has not been reviewed since 2019 and still refers to some outdated practices, such as Council Solutions. This lag in review may affect the relevance and applicability of the policies and guidelines, potentially hindering the Council's ability to adapt to current best practices and technological advancements in procurement. Regular updates and reviews of the policy and framework are essential to ensure they remain current and effective.
2. **Lack of a Formal Procurement Plan:** The policy and framework do not explicitly require the development of a formal procurement plan, which can hinder resource allocation and forward planning for the procurement team.
3. **Limited Guidance on Performance Measurement:** While the framework mentions KPIs, the policy or framework do not provide detailed guidance on performance measurement and reporting, which can limit COS's ability to track the effectiveness and efficiency of its procurement activities.
4. **Inconsistent Emphasis on Transparency:** While the policy and framework emphasise transparency in high-value procurements, there is less emphasis on transparency in procurements under \$100,000, which can lead to concerns about fairness and accountability.
5. **Limited Integration of Technology:** The current procurement policy and framework lack comprehensive guidance on effectively implementing and utilizing technology solutions, despite mentioning their adoption. The strategy for integration of systems such as Ready Contracts with all the other existing systems for e.g. finance and project management systems, is currently in implementation, as part of Project Connect and is yet to be implemented in the near future.
6. **Inconsistencies amongst documentation:** Inconsistencies exist in key procurement documentation, specifically the Procurement Purchasing\_Matrix (available on intranet) and the purchasing matrix embedded within the

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Procurement Framework document exhibit discrepancies in terminology, content and approval requirements outlined for different procurement value thresholds. While these inconsistencies are seemingly minor, they could create confusion among staff regarding the appropriate approval channels for different purchase values.

### 1.1.3 Procurement process assessment

While the processes generally follow a structured approach, there are several areas where improvements can be made to enhance efficiency, transparency, and accountability.

#### 1.1.3.1 Gaps and inconsistencies

1. **Stages in Procurement Lifecycle:** The procurement lifecycle lacks standardised processes and clear definitions for each stage of the lifecycle embedded into the purchasing matrix definition. This ambiguity can lead to inconsistencies and inefficiencies in how procurements are handled.
2. **Tendering Process:** Currently, the tendering process involves manual steps, including document preparation, publication on SA Tenders, and submission management. These manual processes can cause inefficiencies and potential delays. However, it's understood that the Council is in the process of designing the Ready Contracts system to address these issues and streamline the tendering process.
3. **Contract Management:** Processes related to contract management, such as managing variations and extensions, are primarily manual and email based. This reliance on manual processes and email communication can hinder the efficient tracking, management, and compliance of contract changes.
4. **Supplier Management:** Similar to contract management, supplier management processes, including insurance and certification management, are largely manual. This can lead to inefficiencies and potential risks in managing supplier relationships effectively.
5. **Creditor Creation:** The process for creating new creditors involves multiple systems and manual data entry, which can be time-consuming and prone to errors.
6. **Approvals:** Many procurement processes require manual approvals, potentially leading to delays and bottlenecks in the process.
7. **Reporting:** Reporting and analysis of procurement data are limited due to the lack of system integration and real-time visibility into procurement activities. This limitation hinders the Council's ability to effectively monitor and analyse procurement performance.



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1.1.4 Assessment against best practices for procurement

To achieve excellence in procurement, a local council should adopt several best practices designed to ensure efficiency, transparency, and accountability. To improve procurement practices, it's essential to compare current practices with industry-standard best practices. By assessing the gaps, we can identify specific recommendations to bridge these gaps and enhance the overall procurement process.

Table 2 on the next page rates the current procurement practices against the best practices and identifies an achievable goal for where you want to be.

Table 1: Maturity rating definitions

Maturity Level	Description
Basic	Initial stage of procurement practice implementation. Adheres to minimum regulatory requirements. Processes are rudimentary, minimal documentation and standardisation, primarily reactive.
Ad-hoc	Sporadic and unsystematic approach to procurement. Practices are inconsistent, reliant on individual knowledge, without established procedures. Leads to variability in outcomes and inefficiencies.
Tactical	More structured and coordinated approach. Standard procedures and guidelines in place, focus on efficiency and cost-effectiveness. Activities are planned and executed with some analysis and performance measurement.
In development	In the process of meeting strategic level maturity as part of the ongoing system implementation project.
Strategic	Highest stage of procurement practice implementation. Fully integrated into organisation's strategy. Processes are optimised, emphasis on value creation, innovation, continuous improvement. Decision-making is data driven.



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Table 2: Assessment against procurement best practices<sup>1</sup>

Procurement Stage	Activity	Best practice	Council's current practice	Maturity rating	Gaps
Initiate	Define requirements	Clearly define the need, specifications, and objectives.	Inconsistent and often undocumented for low value procurements (less than \$100K).	In development	Lack of standardised templates and stakeholder engagement.
	Determine procurement strategy	Select the most appropriate procurement method (e.g., tender, RFP, direct negotiation).	Ad-hoc decision-making on procurement methods. It is more standardised for higher value procurements.	Tactical	Lack of clear criteria for selecting the procurement method.
Sourcing	Issue solicitation documents	Prepare clear and concise RFPs, RFQs, or tender documents.	Solicitation documents unclear and inconsistent.	Tactical	Lack of standardised templates and clear evaluation criteria.
Evaluate and negotiate	Evaluate supplier responses	Establish a structured evaluation process based on predefined criteria.	Evaluation processes are not consistently applied and lack transparency.	In development	Subjectivity in evaluation and limited documentation due to reliance on largely manual evaluation.
Endorse and approve	Obtain approvals	Ensure compliance with internal policies and obtain necessary approvals.	Approval processes are often slow and inefficient as most of this is done via emails.	In development	Lack of clear approval workflows and timelines.
	Document decision	Maintain records of the evaluation, negotiation, and automated approval processes with appropriate workflows.	Inconsistent record-keeping practices.	Basic	Risk of non-compliance and lack of transparency.
Supplier relationship management	Monitor supplier performance	Regularly evaluate supplier performance against KPIs with real-time visibility and comprehensive reporting availability.	Supplier performance monitoring is ad-hoc and inconsistent.	Basic	Lack of integrations across systems. Missed opportunities for continuous improvement and risk mitigation.
	Build relationships	Develop collaborative relationships with key suppliers.	Limited focus on building long-term relationships with suppliers.	Ad-hoc	Missed opportunities for innovation and value creation.

The recommendations provided in the next section – **Areas for Improvement** – are designed to get the Council to a preferred “to be” position that meets the Council’s needs.



<sup>1</sup> Note: Contract Management is not rated as we have not reviewed any of the contract management documents.



## 2. Areas for improvement and recommendations

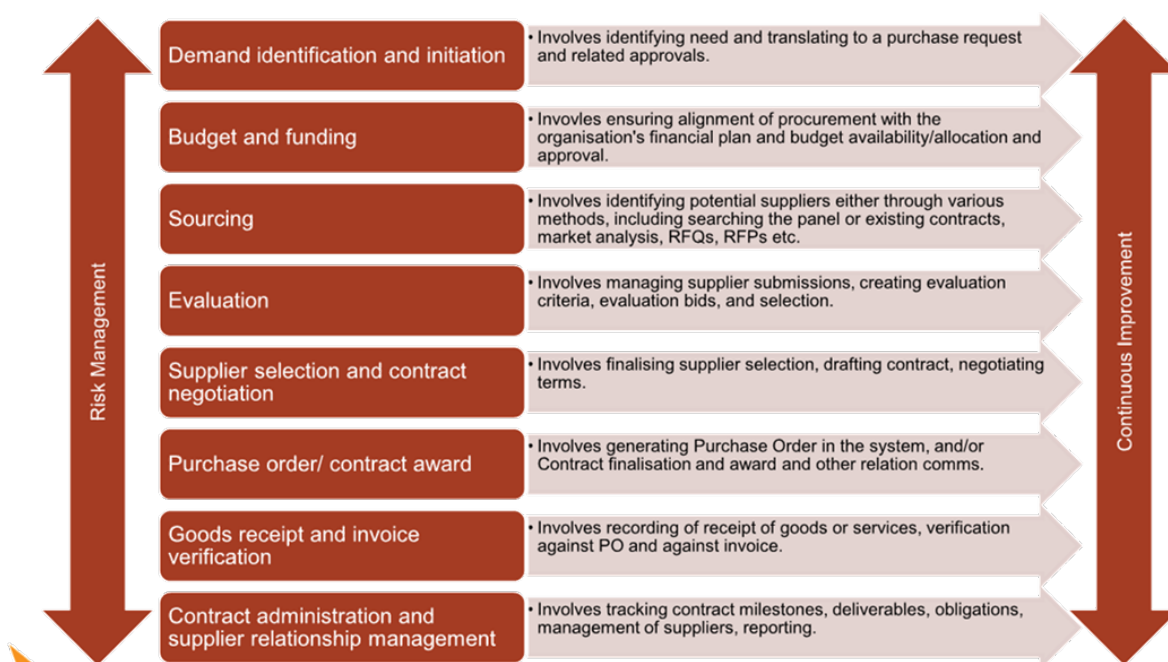
Best practices encompass a range of strategies aimed at optimising the procurement lifecycle and enhancing the overall effectiveness of procurement operations. Implementing a structured and system-supported approach to procurement can bridge the gap between current practices and industry standards.

### 2.1 Procurement lifecycle

An ideal procurement lifecycle for a local council should have clearly defined stages to ensure a structured, transparent and efficient process. Each stage should have standardised procedures and documentation to minimise ambiguity and ensure consistency in handling procurements.

The procurement lifecycle as defined in the procurement framework is in line with best practice. However, Figure 2 on next page identifies some additional stages and activities related to the stages that can help standardise some procedures and documentation to enhance transparency and minimise ambiguity.

Figure 2 below provides an example of an ideal procurement lifecycle



These additional stages and activities aim to fill the gaps in the current process and provide a more robust structure for procurement operations.

Additionally, Table 3 in the next page provides detailed recommendations to be considered.

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Table 3: Recommendations for Procurement Lifecycle

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Needs assessment</b> Conduct thorough analysis and documentation of procurement needs before initiating the tendering process. Develop procurement category specific processes including details around responsibility.	Yes	We note and agree with the recommendation to enhance the analysis and documentation of procurement needs before initiating the tendering process but will need to review and consider the benefits of moving to a developing a procurement category specific process.	6-12 months	December 2025
<b>Risk Management</b> Implement risk assessment and mitigation strategies at each stage to ensure a robust procurement process.	Yes	We note and agree with this recommendation to enhance existing risk assessments	6-12 months	December 2025
<b>Continuous improvement</b> Initiate continuous improvement processes like ongoing quantitative and qualitative performance monitoring mechanisms to evaluate supplier performance and contract compliance and establish a feedback loop with suppliers and stakeholders to continually improve procurement processes. By embedding these continuous improvement methodologies, the council can foster an adaptive and resilient procurement framework that responds to evolving challenges and opportunities.	Yes	This will be actioned via the re-establishment of the Strategic Procurement Group focussed on overseeing the recommendations of this report and continuing to enhance processes as a key focus	Greater than 12 months	Ongoing



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## 2.2 Process improvement recommendations

To enhance the efficiency and effectiveness of the procurement function, we recommend the following process improvements, categorised into key areas:

### 2.2.1 Planning and strategy

Table 4 below provides detailed recommendations for enhancing the Planning and Strategy processes.

**Table 4: Recommendations for Planning and Strategy**

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Integrated Needs Identification:</b> Integrate the needs identification process into the new system to ensure alignment with procurement activities. Enhance stakeholder collaboration in the initial stages to gather comprehensive input. Define a clear value proposition for procurement to guide decision-making.	Yes	To be considered within the system functionality and enhancements	6-12 months	March 2025
<b>Procurement Strategy Framework:</b> Develop clear criteria for selecting the most suitable procurement approach for all procurements, including low-value purchases. This will ensure consistency and transparency in procurement decisions.	Yes	Noted and agreed to review current process to assess market and selecting the most suitable procurement approach to the market to maximise value for Council and ensure appropriate probity considerations	6-12 months	June 2025
<b>Proactive Project Management &amp; Procurement Integration:</b> Based on the annual City Plan and Budget, project management should collaborate with the procurement team to proactively create forward procurement plans. This will help with resource planning and ensure timely procurement activities.	Yes	Noted and agreed with the aim to align with the preparation of the 2025/26 budget to better understand procurement needs in 2025/26	6-12 months	April 2025

### 2.2.2 Sourcing and solicitation

Table 5 on below provides detailed recommendations for enhancing the Sourcing and solicitation processes.

**Table 5: Recommendations for Sourcing and solicitation**

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Standardised and Tailored Templates:</b> Develop standardised, tailored templates based on the type of procurement, such as low-risk, high-risk, low-value, or high-value. This approach will: <ul style="list-style-type: none"> <li>Make it easier for tenderers to respond efficiently.</li> </ul>	Yes	Noted and agreed with various templates created within the new system for use by the business	6-12 months	March 2025

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Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<ul style="list-style-type: none"> <li>Reduce the administrative burden on both tenderers and the council.</li> <li>Ensure that only necessary information is requested, leading to a more seamless process for everyone.</li> </ul>				
<b>Efficient Tender Documentation:</b> For tender documentation, add a cover page with a table of contents format to help navigate the content more efficiently. Ensure accurate naming and prioritisation of files to aid tenderers in understanding the requirements.	Yes	Noted and agreed	Within 6 months	December 2024
<b>SME Accessibility:</b> Streamline the procurement process to make it more accessible for small and medium enterprises (SMEs). Ensure tender response documentation is concise and effective by developing tailored templates for low-value procurements.	Yes	Noted and agreed with this to be considered by the re-establishment of the Strategic Procurement Steering Group	Greater than 12 months	Ongoing



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### 2.2.3 Evaluation and award

Table 6 below provides detailed recommendations for enhancing the Evaluation and award processes.

**Table 6: Recommendations for Evaluation and award**

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Panel Contract Evaluation:</b> Ensure no duplication of evaluation criteria for panel contracts or panel requests for tenders. For example, location-based criteria should not be evaluated twice when a tenderer from the panel is requested to quote for a particular requirement.	Yes	Noted and agreed with clear guidelines in tender documentation and ongoing management of panels to assist the market and staff to better understand the process	Within 6 months	March 2025
<b>Transparency and Communication:</b> Maintain transparency in the tender evaluation process by informing unsuccessful tenderers early on, before the final choice is declared. This will help maintain positive relationships with vendors.	Yes	Noted and agreed in principle but will need to consider the appropriate process and timing to ensure the revised process is appropriate for Council needs	6-12 months	June 2025



## 2.2.4 Contract management and supplier relationships

Table 7 on next page provides detailed recommendations for enhancing the Contract management and supplier relationships.

**Table 7: Recommendations for Contract management and supplier relationships**

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Performance Management:</b> Implement a formal performance management system with KPIs to track supplier performance and identify areas for improvement.	Yes	Noted and agreed and will be considered as part of the new system implementation to track contractor performance	Greater than 12 months	December 2025
<b>Strategic Partnerships:</b> Identify key suppliers and establish formal partnerships to foster long-term collaboration and value creation.	Yes	Agree in principle but will need further consideration as to how this will be progressed and any implications on this approach	Greater than 12 months	December 2025
<b>Feedback Mechanism:</b> Include a step to gather feedback from suppliers after complex tender processes in addition to providing feedback to the suppliers. Capture relevant feedback and improvement opportunities and implement them as part of a continuous improvement process.	Yes	Noted and agreed	Within 6 months	March 2025

## 2.2.5 Continuous improvement

Table 8 below provides detailed recommendations for enhancing the continuous improvement processes.

**Table 8: Recommendations for Contract management and supplier relationships**

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Procurement Steering Committee:</b> Extend the role of the procurement steering committee to lead continuous improvement activities. Gather feedback from tenderers during briefing sessions, list improvements identified as lessons learned, and flag implementable suggestions as actions for the committee.	Yes	Noted and agreed	Within 6 months	February 2025
<b>KPI Development:</b> Develop KPIs to evaluate the success of a procurement process by assessing it against the procurement principles identified in the framework. Include these KPIs in the executive's dashboards.	Yes	Noted and agreed with the Strategic Procurement Group leading this work	6-12 months	December 2025

2.2.6 Risk management

Table 9 below provides detailed recommendations for enhancing the risk management processes.

Table 9: Recommendations for Risk Management

Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
<b>Comprehensive Requirements Gathering:</b> Ensure an extensive requirement gathering process, especially for high-value procurements. This will help identify risks appropriately, and contractors will not have to worry about design changes during the tender process. Assign a Subject Matter Expert (SME) to identify and document requirements clearly, along with known and unknown risks in the tender documentation. If an SME is not available within the Council, consider an SME on a contract term to help drafting the tender requirements. The Council could consider retaining the contractor as an evaluator throughout the procurement process until contract award for all high-value, high-risk, and strategically important procurements.	Yes	Noted and agreed to review and enhance current process	6-12 months	September 2025

By implementing these recommendations, the Council can significantly enhance its procurement processes, leading to improved efficiency, transparency, and value for money.





## 2.3 System recommendations

Table 10 and Table 11 below provide list of suggestions to consider including in the implementation of the new system for procurement. These recommendations are designed to utilise the system's capabilities to enhance procurement processes, ensuring they are more efficient, transparent, and aligned with strategic objectives. These considerations should be used as a checklist by COS's project team prior to going live. These improvement opportunities for the system implementation have been highlighted to support COS's need to enhance its overall procurement framework to meet better practice principles.

**Table 10: System Recommendations – Process related**

Feature	Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
Procurement Category Field	Include a mandatory field to capture the procurement category (e.g., strategic, operational, project).	Yes	Noted and agreed	Within 6 months	March 2025
Standardised Procurement Templates	Develop standardised templates for common procurement documents (e.g., RFQs, RFPs, contracts).	Yes	Noted and agreed	Within 6 months	March 2025
Automated Approval Workflows	Implement automated approval workflows based on predefined rules (e.g., financial thresholds, procurement category).	Yes	Noted and agreed	Within 6 months	March 2025
Centralised Document Repository	Provide a centralised repository within the system to store all procurement-related documents.	Yes	Noted and agreed with all documents captured in the new procurement system also integrating with the new document management system	Within 6 months	March 2025
Reference Purchase Order/Contract Numbers	Ensure purchase order and contract numbers are referenced against workflows for easy access.	Yes	Noted and agreed	Within 6 months	March 2025
Tender Evaluation	Use automation and AI to evaluate tender responses, include procurement principles in evaluation matrix.	Yes	Noted and agreed in principle but this will require working with our vendor to consider this functionality	NA	Ongoing
Supplier Performance Management	Incorporate a supplier performance management module to track and evaluate supplier performance.	Yes	Noted and agreed	Within 6 months	March 2025
Contract Management Module	Implement a robust contract management module to track key contract milestones, deliverables, and obligations.	Yes	Noted and agreed	Within 6 months	March 2025
Integration with Other Systems	Integrate Ready Contracts with other relevant systems (e.g., finance, HR, asset management).	Yes	Agreed and in progress as part of the new system implementation	Within 6 months	March 2025
Information Integration with Systems	Continuously update templates to reduce duplication and streamline data entry.	Yes	Noted and agreed	Within 6 months	March 2025

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Feature	Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
Tenderer-Specific Information	Allow tenderers to save common information for future use.	No	At this stage the system enhancements are not addressing this but tenderers can look to save information for their future use	NA	NA
Real-time Reporting and Dashboards	Provide real-time reporting and dashboards to monitor key procurement metrics.	Yes	Noted and agreed	Within 6 months	March 2025
Procurement Evaluation	Include procurement evaluation against principles and framework for high-value, high-risk procurements.	Yes	Noted and agreed	Within 6 months	March 2025
Approval Workflows	Streamline approval processes using system workflows, avoid using emails for approvals.	Yes	Noted and agreed	Within 6 months	March 2025
Decision Documentation	Ensure the system enables auditable documentation of procurement decisions.	Yes	Noted and agreed with all documents captured in the new procurement system also integrating with the new document management system	Within 6 months	March 2025

Table 11: System Recommendations – Controls related

Feature	Recommendations	Acceptance (YN)	Management comment	Priority (choose from drop down)	Target date
Mandatory Justification Field	Make the justification field in the acquisition plan mandatory to ensure proper justification and alignment with organisational needs.	Yes	Noted and agreed	Within 6 months	March 2025
Segregation of Duties	Enforce segregation of duties to prevent conflicts of interest and ensure proper authorisation and oversight of procurement activities.	Yes	Noting segregation already exists, the new system will also use workflows for appropriate approvals	Within 6 months	March 2025
Audit Trail	Maintain a comprehensive audit trail of all procurement transactions and activities to support accountability, transparency, and compliance monitoring.	Yes	Noted and agreed	Within 6 months	March 2025
Access Controls	Implement role-based access controls to restrict access to sensitive procurement information and functions based on user roles and responsibilities.	Yes	The new system manages access by user rather than roles but the same integrity will apply to ensure access and delegations are effectively managed	Within 6 months	March 2025
Enable System Flags	Implement system alerts for vendors' accumulated amounts exceeding \$100K without a contract reference, prompting consideration of entering into a contract.	Yes	Agreed and is part of the functionality in the new Finance module that will report on "non-contract" spend against a vendor	Within 6 months	March 2025

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			and standard reporting to designated staff		
Data Validation	Incorporate data validation checks within the system to prevent errors and ensure data integrity.	Yes	Noted and agreed	Within 6 months	March 2025
User Training	Provide comprehensive user training on the new system and processes to ensure effective and efficient use by staff.	Yes	This is being addressed through the new system implementation process and also how ongoing training is managed to pick up new staff and/or refresher training	Within 6 months	March 2025
Change Management	Implement a robust change management plan to address resistance and ensure a smooth transition to the new system and processes.	Yes	This is being addressed through the new system implementation process	Within 6 months	March 2025
Continuous Improvement	Establish a continuous improvement process to regularly review and enhance the system and processes based on user feedback and performance data.	Yes	Will be addressed through the re-establishment of the Strategic Procurement Group	NA	Ongoing



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### 3. Market insights

In order to identify industry best practices, we utilised our extensive experience and conducted interviews with five different stakeholders representing a range of categories, including a large local council (who undertake significant property development and construction and procure variety of other services above and below \$100,000), two property development / construction services providers (both tendering high value capital projects), and a professional services firm (rendering for projects less than \$100,000). These discussions provided valuable insights into industry best practices and areas they considered would make their tendering efforts more efficient and cost effective, while helping to build a stronger partnering arrangement with the Council.

#### 3.1 Key feedback

- **Timely Engagement and Collaboration:** Early and open communication is crucial for clarifying objectives, understanding risks, and ensuring timely responses to tender questions.
- **Time Constraints:** Tight deadlines and multi-stage tender processes can strain contractors' resources and incur significant costs that are not recovered.
- **Minimal Design Changes:** Minimising design changes throughout the tender process helps avoid unnecessary costs and delays.
- **Detailed Scope and Plans:** Providing detailed, relevant and accurate project information, including scope, timeline, and priorities, reduces uncertainty and variations.
- **Risk Transfer:** Excessive risk transfer to contractors can increase costs and potential disputes. This may also result in higher fee submissions due to the uncertainty, or in some cases low priced tender submissions with multiple variations after awarding the work.
- **Short Tender Periods:** Shorter tender periods reduce costs and resource expenditure for tenderers.
- **Efficient Contract Negotiations:** Balanced and equitable contracts are essential, avoiding one-sided terms.
- **Continuous Improvement:** A culture of continuous improvement, including feedback from contractors, is essential. Providing feedback to unsuccessful tenderers allows them to learn and improve future responses.
- **Program vs. Project-Based Tenders:** A program of work commitment allows tenderers to provide greater value through volume discounts and partnerships, allowing the successful tenderer to provide innovation when providing services.
- **Redundant Templates:** Ensuring relevant and efficient templates and documentation reduces costs and inefficiencies.
- **Evaluation process:** Fairness and transparency of the evaluation process should be maintained to build trust with contractors.
- **Clarity and Consistency:** Inconsistent procurement documentation and requirements create confusion and increase costs.



## Appendix 1: Consultation and documentation reviewed

### Documentation reviewed

1. Behavioural Management Policy.pdf
2. city\_plan\_2035.pdf
3. Code of Practice for Access to Meetings and Associated Documents.pdf
4. Elected Member Allowances and Benefits Policy.pdf
5. Employee Conduct Policy - 2023\_Final.pdf
6. Evaluation and Probity Guidelines.pdf
7. Financial Delegation Report by Department and Division as at Sept2024.pdf
8. Financial Delegations Procedure.pdf
9. Purchase Card Guidelines.pdf
10. Salisbury Organisational Chart.pdf
11. Strategic Risk Register Aug 2024 ARC.pdf
12. Acquisition Plan.pdf
13. Approaching the Market (SA Tenders).pdf
14. Awarding Works to an Engaged Contractor.pdf
15. New or Variation in Financial Delegation.pdf
16. New or Variation to Purchase Cards.pdf
17. Procurement Process Over \$150k or complex (high risk).pdf
18. Procurement Process Under \$150k or simple (low risk).pdf
19. Request for RFI's during tender process.pdf
20. Temporary Variation to the Purchase Card Limit.pdf
21. Tender Evaluation process map.pdf
22. Tender Recommendation.pdf
23. Approval Form after Request for Quotes Proposals process.docx
24. Behavioural Standards for Council Members (formerly Code of Conduct).pdf
25. Blank Operational Risk Register Sept 2024.xlsx
26. Endorsed Exemption from Standard Procurement Procedures List - CURRENT (8).pdf
27. Evaluation\_and\_Probity\_Guidelines\_2021 (4).pdf
28. Obtaining Quotations Guide.pdf
29. Operational Risk Assessment\_Training.pdf
30. Operational Risk Register-Field Services\_MP.xlsm
31. Operational Risk Register-Infrastructure Delivery\_JC.xlsm
32. Procurement Framework.pdf
33. Procurement Policy.pdf
34. Procurement Process Plan (up to \$100,000 exc GST).docx
35. Procurement\_-\_Guidelines\_-\_Purchase\_Order\_Guidelines (3).pdf
36. Procurement\_-\_Standard\_Terms\_and\_Conditions\_of\_Purchase\_for\_Goods\_and\_or\_Services (2).pdf
37. Procurement\_Purchase\_Matrix (taken from COS intranet).pdf
38. Procurement\_Services\_-\_PS036\_-\_Successful\_Quotation\_Letter\_-\_Template (2).pdf
39. Procurement\_Services\_-\_PS037\_-\_Unsuccessful\_Quotation\_Letter\_-\_Template (2).pdf
40. PS020 New Creditor Request form - MS Word format.docx
41. PS074 - Request for Quote (Works) template.docx
42. PS075 - Request for Quote Schedules (Works) template.docx
43. PS076 - Request for Quote - Goods and Services - Template (4).docx
44. PS077 - Request for Quote Schedules - Goods and Services - Template (1).docx
45. Purchase Order for Minor Works - Terms and Conditions.docx
46. Risk\_Management\_Guide.pdf
47. Simple Evaluation Matrix.xlsx



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### Stakeholders interviewed

1. Charles Mansueto, Deputy CEO
2. Kate George, Finance & Procurement Manager
3. Jarred Collins, Infrastructure Design & Delivery Manager
4. Matt Coldwell, Procurement & Systems Team Leader
5. Monica Kearns, Procurement Business Partner
6. Cassandra Hodson, Procurement Business Partner



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## Where you want to be

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ITEM	7.2.3
	<b>AUDIT AND RISK COMMITTEE</b>
DATE	12 November 2024
HEADING	Internal Audit - Statutory Legislative Compliance Review.
AUTHOR	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	As per the approved Internal Audit Plan 2024-2027, the Council’s Audit and Risk Manager has undertaken a desktop audit on the <i>Local Government Act 1999</i> , Chapter 8 - Administrative and financial accountability, including a review of the new legislative compliance support registers developed by the Local Government Association.

**RECOMMENDATION**

That Council:

1. Notes the final audit report on the Legislative Compliance Review in relation to the *Local Government Act 1999*, Chapter 8 Administrative and financial accountability (Item no 7.2.3, Audit and Risk Committee, 12 November 2024).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Test Script - Statutory Legislative Compliance Review - Local Government Act.

**1. BACKGROUND**

- 1.1 The Council Audit and Risk Manager has completed a review to measure the Council's compliance with the *Local Government Act 1999 (the Act)* Chapter 8 - Administrative and financial accountability. A legislative compliance review will occur bi-annually, with updates scheduled for submission to the Audit and Risk Committees in November 2024 and April 2025.
- 1.2 Legislative Compliance support registers have been developed by the Local Government Association (LGA) to provide guidance to support councils in achieving compliance through practical considerations, resources, and suggestions, rather than providing an audit or checklist. The Council’s Audit and Risk Manager has conducted a review of support registers for accuracy of the tool against *the Act*, to provide assurance on the accountability and reliance of the tool. It is important to note when using these support registers that;
  - 1.2.1 not all provisions of the legislation are included. Generally, only mandatory, non-discretionary obligations that apply to Councils and CEOs have been included.
  - 1.2.2 it is important to refer to the full section wording in the legislation itself for the detail. The registers provide guidance only.

1.2.3 reference should always be made to the current version of the legislation as verbatim extracts have generally not been included. Latest versions of the legislation can be accessed via [legislation.sa.gov.au](https://legislation.sa.gov.au).

1.3 The Audit and Risk Manager will conduct a bi-annual reviews going forward. Findings will be included in the Risk Management and Control Activities report, unless a material issue requires escalation. In this instance, a full report will be presented to the Audit and Risk Committee on the matter.

1.4 This review focused on Chapter 8 of the Act and aims to enhance the effectiveness of Local Government in South Australia, ensuring Councils are compliant and operate in the best interests of their communities.

## 2. EXTERNAL CONSULTATION / COMMUNICATION

2.1 Local Government Association, South Australia.

## 3. DISCUSSION

3.1 Evidence of testing is available in Attachment 1 of this report (the links within the test script are only available to LGA members). No material issues were identified; however, whilst immaterial, one section (126) was noted as partially compliant. This relates to the scheduling of our quarterly Audit and Risk Committee meetings. In 2024, five meetings were held in February, April, August, October, and November resulting in a gap of over three months between the April and August meetings. Scheduling has commenced in relation to the 2025 Council and Committee meetings, where we will ensure quarterly meetings take place.

3.2 The LGA tool accurately identifies all mandatory, non-discretionary obligations that apply to Councils. Two minor issues identified related to incorrect referencing to the Act. Feedback was provided to the Local Government Association, who have subsequently updated the registers. No further action is subsequently required.

3.3 The LGA are currently in the process of preparing the below registers, however for the next desktop review the Audit and Risk Manager will review additional sections of the *Local Government Act 1999*.

<i>Burial &amp; Cremation Act 2013 &amp; Regulations</i>	<i>Retail and Commercial Leases Act 1995</i>
<i>Local Government (Elections) Act 1999</i>	<i>Unclaimed Goods Act 1987</i>
<i>Fire and Emergency Services Act 2005 &amp; Regulations</i>	<i>Land &amp; Business (Sale and Conveyancing) Act 1994 &amp; Regulations</i>
<i>Dog and Cat Management Act 1995</i>	<i>Roads (Opening and Closing) Act 1991 &amp; Regulations</i>
<i>Freedom of Information Act 1991</i>	<i>Heavy Vehicle National Law Act 201</i>
<i>Road Traffic Act 1961</i>	<i>Food Act 2001 &amp; Regulations</i>



**4. CONCLUSION**

- 4.1 Based on the review conducted, no material non-compliances with Chapter 8 (Administrative and financial accountability) of the *Local Government Act 1999* were identified. This indicates effective implementation of the Act's requirements, contributing positively to Council.



Test Script - BI-Annual Legislative Compliance Review Internal Audit.					
Chapter 8—Administrative and financial accountability					
Part 1—Strategic management plans					
Section	Topic	Requirement	Method	LGA Resource available to COS	COS Evidence
122(1)	Strategic management plans	The council must develop and adopt strategic management plans for the management of its area which contain and include the matters specified and/or prescribed in this section.	Ensure the strategic management plans developed and adopted by council contain the specified matters.	<a href="#">Integrated Strategic Management Framework</a>	<a href="#">City Plan 2035 - City of Salisbury</a>
				<a href="#">Financial Sustainability Resources web page</a>	Compliant - City Plan link above. Our City Plan as required; - Identifies the councils objectives for next four years. - Provides assessment on sustainability of financial performance - Details infrastructure to be maintained, relaced and developed - highlights changes to property development - monitors objectives.
				<a href="#">Information Sheet – Changes to public inspection and display requirements</a>	Council did not delegate the power to adopt or revise of our city plan (as per section 44(3)d)
				<a href="#">Annual Report Guidelines</a>	In additional all Sub Committee, Committee, and Council papers give reference to our City Plan.
122(1a) and (1b)	Strategic management plans	A council must, in conjunction with the plans required under subsection (1), develop and adopt:	Ensure the long-term financial plan and infrastructure and asset management plans cover at least a 10-year period, and the financial projects in long-term financial plan and infrastructure and asset management plan are consistent.	<a href="#">Integrated Strategic Management Framework</a>	
		(a) a long-term financial plan that relates to a period of at least 10 years and includes a funding plan that:		<a href="#">Financial Sustainability Resources</a>	Compliant - See Council agenda/minutes in April.
		(i) outlines the council's approach to funding services and infrastructure of the council; and		<a href="#">Information Sheet – Funding Plan (within the LTFP)</a>	Compliant - Evidenced and checked - see Long Term Financial Plan
		(ii) sets out the council's projected total revenue for the period to which the long-term financial plan relates; and		<a href="#">Model Long Term Financial Plan Template</a>	
		(iii) outlines the intended sources of that total revenue (such as revenue from rates, grants and other fees and charges); and		<a href="#">Information Sheet – Changes to public inspection and display requirements</a>	
		(b) an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by the council for a period of at least 10 years,		<a href="#">Annual Report Guidelines</a>	Compliant - Evidenced and checked - see Council in April 24 (incl Policy & Planning & Audit and Risk Committees in April 2024)
		(and these plans will also be taken to form part of the council's strategic management plans)			Compliant - See strategic risk register, see risk 1, 4, 5 and 9.
122(1c) - (1k)	Strategic management plans	The council must once in every prescribed period, in accordance with a determination of the designated authority, provide information relating to its long-term financial management plan and infrastructure and asset management plan to the designated authority.	Ensure the prescribed information is provided to the designated authority in accordance with determination of the designated authority.	<a href="#">Integrated Strategic Management Framework</a>	Compliant - See Escosa report - The Essential Services Commission (Commission), South Australia's independent economic regulator and advisory body, has been given a role by the State Government to provide advice on material changes proposed by local councils in relation to elements of their strategic management plans (SMPs) and on the proposed revenue sources, including rates, which underpin those plans. The scheme requires that the designated authority, the Essential Services Commission of South Australia (ESCOSA), review the financial sustainability through the assessment of S122 Strategic Management Plans for Councils. This review occurs every four years for all SA Councils on a rotating basis. ESCOSA released its final report on the City of Salisbury in February 2023, identifying the City of Salisbury's, "current financial outlook sustainable with conservative operating surpluses projected from the forecast growth in operating income marginally outpacing forecast cost growth."
		The council must, on or before 30 September in the relevant financial year for the council, provide to the designated authority all relevant information on the prescribed matters in accordance with any guidelines determined by the designated authority.		<a href="#">Financial Sustainability Resources</a>	
		The council must ensure the advice provided by the designated authority and any response of the council to the advice is published in its annual business plan in the relevant financial year and each financial year until the next relevant financial year for the council.		<a href="#">ESCOSA Local Government Advice - Framework and Approach and Schedule of councils</a>	
		The council must if required by a written notice of the designated authority provide to the designated authority within a time and manner stated in the notice information in the council's possession that the designated authority reasonably requires for the performance of its functions under this section.		<a href="#">ESCOSA – Schedule of Councils March 2022</a>	
122(2)	Strategic management plans	The content of strategic management plans must comply with the requirements of this section	Ensure strategic management plans comply with prescribed requirements.	<a href="#">Integrated Strategic Management Framework</a>	Compliant
				<a href="#">Financial Sustainability Resources</a>	Evidence and checked from Strategic Asset Management Plan, whereby it address the strategic planning issues
					Council's SAMPs set out the priorities for the implementation of planning policies; be consistent with the Planning and Design Code under the Planning, Development and Infrastructure Act 2016.
122(3)	Strategic management plans	The council must, in formulating its strategic management plans, have regard to:	Ensure strategic management plans comply with prescribed requirements.	<a href="#">Integrated Strategic Management Framework</a>	Compliant - see table 2 Legislative requirements in the City of Salisbury- Strategic Asset Management plan.
		(a) the council's roles and responsibilities under the LG Act or any other Act; and		<a href="#">Financial Sustainability Resources</a>	Compliant - see Section 4 page 34 in the City of Salisbury- Strategic Asset Management plan.
		(b) the council's objectives for its area			
122(4) - (4b)	Strategic management plans	The council must on an annual basis undertake a review of:	Undertake review in accordance with required timelines and includes report from the CEO that contains specified matters and any other matters that are prescribed by the Minister (noting at time of writing there are none).	<a href="#">Integrated Strategic Management Framework</a>	Compliant Evidenced and checked - Audit and Risk Committee & Council in April 2024 & Audit and Risk Committee & Council in April 2023
		(i) its long-term financial plan; and		<a href="#">Financial Sustainability Resources</a>	
		The council must within 2 years after each general election undertake a comprehensive review of its strategic management plans.			Compliant General Election 2022, 2024 a comprehensive review took place on SMP - see Council & Policy & Planning committee papers and resolution. Resolution Number 0660/2024
				<a href="#">Integrated Strategic Management Framework</a>	Complaint 2024 - An Engagement Plan was developed in consultation with the Manager Community Experience to guide consultation activity. Consultation undertaken was similar to previous years and included:

122(6)	Strategic management plans	The council must adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans.	Ensure process adopted by the council provides public with reasonably opportunity to be involved in development and review of plans.	<a href="#">Financial Sustainability Resources</a> <a href="#">Public Consultation Model Policy</a>	Council's Website page – Have your Say Consultation Zone Advertiser Public Notice Advertisement – promoting website, and email for feedback
122(8)	Strategic management plans	The council must, for the purposes of this section, specifically declare which plans will constitute the strategic management plans of the council.	Ensure the council has made declarations compliant with this section.	<a href="#">Integrated Strategic Management Framework</a> <a href="#">Financial Sustainability Resources</a>	Compliant - see table 9 & 10 of the SAMP 24/25, which indicates which plans are included in the SMP.
<b>Part 2—Annual business plans and budgets</b> <b>123—Annual business plans and budgets</b>					
123(1) - (2) & (10)	Annual business plans and budgets	<p>The council must have, for each financial year:</p> <p>(a) an annual business plan; and</p> <p>(b) a budget.</p> <p>Each annual business plan of the council must contain the information and matters specified and/or prescribed.</p> <p>The council must comply with any minimum requirements prescribed by the regulations with respect to the preparation, form and contents of:</p> <ul style="list-style-type: none"> <li>an annual business plan (including a draft for public consultation);</li> <li>the summary required under section 123(9) (i) that a summary of the annual business plan is prepared so as to assist in promoting public awareness of the nature of its services and its rating and financial management policies, taking into account its objectives and activities for the ensuing financial year;</li> <li>a budget.</li> </ul>	Ensure the council has an annual business plan and budget containing the required information.	<a href="#">Integrated Strategic Management Framework</a> <a href="#">Financial Sustainability Resources</a> <a href="#">Information Sheet – Changes to public inspection and display requirements</a> <a href="#">Annual Report Guidelines</a>	<p>Compliant - See council paper in May &amp; June 2023. see council paper in May &amp; June 2024</p> <p>Compliant see Annual Business plan.</p> <p>Compliant In April 2024 Council approved the 2024/25 Draft Long Term Financial Plan and Annual Business Plan and Budget for public consultation (resolution 0662/2024).</p> <p>Compliant - summary currently live on website <a href="https://www.salisbury.sa.gov.au/council/council-plans-and-registers/city-management-plans/annual-plan">https://www.salisbury.sa.gov.au/council/council-plans-and-registers/city-management-plans/annual-plan</a></p> <p>Compliant - See council paper in May &amp; June 2023. See council paper in May &amp; June 2024</p>
123(3) - (5a)	Annual business plans and budgets	<p>Before the council adopts an annual business plan, the council must:</p> <p>(a) prepare a draft annual business plan; and</p> <p>(b) follow the relevant steps set out in its public consultation policy, taking into account the requirements of section 123(4).</p> <p>The council must ensure that provision is made for—</p> <p>(a) a facility for asking and answering questions; and</p> <p>(b) the receipt of submissions.</p>	Ensure the council conducts consultation on draft annual business plan in accordance with prescribed requirements and council's adopted public consultation policy includes the minimum requirements prescribed.	<a href="#">Integrated Strategic Management Framework</a> <a href="#">Financial Sustainability Resources</a> <a href="#">Public Consultation Model Policy</a>	<p>Compliant</p> <p>In April 2024 Council approved the 2024/25 Draft Long Term Financial Plan and Annual Business Plan and Budget for public consultation (resolution 0662/2024).</p>
123(6a), (7) & (8)	Annual business plans and budgets	<p>If the council proposes to adopt an annual business plan with amendments, the council must include in the adopted business plan a statement:</p> <p>(a) setting out any significant amendments from the draft annual business plan; and</p> <p>(b) providing reasons for those amendments.</p> <p>Each budget of the council must:</p> <p>(a) be considered in conjunction with the council's annual business plan (and must be consistent with that plan, as adopted); and</p> <p>(b) be adopted by the council after the council has adopted its annual business plan.</p> <p>An annual business plan and a budget must be adopted by the council after 31 May for the ensuing financial year and, except in a case involving extraordinary administrative difficulty, before 15 August for the financial year.</p>	Ensure adopted annual business plan contains statement of significant amendments from draft and reasons for amendments and adopted budget is consistent with annual business plan.	<a href="#">Integrated Strategic Management Framework</a> <a href="#">Financial Sustainability Resources</a>	<p>Compliant - Evidence see Council paper June 24 Item GB2, attachment 1 'Significant Amendments to the Adopted Annual Business Plan.</p> <p>Compliant - Minutes reviewed 15 April 2024 - changes required to reflect relevant decisions of Council made at Finance and Corporate Services Committee Meeting 15 April 2024 and Council 22 April 2024. Draft 2024/25 Long Term Financial Plan and Annual Business Plan, additional; further amendment evidence see Council paper June 24 Item GB2, attachment 1 'Significant Amendments to the Adopted Annual Business Plan.</p> <p>Compliant - Evidence see Council paper June 24 Item GB2, attachment 1 'Significant Amendments to the Adopted Annual Business Plan.</p> <p>Compliant - Plan adopted in June 24.</p>
123(9) & (11)	Annual business plans and budgets	The council must, after adopting an annual business plan and a budget ensure:		<a href="#">Integrated Strategic Management Framework</a>	
		(i) that a summary of the annual business plan is prepared in accordance with this section; and	Ensure summary of the annual business plan is prepared, contains required assessment and accompanies first rates notice after declaration of rates.	<a href="#">Financial Sustainability Resources</a>   LGA, South Australia	Compliant - Summary of business plan viewed.
		(ii) that a copy of the summary of the annual business plan accompanies the first rates notice after the declaration of its rates for the financial year.		<a href="#">Information Sheet – Changes to public inspection and display requirements</a>	Complaint - copy of evidence stored in drive - The 'rates brochure' is a snapshot of the long term financial plan and the annual business plan sent out with the first quarter notice.
		The summary of the annual business plan must include an assessment of the extent to which the council's objectives for the previous financial year have been attained.			Compliant - Key achievements for 2023/2024 included in the rates brochure.
<b>Part 3—Accounts, financial statements and audit</b> <b>Division 1—Accounts</b>					
		The council must:		<a href="#">Financial Sustainability Resources</a>	<p>Compliant - as a public entity, all our accounting records and statements are available to the public.</p> <p>Our External auditors BDO, had no finding relating to our records keeping.</p>



124(1)	Accounting records to be kept	(a) keep such accounting records as correctly and adequately record and explain the revenues, expenses, assets and liabilities of the council; and (b) keep its accounting records in such manner as will enable – (i) the preparation and provision of statements that present fairly financial and other information; and (ii) the financial statements of the council to be conveniently and properly audited.	Ensure the appropriate accounting records are maintained.	<a href="#">Better Practice Model – Financial Internal Controls</a>	
Division 2—Internal control, audit and risk committee etc					
125—Internal control policies					
125(1)-(3)	Internal control policies	The council must ensure that appropriate policies, systems, practices and procedures of internal control and risk management are implemented and maintained for the purposes of this section.  The policies, practices and procedures of internal financial control under section 125(1) must be in accordance with a standard or document (such as a model relating to financial controls) adopted by the regulations.	Ensure the appropriate internal control and risk management policies, practices and procedures are in place.	<a href="#">Financial Sustainability Resources</a>  <a href="#">Better Practice Model – Financial Internal Controls</a>	Compliant - ERM Framework and policy approved by Audit and Risk Committee & Council in August 2024  Compliant - COS have controls within all process categories (Strategic Financial Planning / Revenue / Liabilities / financial governance / external services / expenses and assets. COS is the Chairperson of the Internal Financial Controls (Better Practice Framework) Work Group.
125A(1) & (2)	Internal audit functions	The CEO of a council that has an internal audit function must, before appointing a person to be primarily responsible for the internal audit function, or assigning such responsibility to an employee of the council, consult with the relevant audit and risk committee on the appointment or assignment of responsibility.  Despite any other law or instrument to the contrary, the person primarily responsible for the internal audit function— (a) must ensure that any reports they prepare relating to the internal audit function are provided directly to the audit and risk committee; and (b) may report any matters relating to the internal audit function directly to the audit and risk committee.	Ensure the requirements of this section are complied with. Noting these legislative provisions only commenced in November 2023, it is important to ensure the required practice(s) are in place.	<a href="#">Information Sheet – Internal Audit Function – Section 125A</a>	Compliant - See Audit and Risk Committee & Council in April 2024, prior to appointing the new Audit and Risk Manager.  Compliant Audit and Risk committee papers goes through a co-ordination meeting, however no feedback or comments are accepted on finalised Internal Audits  Compliant - No matters to report in 2023 / 2024
126(1) and (2), (5), (8) & (9)	Audit and risk committee	The council must have an audit committee,  The membership of an audit committee must be in accordance with this section.  There must be at least 1 meeting of a council audit and risk committee in each quarter.  The audit and risk committee must—  (a) provide a report to the council after each meeting summarising the work of the committee during the period preceding the meeting and the outcomes of the meeting; and  (b) provide an annual report to the council on the work of the committee during the period to which the report relates.  The council must ensure that the annual report of its audit and risk committee is included in its annual report	Ensure the council and the audit and risk committee meeting their mandatory requirements in this section.	<a href="#">LG FS Info Paper 03 – Audit and Risk Committees</a>  <a href="#">LG FS Info Paper 03 – Audit and Risk Committees – Appendices 2024</a>  <a href="#">Information Sheet – Audit and risk committees – section 126</a>  <a href="#">Information Sheet – Regional Audit and risk committees – section 126A</a>  <a href="#">Financial Sustainability Resources</a>	Compliant Audit and Risk Committee in place, with an up-to-date Terms of Reference in place.  Compliant ‘The majority of the members of the committee must be persons who are not members of any council’ COS Audit and Risk Committee has 2 elected members and 3 independent members.  Partially compliant COS have 5 meetings a year, quarterly Audit and Risk Committees, and one specific committee dedicated to financials. In 2024, there was a meeting in Feb / April / Aug / Oct / Final meeting scheduled for November. There was no Committee held for over three months from April to Aug.  Compliant All decisions / reports to go council for noting / decision / information. Evidence checked all quarters in 2023 meetings  Compliant Evidence - August 2024, Audit and Risk Committee & Council.  Compliant Evidence -2023 Annual Report / Audit and Risk Committee & Council
Division 3—Financial statements					
127—Financial statements					
127(1) and (2)	Financial statements	The council must prepare for each financial year:  (a) financial statements and notes in accordance with standards prescribed by the regulations; and (b) other statements or documentation relating to the financial affairs of the council required by the regulations.  The material required under section 127(1): (a) must be prepared as soon as is reasonably practicable after the end of the relevant financial year and in any event before the prescribed day; (b) must comply with standards and principles prescribed by the regulations; and (c) must include the information required by the regulations.	Ensure financial statements are prepared for each financial year that comply with the requirements of the section and associated regulations by the prescribed day.	<a href="#">Financial Sustainability Resources</a>  <a href="#">Model Financial Statements</a>  <a href="#">Information Sheet – Changes to public inspection and display requirements</a>  <a href="#">Annual Report Guidelines</a>	Compliant - See Council paper in October - for End of Year Financial Statement and Analysis, which is in accordance with Local Government (Financial Management) Regulations & Local Government Act 1999, which have been prepared in accordance with the applicable Australian Accounting Standards
127(3)	Financial statements	The statements prepared for each financial year must be audited by the council's auditor.	Ensure financial statements are audited annually and auditor's opinions accompany financial statements.	<a href="#">Financial Sustainability Resources</a> <a href="#">Model Financial Statements</a>	Compliant - Currently BDO are the external auditors. See Audit and Risk Committee & Council meeting paper in October 2024 and October 2023
127(4)	Financial statements	A copy of the audited statements must be submitted by the council to the persons or bodies prescribed by the regulations on or before the day prescribed by the regulations.	Ensure statements are submitted to prescribed persons/bodies.	<a href="#">Financial Sustainability Resources</a> <a href="#">Model Financial Statements</a>	Compliant - email sent to grants.commission@sa.gov.au on 27/11/2023 The files attached were as follows;  •Completed LG Financial Statements and Supplementary Return 2022-23 •Signed PDF copy of the Cover Page •Copy of the Audited Annual Financial Statements 2022-23
Division 4—Audit					
128—Auditor					
		The council must have an auditor who will be appointed by the council on the recommendation of the council's audit committee.			Compliant See confidential Audit and Risk Committee Minutes in April in relation to the appointment of new Audit and Risk Manager.



128(1)-a), (6) & -(8)	Auditor	The auditor:	Ensure appointment complies with the requirements of this section.	<a href="#">Financial Sustainability Resources</a>		
		<ul style="list-style-type: none"><li>• must be a registered company auditor or a firm comprising at least one registered company auditor; and</li><li>• must not be a member of the council or a nominated candidate for election as a member of the council</li></ul>			Compliant Confirmed and checked	
		The term of appointment of an auditor of the council must not exceed 5 years.			NA - 2023 or 2024	
		If a firm comprising at least 1 registered company auditor has held office as auditor of the council for 5 successive financial years (the <b>first firm</b> ), the council:			NA - 2023 or 2024	
		(a) must ensure another auditor in accordance with this section is appointed; and			NA - 2023 or 2024	
		(b) must not appoint the first firm as its auditor until at least 5 years have passed since the first firm last held the office.			Compliant, in addition on a annual basis there is a confidential item on the agenda for a In-Confidence Session with the External Auditor	
		The council must comply with any requirements prescribed by the regulations with respect to providing for the independence of the auditor.				
128(9)	Auditor	The council must ensure that the following information is included in its annual report:	Ensure annual report contains required information with respect to the council's auditor.	<a href="#">Financial Sustainability Resources</a> <a href="#">Annual Report Guidelines</a>	Compliant and checked - see 'notes to the financial statements' within the Annual Report for remuneration payment to auditor	
		(a) information on the remuneration payable to its auditor for work performed during the relevant financial year, distinguishing between –				
		(i) remuneration payable for the annual audit of the council's financial statements; and			Compliant and checked - see 'notes to the financial statements' within the Annual Report for remuneration for other prescribed expenses	
		(ii) other remuneration;			NA for 2023 2024	
		(b) if a person ceased to be the auditor of the council during the relevant financial year, other than by virtue of the expiration of his or her term of appointment - the reason or reasons why the appointment came to an end.				
129(5a), (5b), (5e) & (9)	Conduct of audit	The principal member must ensure copies of the opinions and advice of the auditor are provided to the CEO, the other members of the council and the council's audit committee.	Ensure copies of auditor's opinion and advice are provided to the CEO, other members of the council and the council's audit and risk committee and are placed on agenda for council meeting as required by section and is not kept confidential for more than 60 days after that meeting.	<a href="#">Financial Sustainability Resources</a>	Compliant - see BDO report, presented to Audit and Risk Committee & Council in October 2023 and 2024.  Control testing by BDO commence in April 2024, post a self assessment by Council staff prior to this on all Financial controls on a system called Control Track (including controls relating to Strategic Financial Planning, Revenue, Liabilities, Financial Governance, External services, Expenses and Assets)	
		Unless section 129(5c) applies, the opinions and advice of the auditor must be placed on the agenda for consideration -	Ensure the auditor's opinions accompany the financial statements of the council.		<a href="#">LG FS Info Paper 02 – An Overview of Audit Mechanisms</a>	
		(a) unless section 129(5b)(b) applies - at the next ordinary meeting of the council; and			<a href="#">LG FS Info Paper 04 – Specifications for External Audit</a>	
		(b) if the agenda for the next ordinary meeting of the council has already been sent to members - at the ordinary meeting of the council next following the meeting for which the agenda has already been sent, except if the principal member determines, after consultation with the CEO, it should be considered at the next ordinary meeting as a late item on the agenda.			<a href="#">LG FS Info Paper 03 – Audit and Risk Committees</a>	
130	CEO to assist auditor	The CEO must, at the request of the auditor of the council, produce to the auditor the documents set out in this section.	Ensure the CEO produces documents and provides information or explanation as required by auditor.	<a href="#">Financial Sustainability Resources</a> <a href="#">LG FS Info Paper 02 – An Overview of Audit Mechanisms</a> <a href="#">LG FS Info Paper 04 – Specifications for External Audit</a>	Compliant - 2023/24 CEO provided all requested information to BDO, nothing outstanding.	
		The CEO must, at the request of the auditor of the council, provide to the auditor explanations or information required by the auditor.				
Division 5—Other investigations 130A—Other investigations						
130A(4)	Other investigations	The CEO must, at the request of a person conducting an examination:	Ensure the CEO produces documents and provides information or explanation as required by person conducting examination.	<a href="#">Financial Sustainability Resources</a> <a href="#">LG FS Info Paper 05 – Efficiency and Economy Examinations</a>	Compliant - Ombudsman annual report FY23/24 has been released, no outstanding action for City of Salisbury.	
		(a) produce to the person for inspection any documents relevant to the examination; and				
		(b) provide to the person explanations or information required by the person.				
Part 4—Annual reports 131—Annual report to be prepared and adopted						
131(1) (1a), (2) & (3)	Annual report to be prepared and adopted	The council must, on or before 30 November in each year, prepare and adopt an annual report which must include the matters prescribed by this section and comply with any requirement prescribed by the regulations.	Ensure report includes all specified and prescribed requirements and is completed in accordance with required timelines.	<a href="#">Annual Report Guidelines</a>  <a href="#">Information Sheet – Changes To public inspection and display requirements</a>	Compliant - See Audit and Risk Committee & Council in November 2023 for evidence	
131(4)	Annual report to be prepared and adopted	A copy of the annual report must be provided to each member of the council.	Ensure report provided to each council member.	<a href="#">Annual Report Guidelines</a>	Compliant - all papers are shared with all elected members for all Sub Committees, Committee & Council.	
131(5)	Annual report to be prepared and adopted	A copy of the annual report must be submitted to the persons or bodies prescribed by the regulations on or before a day determined under the regulations.	Ensure report provided to South Australian Local Government Grants Commission.	<a href="#">Annual Report Guidelines</a>	Compliant - all non confidential papers are provided on the City of Salisbury external website, prior to the meetings. Minutes are attached within 5days after the meeting.	
		The council must provide to the Minister, at the time or times, and in the manner and form, determined by the Minister:			Compliant  New subregulation 35(a1) requires, for the purposes of Schedule 4 clause 1(d) of the Local	

131A(1)	Provision of information to Minister	(a) the material (including the specific reports on the matters) specified in Schedule 4 (as amended from time to time by regulation); and (b) any other information, or class of information, specified by the Minister.	Provide information to Minister as specified in Schedule 4 and any other information specified by the Minister in accordance with Minister's requirements.	<a href="#">Annual Report Guidelines</a>	Government Act, the following information be included in an annual report:  - The total number of contraventions - See contraventions within the Behavioural Standards Panel section of the Annual Report 2022 - 2023. - the total costs incurred by the council in relation to dealing with complaints alleging contravention - See Member Behaviour section page 58 of the Annual Report 2022 - 2023.
Part 5—Access to documents 132—Access to documents					
132(1)-(3a)	Access to documents	Subject to the regulations, the council must:  (a) publish a document referred to in Schedule 5 on a website determined by the CEO; and  (b) on request, provide a person with a printed copy of a document referred to in schedule 5 (on payment of a fee (if any) fixed by the council).  If an order under section 91(7) expires or ceases to apply in relation to a document or part of a document, the council must ensure that the document or part of the document is published on the website determined by the CEO.	Ensure the council publishes all Schedule 5 documents on a website determined by the CEO and mechanism exists for provision of copies upon request.	<a href="#">Information Sheet – Changes to public inspection and display requirements</a> <a href="#">Access to Council and Committee Meetings and Documents – Guidelines</a>	Documents to be made available by councils, Behavioural management policies - evidenced on external website - <a href="https://www.salisbury.sa.gov.au/council/council-plans-and-registers/policies">https://www.salisbury.sa.gov.au/council/council-plans-and-registers/policies</a> Behavioural support policies - evidenced on external website - <a href="https://www.salisbury.sa.gov.au/council/council-plans-and-registers/policies">https://www.salisbury.sa.gov.au/council/council-plans-and-registers/policies</a> Employee behavioural standards - included in the Behavioural Standards for Council Members



<b>ITEM</b>	7.2.4
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	12 November 2024
<b>HEADING</b>	Annual Report 2023-2024
<b>AUTHOR</b>	Chelsea Kroepsch, Manager Community Experience, Business Excellence
<b>CITY PLAN LINKS</b>	4.2 We deliver quality outcomes that meet the needs of our community 4.5 We engage meaningfully and our community is aware of Council initiatives
<b>SUMMARY</b>	The Annual Report is a legislative document required following each financial year to highlight the achievements and financial statements of the City of Salisbury, developed under the City Plan 2035 and its key directions. It also features the City Dashboard and Corporate Indicators, showcases work based on Council's Objectives, financial statements and annual reports from Council subsidiaries.

## RECOMMENDATION

### That Council:

1. Notes that the Audit and Risk Committee received the draft Annual Report 2023/2024 as contained in Attachment 1 of this report (Item 7.2.4, Audit and Risk Committee, 12 November 2024), subject to any changes requested.
2. Notes the audited financial statements of the Northern Adelaide Waste Management Authority (NAWMA) for the financial year 2023/2024, in accordance with section 21(4) of the *Local Government (Financial Management) Regulations 2011*.

## ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Draft Annual Report 2023/2024

### 1. BACKGROUND

- 1.1 The Local Government Act requires Councils to produce an annual report which must include information prescribed by legislation and outlines the Council's performance in implementing its strategic management plans during the relevant financial year, and the Council's projections and targets under its plans for the next financial year.
- 1.2 The City of Salisbury's draft 2023/2024 Annual Report meets this requirement by including all legislative information as well as the performance and achievements of Council under the four key directions outlined in the City Plan 2035.

- 1.3 In accordance with section 132 of the *Local Government Act 1999* and in support of sustainable practices, the final version of the Annual Report will be available on the Council website for download or print. A digital copy will also be distributed to relevant authorities as required, as well as to all Elected Members.

## **2. CONSULTATION / COMMUNICATION**

### **2.1 Internal**

- 2.1.1 General Managers, Divisional Managers and Governance.

## **3. DISCUSSION**

- 3.1 Attached for noting is the draft 2023/2024 Annual Report.
- 3.2 The Annual Report has been collated with information supplied by Divisions from across the organisation.
- 3.3 Elected Member and Audit and Risk Committee Members' feedback is welcomed to inform further refinements before finalisation.
- 3.4 Pursuant to section 131 of the *Local Government Act 1999* (the Act), a Council must, on or before 30 November in each year, prepare and adopt an annual report relating to the operations of the Council for the financial year ending on the preceding 30 June.
- 3.5 The annual report must include the material, and include specific reports on the matters, specified in Schedule 4 of the Act, as amended from time to time by regulation.
- 3.6 The Annual Report must be prepared and adopted by Council on or before 30 November 2024 and be published on the City of Salisbury website and submitted to the Local Government Grants Commission (the prescribed body) by 31 December 2024.
- 3.7 The audited financial statements of NAWMA for the financial year 2023/2024 are included in the draft 2023/2024 Annual Report as in attachment 1.

## **4. FINANCIAL OVERVIEW**

- 4.1 Nil.

## **5. CONCLUSION**

- 5.1 It is recommended that Audit and Risk Committee note the draft 2023/2024 Annual Report and NAWMA audited financial statements.





# Annual Report

2023/2024





# Acknowledgement of Country

The City of Salisbury acknowledges that we are on the traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present.

We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.



Salisbury City Centre Clock Tower Artwork by Paul Herzich



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# Foreword

This year has been remarkable for the City of Salisbury, as we proudly unveil the key achievements captured in our 2023/24 Annual Report. Our community has witnessed significant milestones, including the opening of the Salisbury Aquatic Centre and the exciting plans for the Salisbury City Centre redevelopment.

In our ongoing commitment to enhancing liveability, we focused on ensuring all residents feel safe, welcome, and connected. This year, we celebrated the completion of the Burton Community Hub and upgraded numerous playgrounds and sporting facilities. Initiatives, such as the Community Safety Strategy and the Ability Inclusion Strategic Plan, have strengthened our focus on safety and inclusivity, fostering partnerships with SA Police and local social services to ensure every community member feels valued and included.

Significant improvements have also been made along Church and John Streets, paving the way for the exciting Salisbury City Centre redevelopment. This \$200 million project, will bring six new developments to the heart of Salisbury, including residential housing options, car parking, retirement living, hotel accommodation, and mixed-use retail and commercial spaces; allowing the local community and visitors to live, work, and be entertained in the heart of the city.

Economic development remains a cornerstone of our mission. Through Salisbury Living, we have rolled out award-winning residential projects prioritising quality and affordability, ensuring our city continues growing and thriving.

Sustainability is at the forefront of our efforts, with initiatives this year focused on transitioning to energy-efficient street lighting, enhancing the environmental performance of Council buildings, and promoting effective recycling practices in collaboration with the Northern Adelaide Waste Management Authority.

We are acutely aware of the challenges posed by climate change, and our work with Green Adelaide is making a difference. By providing educational programs, we aim to empower the community to engage with and protect our local environment.

Council's Polaris Business Development Centre continues to serve as a vital resource for local businesses, offering workshops and mentoring sessions to support home-grown talent. Our collaborations with state government entities further boost economic opportunities, particularly in Technology Park and Edinburgh Parks.

We invite you to delve into this report and discover how we are actively shaping a vibrant future for our community. Exciting times lie ahead in the City of Salisbury, and we remain dedicated to serving and delivering exceptional outcomes for our community in the coming year.

**Gillian Aldridge**  
**OAM**

Mayor  
June 2024



# City Plan 2035

The Local Government Act requires Councils to regularly prepare strategic management plans. This City Plan, along with Council's 'Long Term Financial Plan' and 'Strategic Asset Management Plan', address the Council's obligations.

## In preparing this Plan, Council has:

- assessed economic, environmental, social and demographic trends and projections
- reviewed State Government policies and directions, including the 'State Infrastructure Strategy', 'Growth State', 'Planning and Design Code', and 'Climate Change Strategy' (some of which are not yet finalised)
- identified regional development projects and initiatives that could affect Salisbury
- reviewed other Council strategies, including the 'Adapting Northern Adelaide Climate Adaptation Plan', 'Sustainability Strategy', 'Digital Strategy', 'Intercultural Plan', 'Youth Action Plan', 'Growth Action Plan' and 'Ability Inclusion Strategic Plan'

- commissioned an economic report into how to grow Salisbury's economy and ways for residents to benefit from that growth
- reviewed Council research, such as the 'Community Perceptions Survey'
- engaged with the community and stakeholders to inform the City Plan's priorities and directions.

A City Dashboard that highlights the social, environmental and economic factors shaping our City, as well as key indicators for the performance and sustainability of Council, is part of this plan. These indicators introduce each of the directions outlined in this document.

Other factors may impact our City over the life of this plan. These include the rapid advance of technology; changes in work practices as a result of Covid 19; the continued evolution of social media; on-demand services and autonomous systems; and changing expectations on all levels of government.

# City Plan structure

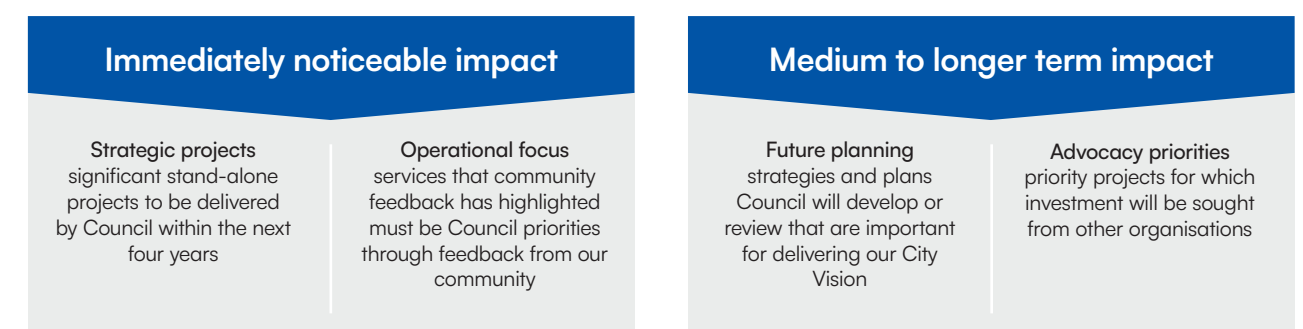
City Plan 2035 contains a vision for Salisbury to be 'a progressive, sustainable and connected community'. It has three directions that capture the social, environmental and economic influences on Salisbury, and one direction that addresses factors within Salisbury Council itself.



Several 'Foundations' are then identified for each of the 4 directions. Council has determined that these Foundations are the goals that we will seek to achieve for Salisbury. They are supported by critical actions that outline the Council's priority deliverables over the life of the plan.

## CRITICAL ACTIONS

Our critical actions range from operational and site-specific projects that will have immediate impact, to strategic objectives that will guide how and what Council achieves in the longer term.



Accompanying the above is a range of corporate indicators that highlight the progress being made in addressing the foundations.

## Our vision

# Salisbury

## a progressive, sustainable and connected community

### Council's vision is for Salisbury to be a progressive, sustainable and connected community.

Council's Elected Members developed this vision after they considered the factors that characterise successful cities and their aspirations for Salisbury.

Successful communities are progressive. They embrace change as essential if they are to be liveable and competitive in a changing environment and economy. At the same time, successful communities take pride in their heritage and use their history as the foundation for identifying, and creating opportunities and for understanding how to respond to challenges.

Successful cities think about the long term while making decisions today — this is the essence of sustainability. They care about the environment, their people, and the legacy they leave for future generations. Internally, they are financially responsible, have excellent systems in place, and promote a culture that values enduring outcomes.

Connections abound and take many forms. Some connections are social, such as friendships formed through community groups or with neighbours. Some are environmental, including the connections people have with nature or the biodiversity corridors that support wildlife. Other connections are economic, such as the links between residents, jobs and businesses. Salisbury is a diverse community, and we value connections between our many cultures. For connections to prosper, there must be appropriate infrastructure that enables people to move and connect with places further afield.

The Salisbury community consists of the 147,602 people who live in our 32 suburbs, whether they have been here all their lives or are new arrivals; the 7,872 businesses and 53,963 workers that make Salisbury the state's fourth largest economy; and the community groups, schools, churches and sporting clubs that bring people together.

Salisbury has many of the building blocks in place to achieve its vision. This City Plan outlines the actions that Council will prioritise over the next four years to enable Salisbury to achieve it.

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# Long Term Financial Plan and Annual Business Plan for 2024-25

## Looking ahead to 2024/25

In the new Financial Year 2024/25, Council continues to invest in expanding the level of services provided across space, amenity, connection, safety, and social spheres. This includes new infrastructure such as the Salisbury Aquatic Centre, additional public conveniences, recreation and sporting facilities, extension of the verge mowing program, a transport program and increased footpath maintenance.

Important initiatives in the 2024/25 Long Term Financial Plan and Annual Business Plan that will be delivered during the 2024/25 Financial Year include:

### Community Experience Strategy

At the core of the City of Salisbury’s success is our dedication to fostering an exceptional community experience. That’s why we’re developing the City of Salisbury Community Experience Strategy. It’s Council’s commitment to continuously improve, and ensure that every resident feels valued and supported when interacting with us.



## City amenity

In 2024/25, the Salisbury Aquatic Centre comes to life. Opening mid-2024, this state-of-the-art facility is designed to be an all-in-one health and wellbeing centre, and like the old pool that served generations of families, it promises years of fun for the community.

### Parks, playgrounds and recreation

Recreation is a major part of City of Salisbury life. Council continues to enhance parks, playgrounds, and recreation services through projects like the Lake Windemere amenities improvement, which includes sealing the walkway around the lake and the installation of exercise equipment, barbecue facilities, toilet facilities, and a dog park. Other enhancements include the installation of new Pump Tracks in four locations across the City over two years, and creating a new dog park at Walkley Heights on RM Williams Drive. Sports facilities also feature in the plans, with investment at Salisbury North Oval, Lindblom Park, Pooraka, and Ingle Farm Recreation Centre.

# Long Term Financial Plan and Annual Business Plan for 2024-25

## Community safety

Council will enhance community safety with lifesaving equipment through its Automated External Defibrillators Program, renewing, maintaining and installing new defibrillators at Council facilities across the City and at key sites within the City public realm.

### Traffic improvements

Council’s Major Traffic Improvements Program will address identified, specific major traffic network deficiencies, which in 2024/25 include upgrades for the Church Street/Wiltshire Street roundabout, the Gawler Street/James Street roundabout, and the completion of the Pratt Avenue Bridge in Pooraka. Council continues to provide increased funding to the School Zones and Pedestrian Crossings Service Continuity Program to specifically address the increase in student numbers with year 7’s having moved from primary school to high school.

# Long Term Financial Plan and Annual Business Plan for 2024-25

## Features of the 2024/25 Budget

Council’s 2024/25 focus is the continuing development of community assets that uphold a City that is a progressive, sustainable and connected community. Community amenity improvements include new amenities to be built at Hausler Reserve in Paralowie and at Lake Windemere, and the Ingle Farm Recreation Centre will receive a \$1.5 million upgrade. Building on existing Sports and Recreation facilities, key projects proposed for delivery in 2024/25 are the upgrade of the St Kilda Playground, and construction of the Lindblom Park Change Facility in Pooraka. Increased Streetscapes Planting aims to beautify and green the City. Road safety and traffic management priorities take in the completion of the new Pratt Ave Bridge in Pooraka, upgrade of key roundabouts, new and upgraded school zones and pedestrian crossings, and improvements to the St Kilda Car Park and RV Trailer Park.

Some of the key identified projects for the 2024/25 plan are as follows:

- New changerooms and amenities, Hausler Reserve, Paralowie \$1.4 million
- Playgrounds service continuity across various locations \$1.1 million

- Ingle Farm Recreation Centre \$1.5 million
- St Kilda Playground \$1.1 million
- Growth of the Bicycle Network and increasing the City wide trails network \$1 million
- Football/cricket changeroom facilities and sports lighting at Lindblom Park, Pooraka \$3.7 million
- Additional amenities at Lake Windemere, Salisbury North \$750,000
- Automated external defibrillators across the City \$160,000
- Public toilet facilities at Salisbury North Oval \$300,000
- Pump tracks at four locations across Council \$700,000
- Dog park at RM Williams Drive, Walkley heights \$500,000
- St Kilda Breakwater ongoing maintenance \$412,000
- Irrigation renewal across various locations \$2.3 million
- Localised flood risk and flood mitigation works at Canterbury Drive Reserve \$200,000

# Long Term Financial Plan and Annual Business Plan for 2024-25

- Streetscapes planting across the City \$1 million
- Road reseal renewal across various locations \$10.3 million
- Pratt Avenue bridge, Pooraka \$2 million
- Upgrade of the Church/Wiltshire Street and Gawler/James Street roundabouts \$600,000
- New or upgraded school zones and pedestrian crossing facilities across various locations \$800,000
- Upgrade of St Kilda boat ramp, car park, and the RV trailer park \$100,000
- Brahma Lodge Oval, sports lighting renewal \$550,000
- Renewal of acrylic tennis courts and sports lighting at Unity Park, Pooraka \$1.1 million
- Burton Oval, sports lighting renewal - \$550,000
- Happy Homes entry upgrade \$1.2 million
- Happy Homes playground \$1 million

## How do we set rates?

Setting rates is a balance between funding Council operations, maintaining our financial sustainability, and the need to contain increases to minimise the impact on ratepayers. Council is mindful of the impact and affordability of rates and regularly compares our rates with those of other metropolitan councils; in terms of average rates, Salisbury ranks fourth lowest based on available 2023/24 data.

The first step we take in setting rates is to remove the impact of the average market increase/decrease in property values for the year. What this means is that if property values go up 15% on average in a year, we adjust our calculations down to remove this impact. Then we apply the increase we need to fund Council services and projects for the coming year.

For the financial year 2024/25, Council has adopted an average residential rate increase of 6.2%, and an average commercial and industrial increase of 6.2%. The increase for each property may vary where the change in market value is different to the average market movement, or as a result of improvements, a change in land use or zoning, a change in ownership, or a correction to property values.

# Long Term Financial Plan and Annual Business Plan for 2024-25

## Rate Categories

Minimum rates apply to all properties where the capital value falls below a certain level so that all ratepayers make a fair contribution. The minimum rate for 2024/25 has increased from \$1,156 in 2023/24 to \$1,228 in 2024/25 reflecting a 6.2% increase over the 2023/24 minimum rate.

## Differential Rating

Different rates may be applied to different categories of property called ‘land uses’ as determined by the Valuer General. A loading is applied to commercial and industrial properties and to vacant land. Residential and other properties pay the base rate. The differential rate for vacant land is 30% higher compared to the residential rate to support development of land.

## Separate Rates

- Council collects rates for other organisations:
- Salisbury Business Association - to enable it to market and promote the City Centre
  - Globe Derby Community Club - to maintain an area of common land held through 63 shares
  - Regional Landscape (RL) Levy which councils are required to collect on behalf of the State Government. All enquiries about the RL Levy can be directed to the Green Adelaide Board on 8204 7910 or email dew.greenadelaide@sa.gov.au.

# Annual Plan for 2024-25

Operating budget by key direction	2024/25		
	EXP \$000s	INC \$000s	NET \$000s
A welcoming and liveable City			
Community Development	3,447	-	3,447
Library Services	9,248	665	8,583
Community Centres	3,375	212	3,164
Recreation Services	2,635	219	2,417
Community Sport and Club Facilities	4,947	-	4,947
Community Health and Wellbeing	7,867	4,000	3,867
Cemetery	850	824	27
Food and Health Regulation	1,633	314	1,319
Community Compliance Services	1,207	388	819
Dog and Cat Management	2,242	1,288	955
Crime Prevention and Repair	319	-	319
Street Lighting	3,255	-	3,255
Total A welcoming and liveable City	41,026	7,909	33,117
A sustainable City			
City Infrastructure	4,035	569	3,466
Water Management	12,645	2,733	9,912
Waste Management	20,808	290	20,518
Parks and Landscapes	36,295	133	36,162
Total A sustainable City	73,783	3,725	70,058

Operating budget by key direction	2024/25		
	EXP \$000s	INC \$000s	NET \$000s
A growing City that creates new opportunities			
Economic Development	1,794	172	1,623
Development Services	5,856	2,012	3,843
Urban Planning and Development	1,904	876	1,028
Roads	16,845	3,770	13,075
Footpaths	4,521	-	4,521
Total A growing City that creates new opportunities	30,919	6,830	24,089
Innovation and Business Development			
Innovation and Business Development	2,361	742	1,619
Council	3,269	2	3,267
Sundry	4,019	9,647	(5,628)
Total Innovation and Business Development	9,649	10,391	(742)
Rates Revenue	-	130,416	(130,416)
Total Operating Surplus / (Deficit)	155,377	159,271	3,893



# Elected Members

The Elected Members for the 2022-2026 term form the Council body during this period.

These members are the decision-making body of the City of Salisbury, and also part of the City of Salisbury community.

Supported by the Council administration staff, they are privileged to make decisions on your behalf, to make our City a better place for all.

Mayor

East Ward

West Ward



Gillian Aldridge OAM



Cr Johnny Chewparsad



Cr Moni Mazzeo



Cr Beau Brug JP



Cr Sharon McKell

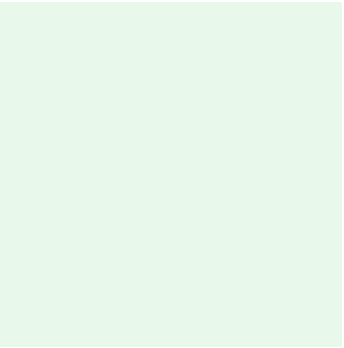
North Ward

Central Ward

Hills Ward



Cr David Hood JP



Vacant



Cr Chad Buchanan JP  
(Deputy Mayor)



Vacant



Cr Peter Jensen JP



Cr Shiralee Reardon JP

South Ward

Para Ward



Cr Lauren Brug



Cr Alan Graham



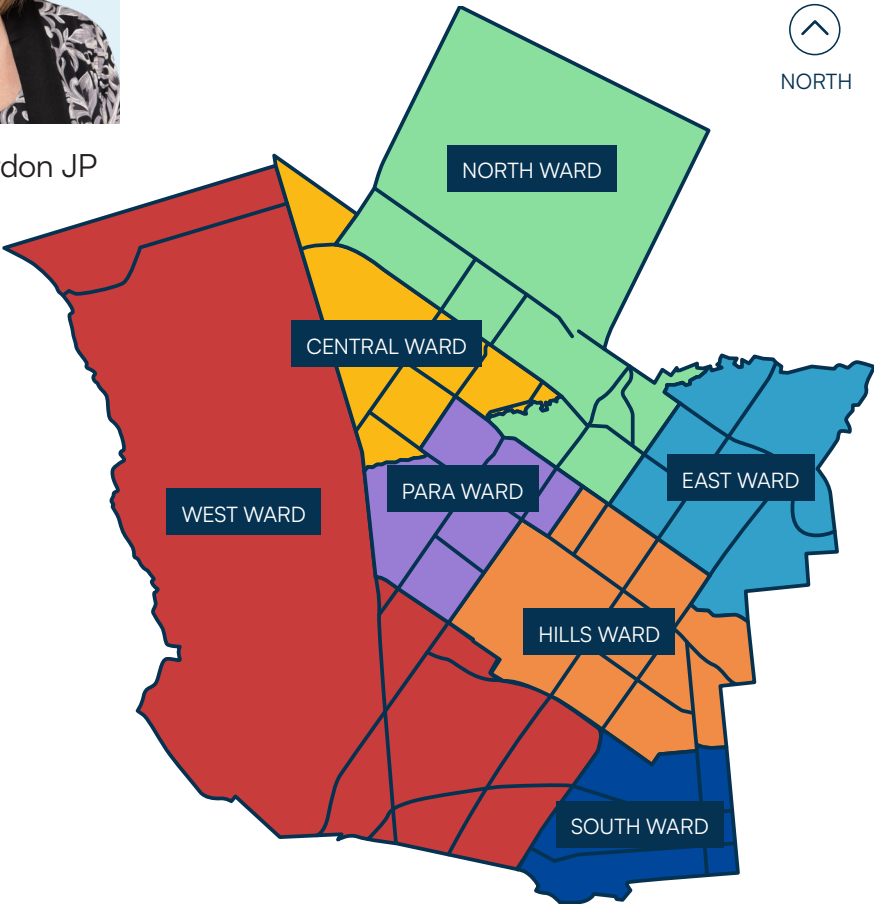
Cr Kylie Grenfell



Cr Sarah Ouk JP

Cr Severina Burner filled the position of Ward Councillor for Central Ward from November 2022 to 13 June 2023. Vacancy created due to the removal from office of Cr Severina Burner on 13 June 2023 pursuant to section 54(1)(d) of the Local Government Act 1999 on the basis of absence for 3 consecutive Council meetings without leave of absence.

Cr Grace Bawden filled the position of North Ward Councillor from November 2022 to 13 June 2023. Vacancy created due to the removal from office of Cr Grace Bawden on 13 June 2023 pursuant to section 54(1)(d) of the Local Government Act 1999 on the basis of absence for 3 consecutive Council meetings without leave of absence.



City of Salisbury ward map

# Council

## Elector representation

The community of the City of Salisbury is currently represented on Council by a Mayor who is elected from the whole community, and 14 Elected Members representing seven wards, with two Elected Members per ward. Elected Members are elected by the residents of their respective ward.

In accordance with Section 12 of the Local Government Act 1999 (the Act), Council is required to conduct an Elector Representation Review as prescribed by the Local Government (General) Regulations 2013 and published by notice in the South Australian Government Gazette.

The City of Salisbury conducted a Representation Review in 2016-2017, in readiness for the November 2018 Local Government Elections. The City of Salisbury commenced a Representation Review in accordance with Section 12(3) of the Local Government Act 1999 in April 2024. This review will assess whether any changes to the Council’s composition and/or ward structure would benefit our community.

The Act sets out the requirements and processes that councils are required to follow when undertaking an elector representation review. The Representation Review process requires Council to review all aspects of the composition of Council including ward boundaries. The process involves a public notification and opportunity for community submissions at key stages of the review.

# Council

The representation quota for the City of Salisbury, that is the number of electors represented by each Councillor, is shown in the table below. The City of Salisbury has approximately 98,637 electors across seven wards, represented by 14 Elected Members plus the Mayor. Comparative data for other major metropolitan Councils in Adelaide has also been included in the table below<sup>1</sup>. The representation quota has been determined by dividing the total number of electors for each council by the number of Elected Members.

Council	Elected Member <sup>2</sup>	Electors	Representation Quota <sup>3</sup>
Salisbury	15	98,637	6,575
Playford	16	72,103	4,506
West Torrens	15	43,198	2,879
Charles Sturt	17	90,687	5,334
Port Adelaide/Enfield	18	90,246	5,013
Marion	13	68,346	5,257
Onkaparinga	13	133,861	10,297
Tea Tree Gully	13	74,774	5,751

<sup>1</sup> Data source: Electoral Commission SA 2024 (available from the LGA SA)

<sup>2</sup> Including the Mayor

<sup>3</sup> Representation quota for the purposes of Schedule 4 of the Local Government Act 1999.



# Council

## Elected Member allowances

Each Elected Member receives an annual allowance, paid monthly in arrears. The Remuneration Tribunal is responsible for the determination of Elected Member allowances to be applied.

Allowances are calculated based on the current Remuneration Tribunal Determination No. 2 of 2022 which is \$25,838, however full allowances are listed as follows:

Mayor, Gillian Aldridge OAM	\$103,325.00 per annum
Deputy Mayor, Cr Chad Buchanan	\$32,297.50 per annum
Chair of Standing Committee	An additional allowance of \$6,459.50 per annum is paid to Elected Members who Chair the Standing Committee.
- Cr Chad Buchanan	Nil  <i>(not cumulated as this is already provided for holding the position of Deputy Mayor)</i>
- Cr Beau Brug	\$32,297.50 per annum
- Cr Peter Jensen	\$32,297.50 per annum
- Cr Sarah Ouk	\$32,297.50 per annum
- Cr David Hood	\$32,297.50 per annum
- Cr Shiralee Reardon	\$32,297.50 per annum
- Cr Kylie Grenfell	\$32,297.50 per annum

# Council

Councillor	\$25,838 per annum
- Cr Sharon Mckell	
- Cr Alan Graham	
- Cr Lauren Brug	
- Cr Johnny Chewparsad	
- Cr Moni Mazzeo	
Chair of Sub-Committee	Additional allowance of \$255 paid per meeting limited to an aggregate amount of \$1,527 per annum
- Cr Alan Graham	
- Cr Lauren Brug	
- Cr Johnny Chewparsad	
- Cr Moni Mazzeo	

In accordance with section 76 of the Act, the allowances set out in Determination No. 2 of 2022 for Members of Local Government councils will be adjusted annually on the first, second and third anniversary of the 2022 local government election. This will reflect changes in the Consumer Price Index, where the Consumer Price Index is defined as 'the Consumer Price Index (All groups index for Adelaide)' Published by the Australian Bureau of Statistics.

In addition to an allowance, Elected Members are provided with resources to assist in the representation of their community and

conducting Council business. This includes the option to request an Apple iPad, laptop computer and printer, headset, internet access, stationery, business cards, name badges, Adelaide Now subscription and access to corporate attire. The Mayor has access to a personal assistant and is provided with a mobile phone and vehicle. The Elected Member Allowances and Benefits Policy provides full details of resources (including reimbursement of expenses) provided to Elected Members. The policy, as well as a register that records all Elected Member allowances and support, is publicly available to view on the City of Salisbury website.

Independent members of the Audit and Risk Committee and the Council Assessment Panel are paid a sitting fee to attend meetings, as outlined below:

- Audit and Risk Committee
  - \$500 per meeting they attend
- Council Assessment Panel
  - Presiding Member - \$550 per meeting attended
  - Independent members - \$450 per meeting attended
  - Elected Member attendance, currently Cr Beau Brug, receives \$370 per meeting attended in addition to his standard Councillor allowance listed under the allowances section.

# Council

## Gifts and benefits

Gifts and benefits are declared as provided to Council Members during the 2023/2024 financial year. They are recorded in the Elected Member Gift and Benefits Register, and are available on the City of Salisbury Website.

## Council and Committee structure

Council is supported in its decision-making process by six Committees and four Sub-Committees.

In addition, two other committees are established under legislation, the Audit and Risk Committee, and the Council Assessment Panel (CAP), which are independent Committees comprising of experts external to Council as well as an Elected Member representation.

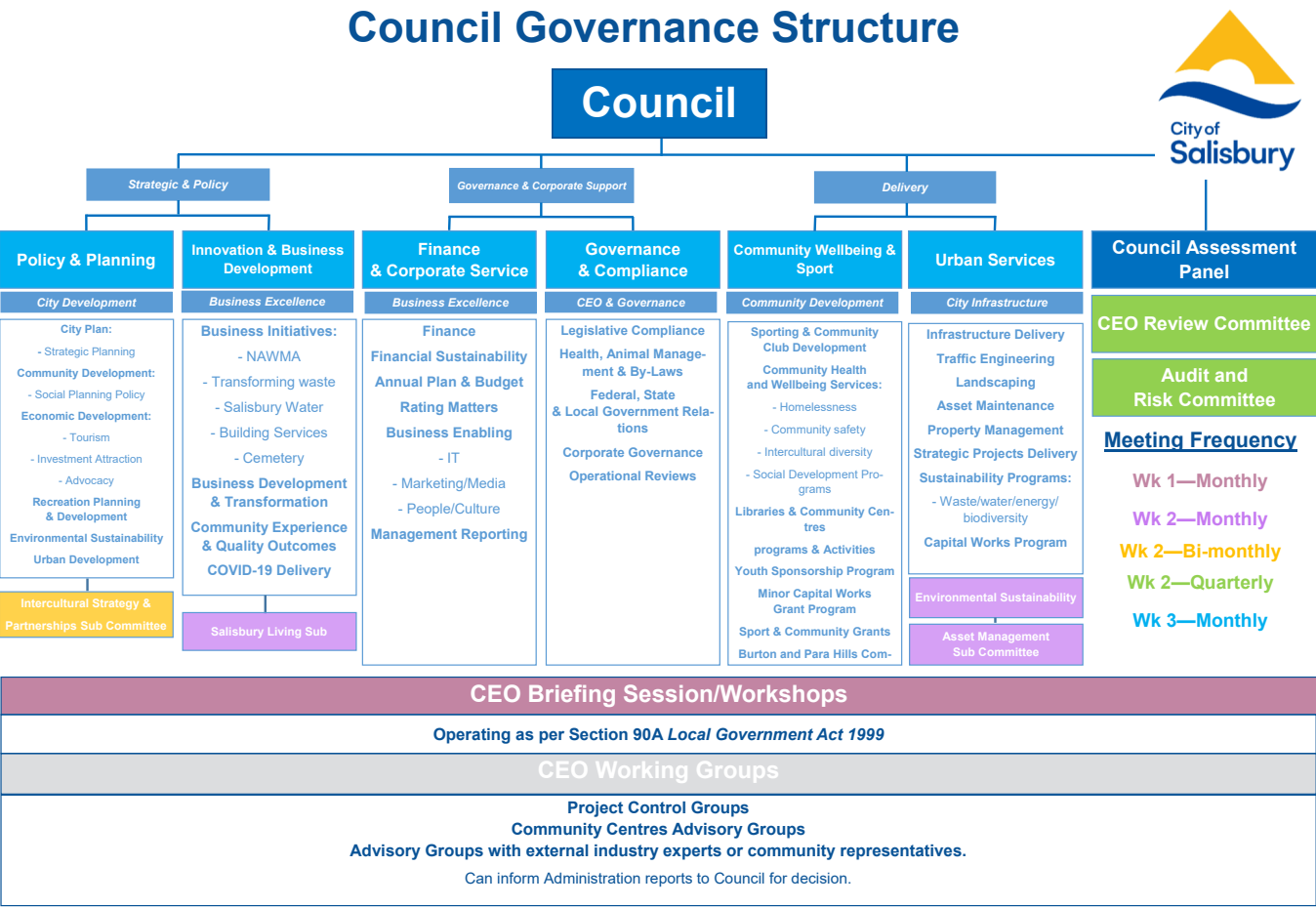
The CEO Review Committee has also been established by Council and meets quarterly or as required.

The Committee structure and membership is set out below. Terms of Reference for each Committee can be found on our website.

Council also maintains a Delegations Register on our website to support efficient and effective decision making.

Council and Committee meetings are open to the public, and we encourage community members to attend. All meetings dates and times are available on our website.

# Council



Adopted by Council 28 November 2022 (DW Doc Set No. 7763947)

# Council

There were 13 Council meetings held between 1 July 2023 and 30 June 2024; of these, 12 were Ordinary Council meetings and one Special Council meeting.

Council													
	3 Jul (Special)	24 Jul	28 Aug	25 Sep	23 Oct	27 Nov	18 Dec	29 Jan	26 Feb	25 Mar	22 Apr	27 May	24 Jun
Mayor G Aldridge (Chari)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr B Brug	Apol	✓	✓	✓	✓	Apol	✓	✓	✓	✓	✓	✓	LOA
Cr L Brug	Apol	✓	✓	✓	✓	Apol	LOA	✓	✓	✓	✓	✓	LOA
Cr C Buchanan (Deputy Chair)	✓	✓	✓	✓	✓	Apol	LOA	✓	✓	✓	✓	✓	✓
Cr J Chewparsad	✓	✓	✓	✓	✓	✓	LOA	✓	✓	✓	✓	✓	✓
Cr A Graham	Apol	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol	✓
Cr K Grenfell	✓	✓	✓	✓	Apol	✓	✓	✓	✓	✓	✓	✓	✓
Cr D Hood	Apol	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr P Jensen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr M Mazzeo	✓	✓	Apol	LOA	✓	✓	Apol	✓	✓	✓	✓	Apol	✓
Cr S McKell	✓	✓	✓	Apol	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr S Ouk	✓	✓	✓	Apol	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr S Reardon	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol

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LOA - Leave of Absence  
Apol - Apologies given

# Council

## Committee and Sub-Committees

NOTE: The Mayor is an ex officio member of some committees of Council (with the exception of the Audit and Risk Committee and the Council Assessment Panel). Some committees meet concurrently, and as such, in those instances the Mayor is unable to attend both meetings concurrently.

### Policy and Planning Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets on the third Monday of each month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. There were 11 Policy and Planning Committee meetings held between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term
Cr C Buchanan (Chairman)
Cr P Jensen (Deputy Chairman)
All members of Council

# Council

Policy and Planning Committee											
	Jul	Aug	Sep	Oct	Nov	Dec	Feb	Mar	Apr	May	Jun
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr B Brug	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr L Brug	Apol	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓
Cr C Buchanan (Chair)	✓	✓	✓	✓	✓	LOA	✓	✓	✓	✓	✓
Cr J Chewparsad	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓	✓
Cr A Graham	✓	✓	Apol	✓	✓	✓	✓	✓	✓	✓	✓
Cr K Grenfell	✓	✓	✓	✓	LOA	Apol	✓	Apol	✓	✓	✓
Cr D Hood	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr P Jensen (Deputy Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol
Cr M Mazzeo	✓	✓	✓	✓	✓	Apol	Apol	✓	✓	✓	Apol
Cr S McKell	✓	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓
Cr S Ouk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr S Reardon	✓	✓	✓	✓	Apol	Apol	✓	✓	✓	✓	✓

LOA - Leave of Absence  
Apol - Apologies given

# Council

## Finance and Corporate Services Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets on the third Monday of each month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. The Finance and Corporate Services Committee held 10 meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term
Cr B Brug (Chairman)
Cr L Brug (Deputy Chairman)
All members of Council

# Council

Finance and Corporate Services Committee										
	Jul	Sep	Oct	Nov	Dec	Feb	Mar	Apr	May	Jun
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol
Cr B Brug (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr L Brug (Deputy Chair)	Apol	✓	✓	✓	✓	Apol	✓	✓	✓	✓
Cr C Buchanan	✓	✓	✓	✓	LOA	✓	✓	✓	✓	✓
Cr J Chewparsad	✓	✓	✓	✓	Apol	✓	✓	✓	✓	✓
Cr A Graham	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr K Grenfell	✓	Apol	✓	LOA	Apol	✓	Apol	✓	✓	✓
Cr D Hood	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr P Jensen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr M Mazzeo	✓	✓	✓	✓	Apol	Apol	✓	✓	✓	Apol
Cr S McKell	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓
Cr S Ouk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr S Reardon	✓	✓	✓	Apol	Apol	✓	✓	✓	✓	✓

LOA - Leave of Absence  
Apol - Apologies given



# Council

## Urban Services Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets on the third Monday of each month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. The Urban Services Committee held 10 meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr S Ouk (Chairman)	Cr A Graham
Cr C Buchanan (Deputy Chairman)	Cr M Mazzeo
Cr B Brug	Cr S Reardon

*\*\*The Mayor is, ex-officio, a member of this Committee*

Urban Services Committee										
	Jul	Aug	Sep	Oct	Nov	Feb	Mar	Apr	May	Jun
Mayor G Aldridge (ex officio)	Apol	Apol	Apol	Apol	Apol	Apol	Apol	✓	✓	✓
Cr B Brug	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr C Buchanan (Deputy Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr A Graham	✓	✓	Apol	✓	✓	✓	✓	✓	✓	✓
Cr M Mazzeo	✓	✓	✓	✓	✓	Apol	✓	✓	✓	Apol
Cr S Ouk (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr S Reardon	✓	✓	✓	✓	Apol	✓	✓	✓	✓	✓

LOA - Leave of Absence  
Apol - Apologies given

# Council

## Governance and Compliance Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets on the third Monday of each month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures and Meetings) Regulations 2013, and its Terms of Reference. The Governance and Compliance Committee held 11 meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr P Jensen (Chairman)	Cr J Chewparsad
Cr D Hood (Deputy Chairman)	Cr K Grenfell
Cr L Brug	Cr S McKell

*\*\*The Mayor is, ex-officio, a member of this Committee*

Governance and Compliance Committee											
	Jul	Aug	Sep	Oct	Nov	Dec	Feb	Mar	Apr	May	Jun
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr L Brug	Apol	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓
Cr J Chewparsad	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓	✓
Cr K Grenfell	✓	✓	✓	✓	LOA	Apol	✓	Apol	✓	✓	✓
Cr D Hood (Deputy Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr P Jensen (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol
Cr S McKell	✓	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓

LOA - Leave of Absence  
Apol - Apologies given

# Council

## Community Wellbeing and Sport Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets on the third Tuesday of each month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. The Committee has delegation to make decisions within its Council approved Terms of Reference. The Community Wellbeing and Sport Committee held 11 meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr D Hood (Chairman)	Cr P Jensen
Cr C Buchanan (Deputy Chairman)	Cr M Mazzeo
Cr A Graham	Cr S McKell
	Cr S Ouk

*\*\*The Mayor is, ex-officio, a member of this Committee*

Community Wellbeing and Sport Committee											
	Jul	Aug	Sep	Oct	Nov	Dec	Feb	Mar	Apr	May	Jun
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	✓	Apol	✓	✓	✓	✓
Cr C Buchanan (Deputy Chair)	✓	Apol	✓	Apol	✓	LOA	✓	✓	✓	✓	✓
Cr A Graham	✓	✓	✓	Apol	✓	✓	Apol	Apol	✓	✓	✓
Cr D Hood (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr P Jensen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol
Cr M Mazzeo	✓	Apol	Apol	✓	✓	Apol	✓	✓	✓	✓	Apol
Cr S McKell	✓	Apol	✓	✓	Apol	✓	✓	✓	Apol	✓	✓
Cr S Ouk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

LOA - Leave of Absence  
Apol - Apologies given

# Council

## Innovation and Business Development Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets on the third Tuesday of each month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. The Innovation and Business Development Committee held 8 meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr S Reardon (Chairman)	Cr C Buchanan
Cr K Grenfell (Deputy Chairman)	Cr M Mazzeo
Cr L Brug	Cr S McKell

*\*\*The Mayor is, ex-officio, a member of this Committee*

Innovation and Business Development Committee								
	Jul	Sep	Oct	Nov	Dec	Feb	Mar	Apr
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	Apol	✓	✓
Cr L Brug	Apol	✓	Apol	✓	✓	Apol	Apol	✓
Cr C Buchanan	✓	✓	Apol	✓	LOA	✓	Apol	✓
Cr K Grenfell (Deputy Chair)	✓	✓	✓	LOA	✓	✓	✓	✓
Cr M Mazzeo	✓	Apol	✓	✓	Apol	✓	Apol	✓
Cr S McKell	✓	✓	✓	Apol	✓	✓	✓	Apol
Cr S Reardon (Chair)	✓	✓	✓	✓	✓	✓	✓	✓

LOA - Leave of Absence  
Apol - Apologies given

# Council

## CEO Review Committee

This Committee is formed under Section 41 of the Local Government Act 1999. The Committee meets quarterly in the second week of the month. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. The Committee has delegation to make decisions within its Council approved Terms of Reference. The CEO Review Committee held 3 meetings between the 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Mayor G Aldridge (Chairman)	Cr P Jensen
Cr C Buchanan (Deputy Chair)	Cr S Reardon
Cr D Hood	

CEO Review Committee			
	Aug	Dec	Mar
Mayor G Aldridge (Chair)	✓	✓	✓
Cr C Buchanan (Deputy Chair)	✓	✓	✓
Cr D Hood	✓	✓	✓
Cr P Jensen	✓	✓	Apol
Cr S Reardon	Apol	✓	✓

Apol - Apologies given

# Council

## Audit and Risk Committee

The Audit and Risk Committee is formed under section 41 of the Local Government Act 1999. This Committee performs the functions set out under section 126 of the Local Government Act 1999. The Committee ordinarily meets on a quarterly basis. The Committee operates in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and its Terms of Reference. The Audit and Risk Committee held 5 meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr K Grenfell (Chairman)	Mr David Powell (Independent Member)
Cr B Brug (Deputy Chairman)	Ms Paula Davies (Independent Member)
Mr Neil Ediriweera (Independent Member)	

Audit and Risk Committee					
	Jul	Oct	Nov	Feb	Apr
Cr B Brug (Deputy Chair)	✓	✓	✓	Apol	Apol
Cr K Grenfell (Chair)	✓	✓	LOA	✓	✓

LOA - Leave of Absence  
Apol - Apologies given

# Council

## Council Assessment Panel

Appointed as a relevant authority in accordance with the Planning Development and Infrastructure Act 2016 by Council resolution. The Committee meets on the fourth Tuesday of each month. The Committee operates in accordance with the Planning, Development and Infrastructure Act 2016, Planning, Development and Infrastructure General Regulations 2017, and its Terms of Reference. The Council Assessment Panel held eight meetings between 1 July 2023 and 30 June 2024.

### Composition:

Mr Terry Mosel (Presiding Member)	Mr James Botton (Independent Member)
Mr Ross Bateup (Independent Member)	Cr B Brug
Ms Cherie Gill (Independent Member)	Cr S Reardon (Deputy Member)

Council Assessment Panel								
	Jul	Aug	Sep	Oct	Dec	Jan	Feb	Apr
Cr B Brug (Member)	✓	✓	✓	✓	✓	✓	Apol	✓
Cr S Reardon (Deputy Member)	N/A	N/A	N/A	N/A	N/A	N/A	✓	N/A

Apol - Apologies given  
N/A - Attendance not required

# Council

## Sub-Committees

The City of Salisbury has four Sub-Committees each formed under Section 41 of the Local Government Act 1999. The Sub-Committees operate in accordance with the provisions under the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013, and the individual Committee Terms of Reference.

# Council

## Asset Management Sub-Committee

The membership of the Asset Management Sub-Committee is determined by Council. The Asset Management Sub-Committee is established under section 41 of the Local Government Act 1999 as a Sub-Committee reporting to the Urban Services Committee for the purpose of providing advice to Council on the plans and priority programs of work, related to Asset Management. The Committee meets on the second Monday of the month. The Asset Management Sub-Committee held eight Meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr A Graham (Chairman)	Cr D Hood
Cr S McKell (Deputy Chairman)	Cr P Jensen
Cr C Buchanan	

*\*\*The Mayor is, ex-officio, a member of this Committee*

Asset Management Sub-Committee								
	Jul	Aug	Sep	Nov	Dec	Feb	Mar	May
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	✓	Apol	Apol
Cr C Buchanan	✓	✓	✓	✓	✓	Apol	✓	✓
Cr A Graham (Chair)	✓	✓	✓	Apol	Apol	✓	✓	✓
Cr D Hood	Apol	✓	✓	✓	✓	✓	Apol	✓
Cr P Jensen	✓	✓	✓	✓	✓	✓	✓	Apol
Cr M Mazzeo (Deputy Chair)	✓	✓	✓	✓	✓	✓	Apol	Apol

Apol - Apologies given  
N/A - Attendance not required

# Council

## Environmental Sustainability and Trees Sub-Committee (ESTSC)

The membership of the ESTSC comprises of six Elected Members as nominated by Council. The ESTSC is established under section 41 of the Local Government Act 1999 as a subcommittee reporting to the Urban Services Committee for the purpose of providing advice to Council. The ESTSC has delegation to make decisions within its Council approved Terms of Reference. The ESTSC held ten meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr L Brug (Chairman)	Cr J Chewparsad
Cr S McKell (Deputy Chairman)	Cr P Jensen
Cr C Buchanan	Cr S Ouk

*\*\*The Mayor is, ex-officio, a member of this Committee*

Environmental Sustainability and Trees Sub-Committee (ESTSC)										
	Jul	Aug	Sep	Oct	Nov	Dec	Feb	Mar	Apr	May
Mayor G Aldridge (ex officio)	✓	✓	✓	✓	✓	✓	✓	Apol	✓	Apol
Cr L Brug (Chair)	Apol	Apol	✓	✓	✓	✓	✓	✓	✓	✓
Cr C Buchanan	✓	✓	✓	✓	✓	✓	Apol	✓	✓	✓
Cr J Chewparsad	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr P Jensen	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol
Cr S McKell (Deputy Chair)	✓	✓	✓	Apol	✓	✓	✓	Apol	✓	Apol
Cr S Ouk	Apol	✓	✓	✓	✓	✓	Apol	✓	Apol	✓

Apol - Apologies given



# Council

## Intercultural Strategy and Partnerships Sub-Committee

The Intercultural Strategy and Partnerships Sub-Committee is established under section 41 of the Local Government Act 1999 as a subcommittee and an advisory committee to the Policy and Planning Committee for the purpose of providing advice to Council. The Intercultural Strategy and Partnerships Sub-Committee holds meetings as required. The Intercultural Strategy and Partnerships Sub-Committee held four meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr J Chewparsad (Chairman)	Cr S McKell
Cr S Ouk (Deputy Chairman)	Cr S Reardon
Cr C Buchanan	

*\*\*The Mayor is, ex-officio, a member of this Committee*

Intercultural Strategy and Partnership Sub-Committee				
	Aug	Oct	Dec	Apr
Mayor G Aldridge (ex officio)	✓	✓	✓	✓
Cr C Buchanan	✓	✓	✓	✓
Cr J Chewparsad (Chair)	✓	✓	✓	✓
Cr S McKell	✓	Apol	✓	✓
Cr S Ouk (Deputy Chair)	✓	✓	✓	Apol
Cr S Reardon	✓	✓	✓	✓

Apol - Apologies given

# Council

## Salisbury Living Sub-Committee 2022-2026

The Salisbury Living Sub-Committee is established under section 41 of the Local Government Act 1999 as a subcommittee and an advisory committee to the Innovation and Business Development Committee, and providing advice to Council. The Salisbury Living Sub-Committee meets monthly on the second Monday or Tuesday of the month. The Salisbury Living Sub-Committee held seven meetings between 1 July 2023 and 30 June 2024.

### Composition:

2022-2026 Council Term	
Cr M Mazzeo (Chairman)	Cr C Buchanan
Cr K Grenfell (Deputy Chairman)	Cr P Jensen
Cr B Brug	

*\*\*The Mayor is, ex-officio, a member of this Committee*

Salisbury Living Sub-Committee							
	Jul	Sep	Oct	Mar	Apr	May	Jun
Mayor G Aldridge (ex officio)	Apol	✓	✓	Apol	✓	✓	Apol
Cr B Brug	✓	✓	✓	✓	✓	✓	✓
Cr C Buchanan	Apol	✓	✓	✓	✓	✓	✓
Cr K Grenfell (Deputy Chair)	Apol	✓	✓	✓	✓	✓	✓
Cr P Jensen	Apol	✓	✓	✓	✓	Apol	✓
Cr M Mazzeo (Chair)	✓	✓	✓	Apol	✓	Apol	Apol

Apol - Apologies given

# Council

## Open and transparent decision making

Council continues to ensure its commitment to open and transparent decision making, a commitment which recognises that on some occasions, it may be necessary to exclude the public. On these occasions, the principle of having the meeting open to the public is outweighed by the need to keep the information or discussion confidential for reasons predetermined under the Local Government Act 1999, and for example, include matters that concern personal affairs, legal issues or commercial implications.

During 2023/24 financial year, a total of 692 items were considered by Council and Committees. Of these, 83 items were considered in accordance with section 90(3) of the Local Government Act 1999, where it was necessary to exclude the public from the discussion of a particular matter.

	No. of items considered in confidence	Confidential items as a % of total no. of items considered
2018/19	31	5.64%
2019/20	43	7.06%
2020/21	63	8.7%
2021/22	48	7.92%
2022/23	69	10.23%
2023/24	89	11.99%

Of the 83 items where members of the public were excluded, all or part of the documents presented remained confidential after discussion in confidence had taken place.

# Council

The following table is a summary of the number of occasions that the provisions listed in Section 90(2) (excluding the public during debate), or Section 91(7) (documents to be kept confidential for a period of time) of the Local Government Act 1999 were used during the 2023-2024 financial year.

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/or appendices Section 91(7)
Jul-23	C1 03/07/23 Special Council	Chapel of the Holy Family Mausoleum - Expiry of Lease Arrangements	(h) (i)	1	1
Jul-23	3.4.1	Appointment of Independent Members on the Council Assessment Panel	(a)	2	2
Jul-23	4.4.1	CCTV Policy and Procedures - Community Safety CCTV	(j)(i) + (j)(ii)	2	2
Jul-23	SLSCC2	Strategic Development Projects - Status Report	(b)(i) + (b)(ii)	3	3
Jul-23	SLSCC3	Strategic Developments Projects Affordable Housing and SA Government Opportunity	(b)(i) + (b)(ii)	3	3

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Jul-23	IBD-C1	Salisbury Oval Development Site Update	(b)(i) + (b)(ii)	3	3
Jul-23	7.4.1	Cybersecurity Report - Jan-Mar 2023	(b)(i) + (b)(ii) (e)	2	2
Jul-23	AR-OB1	CEO Update — Legal Matters	(a)	2	2
Jul-23	3.4.1	Appointment of Independent Members on the Council Assessment Panel	(a)	2	2
Jul-23	IBD-MWON1	Motion Without Notice — Tree Climb	(d)	3	3
Aug-23	9.2.1	Annual Review of CEO Total Remuneration 2022/2023	(a)	2	2
Aug-23	Cnl-OB1	CEO Update — Legal Matters	(h)	1	1
Aug-23	CEO-OB1	CEO Update — Organisational Matters	(a)	2	2
Sep-23	1.4.1	Dry Creek Government Working Group Meetings - Update	(j)(i) + (j)(ii)	2	2
Sep-23	4.4.1	NAWMA - Research Road, Pooraka Resource Recovery Centre - Capital Upgrade Works Budget Variation	(d)(i) + (d)(ii)	2	2
Sep-23	SLSCC2	Salisbury City Centre Request for Detailed Proposal and Direct Negotiation Outcome	(b)(i) + (b)(ii)	3	3

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Oct-23	SLSCC2	Strategic Development Projects - Status Report	(b)(i) + (b)(ii)	3	3
Oct-23	SLSCC3	Salisbury City Centre Request for Detailed Proposal and Direct Negotiation Outcome	(b)(i) + (b)(ii)	3	3
Oct-23	ESATS3	Selection of an Independent Arborist Panel	(k)	3	3
Oct-23	1.4.1	Code Amendment Update	(d) (j) (m)	2	2
Oct-23	4.4.2	NAWMA Fibre Polishing Plant Project and Report	(b)(i) + (b)(ii) (d)(i) + (d)(ii)	2	2
Oct-23	5.4.1	Chapel of the Holy Family - End of Lease Arrangements	(f) (i)	2	2
Oct-23	6.4.2	Landfill Alternate Project	(b)(i) + (b)(ii) (d)(i) + (d)(ii)	2	2
Oct-23	7.4.1	In-Confidence Session with the External Auditor as per Terms of Reference and approved Audit and Risk Committee Annual Work Plan 2022/2023 (Verbal Discussion)	(b)(i) + (b)(ii) (d)(i) + (d)(ii)	2	2

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Oct-23	C1	Contract Extension for Independent Member of the Audit and Risk Committee	(a)	1	0
Nov-23	2.4.1	Confidential Bids First Quarter Budget Review 2023/24	(b)(i) + (b)(ii)	2	2
Nov-23	3.4.1	Judicial Review Supreme Court Action	(h)(i)	2	2
Nov-23	4.4.1	Field Services - Contractual Rate Increases	(b)(i) + (b)(ii)	2	2
Nov-23	4.4.2	Property Disposal - Salisbury West	(b)(i) + (b)(ii)	2	2
Nov-23	4.4.3	Tenancy Matter - Salisbury	(b)(i) + (b)(ii)	2	2
Nov-23	4.4.4	Tenancy Matter - Mawson Lakes	(b)(i) + (b)(ii)	2	2
Nov-23	5.4.1	Community Centres Update	(b)(i) + (b)(ii)	2	2
Nov-23	6.4.1	Project Connect	(b)(i) + (b)(ii)	2	2
Nov-23	7.4.1	Quarterly Cybersecurity Report - 30 September 2023	(e)	2	2
Nov-23	7.4.2	Internal Audit Report on Desktop Audit on the Strategic Alignment of Investments in ERP Solutions	(b)(i) + (b)(ii)	2	2
Dec-23	C1	Appointment of Independent Member of the Audit and Risk Committee	(a)	1	1

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Dec-23	C2	Appointment of Northern Adelaide Waste Management Authority (NAWMA) Board Independent Chair	(a)(j)(i) + (j)(ii)	1	1
Jan-24	C1	Property Disposal - Salisbury West	(b)(i) + (b)(ii)	1	1
Jan-24	C2	Property Matter - Relocation of Services	(b)(i) + (b)(ii)	1	1
Jan-24	C3	Draft Road Management Plan - Nelson Road	(j)(i) + (j)(ii)	1	1
Jan-24	C4	Draft Road Management Plan (Local Area Plan) and Parking Study - Mawson Lakes	(j)(i) + (j)(ii)	1	1
Feb-24	2.4.1	NAWMA (Northern Adelaide Waste Management Authority) First Quarter Budget Review 2023/24	(b)(i) +(b)(ii) + (d)(i) + (d)(ii)	2	2
Feb-24	4.4.1	Department for Energy and Mining Request for Information - Community Battery Sites	(b)(i) + (b)(ii)	2	2
Feb-24	4.4.2	Tenancy Matter - Mawson Lakes	(b)(i) + (b)(ii)	2	2
Feb-24	5.4.1	Salisbury Aquatic Centre Operationalisation and Management Contract	(b)(i) +(b)(ii)	2	2
Feb-24	5.4.2	Review of Lease Agreements — Working Group	(b)(i) + (b)(ii)(d)(i) +(d)(ii)	2	2

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Feb-24	7.4.1	Quarterly Cybersecurity Report - 31 December 2023	(e)	2	2
Feb-24	7.4.2	Report on Lessons Learnt on Cyber Security	(e)	2	2
Feb-24	7.4.3	Litigation Update — TTEG Claim	(h) (i)	2	2
Feb-24	A&R-OB1	CEO Update on Strategic Reporting Internal Audit Recommendation 1 related to Resourcing	(a) (b)(i) + (ii)	2	2
Feb-24	C1	Adelaide North Transport Study - Council Priorities	(j)(i) + (j)(ii)	1	1
Mar-24	2.1.1	Long Term Financial Plan and Budget Workshops Actions Update	(b)(i) + (b)(ii) (d)(i) + (d)(ii)	2	2
Mar-24	2.4.1	Budget Bids 2024/25 - Confidential Items	(b)(i) + (b)(ii) (d)(i) + (d)(ii)	2	2
Mar-24	4.4.1	Ground Lease	(d)(i) + (d)(ii)	2	2
Mar-24	4.4.2	New Lease Agreement - Pooraka	(b)(i) + (b)(ii)	2	2
Mar-24	SLSC2	Strategic Development Projects - Status Report	(b)(i) + (b)(ii)	3	3
Apr-24	ISPS2	Diversitours Salisbury	(b)(i) + (b)(ii)	3	3
Apr-24	ISPS3	First Nations Strategic Group Recruitment Strategy	(a)	3	3

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Apr-24	2.4.1	Update on Action on Rates Assessments Outstanding under Section 184 of the Local Government Act 1999	(a) (b)(i) + (b)(ii)	2	2
Apr-24	4.4.1	Tenancy Matter — Salisbury	(b)(i) + (b)(ii)	2	2
Apr-24	5.4.1	Bridgestone Athletics Centre Management Model - Update	(b)(i) + (b)(ii)	2	2
Apr-24	SLSC2	Salisbury City Centre Land Facilitation Agreement and Concept Plan	(b)(i) + (b)(ii)	3	3
Apr-24	6.4.1	Project Connect Quarterly Status Update	(b)(i) + (b)(ii) (d)(i) + (d)(ii)	2	2
Apr-24	A&R-MWON1	Motion Without Notice: Internal Audit Resourcing	(a)	2	2
Apr-24	C1	Budget Update - Resource Alignment	(a)	1	1
Apr-24	C2		(b)(i) + (b)(ii)	1	1
Apr-24	C3		(e)	1	1
May-24	4.4.1		(b)(i) + (b)(ii)	2	2
May-24	5.4.1		(b)(i) + (b)(ii)	2	2
May-24	SLSC2		(b)(i) + (b)(ii)	3	3
May-24	SLSC3		(b)(i) + (b)(ii)	3	3
May-24	5.4.3		(b)(i) + (b)(ii)	2	2



# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
May-24	C1	Request for Extension of Confidentiality Orders	(a) (b)(i) + (b)(ii) (d)(i) + (d)(ii) (e) (j)(i) + (j)(ii)	1	1
Jun-24	1.4.1	Implementation of the Strategic Growth Framework — Update on Investigations and Code Amendments	(b)(i) + (b)(ii)	2	2
Jun-24	1.4.2	Proposed City of Salisbury Code Amendment Bolivar	(b)(i) + (b)(ii)	2	2
Jun-24	2.4.1	Postponement of Clean Up Charges under Section 182 of the Local Government Act	(a)	2	2
Jun-24	4.4.1	St Kilda Tramway Interface Agreement	(d)(i) + (d)(ii)	2	2
Jun-24	4.4.3	St Kilda Tackle and Tucker - Further Five Year Lease Extension	(d)(i) + (d)(ii)	2	2
Jun-24	4.4.2	Access Improvements - Carisbrooke Park to Harry Bowey	(b)(i) + (b) (ii)	2	2
Jun-24	SLSC2	Strategic Development Projects - Status Report	(b)(i) + (b)(ii)	3	3
Jun-24	SLSC3	Salisbury City Centre Land Facilitation Agreement Update	(b)(i) + (b)(ii)	3	3

# Council

Date of Meeting	Item	Subject	Reference from Local Government Act (Section 90(3))	Number of occasions moved into confidence Section 90(2)	Number of occasions with retention order on reports, minutes and/ or appendices Section 91(7)
Jun-24	5.4.1	Community Bus Continuation	(d)(i) + (d)(ii)	2	2
Jun-24	5.4.3	Sports Leasing	(b)(i) + (b)(ii)	2	2

During 2023/24, 56 confidentiality orders were revoked or expired in full, with 6 orders having partial release. Remaining orders will be reviewed internally twice per year, and should it be deemed appropriate, the Chief Executive Officer can exercise delegation to revoke orders if granted by Council by resolution.

205 orders remained operative at the end of 2023/24.

# Council

## Management and Governance

The City of Salisbury places particular emphasis on its commitment to democratic principles. These principles include fair representation, openness and transparency in all its operations.

The Local Government Act 1999 and the Local Government (Elections) Act 1999 provide the legislative foundation for Council and contain a range of reporting and operating requirements that contribute toward good governance. As part of its compliance, the City of Salisbury maintains the following registers, codes of conduct and policies:

### Registers

- Elected Member Register of Interests
- Elected Member Allowances and Benefits Register
- Register of Salaries
- Register of Interests (Officers)
- Register of Public Roads
- Register of By-laws
- Elected Member Gifts and Benefits Register
- Employee Gifts and Benefits Register
- Fees and Charges Register
- Register of Community Land
- Register of Buildings Upgrade Agreements
- Delegations Register
- Dog Registrations

## Employee gifts and benefits

The Employee Code of Conduct states that if an employee of a council receives a gift or benefit of an amount greater than the amount determined by the Minister, by notice in the Gazette, then the gift or benefit must be entered into the Gifts and Benefits Register.

The threshold amount governing when a gift or benefit must be registered has been gazetted at \$50.00.

During the 2023/24 Financial Year, the City of Salisbury received nine employee declarations concerning the receipt of a gift or benefit above the prescribed amount, which were entered into the Employee Gifts and Benefits Register. The total value of employee gifts and benefits declared above \$50 was \$2,650.

# Council

## Codes

- Code of Practice — Access to Meetings and Associated Documents
- Code of Practice for Meeting Procedures
- Code of Conduct for Volunteers
- Code of Conduct for Council Employees

### The City of Salisbury has the following By-laws:

- By-law 1 Permits Penalties
- By-law 2 Movable Signs
- By-law 3 Roads
- By-law 4 Local Government Land
- By-law 5 Dogs
- By-law 6 Waste Management

## Policies

- City of Salisbury Council Policies are publicly accessible on our website. Policies are reviewed under our Policy Management Framework.
- A comprehensive list of codes, documents, policies, registers and guidelines are available for public inspection either at the Council offices, 34 Church Street, Salisbury, or at [www.salisbury.sa.gov.au](http://www.salisbury.sa.gov.au).
- Print copies of most documents are available for purchase for a small fee. All of these documents are updated on a regular basis as required by the Act.

# Council

## Number of Requests for a Review of Council Decisions

During the 2023/24 Financial Year, the City of Salisbury received no applications for a review made under Section 270 of the Local Government Act 1999.

# Council

## Local Nuisance and Litter Control Act 2016 Annual Report 2023/24

### 8—Annual reports by councils

A council must, in its annual report prepared pursuant to section 131 of the Local Government Act 1999 in relation to a particular financial year, include details of the performance by the council during that year of functions conferred on it under the Local Nuisance and Litter Control Act 2016 (the Act).

### 5—Annual reports by councils

For the purposes of section 8 of the Act, a council’s annual report should include details of:

- (a) the number of complaints of local nuisance or littering received by the council
- (b) the number and nature of:
  - (i) offences under the Act that were expiated
  - (ii) offences under the Act that were prosecuted
  - (iii) nuisance abatement notices or litter abatement notices issued
  - (iv) civil penalties negotiated under section 34 of the Act
  - (v) applications by the council to the Court for orders for civil penalties under section 34 of the Act, and the number of orders made by the Court on those applications
- (c) any other functions performed by the council under the Act.

# Council

## 5—Annual reports by councils

For the purposes of section 8 of the Act, a council’s annual report should include details of—

(a) the number of complaints of local nuisance or littering received by the council;	2023/24
General Litter - Development Pollution	29
General Litter - Discharge Liquid Waste	43
Litter Bill Posting	0
Litter Class A - Asbestos	1
Litter Class B - Glass/Syringe/lit cigarettes	0
Litter General - Litter dumped/thrown/deposited	560
Nuisance Animal - Offensive Odour	2
Nuisance Animal Mosquitoes Residential	10
Nuisance Animals (other)	191
Nuisance Animals Vermin/Rats/Mice	116
Nuisance Dust	43
Nuisance Insanitary Condition Offensive Material/Odour	15
Nuisance Insanitary Condition Rodents/Other Pests	1
Nuisance Noise	162
Nuisance Noise Environmental Health S17(1)(a) LNLC	5
Nuisance Odours/Fumes/Aerosols	59
Nuisance Projection Image onto Property	0
Nuisance Smoke	34
Nuisance Smoke Combustion Heaters	6
Nuisance Unsightly Condition Excessive Vegetation	15
Nuisance Unsightly Condition Graffiti	3
Nuisance Unsightly Disused/Derelict Items/Material	14
Nuisance Unsightly Excessive Vegetation/Vacant Land	95
Nuisance Unsightly Rubbish/Waste - Excessive/Unconstrained	65
Nuisance Vibration	1
Nuisance Light	2
Totals	1472

# Council

(b) the number and nature of— (i) offences under the Act that were expiated;	2023/24
Causing a local nuisance	0
Disposing of 50L or more of litter	5
Disposing of up to 50L of General Litter	0
Failing to comply with abatement notice	5
Post a bill on property without the consent	0
Totals	10
(b) the number and nature of— (ii) offences under the Act that were prosecuted;	2023/24
	0
(b) the number and nature of— (iii) nuisance abatement notices or litter abatement notices issued;	2023/24
LNLC Act 2016 Nuisance Abatement Notice S30(1)(a) - Insanitary Condition	0
LNLC Act 2016 Nuisance Abatement Notice S30(1)(a) -Nuisance Animals	4
LNLC Act 2016 Nuisance Abatement Notice S30(1)(a) -Unsightly condition	6
LNLC Act 2016 Nuisance Abatement Notice S30(1)(a) - Noise Construction	0
LNLC Act 2016 Nuisance Abatement Notice S30(1)(a) -Noise, odour, smoke, fumes, aerosols, or dust;	0
LNLC Act 2016 Litter Abatement Notice S30(1)(b) - littering / depositing materials	9
Totals	19
(b) the number and nature of—	2023/24
(iv) civil penalties negotiated under section 34 of the Act;	0
(v) applications by the council to the Court for orders for civil penalties under section 34 of the Act and the number of orders made by the Court on those applications;	0
(c) any other functions performed by the council under the Act.	2023/24
No other functions	0

# Council

## Audit and Risk Committee of Council

The Audit and Risk Committee reports to Council, and is a critical component of the Council’s governance framework. The Audit and Risk Committee is established in accordance with Section 126 of the Local Government Act 1999. Its functions as per the Act are as follows:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the council
- proposing, and providing information relevant to, a review of the council’s strategic management plans or annual business plan
- proposing, and reviewing, the exercise of powers under section 130A
- liaising with the council’s auditor

- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

The City of Salisbury Audit and Risk Committee consists of five members, three of whom are independent of the Council. Independent members are appointed by Council based on their individual skills, knowledge and experience to ensure the effective discharge of the Committee’s responsibilities.

Further information regarding the roles and responsibilities of The Audit and Risk Committee are contained in its Terms of Reference, which are available on the City of Salisbury website.

### Audit & Risk Committee Membership July 2023 — June 2024

Name	Elected Member Or Independent Member	Term and Period	Total Number of Meetings Attended
Cr Kylie Grenfell	Elected Member	As Chair (From February 2023)	4 out of 5
Cr Beau Brug	Elected Member (Deputy Chair)	As Deputy Chair	3 out of 5
Mr Craig Johnson	Independent Member	Up to November2023	3 out of 3
Mr Neil Ediriweera	Independent Member	Appointed until 30 Nov 2025	5 out of 5
Ms Paula Davies	Independent Member	Appointed until 21 Dec 2024	5 out of 5
David Powell	Independent Member	Appointed Feb 2024 until Feb 2027	2 out of 2

(Meetings held on 11 July 2023 / 10 October 2023 / 14 November 2023 / 13 February 2024 / 09 April 2024)

# Council

## Internal audits

The City of Salisbury operates a risk-based Internal Audit Plan, where audits are conducted to provide assurance on risks identified. Internal audits are undertaken in line with the Institute of Internal Auditors International Standards for Professional Practice of Internal Auditing and their Code of Ethics, and relevant industry best practice standards. A summary of internal audit status at different stages of the internal audit activity life cycle is shown below:

### Schedule of Internal Audit Activity Cycle - July 2023 to June 2024

Audit Engagement	Report Date	Q1 (Jul-Sep 2023)	Q2 (Oct-Dec 2023)	Q3 (Jan-Mar 2024)	Q4 (Apr-Jul 2024)
Desktop Audit on Strategic Alignment of Investments in ERP Solutions Audit	November 2023				
Strategic Reporting Process Audit	February 2024				
Rates Setting and Revenue Process	August 2024				
Tree Management	In progress				

Internal Audit Key

1. Pending

2. Fieldwork

3. Management Reporting

4. Audit & Risk Committee Reporting

5. Follow up on actions from completed Internal Audits

6. Audit on hold



# Council

## Actions outstanding from previous audits as at June 2024

Audit	Total # Actions	Actions Completed	% Complete	Actions in Progress	% In Progress	Status
Management of Contaminated Sites - Oct 2020	14	13	93%	1	7%	1 Extended (1 Better Practice, with 9 sub tasks)
Capital Works Project Audit - Nov 2021	3	2	67%	1	33%	1 High Risk (with 11 sub tasks)
Fleet Heavy Vehicle, High Value and Portable Assets Audit - Feb 2023	9	4	44%	5	56%	(1 High Risk and 4* Medium Risk)
Strategic Reporting Process - Feb 2024	8	1	13%	7	88%	(2 High Risk, 4 Medium Risk, 1 Better Practice)
TOTAL	34	20	59%	14	41%	

\*two are pending Closure

The Audit and Risk Committee received internal audit reports for the Strategic Reporting Process Audit and Desktop Audit on Strategic Alignment of Investments in ERP Solutions Audit. The Rates Setting and Revenue Process Audit was presented to the Audit and Risk Committee in August 2024, and will be included in the next annual report.

The Tree Management Internal Audit was adjourned following Council’s resolution to undertake an internal review of Council’s tree removal process. The Tree Management Framework Internal Audit has recommenced in July 2024, and the final report is anticipated to be tabled at the Audit and Risk Committee meeting for November 2024.

# Council

## Financial Internal Controls Framework

The City of Salisbury applies the Local Government Better Practice Model — Financial Internal Control for South Australian Councils. In order to demonstrate compliance with this model, the City operates an extensive financial internal controls framework. The framework is designed to ensure financial processes, procedures, policies and systems are applied efficiently and effectively in order to mitigate the financial risks identified in the Model.

The City of Salisbury utilises a risk and control management application called ControlTrack, to monitor and review its internal financial controls. There are 263 controls within Control Track across seven process categories: Assets, Expenses, External Services, Liabilities, Revenue, Strategic Financial Planning and Financial Governance.

We use a five-point rating scale when self-assessing the effectiveness of our internal financial controls (1 = ineffective, 2 = requires significant improvement, 3 = partially effective, 4 = majority effective and 5 = effective).

All of the 263 controls in the Better Practice Model were assessed and reviewed in 2023/24. Six controls (2.28 %) were assessed as being partially effective, and the other controls assessed are rated as either effective or majority effective. Treatment plans have been established to improve the rating for the six controls that are assessed as partially effective. Five controls were not assessed as they were no longer relevant key controls within the business.

## External Audit

For the financial year ending 30 June 2023, BDO<sup>1</sup> was engaged to perform an audit on the City of Salisbury's (COS or the Council’s) financial statements and internal controls, in accordance with the Local Government Act 1999 ('the Act'), and the Local Government (Financial Management) Regulations (2011) ('the Regulations').

BDO presented an Audit Completion Report, covering the Independent Auditor’s Report, Auditor Independence Declaration, and the Independent Assurance Report on Internal Controls of the Council (Item: 7.1.1 Council, 23 October 2023).

BDO issued an unmodified audit opinion over the financial report of the Council for the period 1 July 2022 to 30 June 2023, and confirms that the Council has been audited in accordance with Australian Accounting Standards, the Act and the Regulations.

<sup>1</sup> BDO AustraliaW

# Council

## Risk management

The Risk Management and Internal Controls Activities report was reviewed by the Audit and Risk Committee which captures the review of strategic risk register, and other risk management and internal control activities.

Section 125A of the Local Government Act 1999 requires the CEO to consult with the Audit and Risk Committee ‘before appointing a person to be primarily responsible for the internal audit function or assigning such responsibility to an employee of the council’. In April 2024, the Committee carried the motion to recommend the appointment of the new Audit and Risk Manager (Item: MWN1 Audit and Risk Committee 09 April 2024).

## Audit and Risk Committee performance

Best practice suggests that the performance of the Audit and Risk Committee ('the Committee') should be reviewed on a regular basis. The process for a self-assessment was approved at the February 2024 Committee meeting. A self-assessment survey was subsequently issued to the five relevant members of the Committee. Completed survey results were presented to April committee meeting in a consolidated way.

## Freedom of information

During the 2023/24 Financial Year, the City of Salisbury received 16 applications under the provisions of the Freedom of Information Act 1991. As of 30 June 2024, the Council provided outcomes for 15 applications, with one application remaining unfinished.

Of these 15, one application was granted full release:

- One was in relation to a request for all documents concerning works and maintenance activities regarding a stormwater easement adjacent to a property located in Paralowie

Of these 15, nine applications were granted partial release:

- One was in relation to a request for planning documents and land use consent concerning a property located in Cavan
- One was from a Member of Parliament in relation to a request for documents involving Council expenditure on grants, donations, sponsorships, and financial support provided to Aboriginal and Torres Strait Islander organisations and corporations.

# Council

- One was from a Member of Parliament in relation to a request for all invoices, correspondence, and documents relating to expenditure on Aboriginal and Torres Strait Islander consultants engaged by the Council
- One was in relation to a request for inspector notes related to a dog incident
- One was in relation to a request for all records held by the Council in relation to the reporting of fire/smoke events from two separate resident addresses
- One was in relation to a request for all records relating to the applicant’s property address
- One was in relation to a request for documents concerning any maintenance or works performed on the trees and foliage in the area adjacent to a property located in Para Hills
- One was in relation to a request for all registration forms received by the Council relating to High Risk Manufactured Water Systems (Cooling Towers & Warm Water Systems)

- One application was in relation to a request for any record information relating to planning conditions, including hours of operation and signage, pertaining to a petrol station located in Valley View.
- Of these 15, five applications were withdrawn/ closed:
- One was in relation to the identity of a dog owner
  - One was a request for a copy of a site report relating to a property boundary realignment (development) located in Salisbury Plains
  - One was a request relating to information accessible to the public via the State Government’s planning portal
  - One was in relation to a request from a Member of Parliament for access to documents concerning the development of Tree Climb Salisbury
  - One application related to an informal request from SAPOL, and was incorrectly recorded as an FOI application.

# Council

The table below presents the activities reported to the Audit and Risk Committee

Activity	Responsible officer	Timing 2023/2024				Comments
		Q1 (Jul-Sept)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-Jun)	
Audit & Risk Committee performance						
- Recommendations of the Audit and Risk Committee presented to the Council	Audit and Risk Manager					
- Development of annual work plan	Audit and Risk Manager					
- Undertake self-assessment	Audit and Risk Manager					
- Review of Terms of Reference (alternate years)	Audit and Risk Manager					New review date Nov 2026
Financial Reporting						
- Review annual financial statements	Finance Manager					
- Review asset valuations	Finance Manager					
- Review methodology and approach to depreciation	Finance Manager					
- Review significant accounting and reporting issues, changes to accounting standards and industry updates	Finance Manager					
Management Plans and Business Plans						
- Reviews of annual business plan and budget	Finance Manager					
- Review of long-term financial plan (s.122(4)(a) on an annual basis)	Finance Manager					
- Review of intrastructure and asset management plan(s)	Finance Manager					
- Review of strategic plan (s.122(4)(b) within 2 years after each general election)		N/A				

# Council

Activity	Responsible officer	Timing 2023/2024				Comments
		Q1 (Jul-Sept)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-Jun)	
Risk Management						
- Review strategic risk register	Audit and Risk Manager	✓		✓		All changes will be reported to committee
Internal Audit						
- Oversight of planning and scoping of internal audit plan	Audit and Risk Manager	✓	✓	✓		
- Review (as presented) internal audit reports	Audit and Risk Manager	✓	✓	✓		
- Internal Audit: Action status report	Audit and Risk Manager	✓	✓	✓		
- Annual report of the Audit and Risk Committee activities, for inclusion in the COS's annual report	Audit and Risk Manager	✓				
External Audit						
- Submission of Annual Audit Plan	BDO / Audit and Risk Manager				✓	
- Review interim audit report	BDO / Audit and Risk Manager	✓				
- Review final external audit report	BDO / Audit and Risk Manager		✓			
- Review management representation letters	CEO		✓			
- meet with External Auditor (in confidence)	Audit and Risk Manager		✓			
Other Reporting						
- Cybersecurity report	Technology Manager	✓	✓	✓	✓	
- CEOs consultation report to the Committee on appointment of a 'person primarily responsible for the internal audit function'	CEO				✓	
- Litigation update	Legal Services Advisor			✓		

# Council

## Elected Members training and development

The City of Salisbury is committed to providing training and development activities for the Elected Members in accordance with the Elected Member Training and Development Policy.

The Local Government Act 1999, and Local Government (General) Regulations 2013 set out the legal requirements for training and development for Elected Members. Members must comply with the prescribed mandatory requirements, which includes training standards under the following key competencies:

- Behaviour
- Civic
- Legal
- Strategy and Finance.

During the 2023/2024 financial year, the training and development program for Elected Members included the following mandatory training sessions:

Behaviour — 4 July 2023

In addition to mandatory training, the table below indicates additional training and development activities attended by Elected Members during the 2023/24 financial year.

2022-2026 Council Term	
Mayor Gillian Aldridge	Mayor and CEO Forum
	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
	Local Government Association Conference and Annual General Meeting
	Local Government Association Ordinary General Meeting

Cr Beau Brug	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr Lauren Brug	Elected Member Bus Tour of the City
Cr Chad Buchanan	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr Johnny Chewparsad	Elected Member Bus Tour of the City
	Uni SA Leadership and Management Essentials Program
	Elected Member Weekend Workshop
Cr Alan Graham	Elected Member Bus Tour of the City
	Australian Institute of Management Advanced Diploma in Leadership and Management
Cr Kylie Grenfell	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr David Hood	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr Peter Jensen	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
	Local Government Association Annual General Meeting (Deputy Voting Delegate)
	Local Government Association Ordinary General Meeting (Deputy Voting Delegate)
Cr Moni Mazzeo	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr Sharon Mckell	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr Shiralee Reardon	Elected Member Bus Tour of the City
	Elected Member Weekend Workshop
Cr Sarah Ouk	Elected Member Weekend Workshop

# Council

## Overseas and interstate Travel by Elected Members and staff for 2023/2024

The following table provides a summary of the details of interstate and international travel (excluding prescribed interstate travel) undertaken by employees of the Council during the relevant financial year funded by the Council.

Date	Location of Travel	Purpose	Employee	Total Cost
22/08/2023 — 24/08/2023	Karratha, Western Australia	National Economic Development Conference	- General Manager City Development - Manager City Shaping	\$6,210.17
30/08/2023	Sydney, New South Wales	Australian Security Industry Association Ltd Security Exhibition	Coordinator Security Services	\$311.82
25/09/2023 — 27/09/2023	Wollongong, New South Wales	Australian Association for Environmental Education National Conference	- Road Asset Management Specialist - Senior Engineer - Civil and Transport	\$2,075.26
10/10/2023 — 14/10/2023	Surfers Paradise, Queensland	Australian Institute of Animal Management Workshop	- Team Leader Community Compliance - Community Compliance Officer	\$4,886.29

# Council

11/10/2023 - 14/10/2023	Perth, Western Australia	IT Vision/RDY Conference	- Deputy Chief Executive Officer  - Director Business Transformation (key speaker so not required to pay registration fee)	\$3,008.15
29/04/2024 — 03/05/2024	Melbourne, Victoria	IPWEA Conference	- General Manager City Infrastructure  - Manager Infrastructure Design and Delivery	\$7,238.06
31/04/2024 — 02/05/2024	Brisbane, Queensland	Welcoming Australia Symposium	Manager Community Diversity and Inclusion	\$1,572.16
21/02/2024 — 23/02/2024	Maroondah City Council, Victoria	Local Government Chief Officers Group Forum	Chief Executive Officer	\$1,623.49

Note: Total Cost includes the cost of transport, accommodation, registration fees and incidentals.



# Council

## Elected Members representation on external and community organisations

2022-2026 Council term	
Mayor Gillian Aldridge	Local Government Association Board of Directors
	Greater Adelaide Regional Organisation of Councils (Voting Member)
Cr Beau Brug	Adelaide Coastal Councils Network (Deputy Member)
Cr Lauren Brug	Valley View Secondary School Governing Council
Cr Chad Buchanan	Local Government Association of SA (Voting Representative)
	Northern Adelaide Waste Management Authority (NAWMA) Board (Member)
	Salisbury Business Association (Deputy Member)
	Paralowie R-12 School Governing Council
Cr Johnny Chewparsad	Salisbury Business Association (Deputy Member)
Cr Alan Graham	
Cr Kylie Grenfell	Northern Adelaide Waste Management Authority (NAWMA) Board (Member)
	Northern Adelaide Waste Management Authority Board Audit Committee (from December 2022)
	Local Government Finance Authority of SA (Deputy Voting Representative)

# Council

Cr David Hood	Salisbury Business Association (Member)
	Lake Windemere B-6 School Governing Council
	Salisbury High School Governing Council
Cr Peter Jensen	Local Government Association of SA (Deputy Voting Representative)
	Local Government Finance Authority of SA (Voting Representative)
	Salisbury East High School Governing Council
	Para Hills High School Governing Council
Cr Moni Mazzeo	Northern Adelaide Waste Management Authority (NAWMA) Board (Deputy Member)
	Salisbury Business Association (Member)
Cr Sharon Mckell	Adelaide Coastal Councils Network (Member)
Cr Sarah Ouk	
Cr Shiralee Reardon	Northern Adelaide Waste Management Authority (NAWMA) Board (Deputy Member)
	Para Hills High School Governing Council
	Parafield Airport Consultative Committee
	Salisbury and Districts Historical Society

# Council

## Executive allowances

The Executive management structure is comprised of the Chief Executive Officer, Deputy Chief Executive Officer and three General Managers.

Executive Management Team			
	Female	Male	Salary
CEO		1	\$335,401
Deputy CEO		1	\$266,181
General Manager	2	1	\$234,897 — \$246,369

Salary packages for these five executives are comprised of:

- a negotiated annual salary
- statutory superannuation
- provision of a fully maintained Council vehicle or equivalent (with the exception of the CEO)
- provision for professional development fees.

# Council

## Executive Membership on external boards and committees

Below is a list of membership on external bodies by City of Salisbury Executive during the past financial year.

### General Manager membership

**Chief Executive Officer, John Harry**

- Northern Adelaide Waste Management Authority (Deputy Board Member)

**Deputy Chief Executive Officer, Charles Mansueto**

- Northern Adelaide Waste Management Authority (Board Member)
- Northern Adelaide Waste Management Authority Audit Committee

**General Manager Community Development, Amy Pokoney Cramey**

- Siblings Australia (Board Member)

**General Manager City Infrastructure, John Devine**

- Local Government Functional Support Group (Commander)
- Parafield Airport Consultative Committee

# Community Champions



Australia Day 2022

We reward our Community Champions at The Australia Day Citizen of the Year Awards, which are proudly presented by the Australia Day Council of South Australia and the City of Salisbury.

The Awards recognise and award individuals and organisations that have made a noteworthy contribution during the current year, and/or given an outstanding service over a number of years, to a local community over and above normal employment duties.

Outstanding contribution and community service includes areas such as education, health, fundraising, charitable and voluntary services, business, sport, arts, the environment, or any other area that contributes to the advancement and wellbeing of a community.

# Community Champions 2024 Recipients



The Australia Day Citizen of the Year Awards Winners 2024

- Citizen of the Year Award**  
To be eligible, the person must be an Australian citizen and live, work or play within the City of Salisbury.
- Young Citizen of the Year Award**  
To be eligible, the person must be an Australian citizen under 30 years of age on 26 January 2021 and live, work or play within the City of Salisbury.
- Senior Citizen of the Year Award**  
To be eligible, the person must be an Australian citizen 60 years or over on 26 January 2021 and live, work or play within the City of Salisbury.
- Community Event of the Year Award**  
This is presented to the person/group who has staged the most outstanding community event during the past year. The person/group must live or the event must take place within the City of Salisbury.
- Award for Active Citizenship (open to all including non-Australian citizens)**  
This new award would be for a person or group delivering outstanding work or for an event or cause staged in the community during the past year.
- Salisbury Community Achievement Award (open to all Salisbury residents and ratepayers regardless of citizenship)**  
This new award would be for a person or group delivering outstanding work or for an event or cause staged in the community during the past year.



# Community Champions 2024 Recipients

## Citizen of the Year Award: Robert Styling

Robert Styling has spent his life dedicating himself to the community, with a number of achievements that showcase his commitment. With 51 years of devoted service to the Salisbury CFS, Robert has held key roles such as Captain for 12 years, making him the second longest serving Captain of the brigade, and has been Group Officer of the Para Group, overseeing six very active Brigades in the northern region for 12 years.

He is currently the Chair of the Mobo Group Board, which he has served for seven years, and has previously served on the board of the CFS Foundation, having spent two years as its CEO.

In a 28-year tenure as the General Manager of Human Resources at Phoenix Society, he played a national role in government committees for disability employment programs. For three decades, he has been instrumental in developing similar initiatives in Ipoh, Malaysia, working with the Malaysian Government in the development of such programs.

Through his involvement with the CFS, Robert utilised strategic thinking to develop and diversify the Salisbury Brigade as the area developed a more urban focus. His efforts have ensured sustained membership and resource



development for broader community impact.

Since 1989, Robert has been a JP, offering crucial support to the community, and played an instrumental role in establishing an employment facility for Phoenix (Bedford), benefitting Salisbury residents.

He has spent over 35 years in motorsports as a Fire Marshall and has been in a senior role with the Formula 1 Grand Prix since 2001. As Chief Fire and Rescue Marshall for the last five years, he is responsible for 120 marshals and is Incident Commander should anything occur around the track.

Recognised with awards like the Centenary Medal, the Australian Fire Service Medal, and the Medal of the Order of Australia (OAM) for contributions to the Disability Sector and Community, He's also earned two Ministerial Commendations for Courageous Action, and is truly deserving of adding this Citizen of the Year to his achievements.

# Community Champions 2024 Recipients

## Community Achievement Award: Cody Chadwick

Cody Chadwick has proved a lifelong dedication to the Salisbury Cycle Speedway representing state and country on numerous occasions.

In his recent role as President of the club, Cody has demonstrated exceptional organisational and leadership skills, coordinating national, international, and local events.

Salisbury Cycle Speedway, under Cody's leadership actively promotes inclusivity by catering to members of all genders, ages, and social backgrounds. Cody's commitment goes beyond being a competitor, his dedication to the role as a club administrator highlights his active citizenship and contributions to enhancing community life.

For many years, Cody has been instrumental in bringing pride and recognition to the City of Salisbury. Notably, the Salisbury Cycle Speedway serves as a valuable recreational opportunity for socially disadvantaged members of the community. Cody's efforts have not only elevated the profile of the club, but have also provided a meaningful avenue for individuals facing social challenges to engage in a positive and inclusive recreational activity.



Cody's extensive involvement in the Salisbury Cycle Speedway, as a competitor and club president, signifies his commitment to community wellbeing and the delivery of inclusive recreational opportunities. His impact reaches beyond the sporting realm, and he is valued immensely by the City of Salisbury and its community.



# Community Champions 2024 Recipients

## Community Event of the Year Award: Salisbury North Football Club and Simon Warner for hosting the SANFL Indigenous Round

Simon Warner, Chairman of Salisbury North Football Club, stands as a beacon of exemplary leadership, earning this nomination for his remarkable dedication to championing the reconciliation initiative.

Under his guidance, the club has become an upholder of inclusion and diversity, with a particular focus on fostering relationships with the Kurna people. One of Simon's notable accomplishments is the organisation and hosting of a Reconciliation Day event, which gathered many members of the community.

The event commenced with a luncheon that brought together Aboriginal elders, our state's Premier, the Hon Peter Malinauskas MP, as well as members of parliament, City of Salisbury's Mayor Gillian Aldridge OAM, and other Elected Members.

It featured integral elements like a Welcome to Country, a smoking ceremony, and a broadcast that can be accessed via dartfish. The broadcast, capturing the essence of the occasion, included insightful commentary from Aboriginal players, the Hon Katrine Hilyard MP, and Mayor Gillian Aldridge OAM.



This pivotal event, attended by thousands, significantly contributed to community cohesion. Simon's leadership ensures that Salisbury North Football Club remains a welcoming space for everyone, fostering a culturally rich environment.

The emphasis on respect for the Kurna people and active support for their cultural beliefs highlights Simon's commitment to creating an inclusive and harmonious community through the platform of Salisbury North Football Club.

# Community Champions 2024 Recipients

## Active Citizenship of the Year Award: Joint Winner Tyson Roling

A volunteer dedicated to ensuring accessibility in sport, Tyson Roling has worked tirelessly to establish pathways for cricketers living with disability. He works with Para Hills Cricket Club, an inaugural club to the SA Inclusive League (now in its second season) as well as working closely with SACA, school communities, and other sporting organisations to establish the largest ever women's and junior cricket programs.

The club now has two junior girls Strikers teams, a women's senior team, and a new record of junior participation with eight full teams as a result of Tyson's involvement.

Tyson has set an example within the club, endorsing inclusive and progressive values, raising awareness about the importance of mental health and advocating for supportive systems like a mental health officer, which has been secured for the club members and extended families.



He has been instrumental in securing funding to improve accessibility at the Para Hills Cricket Club, enabling them to provide a safe environment for all members and significantly improving the facilities through dedicated involvement and efforts towards fundraising and sponsorship.

Tyson's efforts have not gone unnoticed, and as a direct result of his contributions, the Para Hills Cricket Club was awarded the SACA Community Cricket Club of the Year for the 2022/2023 season. A truly meaningful achievement.



# Community Champions 2024 Recipients

## Active Citizenship of the Year Award: Joint Winner Ben Kilpatrick

Ben Kilpatrick's dedication to community service and active involvement in the youth athletics sphere has made a substantial impact on the young sporting community in the City of Salisbury.

As a parent, a Little Athletics Rec Athlete, and a member of the Junior Sub Committee, Ben's extensive involvement highlights his holistic approach to supporting and enriching the Little Athletics program, and demonstrates his commitment to fostering a nurturing environment for young athletes.

Additionally, Ben contributes to the growth and development of the sports community through comprehensive involvement in various facets of athletics, including his efforts within other roles as an NDAC Rec Runner, Registered Athletics SA athlete, and Club Committee member.

Ben embodies the spirit of active citizenship through his volunteer work and commitment to enhancing community life in his efforts across multiple roles and responsibilities at Little Athletics Salisbury. He serves as a role model, inspires others through his enthusiasm for sports, and shows selflessness daily through his passion for fostering a positive environment for young athletes.



As the Event Director for the Salisbury.RUN event, Ben's contributions extend beyond sports as he plays a pivotal role in an event that promotes fitness and healthy living, as well as bringing people together in a shared endeavour.

# Community Champions 2024 Recipients

## Salisbury Young Citizen of the Year Award: Alexandra Seal

Alexandra Seal, a passionate and dedicated individual committed to social and environmental change, has been actively involved in the community for years. As a young emerging leader, she seamlessly integrates social and environmental justice into her daily life.

Within her school community, Alexandra has spearheaded initiatives supporting ecological and social justice, including the implementation of solar panels and sustainable packaging.

Her involvement extends to tree planting in both her school and the Victoria Park Wetlands.

Beyond her school, Alexandra tirelessly advocates for social causes through her small business, Six Spaces. This venture not only donates profits to various charities but, notably, Alexandra volunteers for Families4Families, having created a short film series that aids the charity, and BIRCH rehabilitation.

Her impactful work extends beyond her community, educating and informing others about acquired brain injuries and supporting families in difficult times. Alexandra's active citizenship is evident in her participation in programs like the Civics and Citizenship Year 9 and 10 Convention, where she discussed the



importance of civics, active citizenship, and Australia's parliamentary and voting systems.

She has also contributed significantly to intergenerational partnerships through the Governor's Leadership Foundation Program, where she supported Southern Cross Care residents and helped to connect them with intergenerational partnerships after Covid-19 saw a decline in these relationships.

Her notable recognition includes the Steele and Cooper Award for 2021, and the Muriel Matters Award for 2021, showcasing her dedication to both academic success and leadership. Despite her numerous accolades, Alexandra remains a humble force, driven by her purpose to make the world a better place socially and environmentally. This Young Citizen of the Year award recognises her achievements and ongoing dedication to creating positive change, marking her as an unsung hero making a significant contributor to the City of Salisbury and its community.



# Community Champions 2024 Recipients

## Senior Citizen of the Year Award: Charles Morgan

At 82 years old, Charles Morgan, commonly known as Charlie, has spent his years establishing himself as a truly valued and loved member of the community. Charlie came to Australia in his twenties with his late wife, Connie, and has dedicated himself to community service through football and various organisations ever since.

His longstanding commitment to the Salisbury United Football Club extends across decades, and he has been Chairman since 2020. Simultaneously, he actively volunteers with the Lions Club of Paralowie, and was his wife Connie's devoted full-time carer in her final years. It is no understatement that Charlie is so considerate of others that he developed a remarkable ability to manage multiple roles and commit whole heartedly to each one.

Charlie's dedication has significantly impacted Salisbury United Football Club, ensuring a diverse and welcoming environment for players and community members of varied backgrounds. His involvement was instrumental in the interactions with Elected Members and City of Salisbury staff to deliver two major infrastructure projects to upgrade the club's main playing pitches and a refurbishment of the clubrooms, which have made a significantly positive impact on the local community.



Charlie's multifaceted contributions extend beyond football, encompassing tasks from fundraising BBQs to coordinating community events. His charitable endeavours include collecting and washing hundreds of pre-loved teddy bears and cuddly toys, which were donated and recycled to give to disadvantaged children at the annual Salisbury Christmas Pageant and other charitable organisations, exemplifying his commitment to community wellbeing.

Recognised for his exceptional volunteering efforts, Charlie has received prestigious awards, including the Premier's Certificate of Recognition for Outstanding Volunteer 2016, Lions International Community Award twice, and the James D Richardson Award in 2019. He holds Silver and Gold Centenary Medals through the Lions Club, and is now the City of Salisbury's Senior Citizen of the Year.

# Community Champions 2024 Recipients

## Mayor's Commendation Award: Ben Kilpatrick

Salisbury.RUN has significantly contributed to the community, serving as a premier platform for inclusive and accessible recreational activities. Stemming from the Carisbrooke Classic, it has become the largest Fun Run in the northern metropolitan area, offering 2km, 5km, 10km, and half marathon events for people of diverse age groups and physical abilities.

Beyond a traditional run, it promotes health, fitness, and overall wellbeing, fostering positive community connections through the Northern Districts Athletics Club's recreational running group.

This volunteer-run event not only raises awareness for the Northern Districts Athletics Club, but also showcases the City of Salisbury's liveability, natural environment, attractions, and local businesses. By establishing strong links with local businesses, Salisbury.RUN encourages a connected community, and a sense of shared responsibility for positive community culture and wellbeing.

The event exemplifies active citizenship, enhancing community life through inclusivity, diversity, and wellbeing. It goes beyond a race, actively involving people of all ages, genders,



backgrounds and physical abilities. The range of distances that participants can choose to cover inspires them to complete what they can handle, providing an enjoyable experience and encouragement of outdoor exercise for all. The presence of young para-athletes and their running frames over the past two years highlights Salisbury.RUN's commitment to making athletics accessible to everyone.

Recognised in 2022 by Olympian and Commonwealth Games gold medallist Jess Stenson, state running champions, and the Premier of South Australia, Salisbury.RUN continues to grow with a record number of participants, high media exposure, and widespread support. Its success in promoting community engagement, health, and inclusivity makes it a celebrated and acknowledged initiative within the northern metropolitan area.



# A welcoming and liveable city

A welcoming and liveable city encompasses issues such as the health and wellbeing of our people, including safety, social connections, the look and feel of neighbourhoods, and the facilities and programs available to support our community's aspirations.

There are a number of foundations which will be used to measure Salisbury as welcoming and liveable, including promoting a City that is attractive and well maintained with the health and wellbeing of our community a priority. Community members are valued and should feel safe, included and connected, while our community is resilient and adaptive to change. As a welcoming and liveable City, we should also be proud of our strengths, achievements and cultural diversity.



Paddocks Sports Facility

## Strategic Projects

Significant work has been completed on several strategic projects with a community-centred focus, aimed at enhancing the City's liveability and welcoming atmosphere. These projects include:

- Continued implementation of The Paddocks Masterplan, which has seen the completion of all funded portions, including new changeroom facilities for Para Hills United Soccer Club and the Para Hills Football Club.
- Increasing affordable housing options in the community: Council-owned development projects have delivered over 40% affordable housing to date.
- Implementation of the Regional Public Health Plan: The 2023/24 report has been finalised, highlighting Council's ongoing efforts to assess progress and ensure alignment with the City Plan in support of our goals and initiatives.
- Enhancing the visual appearance and amenity of public spaces through an expanded verge maintenance program, improved lighting, and increased greening of reserves. The successful introduction of a new verge contract has elevated the level of maintenance across the City.
- Enhancing local playground and sporting facilities, including additional playspace and an upgrade to the outdoor sports court at Camelot Drive Reserve, softfall area renewal at Unity Park, improvements to Mobara Court sports court, and upgrades to Yalumba Drive Reserve and playspace.

## Bridgestone Athletics Centre

Efforts to maximise the Centre's use have been successful, with 30 school carnivals hosted in 2023/24, drawing approximately 18,000 students and 23 carnivals already scheduled for the next year. The Centre has welcomed new events, like the Islamic Society Family Sports Day, and facilitated the SANFL Draft Combine 2 km time trial, attended by AFL scouts. The new access gate recorded 2,890 public sessions, and resident club membership continues to increase.

## Implementation of the Ability Inclusion Strategic Plan (AISP)

As the AISP 2020-2024 enters its final year of implementation in 2023/24, several key achievements have been realised, including strengthened engagement with the Disability Access Inclusion Network (DAIN), the development and integration of Universal Design Guidelines, and the delivery of Universal Design Training.

Regular and meaningful consultations with DAIN have influenced major projects such as the John and Church Street upgrade and the Salisbury Aquatic Centre. DAIN has been instrumental in advocating for playground accessibility, actively contributing and driving progress in this area.

## Operational Focus

Maintaining clean and safe environments to live, work, and play remains a top priority, with a focus on clearing rubbish, including illegally dumped waste, and expanding CCTV coverage to address issues like graffiti and dangerous driving. This proactive approach ensures public spaces remain inviting and safe.

Council’s Community Safety Strategy outlines efforts to work with the community and stakeholders to address crime and safety concerns. The Strategy aims to share information, raise awareness, and maximise participation in programs that create safe spaces and support residents to feel secure. Key strategies include timed lighting in public spaces, personalised community transport options, safe spaces at community centres, and partnerships with SA Police and social services to address antisocial behaviour in public areas. Crime prevention strategies like CCTV and security services have been implemented at popular civic precincts and events.

Council has supported local sports clubs and not-for-profit organisations with 38 community grants for equipment, community projects, and multicultural events. Minor Capital Works Grants continue to be provided to a range of local sporting and community clubs. Financial support was also given to 178 young people through the Youth Sponsorship Program. To ensure our funding programs meet the community’s evolving needs, a policy review of the Community Grants Program was conducted this year, and the new program commences on 1 July 2024.

Community participation in programs has increased this year, with over 134,000 attendees joining programs at community centres, hubs, and youth centres — almost 40,000 more than the previous year. Highlights include the Adelaide Symphony Orchestra at Bagster Road Community Centre, the Salisbury Author Series and History Month at the Salisbury Community Hub.

Senior Centres continue to play a vital role in keeping older adults informed about physical, social, and mental wellbeing through peak body resources. The new ‘Conversations’ program has facilitated direct engagement with staff, allowing for valuable feedback, service improvements, and initiatives such as wellness trips to connect with nature, and the DJ Des Disco at the Jack Young Centre (JYC).

Over 1,100 people attended social programs at Senior Centres, totalling 81,459 hours of participation. The Salisbury Seniors Alliance also meet quarterly to provide feedback to council staff, ensuring older adults’ voices are heard in decision-making.

The Salisbury Intercultural Community Alliance (SICA) reviewed the annual Action Plan for the Intercultural Strategic Plan to identify new priorities for culturally diverse communities. This led to greater focus on youth engagement, employment opportunities, sports, and increasing SICA involvement in council projects. SICA also participated in research with universities on greenspace usage by culturally and linguistically diverse (CaLD) communities and the Government of South Australia’s Sports Voucher project.

Collaboration with the South Australian Intercultural Sports Alliance (SISA) has grown, resulting in successful initiatives such as DiversiTours, afternoon tea with the Mayor and Elected Members during Refugee Week, and advocacy efforts with the SA Housing Trust on affordable housing.

On an international level, the City of Salisbury’s collaboration with the Council of Europe’s Intercultural Cities Network and other sector organisations has been strengthened through meetings and workshops, further advancing its commitment to intercultural engagement.

## Future Planning

The City of Salisbury is developing a Place Activation Strategy focused on social infrastructure. The first stage was undertaken in early 2024 and Council is now beginning the final stages, which will inform future planning for Council-delivered services, facilitation and advocacy.

The City of Salisbury has collaborated with several government agencies to consider the needs and opportunities related to population growth and future social infrastructure. In 2023, Council hosted its first Youth Summit, engaging young people to help shape the new Youth Action Plan and Leadership Program.

The Thrive Strategy was endorsed by Council in 2023 following a comprehensive research and community engagement process. The action plans for 2024/25 focus on health and wellbeing across six domains. Council is tracking the Thrive Strategy’s progress using key population indicators to ensure that its programs and activities effectively enhance community health and wellbeing.

## Advocacy Priorities

While the introduced Planning and Design Code limits the ability for councils to alter urban design policy, the City of Salisbury actively advocates for policy improvements through consultations with the state government and the State Planning Commission, and is exploring different zoning options to achieve better outcomes.

The City of Salisbury collaborated with SAPOL, SA Housing Authority, schools, and transport departments to improve service access for residents and visitors. Regular meetings with SAPOL, businesses, and community leaders promoted a unified approach to reducing crime and anti-social behaviour. Council advocated for and worked with the Adelaide North West Homelessness Alliance (ANWHA) to reintroduce assertive outreach services for the first time in years. This initiative aims to ensure community access to essential services and appropriate support through a well-resourced system.

Council also worked with Good Shepherd and other organisations to support the Northern Adelaide Financial Inclusion Action Plan through actions designed to build awareness and responses to financial vulnerability, hardship, and inclusion, and to minimise their impact on residents.

Partnerships have been established with local support agencies to deliver a range of services and programs in community centres. These include Puddle Jumpers’ Northern Food Hub, Flourish’s mental health drop-in service, SYC’s Youth Tenancy Support Program, and a new Social Worker in Libraries pilot with Sonder, supported by the Libraries Board of South Australia. The pilot is a first for the state, set to launch in 2024/25.

The City of Salisbury’s Housing Support Program, funded by the Adelaide Public Health Network, assists older people who are homeless or at risk of homelessness. The program helps people find safe and suitable accommodation, access aged care services, and connect with other community supports. In 2023/24, the program has successfully supported 90 individuals with housing needs.



# A sustainable city

A sustainable city includes protecting and conserving our diverse natural environment to support biodiversity, reducing Council's environmental footprint, ensuring we make the most of our resources and enabling our community, environment and infrastructure to be resilient to a changing climate.



Our Big Back Yard 2024 at Little Para Reserve

The foundations used to measure Salisbury as a sustainable City include the existence of a balance of green spaces and natural environments that support biodiversity, making the most of our resources including water, waste and energy, and a community, environment and infrastructure that are adaptive to a changing climate.

## Strategic Projects

The City of Salisbury has continued its commitment to sustainability through several key strategic projects, including:

- The replacement of all Council-owned streetlights with energy-efficient lighting
- Efforts to improve the environmental performance of Council buildings
- The enhancement of Biodiversity corridors along Dry Creek, Little Para River, and other environmentally sensitive areas, such as coastal mangroves
- Involving people and using sensors to better understand and improve our environment's health
- Developing markets for recyclable materials through the Northern Adelaide Waste Management Authority (NAWMA).

After completing the replacement of SA Power Network-managed streetlights across the council area, the City of Salisbury commenced upgrading its own streetlights, including those in Mawson Lakes.

Improvements to the environmental performance of key Council buildings continue to be made, including reviews of electricity demand profiles, the installation of smart meters, and the analysis of the building management systems.

Council continues to deliver revegetation plantings to enhance biodiversity corridors, engaging over 100 participants at planting events in 2024, resulting in 2,000 native species being planted. Council's Natural Spaces and Environmental Management Team has planted over 1,600 native species across the City's biodiversity corridors.

Ongoing collaboration with the Northern Adelaide Waste Management Authority (NAWMA) to develop markets for recyclable materials, particularly through the new road reseal contract, has increased opportunities to incorporate recycled glass.

## Operational Focus

The City of Salisbury remains committed to promoting environmental sustainability and resilience across its operations and community initiatives.

Council continues to promote the services offered by NAWMA for recycling, green waste and hard rubbish collections. The successful rollout of the Food Organics and Green Organics (FOGO) kerbside bin and the kitchen caddy has resulted in approximately 81% of properties now having a kerbside FOGO bin.

The use of recycled and reused materials in construction and maintenance programs remains a regular practice. This includes recycled glass in asphalt mixes, recycled rubble and glass in base course materials for civil construction, reclaimed asphalt pavement in road resealing, composite decking made with components of recycled plastic and timber, and recycled concrete in kerb and watertable construction. These practices align with industry standards and represent best practices in construction, reflecting Council’s ongoing efforts to use materials sustainably.

Upgrades to irrigated open spaces are ongoing, with improvements completed at the Springbank Waters and Burton reserves over the past 12 months. Scoping works for irrigation along portions of Little Para River are also currently underway.

Council has actively participated in state government-led initiatives, including tree canopy cover and urban heat data capture investigations, which continue to inform future actions. Council has also been actively involved in responding to the state government’s Urban Greening Strategy.

Major works have been carried out to stabilise banks along sections of Dry Creek to increase its resilience.

Council’s integrated design process continues to consider sustainability principles in all asset design work. In particular, road and stormwater asset management have had climate change considerations embedded in design and specifications.

A Climate Change Risk Assessment has been completed to assess the City of Salisbury’s corporate risk exposure to physical, economic transition, and liability risks associated with climate change. The assessment findings reflect that many controls are in place to manage risks to Council assets, operations, and services, with further action required to reduce the City of Salisbury’s risk exposure to acceptable risk tolerance levels. Council has approved the development of a Climate Change Adaptation Action Plan to guide and prioritise risk controls and next steps, drawing on the risk assessment’s findings.

The City of Salisbury participated in the Local Government Association’s Net Zero Accelerate Program, funded by the Government of South Australia, which has supported Council in developing a greenhouse gas emissions inventory and identifying potential emission reduction opportunities within its operations.

Council works closely with Green Adelaide to deliver education programs and engage the community in various sustainability initiatives. A Green Adelaide Nature Education Team has attended schools within the City to promote behaviours that positively impact the environment at home and throughout the City of Salisbury.

## Future Planning

Council adopted the new Sustainability Strategy 2035 in June 2023, and implementation is ongoing.

The Stormwater Management Plans for Greater Edinburgh Parks and Adams Creek/ Helps Road Drain have been completed and opened for public consultation.

The Dry Creek Stormwater Management Plan has also been completed, and Council is engaging with key stakeholders on the extent of works required to reduce flooding and improve water quality across the catchment.

As part of the Walkleys Road development, detailed design guidelines will be prepared to assist the community in choosing environmentally sustainable options for their new homes, ensuring that an innovative and environmentally conscious community is created.

## Advocacy Priorities

Council’s advocacy priorities include investment in programs that reduce waste to landfill, such as incentives to increase recycling and ‘circular economy’ initiatives, as well as integration of urban water planning and funding for catchment programs.

Work continues as part of the Dry Creek stormwater management plan to identify opportunities to harvest increased stormwater into Council’s recycled water network. Salisbury Water is used to irrigate open space and support residential and economic development through supply of lower-cost water.

Council continues to liaise with SA Water and the Department for Environment and Water in their strategic integrated water planning.



# A growing city that creates new opportunities

Council's commitment to be a growing City that creates new opportunities is focused on how we support the success and growth of local businesses, job opportunities for our residents, attracting investment, quality urban planning and providing infrastructure that supports economic activity.



We are consistently working on supporting businesses to be successful and establishing the region as a place of choice for business while supporting investment, business activity and well-planned urban growth.

Church and John Street

## Strategic Projects

The City of Salisbury's Economic Development efforts have centred on key initiatives to:

- Revitalise the Salisbury City Centre by upgrading Church and John Streets, and attracting private investment into surplus Council sites
- Draw businesses to Salisbury to create job opportunities for residents
- Connect Technology Park with other innovation precincts in Adelaide
- Implement a residential development program using surplus Council land.

The City of Salisbury is partnering with a Buildtec and Catcorp consortium to revitalise the Salisbury City Centre into one of South Australia's most vibrant Centres.

The redevelopment of the City Centre will bring large scale activation and economic growth to the heart of Salisbury.

A concept plan outlines the \$200 million redevelopment of four sites across the City Centre that will bring six new developments to the heart of Salisbury, including a variety of residential housing options, car parking, retirement living, hotel accommodation and mixed-use retail and commercial spaces.

The future Salisbury City Centre will have a range of new uses, giving the local community and visitors the opportunity to live, work and be entertained in the heart of the City, surrounded by some of the best amenities in the northern region.

The redevelopment is the next significant stage of the City Centre Renewal Strategy, following the \$10 million redevelopment of Church and John Streets in 2023 and the \$43 million Salisbury Community Hub, built in 2019.

The Economic Development Team has been collaborating with the Department of State Development and Invest SA to promote Salisbury as a prime business destination. This includes hosting South Australian representatives who work in Germany, the United States of America, Japan, and India at various City of Salisbury locations. Additionally, we partnered with the University of South Australia to deliver a workshop with visiting businesses from India.

The City of Salisbury is working closely with the South Australian Government to plan for the future of Technology Park and its role in the South Australian innovation ecosystem, considering the new approach to Lot Fourteen and Tonsley Innovation Precinct.

Under the Salisbury Living brand, Council has delivered award-winning residential development projects, including The Reserve in Salisbury North, Greentree Walk and Boardwalk at Greentree in Paralowie, Emerald Green in Parafield Gardens and Irving Place in Para Hills.

Work continues on new projects, including Lake Windemere Estate in Salisbury North and Walkleys Road Corridor in Ingle Farm, with community engagement a key component of each project, and a focus on delivering affordable and sustainable communities.

## Operational Focus

Through the Polaris Business Development Centre, the City of Salisbury continues to support new and existing businesses.

During the 2023/24 financial year, the Polaris Business Development Centre commenced the Business Fundamentals Program, funded by the Office for Small and Family Business. This program has delivered 20 Business and Retail Fundamentals workshops, attended by 218 participants, as well as 240 one-to-one business consultations. The Polaris Centre also organised five networking events with a total of 388 attendees, and participated in six expos to expand reach and promote the programs to potential new clients.

The Polaris Business Development Centre established new Polaris Business Mentor and Polaris Specialist Business Consultant panels, adding 14 new mentors and specialists. This expansion has significantly increased the Centre’s capability, capacity and responsiveness to meet growing service demands. Additionally, new partnerships with Auctus, Many Rivers and WEA have been established to leverage services for Polaris clients. The Centre also successfully secured additional government funding to strengthen the Polaris Women in Business Network.

Efforts to improve the streetscape of commercial and industrial precincts are ongoing, including the introduction or upgrading of suitable verges, tree plantings, footpaths, roads, and directional signage.

Council remains committed to delivering services that support the many small businesses in the region, in line with the Small Business Friendly Council initiative, championed by the South Australian Small Business Commissioner, and delivering on the Business-Friendly agenda.

## Future Planning

The City of Salisbury continues its ongoing efforts to investigate stormwater and transport infrastructure requirements for growth areas within the City.

The implementation of the Strategic Growth Framework for opening up employment lands west of Port Wakefield Road is progressing. Four private code amendments are being prepared for the area, with several more awaiting commencement. There has been significant advancement in resolving both state and council infrastructure issues in the region.

The City of Salisbury continues to be an active member of the State Government’s North-Western Growth and Infrastructure Executive Steering Group, and Council continues to work with the Department of Infrastructure and Transport, and the City of Playford on key infrastructure issues.

Council’s Growth Action Plan and Economic Development Strategy have been reviewed, and a new City Shaping Strategy combining both will be released in late 2024.

The Polaris Business Development Centre continues to provide support to businesses and organisations located in Technology Park and Edinburgh Parks, including support provided to Gerard Scientific through its expansion and now the construction of a manufacturing facility in Technology Park.

## Advocacy Priorities

To support the continued growth and development of the City of Salisbury, our advocacy priorities focus on key infrastructure projects and strategic initiatives. These include redeveloping the Salisbury and Mawson Lakes Interchanges, improving east-west roads, such as increasing the capacity and safety of Kings Road and Waterloo Corner Road, duplicating and extending Elder Smith Road, and implementing road/rail grade separation of Park Terrace and Kings Road.

Priorities also include the appropriate and well-planned development of the Dry Creek Salt Fields and ensuring that Edinburgh Parks is business-ready with modern industrial facilities, efficient freight routes to the Northern Connector, fast digital connectivity, and access to alternative energy sources and recycled water.

Ongoing liaison with the Department of Infrastructure and Transport (DIT) addresses any planned upgrades to the Salisbury and Mawson Lakes Interchanges, exploring potential economic uplift opportunities.

Formal meetings continue with DIT senior leadership representatives to advance transport planning for the northern suburbs, including formal discussions and responses to the state government’s Northern Transport Plan Study, Mawson Lakes Traffic Study, and various election commitments.

Council remains actively involved in the state government’s Dry Creek Salt Fields Working Group, and the City of Salisbury’s Chief Executive Officer continues to be an active member of the state government’s North-Western Growth and Infrastructure Executive Steering Group. The City of Salisbury will continue to collaborate with DIT and the City of Playford on transport network planning for freight movement across northern Adelaide’s employment lands.



# Innovation and Business Development

Innovation and Business Development outlines how Council will work to provide exceptional experiences, deliver quality outcomes and be recognised as a great place to work.



Council staffs at the new Operation Centre

The foundations of this include delivering quality outcomes, members of our community receiving an exceptional experience when interacting with Council, recognition of Council as a great place to work, effective planning and meaningful engagement to ensure the community is aware of Council initiatives.

## Strategic Projects

The City of Salisbury is undertaking several strategic projects to ensure the organisation:

- Uses technology to improve access to Council services
- Implements a change plan to deliver an exceptional community experience, quality outcomes, and a great workplace
- Upgrades to the Operations Centre at Cross Keys Road to support business transformation
- Provides opportunities for staff to innovate and shape the next generation of Council business, investment, and services
- Delivers Council's COVID-19 response package.

Council continues to deliver a new technology platform to enhance service delivery for the community. This platform is supported by changes in business processes designed to improve community experiences. For instance, the new community portal allows community members to receive and view specific information. This platform will continually evolve to offer a greater suite of services through the portal, while ensuring traditional in-person services remain available for those who prefer them.

Through this initiative, staff have identified process improvements that will help the City of Salisbury continue to shape future service levels aligned with community expectations.

The upgrade to Council's Operations Centre has been successfully completed.

Although the focus on COVID-19 has lessened, Council continues to monitor outbreaks and implement any measures required to ensure Council services can continue.

## Operational Focus

---

The organisation remains committed to improving data usage to support decision-making. New dashboards using Microsoft Business Intelligence software have made it easier to access the information needed for this purpose.

The City of Salisbury is also making conscious efforts to buy locally and sustainably, with an emphasis on reused and recycled materials. A specific weighting is given to tenders that are locally based, employ local people, or source local products, ensuring Council’s investments remain within our community whenever possible.

Council remains dedicated to delivering the commitments outlined in the Long Term Financial Plan and Annual Business Plan 2023/24, engaging meaningfully with the community to better anticipate and respond to their needs, improving communication, and continuously pursuing improvement. Additionally, we strive to acknowledge and celebrate the achievements of our staff and community.

Frameworks to guide communication and engagement activities are being developed to ensure community members are aware of and can participate in Council initiatives and projects. An increased social media presence has led to higher community engagement, and the City of Salisbury will continue to use this medium, along with traditional methods to connect with the local community.

## Future Planning

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Council continues to invest in technology that enhances service delivery, while ensuring business processes provide an exceptional community experience and achieve quality outcomes.

In the coming year (2024/25), a large focus will be on delivering an improved community engagement approach that aligns with how community members prefer to interact with Council, and provides timely and relevant information to the community as required.

Council is actively seeking non-rates income sources to fund services, reducing reliance on rate generation. This effort includes reviewing cost structures to identify opportunities for lowering service delivery costs.

The Strategic Asset Management Plan has been updated to reflect changes in service levels for key asset classes and long-term financial forecasts. This plan is a core component of Council’s Strategic Management documents and is crucial to ensuring the sustainability of our asset-related services.

## Advocacy Priorities

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Council continues to collaborate with other levels of government to influence social, environmental, and economic outcomes for both the Council area and the broader northern region. This includes efforts to develop infrastructure that supports the projected population growth in the northern region. Additionally, Council is working to deliver greater economic outcomes by rezoning industrial land and attracting key industries to the area, which will create jobs for the local community.

# City Dashboard and Corporate Indicator

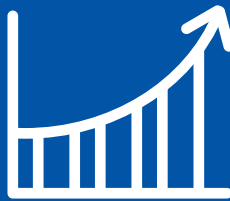
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A welcoming  
and liveable  
City



A sustainable  
City



A growing City  
that creates new  
opportunities



Innovation  
and Business  
Development

# A welcoming and liveable City

## City Dashboard

Population	149,214 people	●
Community perception of quality of life	6.8/10	●
Proportion of people born overseas	34% (ABS 2021)	●
Reported crime per 10,000 people	568.23 incidents	●
Housing Affordability	9.6%	●
SEIFA (Socio-Economic Indexes for Areas) Index of Adventage and Disadvantage	904	●
Proportion of Salisbury’s working population with Certificate III and above qualificatios	63%	●

## Foundations

- ◆ Our City has a diversity of housing that meets the needs of our community
- ◆ Our community is physically and mentally healthy and connected
- ◆ Our City is welcoming to people of all ages, backgrounds and abilities, and recognises First Nations people
- ◆ Our City is attractive and safe.



### Dashboard Legend

- Increase on previous year
- Consistent with previous year
- Decrease on previous year
- Previously not reported

## Corporate Indicators

### City Plan Foundation: Our City is attractive and well maintained

Proportion of households within 500 metres of irrigated open space	81% of residential areas
Timeframe for resolving customer requests to remove dumped rubbish	TBD
How much open space is irrigated with harvested stormwater	162 Ha

### City Plan Foundation: The health and wellbeing of our community is a priority

Participation in community programs, usage and membership at sporting clubs, libraries and community centres/hubs	Senior centres delivered 72,057 hrs of social support groups programs and served 15,984 meals.  530,000 visits to our five branches.  583,000 loans and 49,000 public PC bookings.
Satisfaction with recreational areas	Parks and reserves are considered by residents to be a strength of the City of Salisbury (56%, increasing 8% from 48% in 2020).
Social support group attendance	Social support group 81,459 (Commonwealth Home Support Programme 53,179 Standard 18,878 National Disability Insurance Scheme 9,402).



City Plan Foundation: People are valued and they feel safe, included and connected	
Community perception of safety	More people felt safer in their home suburb than the City Centre (70% and 45% respectively). Parabanks and train stations felt most unsafe, while John Street seemed to be a new area creating an unsafe space for residents (Information retrieved from City of Salisbury Community Perceptions 2023 Report Part B).
Level of public transport usage	4.5% Bus 1.3% Train (ABS 2021)
Number of playgrounds with inclusive equipment	62
Number of people participating in Council organised activities in our centres	Meals 699 individual customers , Social Support groups 2,843 individual customers, 98 Care Finder.
	23,000 JP bookings.
	135,000 participants attended programs at our Community Centres, Hubs and Youth Centre.
Number of programs delivered that support intercultural partnerships and participation in same	250
Council of Europe Intercultural Cities Index	77
Welcoming Cities indicator	Accreditation submitted and currently being assessed.

City Plan Foundation: Our Community is resilient and adaptive to change	
Proportion of affordable dwellings provided through Council’s strategic property development program	Through our Strategic Property Development Projects, Council is active in delivering affordable housing, including partnering with not-for-profit housing providers and investigating future opportunities to facilitate innovative, affordable housing outcomes including an Affordable Housing Demonstration House to be constructed in Stage 1 of the Walkleys Road Development. Strategic Development Projects will include a minimum of 15-20% affordable housing at 10-15% below the State Government price threshold. Over six projects have been delivered to date, and 40% of the housing delivered was at or below the State Government’s affordability price points.
Co-investment in projects supported through Council grants	38 Community Development Grants were awarded to small community groups, clubs, churches and other organisations. 178 Youth Sponsorships were awarded to young people in our community.

# A sustainable City

## City Dashboard

Tree canopy coverage	13%	●
Number of severe heat days in previous year	9 days	●
Water use per household	Information no longer sourced	—
Domestic waste generated	56,614 tonnes	●
Proportion of dwellings with solar panels	60%	●
Area covered by mangroves and samphire	13.2km²	●

## Foundations

- ◆ Our City’s green spaces and natural environments are valued and biodiverse
- ◆ Our City and community are carbon responsible
- ◆ Our City, community and infrastructure are resilient to a changing climate
- ◆ Our City’s waste is managed sustainably
- ◆ Our water resources are managed responsibly.



### Dashboard Legend

- Increase on previous year
- Consistent with previous year
- Decrease on previous year
- Previously not reported

## Corporate Indicators

City Plan Foundation: Salisbury has a balance of green spaces for our residents and natural environments that support biodiversity

Indicator for creek health (to be developed)	N/A at this time
Length of creek bank stabilised	100 metres
Community perceptions of open space	64%

City Plan Foundation: We make the most of our resources including water, waste and energy

Reduction in CO2 emissions from Council-owned street lights	The LED roll out resulted in a reduction in consumption of 969,775 kWh which is an 18% reduction to our previous years consumption.
Percentage of total spend on recycled materials used in Council’s capital projects	10%
Proportion of waste diverted from landfill	45%
Volume of stormwater collected	1,908 million litres

City Plan Foundation: Our community, environment and infrastructure are adaptive to a changing climate

Proportion of houses in residential areas exhibiting heat island effects	Information not currently available
Energy consumption by Council facilities	Natural gas distributed in a pipeline — 1,200,000 Mj Electricity consumption (SA) — 5,500,000 kWh



# A growing city that creates new opportunities

## City Dashboard

Gross regional product	\$9.45	●
Local jobs	64,238	●
Actively trading businesses	9,032	●
Value of development approvals	\$284 million	●
Unemployment rate	5.2%	●

## Foundations

- ◆ Our City’s businesses are successful, and the community benefits from their success
- ◆ Our City’s growth is well planned and supported by the integrated delivery of infrastructure
- ◆ Our City centres are active and prospering.



### Dashboard Legend

- Increase on previous year
- Consistent with previous year
- Decrease on previous year
- Previously not reported

## Corporate Indicators

### City Plan Foundation: Salisbury’s businesses are successful and part of our community

Number of individual businesses receiving advice and information through the Polaris Centre	816
---	-----

### City Plan Foundation: Salisbury is the place of choice for businesses to start, grow and invest

Value of non-Council investment in the Salisbury City Centre	\$2.4 million
Business satisfaction of interactions with Council	TBD
Value of major projects	\$287m
Development assessment timeframes	7.81 (average)

### City Plan Foundation:Infrastructure supports investment and business activity

Average travel time on arterial east-west roads	N/A
Vacancy rates in key industrial and commercial precincts	Salisbury Region 0.0%
Value of development activity in Edinburgh Parks and Technology Park	Edinburgh - \$7.6 million Tech Park \$3.1 million

### City Plan Foundation: Salisbury is the place of choice for businesses to start, grow and invest

Value of development on surplus land parcels released by Council	During the 2023/24 year, \$2,662,505 was the value of development on surplus land parcels released by Council.
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# Innovation and Business Development

## City Dashboard

Financial sustainability	Operating Surplus Ratio	-2.00% ●
	Net Financial Liabilities Ratio	27.00% ●
	Asset Sustainability Ratio	80.10% ●
Safety (lost time injury frequency)	2.1 days ●	
Values — staff perception survey	TBD	
Community experience	Customer requests responded to within 10 days	TBD
	Customer satisfaction	66% ●

## Foundations

- ◇ Our Council’s services are delivered in an effective and efficient manner
- ◇ Our Council is a great place to work
- ◇ Our Council is recognised for delivering exceptional community experiences and quality outcomes
- ◇ Our community is engaged and connected
- ◇ Our Council’s commercial operations provide value for the community.



### Dashboard Legend

- Increase on previous year
- Consistent with previous year
- Decrease on previous year
- Previously not reported

## Corporate Indicators

City Plan Foundation: Members of our community receive an exceptional experience when interacting with Council

Net Promoter Score	-5.6
CRMs responded to within 10 days	TBD
Customer satisfaction with services delivered by Council	66%

City Plan Foundation: We deliver quality outcomes that meet the needs of our community

Proportion of procurement made locally	21% of annual spend was within Salisbury area 49% of annual spend was within Northern Region
Proportion of commitments in Annual Plan completed each financial year	TBD

City Plan Foundation: The City of Salisbury is recognised as a great place to work

Staff turnover rate	15.60%
Staff satisfaction (TBD)	TBD
Proportion of jobs filled in first approach to market	TBD

City Plan Foundation: We plan effectively to address community needs and proactively identify new opportunities

Number of priority advocacy projects receiving support from other spheres of government to progress	TBD
Proportion of Council income received from non-rates revenue	13.83%
Financial ratios in City Scorecard	Operating Surplus Ratio - 2% Net Financial Liabilities Ratio - 27% Asset Sustainability Ratio - 80.1%

City Plan Foundation: We engage meaningfully and our community is aware of Council initiatives

Social media reach	30,875 (10.11% increase)
Visits to Council websites	419,000
Number of people attending Council run events	37,147 (through 16 events)



City of Salisbury

General Purpose Financial Statements  
for the year ended 30 June 2024

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City of Salisbury  
GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2024



A progressive, sustainable and connected community

City of Salisbury

General Purpose Financial Statements

for the year ended 30 June 2024

Certification of Financial Statements

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

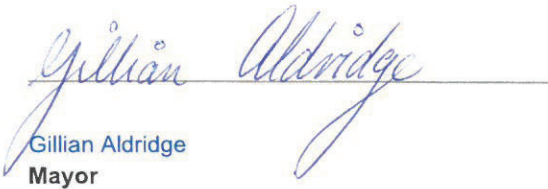
In our opinion:

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



John Harry  
Chief Executive Officer

10 October 2024



Gillian Aldridge  
Mayor

10 October 2024

City of Salisbury

General Purpose Financial Statements

for the year ended 30 June 2024

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as 'presenting a true and fair view' of the Council's financial results for the year and ensuring both responsibility for and ownership of the Financial Statements across Council.

What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2024.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements. The Financial Statements incorporate four 'primary' financial statements:

- Statement of Comprehensive Income**  
A summary of Council's financial performance for the year, listing all income and expenses.
- Statement of Financial Position**  
A 30 June snapshot of Council's financial position including its assets and liabilities.
- Statement of Changes in Equity**  
The overall change for the year (in dollars) of Council's 'net wealth'.
- Statement of Cash Flows**  
Indicates where Council's cash came from and where it was spent.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the four Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In South Australia, the Auditor provides an audit report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

City of Salisbury

Statement of Comprehensive Income  
for the year ended 30 June 2024

\$ '000	Notes	2024	2023
<b>Income</b>			
Rates	2a	122,381	112,253
Statutory charges	2b	4,183	3,933
User charges	2c	6,037	5,385
Grants, subsidies and contributions - operating	2g	6,675	20,258
Investment income	2d	466	291
Reimbursements	2e	469	536
Other income	2f	1,184	1,276
Net gain - equity accounted council businesses	19(a)	627	340
<b>Total income</b>		<b>142,022</b>	<b>144,272</b>
<b>Expenses</b>			
Employee costs	3a	42,822	40,404
Materials, contracts and other expenses	3b	66,310	59,093
Depreciation, amortisation and impairment	3c	35,457	32,106
Finance costs	3d	323	394
Net loss - equity accounted council businesses	19(a)	—	321
<b>Total expenses</b>		<b>144,912</b>	<b>132,318</b>
<b>Operating surplus / (deficit)</b>		<b>(2,890)</b>	<b>11,954</b>
Physical resources received free of charge	2i	—	1,955
Asset disposal and fair value adjustments	4	(8,281)	310
Amounts received specifically for new or upgraded assets	2g	7,920	6,799
<b>Net surplus / (deficit)</b>		<b>(3,251)</b>	<b>21,018</b>
<b>Other comprehensive income</b>			
<b>Amounts which will not be reclassified subsequently to operating result</b>			
Changes in revaluation surplus - I,PP&E	9a	227,995	297,472
Share of other comprehensive income - equity accounted council businesses	19	—	222
<b>Total amounts which will not be reclassified subsequently to operating result</b>		<b>227,995</b>	<b>297,694</b>
<b>Total other comprehensive income</b>		<b>227,995</b>	<b>297,694</b>
<b>Total comprehensive income</b>		<b>224,744</b>	<b>318,712</b>

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

City of Salisbury

Statement of Financial Position  
as at 30 June 2024

\$ '000	Notes	2024	2023
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalent assets	5a	449	10,970
Trade and other receivables	5b	10,345	8,074
Inventories	5c	524	910
<b>Total current assets</b>		<b>11,318</b>	<b>19,954</b>
<b>Non-current assets</b>			
Trade and other receivables	6a	708	662
Equity accounted investments in council businesses	6b	6,917	6,290
Other non-current assets	6c	13,876	33,997
Infrastructure, property, plant and equipment	7	2,305,453	2,046,434
<b>Total non-current assets</b>		<b>2,326,954</b>	<b>2,087,383</b>
<b>TOTAL ASSETS</b>		<b>2,338,272</b>	<b>2,107,337</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	8a	26,617	28,354
Borrowings	8b	1,963	1,840
Provisions	8c	7,581	8,065
<b>Total current liabilities</b>		<b>36,161</b>	<b>38,259</b>
<b>Non-current liabilities</b>			
Borrowings	8b	12,143	3,485
Provisions	8c	1,540	1,909
<b>Total non-current liabilities</b>		<b>13,683</b>	<b>5,394</b>
<b>TOTAL LIABILITIES</b>		<b>49,844</b>	<b>43,653</b>
<b>Net assets</b>		<b>2,288,428</b>	<b>2,063,684</b>
<b>EQUITY</b>			
Accumulated surplus		395,220	403,343
Asset revaluation reserves	9a	1,838,572	1,610,577
Other reserves	9b	54,636	49,764
<b>Total council equity</b>		<b>2,288,428</b>	<b>2,063,684</b>
<b>Total equity</b>		<b>2,288,428</b>	<b>2,063,684</b>

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

City of Salisbury

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

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
<b>2024</b>					
Balance at the end of previous reporting period		403,343	1,610,577	49,764	2,063,684
Net surplus / (deficit) for year		(3,251)	–	–	(3,251)
<b>Other comprehensive income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	227,995	–	227,995
<b>Other comprehensive income</b>		<b>–</b>	<b>227,995</b>	<b>–</b>	<b>227,995</b>
<b>Total comprehensive income</b>		<b>(3,251)</b>	<b>227,995</b>	<b>–</b>	<b>224,744</b>
Transfers between reserves		(4,872)	–	4,872	–
<b>Balance at the end of period</b>		<b>395,220</b>	<b>1,838,572</b>	<b>54,636</b>	<b>2,288,428</b>
<b>2023</b>					
Balance at the end of previous reporting period		385,015	1,313,105	46,852	1,744,972
Net surplus / (deficit) for year		21,018	–	–	21,018
<b>Other comprehensive income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	297,472	–	297,472
Share of OCI - equity accounted council businesses		222	–	–	222
<b>Other comprehensive income</b>		<b>222</b>	<b>297,472</b>	<b>–</b>	<b>297,694</b>
<b>Total comprehensive income</b>		<b>21,240</b>	<b>297,472</b>	<b>–</b>	<b>318,712</b>
Transfers between reserves		(2,912)	–	2,912	–
<b>Balance at the end of period</b>		<b>403,343</b>	<b>1,610,577</b>	<b>49,764</b>	<b>2,063,684</b>

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

City of Salisbury

Statement of Cash Flows  
for the year ended 30 June 2024

\$ '000	Notes	2024	2023
<b>Cash flows from operating activities</b>			
Receipts			
Rates		123,904	112,177
Statutory charges		4,350	4,076
User charges		5,890	5,213
Grants, subsidies and contributions (operating purpose)		11,396	20,543
Investment receipts		483	272
Reimbursements		469	536
Other receipts		2,392	14,827
Payments			
Payments to employees		(43,789)	(40,269)
Payments for materials, contracts and other expenses		(74,040)	(67,614)
Finance payments		(243)	(394)
<b>Net cash provided by (or used in) operating activities</b>	11b	<b>30,812</b>	<b>49,367</b>
<b>Cash flows from investing activities</b>			
Receipts			
Sale of real estate developments		249	296
Amounts received specifically for new or upgraded assets		7,920	6,799
Sale of replaced assets		471	434
Sale of surplus assets		1,048	5,110
Repayments of loans by community groups		–	367
Payments			
Expenditure on renewal/replacement of assets		(27,285)	(21,043)
Expenditure on new/upgraded assets		(32,165)	(39,574)
Development of real estate for sale		538	883
<b>Net cash provided (or used in) investing activities</b>		<b>(49,224)</b>	<b>(46,728)</b>
<b>Cash flows from financing activities</b>			
Receipts			
Proceeds from loans		20,876	–
Proceeds from bonds and deposits		–	196
Payments			
Repayment of bonds and deposits		(66)	–
Repayments of borrowings		(11,636)	(1,321)
Repayment of lease liabilities		(1,283)	(29)
<b>Net cash provided by (or used in) financing activities</b>		<b>7,891</b>	<b>(1,154)</b>
<b>Net increase (decrease) in cash held</b>		<b>(10,521)</b>	<b>1,485</b>
plus: cash & cash equivalents at beginning of period		10,970	9,485
<b>Cash and cash equivalents held at end of period</b>	11a	<b>449</b>	<b>10,970</b>
Additional information:			
plus: investments on hand – end of year	6b	615	615
<b>Total cash, cash equivalents and investments</b>		<b>1,064</b>	<b>11,585</b>

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



City of Salisbury

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

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City of Salisbury

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

Note 1. Summary of Material Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 10 October 2024.

1.2 Historical cost convention

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

1.2 Critical accounting estimates

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

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

1.3 Rounding

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

(2) The local government reporting entity

City of Salisbury is incorporated under the *South Australian Local Government Act 1999* and has its principal place of business at 34 Church Street, Salisbury. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions.

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

(3) Income recognition

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

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

In other cases, AASB 1058 applies when Council enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Council to acquire or construct a recognisable non-financial asset that is to be controlled by the Council. In this case, the Council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

City of Salisbury

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

Note 1. Summary of Material Accounting Policies (continued)

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

Financial Year	Payment Received In Advance \$'000	Comments
2020/21	4,737	Relates to 2021/22
2021/22	6,706	Relates to 2022/23
2022/23	10,502	Relates to 2023/24
2023/24	0	Relates to 2024/25

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

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

(4) Cash, cash equivalents and other financial instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

(5) Inventories

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

5.1 Real estate assets developments

Real Estate Assets developments have been classified as Inventory in accordance with *AASB 102 Inventories* and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

5.2 Other real estate held for resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

City of Salisbury

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

Note 1. Summary of Material Accounting Policies (continued)

(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 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.

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

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 disclosed in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent recognition

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

6.4 Depreciation of non-current assets

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

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually; these reviews are conducted either internally or externally through the completion of asset audits and valuations.

Major depreciation periods for each class of asset are detailed in Note 7. 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.

6.5 Intangible Assets

Intangible Assets have been accounted for in accordance with the requirements of *AASB 138 Intangible Assets*. An item is recognised as an intangible if it meets the definition of an intangible asset, it is probable that future economic benefits will flow to Council and the cost of the asset can be reliably measured.

Intangible Assets are tested for impairment yearly or when there is objective evidence or an indication that these assets may be impaired. Further determinations on useful lives are reviewed annually.

City of Salisbury

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

Note 1. Summary of Material Accounting Policies (continued)

6.6 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 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 amounts as stands to the credit of that class of assets in the Asset Revaluation Reserve, any excess being recognised as an expense.

(7) Payables

7.1 Goods and Services

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

7.2 Payments Received in Advance and Deposits

Amounts 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. In accordance with *AASB 1058 Income for Not-For-Profit Entities*, grant revenue received to construct assets has been recognised as payments received in advance in the 2024 financial year.

(8) Borrowings

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

(9) Employee benefits

9.1 Salaries, Wages and Compensated Absences

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

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

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the HostPlus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

City of Salisbury

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

Note 1. Summary of Material Accounting Policies (continued)

(10) Leases

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

Lease arrangements have been accounted for in accordance with *AASB 16 Leases* which was applied by Council for the first time from 1 July 2019.

10.1 Council as a lessee

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

i) Right of Use Assets

The Council recognises right of use assets at the commencement date of the lease. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Land is amortised over a period of 30 years, details for both as follows:

Plant and equipment	3 to 5 years
Water Harvesting Site	30 years

The right of use assets are also subject to impairment. Refer to the accounting policies above.

ii) Lease Liabilities

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

iii) Short term leases and leases of low-value assets

The Council applies the short term lease recognition exemption to its short term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(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 are accounted for in accordance with *AASB 128 Investments in Associates and Joint Ventures* and set out in detail in Note 19.

(12) GST implications

In accordance with Interpretation Abstract 1031 '*Accounting for the Goods and 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.

City of Salisbury

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

Note 1. Summary of Material Accounting Policies (continued)

(13) 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 2023. 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.

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current (amended by AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current - Deferral of Effective Date, AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants)
- AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies; Tier 2 and Other Australian Accounting Standards
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates.

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

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

- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback (This Standard makes amendments to AASB 16 Leases)

Council has assessed all the standards/interpretations which are not yet effective and have determined that there is no expected material impact on the reported financial position or performance.

(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 Salisbury

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

Note 2. Income

\$ '000	2024	2023
(a) Rates		
General rates		
General rates	121,279	111,231
Less: mandatory rebates	(1,407)	(1,306)
Less: Discretionary Rebates, Remissions and Write Offs	(484)	(401)
Total general rates	119,388	109,524
Other rates (including service charges)		
Green Adelaide Board Regional Landscape Levy	2,404	2,251
Salisbury Business Association Separate Rate	171	163
Globe Derby Community Club Separate Rate	9	9
Total other rates (including service charges)	2,584	2,423
Other charges		
Penalties for late payment	409	306
Total other charges	409	306
Total rates	122,381	112,253
(b) Statutory charges		
Development fees	1,449	1,391
Town planning fees	952	1,052
Animal registration fees and fines	904	834
Parking fines / expiation fees	376	240
Other licences, fees and fines	502	416
Total statutory charges	4,183	3,933
(c) User charges		
Water Supply	2,704	1,966
Property lease	1,007	1,028
Cemetery Fees	564	769
Aged and Disability Services	861	783
Waste Disposal Fees	91	63
Sundry	810	776
Total user charges	6,037	5,385
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	382	200
- Banks and other	84	91
Total investment income	466	291



City of Salisbury

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

Note 2. Income (continued)

\$ '000	2024	2023
<b>(e) Reimbursements</b>		
Other	344	427
Contract Maintenance	125	109
<b>Total reimbursements</b>	<b>469</b>	<b>536</b>
<b>(f) Other income</b>		
Rebates received	787	762
Sundry	397	514
<b>Total other income</b>	<b>1,184</b>	<b>1,276</b>
<b>(g) Grants, subsidies and contributions</b>		
<b>Capital grants, subsidies and contributions</b>		
Amounts received specifically for new or upgraded assets	7,920	6,799
<b>Total amounts received for new or upgraded assets</b>	<b>7,920</b>	<b>6,799</b>
<b>Operating grants, subsidies and contributions</b>		
Other grants, subsidies and contributions	5,572	5,974
Untied Financial Assistance Grant	1,103	3,782
Individually Significant Item - Additional Financial Assistance Grant (refer below)	–	10,502
<b>Other grants, subsidies and contributions - operating</b>		
<b>Total other grants, subsidies and contributions - operating</b>	<b>6,675</b>	<b>20,258</b>
The functions to which these grants, subsidies and contributions relate are disclosed in Note 12, with the exception of Amounts Received Specifically for New or Upgraded Assets.		
<b>Total grants, subsidies and contributions</b>	<b>14,595</b>	<b>27,057</b>
<b>(i) Sources of grants</b>		
Commonwealth Government	3,368	5,609
State Government	10,887	21,011
Other	340	437
<b>Total</b>	<b>14,595</b>	<b>27,057</b>
<b>(ii) Individually significant items</b>		
Advanced Financial Assistance Grant Recognised as Income	–	10,502

Council has not received any advance payment of the 2024/25 Financial Assistance Grant during the 2023/24 year, compared to the 100% received in advance in the prior year. As a result of the funding being restored to a normal schedule, this has materially decreased Council's operating results in the current year when compared to the prior year, as these amounts are recognised as income upon receipt, as detailed in Note 1.

City of Salisbury

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

Note 2. Income (continued)

\$ '000	2024	2023
<b>(h) Conditions over grants and contributions</b>		
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, and are required to be repaid to the funding body if not expended, are as follows:		
<b>Unexpended at the close of the previous reporting period</b>	<b>3,655</b>	<b>4,661</b>
<b>Less:</b>		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Domestic Hardwaste	(97)	(43)
Animal Pound Pooraka	–	(489)
Mawson Lakes School - Kiss and Drop	–	(54)
Redhill Road Ingle Farm - Traffic Improvement	–	(64)
Salisbury Oval Indoor Community Cricket and Recreation Facility	–	(200)
Fairbanks Drive Reserve Toilets and Sports Facility	–	(305)
Yalumba Drive Reserve	–	(400)
Technology Drive Mawson Lakes - Dual Traffic	–	(450)
Little Para River Capital Works	(62)	(255)
Waterwatch	(139)	(152)
Other	(171)	(190)
Salisbury Recreation Precinct Entry Carpark	(280)	–
Salisbury Aquatic Centre	(639)	–
<b>Subtotal</b>	<b>(1,388)</b>	<b>(2,602)</b>

City of Salisbury

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

Note 2. Income (continued)

\$ '000	2024	2023
<b>Plus:</b>		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Salisbury Aquatic Centre	941	639
Waterwatch General	189	139
Other	61	193
DHS Neighbourhood Development Program	60	–
Social Worker in Libraries Program	50	–
Salisbury Recreation Precinct Entry Carpark	–	280
Domestic Hard waste	–	230
Little Para River Capital Works	–	62
CCTV Henderson Square	–	53
<b>Subtotal</b>	<b>1,301</b>	<b>1,596</b>
<b>Unexpended at the close of this reporting period</b>	<b>3,568</b>	<b>3,655</b>
<b>Net increase (decrease) in assets subject to conditions in the current reporting period</b>	<b>(87)</b>	<b>(1,006)</b>
 <b>(i) Physical resources received free of charge</b>		
Land and improvements	–	11
Roads, bridges and footpaths	–	859
Stormwater drainage	–	1,085
<b>Total physical resources received free of charge</b>	<b>–</b>	<b>1,955</b>

City of Salisbury

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

Note 3. Expenses

\$ '000	Notes	2024	2023
<b>(a) Employee costs</b>			
Salaries and wages		35,387	33,261
Employee leave expense		5,020	5,582
Superannuation - defined contribution plan contributions	18	475	524
Superannuation - defined benefit plan contributions	18	3,875	3,453
Workers' compensation insurance		1,827	1,699
Less: capitalised and distributed costs		(3,762)	(4,115)
<b>Total operating employee costs</b>		<b>42,822</b>	<b>40,404</b>
Total number of employees (full time equivalent at end of reporting period)		417	432
 <b>(b) Materials, contracts and other expenses</b>			
<b>(i) Prescribed expenses</b>			
Auditor's remuneration			
- Auditing the financial reports		47	35
- Other auditors		6	9
Bad and doubtful debts		1	11
Elected members' expenses		477	503
Election expenses		48	728
Lease expense - low value assets / short term leases		24	134
<b>Subtotal - prescribed expenses</b>		<b>603</b>	<b>1,420</b>
<b>(ii) Other materials, contracts and expenses</b>			
Contractors		45,078	39,722
Energy		4,655	4,081
Legal expenses		782	538
Levies Paid to Government - Regional Landscape Levy		2,289	2,140
Levies - other		300	306
Parts, accessories and consumables		3,185	3,164
Insurance		1,570	1,321
Water Rates		924	703
Sundry		6,924	5,698
<b>Subtotal - Other material, contracts and expenses</b>		<b>65,707</b>	<b>57,673</b>
<b>Total materials, contracts and other expenses</b>		<b>66,310</b>	<b>59,093</b>

City of Salisbury

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

Note 3. Expenses (continued)

\$ '000	2024	2023
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Infrastructure	18,596	16,348
Land improvements	7,808	6,958
Buildings and other structures	5,520	4,950
Plant and equipment	2,951	3,241
Right-of-use assets	424	420
Library books	158	189
Subtotal	35,457	32,106
Total depreciation, amortisation and impairment	35,457	32,106
(d) Finance costs		
Interest on loans	289	339
Interest on leases	34	55
Total finance costs	323	394

Note 4. Asset disposal and fair value adjustments

\$ '000	2024	2023
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	471	434
Less: carrying amount of assets sold	(8,923)	(4,415)
Gain (loss) on disposal	(8,452)	(3,981)
(ii) Assets surplus to requirements		
Proceeds from disposal	1,048	5,110
Less: carrying amount of assets sold	(1,126)	(1,115)
Gain (loss) on disposal	(78)	3,995
Real estate development assets		
Proceeds from disposal	792	1,230
Less: carrying amount of assets sold	(543)	(934)
Gain (loss) on disposal	249	296
Net gain (loss) on disposal or revaluation of assets	(8,281)	310

City of Salisbury

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

Note 5. Current assets

\$ '000	Notes	2024	2023
(a) Cash and cash equivalent assets			
Cash on hand and at bank		449	10,970
Total cash and cash equivalent assets		449	10,970
(b) Trade and other receivables			
Rates - general and other		4,177	3,550
Accrued revenues		2	19
Debtors - general		2,596	2,169
GST recoupment		1,702	1,462
Prepayments		1,868	874
Subtotal		10,345	8,074
Total trade and other receivables		10,345	8,074
(c) Inventories			
Stores and materials		318	235
Real estate developments	6	155	640
Cemetery Plinths, Vaults and Inurnments		51	35
Total inventories		524	910

Note 6. Non-current assets

\$ '000	2024	2023
(a) Trade and other receivables		
Receivables		
Council rates postponement scheme	93	47
Subtotal	93	47
Total receivables	93	47
Other financial assets (investments)		
Mortgages over Property - Affordable Housing Scheme	615	615
Total other financial assets (investments)	615	615
Total financial assets	708	662

City of Salisbury

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

Note 6. Non-current assets (continued)

\$ '000	Notes	2024	2023
(b) Equity accounted investments in council businesses			
Northern Adelaide Waste Management Authority	19	6,917	6,290
<u>Total equity accounted investments in Council businesses</u>		<u>6,917</u>	<u>6,290</u>
(c) Other non-current assets			
<b>Inventories</b>			
Real estate developments		1,100	1,153
<b>Total inventories</b>		<u>1,100</u>	<u>1,153</u>
<b>Other</b>			
Capital work in progress		12,566	32,634
Intangible Assets - Water Licenses		210	210
<b>Total other</b>		<u>12,776</u>	<u>32,844</u>
<u>Total other non-current assets</u>		<u>13,876</u>	<u>33,997</u>

Other disclosures

Real estate developments - current and non-current

(Valued at the lower of cost and net realisable value)

Residential	1,255	1,793
<b>Total real estate for resale</b>	<u>1,255</u>	<u>1,793</u>

Represented by:

Acquisition costs	1,196	1,266
Development costs	59	527
<b>Subtotal</b>	<u>1,255</u>	<u>1,793</u>

Apportionment of real estate developments

Current assets	155	640
Non-current assets	1,100	1,153

City of Salisbury

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

Note 7. Infrastructure, Property, Plant and Equipment

Infrastructure, property, plant and equipment

\$ '000	Fair Value Level	as at 30/06/23				Asset movements during the reporting period				Revaluation Increments Equity (AR) (Note 3c)
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	
Land - other	2	726,574	–	–	726,574	307	–	(1,016)	–	76,891
Land improvements	3	270,940	–	(107,365)	163,575	16,751	3,874	(737)	(7,808)	8,412
Buildings and other structures	3	185,151	–	(59,660)	125,491	22,728	1,266	(1,698)	(5,520)	6,054
Infrastructure	3	1,577,736	–	(561,251)	1,016,485	9,460	18,113	(5,433)	(18,596)	136,514
Right-of-use assets		–	3,201	(1,733)	1,468	–	–	–	(424)	–
Plant and equipment		–	36,350	(24,576)	11,774	508	2,740	(524)	(2,951)	–
Library books		–	2,096	(1,029)	1,067	141	–	–	(158)	–
<b>Total infrastructure, property, plant and equipment</b>		<u>2,760,401</u>	<u>41,647</u>	<u>(755,614)</u>	<u>2,046,434</u>	<u>49,895</u>	<u>25,993</u>	<u>(9,408)</u>	<u>(35,457)</u>	<u>227,959</u>

Comparatives		2,349,386	39,953	(663,931)	1,725,408	38,620	22,488	(5,447)	(32,106)	297,412
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City of Salisbury

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

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

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

Valuation of assets

Council measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land
- Land Improvements
- Infrastructure
- Buildings and Other Structures

Council 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 characterised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets 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, either directly or indirectly.	Measurements based on unobservable inputs for the asset.

The fair value of assets 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 is included in Level 2. If one or more significant inputs are not based on observable market data, the asset of liability is included in Level 3.

b) Valuation Techniques

Council 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 upon the specific characteristics of the asset being measured. The valuation techniques selected by Council 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.
- *Income Approach* converts estimated future cash flows or income and expenses into a single current (ie. 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, including assumptions about risks. When selecting a valuation technique, Council 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 is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

During 2017/18 Council initially undertook a review of the internal overhead costs, such as project management, supervision and design, that are directly related to the renewal of Council's Transport and Stormwater assets. The purpose of the review was to ensure that the appropriate level of direct internal overhead costs (expressed as a percentage) were being reflected in the unit rates that are utilised to revalue these asset classes. These overhead percentages were independently reviewed by Tonkin Consulting and continue to be incorporated into their review of Council's Asset Valuations.

City of Salisbury

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

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

c) Capitalisation Thresholds

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

	\$
Office Furniture and Equipment	5,000
Plant and Light Vehicles	5,000
Buildings - new construction/extensions	10,000
Park and Playground Furniture and Equipment	5,000
Road construction and reconstruction	10,000
Paving and Footpaths, Kerb and Gutter	5,000
Drains and Culverts	10,000
Reticulation Extensions	5,000
Sidelines and household connections	5,000
Artworks	5,000

d) Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

<i>Plant, Furniture and Equipment</i>	
Office Equipment	3 to 10 years
Office Furniture	3 to 10 years
Vehicles and Road-making Equipment	2 to 20 years
Other Plant and Equipment	3 to 20 years

<i>Building and Other Structures</i>	
Building Components	10 to 120 years
Playground Equipment	10 to 25 years
Benches, Seats, etc	10 to 15 years

<i>Infrastructure</i>	
Roads - Seal	20 to 35 years
Roads - Base	60 to 105 years
Roads - Sub-Base	180 to 315 years
Unsealed Roads	5 to 10 years
Bridge Components	20 to 100 years
Footpaths	8 to 80 years
Kerb, Gutter and Medians	48 to 315 years
Drainage Pipes	80 to 150 years
Culverts, Headwalls and Junction Boxes	80 to 100 years
Dams and Reservoirs	200 to 400 years
Bores	75 years
Reticulation Pipes - PVC	50 to 80 years
Pumps and Telemetry	10 to 50 years

<i>Other Assets</i>	
Library Books	3 to 7 years
Artworks/Local History	6 years to indefinite
Street Trees / Screens	25 to 50 years
Right of Use Assets	3 to 5 years

City of Salisbury

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

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

e) Table of Fair Values 2023/24

	Level 1 \$'000s	Level 2 \$'000s	Level 3 \$'000s	Total \$'000s
Land	-	802,760	-	802,760
Land Improvements	-	-	184,126	184,126
Buildings and Other Structures	-	4,306	144,014	148,320
Infrastructure	-	-	1,156,605	1,156,605
Total	-	807,066	1,484,745	2,291,811

f) Disclosed Fair Value Measurements

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$'000s
Land	2	Market Value	802,760

Valuations of assets in this category are undertaken using the State Valuer Generals Site Values.

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$'000s
Land Improvements	3	Cost Approach	184,126

Valuations of assets in this category are undertaken via one of the following methods:

- a. Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates or industry construction guides to derive a unit rate used to calculate a current replacement cost for each asset. Assets valued via this method include Footpaths, Kerbing and Carpark Pavement/Seals all situated on Council Reserves. In 2023/24 a 3 year average of these unit rates have been utilised.
- b. Revalued using a 3 year average of the Local Government Pricing Index (LGPI) in 2022/23 and Local Government Pricing Index (LGPI) as at March 2024 for the 2023/24 financial year. Assets include Fencing, Irrigation Equipment, Playgrounds, Sports Courts/Facilities, Reserve Furniture, Landscaping and Other Structures all situated on Council Reserves.
- c. In 2022/23 and 2023/24, an independent valuation of the current replacement cost for these assets was undertaken using a 3 year average of an ASR Asset Price Index provided by Tonkin Consulting, derived from references to various construction guides (such as Rawlinson's Australian Construction Handbook). Asset components associated with Council's Recycled Stormwater Business Unit include pipework, pumps, bores, valves, electrical and computer equipment.
- d. Independent valuations initially provided by JLL in 2017/18 using a methodology that utilises observable rates and cost information from their research across the Playground and Fitness Equipment industries. Assets valued via this method included Playgrounds and Fitness Equipment. These assets have been revalued from 2018/19 to 2020/21 utilising the Local Government Pricing Index (LGPI) and from 2021/22 to 202/23 utilising a 3 year average of the Local Government Pricing Index (LGPI). In 2023/24 assets have been revalued using the LGPI as at March 2024 quarter.

City of Salisbury

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

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

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$'000s
Building and Other Structures	2	Market Value	4,306
Building and Other Structures	3	Cost Approach	144,014
Total			148,320

Valuation of assets in this category are undertaken via the following method:

- a. Independent market valuations were provided by Public Private Property for the 2022/23 and 2023/24 Financial Year using a methodology that utilises observable, comparable market sales data in the City of Salisbury area.
- b. Independent valuations of the current replacement cost for buildings at a component level was undertaken by Sproutt - Professional Engineering Services and Public Private Property as at 1 July 2020 using a methodology that utilises observable rates and cost information from their extensive knowledge across Building Infrastructure. For the 2021/22, 2022/23 and 2023/24 financial years, an independent valuation of the current replacement cost for these assets was undertaken using a 3 year average of Building Component Indexes provided by Tonkin Consulting, derived from references to the Rawlinson's Australian Construction Handbook.

Asset Category	Fair Value Hierarchy Level	Valuation Technique	Fair Value \$'000s
Infrastructure	3	Cost Approach	1,156,605

Valuation of assets in this category are undertaken via one of the following methods:

- a. Independent valuations are provided by Tonkin Consulting using a methodology that utilises observable Council specific contract rates or industry construction guides to derive a unit rate used to calculate a current replacement cost for each asset. Assets valued via this method include Footpaths, Kerbing, Carpark Pavements/Seals and Drainage Pipes/Pits all situated on or under Council Roads. In 2021/22, 2022/23 and 2023/24 a 3 year average of these unit rates have been utilised.
- b. Independent valuations initially provided by SMEC in 2016/17 using a methodology that utilises observable rates and cost information from their extensive knowledge of water retention related infrastructure. Assets valued via this method include Major Drainage Dams. In the financial years from 2017/18 to 2020/21 these assets were revalued using the Local Government Pricing Index (LGPI), in 2021/22 and 2022/23 a 3 year average of the LGPI was utilised. In the 2023/24 year these assets were revalued using LGPI as at the March 2024 quarter.
- c. Independent valuations provided by Infrastructure Management Group and Counterpart Solutions as at 30 June 2022 utilising a methodology that utilises their extensive knowledge across Road Infrastructure as well as a 3 year average of unit rates derived from references to the Rawlinson's Australian Construction Handbook. Assets valued under this method include Road Seals/Pavements. In 2022/23 and 2023/24 a 3 year average of these unit rates have been utilised.
- d. Revalued using the Local Government Pricing Index (LGPI) as at March 2024 quarter for the 2023/24 year. Assets valued via this method include Bridges, Irrigation Equipment on Roads, Road Furniture, Landscaping on Roads, Open Drainage Systems and Minor Drainage Dams. These were revalued in 2021/22 and 2022/23 using a 3 year average of the LGPI.

The requirements of AASB 13 *Fair Value Measurement* have been applied to all valuations undertaken since 1 July 2013. There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements from previous years.

City of Salisbury

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

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

Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use, unless market or other factors suggest a different use by market participants would maximise the value of the asset.

Land Under Roads

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

Land

Much of the land under Councils care and control is Crown land or has been declared as community land under the provision of the *Local Government Act 1999*. Other types of restrictions on the land may also apply. Valuations of this land are based on the State Valuer-Generals Site Values, which are based on observable sales in an active market of similar properties with a similar land use on both vacant land and land with improvements. Adjustments to these values are then made by the State Valuer-General taking into consideration the highest and best use of the property e.g. if there is a single house on the land but zoning would allow it to be divided for home units.

Infrastructure, Buildings and Land Improvements

As there is no known active market for the majority of infrastructure, building and land improvement assets owned by Council, these assets have been valued at current replacement cost using the *Cost Approach*. Upon revaluation, the current replacement cost and accumulated depreciation are restated such that the difference (the current replacement cost) represents the fair value of the asset determined in accordance with *AASB 13 Fair Value Measurement*.

This method involves the determination of the current cost to construct the asset (or its modern engineering equivalent) and then calculating the value of its remaining service capacity (current replacement cost). Council utilise a number of observable and unobservable inputs in the calculation of these values which may include:

Observable Inputs:

- Council specific contract rates
- Recent construction costs for similar assets
- Independent valuations

Unobservable Inputs/Estimates:

- Quantities of materials used
- Economic (Useful) Lives of assets
- Residual Value of assets
- Preserved Value of assets
- Pattern of consumption of an assets economic benefits
- Condition
- Obsolescence
- Impairment
- Industry construction pricing indexes e.g. Rawlinson's Construction Handbook and Cost Guide
- Other construction pricing indexes e.g. Local Government Pricing Index which is an index developed by the Australian Bureau of Statistics and is prepared quarterly by the South Australia Centre for Economic Studies and is based on price movements in the goods and services purchased by Local Governments.

Intangible Assets

Intangible Assets have been accounted for in accordance with the requirements of *AASB 138 Intangible Assets*. Council has purchased from the market in arm's length transactions, Water Licences that enable the harvesting and sale of stormwater, and is of the opinion that these Water Licences meet the definition and recognition requirements of Intangible Assets, specifically Intangible Assets with an indefinite useful life. Initial recognition of these Water Licences is at cost, and after initial recognition they are carried at cost less any accumulated impairment losses.

Testing for impairment, in accordance with *AASB 136 Impairment of Assets*, is undertaken annually, or whenever there may be an indication that the intangible assets may be impaired. The determination that these Water Licences have an indefinite useful life is reviewed annually to determine whether events and circumstances continue to support an indefinite useful life assessment.

City of Salisbury

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

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

Street Trees

Council is of the opinion that street trees and tree screens are tangible assets that Council uses to support the provision of environmental and recreational services to the community, and have an initial cost that can be reliably measured, that is the cost of planting and establishment. It is therefore considered that costs relating to tree plantings for Street Tree and Tree Screen renewal programs only meet the recognition criteria of property, plant and equipment and are recognised as an asset.

Plant, Furniture and Fittings

Assets are carried at cost, less any accumulated depreciation and impairment losses.

Library Books

Library books are accounted for under the replacement method. Library stock at 30 June 2024 is valued using nominal values recommended by the Public Library Service (PLS). All new purchases are treated as replacement items and the expense is classified as depreciation. This expense is then adjusted by the movement in the calculated value of the library stock.

Right of Use Assets

Valued as the initial measurement of the lease liability being the present value of future lease payments and any initial direct costs, pre-paid lease payments and any estimated costs to dismantle.

City of Salisbury

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

Note 8. Liabilities

\$ '000	Notes	2024	2024	2023	2023
		Current	Non Current	Current	Non Current
(a) Trade and other payables					
Goods and services		18,556	–	17,845	–
Payments received in advance		6,815	–	9,284	–
Accrued expenses - employee entitlements		721	–	658	–
Accrued expenses - other		80	–	56	–
Deposits, retentions and bonds		445	–	511	–
<u>Total trade and other payables</u>		26,617	–	28,354	–

(b) Borrowings

Short term draw down facility		–	–	–	–
Loans		1,504	11,505	1,410	2,359
Lease liabilities	17b	459	638	430	1,126
<b>Total Borrowings</b>		<b>1,963</b>	<b>12,143</b>	<b>1,840</b>	<b>3,485</b>

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

(c) Provisions

Salisbury Memorial Park Maintenance Provision		130	–	–	120
Mortgage Loss Provision		–	–	–	16
Employee entitlements (including oncosts)		7,451	1,540	8,065	1,773
<b>Total provisions</b>		<b>7,581</b>	<b>1,540</b>	<b>8,065</b>	<b>1,909</b>

Movements in provisions

2024 (current and non-current) \$ '000	Salisbury Memorial Park Maintenance Provision 2024	Mortgage Loss Provision 2024
<b>Opening balance</b>	<b>120</b>	<b>16</b>
Add: additional amounts recognised	10	(16)
<b>Closing balance</b>	<b>130</b>	<b>–</b>

City of Salisbury

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

Note 9. Reserves

\$ '000	as at 30/06/23		as at 30/06/24
	Opening Balance	Increments (Decrements)	Closing Balance
<b>(a) Asset revaluation reserve</b>			
Land - other	626,253	76,895	703,148
Land improvements	52,880	8,471	61,351
Buildings and other structures	28,209	6,053	34,262
Infrastructure	900,897	136,576	1,037,473
Library books	2,338	–	2,338
<b>Total asset revaluation reserve</b>	<b>1,610,577</b>	<b>227,995</b>	<b>1,838,572</b>
Comparatives	1,313,105	297,472	1,610,577

\$ '000	as at 30/06/23			as at 30/06/24
	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Closing Balance
<b>(b) Other reserves</b>				
Development and Public Infrastructure Reserve	2,458	114	(200)	2,372
Open Space Reserve	1,907	87	–	1,994
Car Parking Reserve	986	45	–	1,031
Property Disposal Reserve	7,939	225	(4,335)	3,829
Mausoleum Perpetual Care Reserve	983	99	–	1,082
Salisbury Memorial Park Reserve	948	43	–	991
Carried Forward Funds Reserve	28,183	37,370	(28,183)	37,370
Salisbury Water Business Unit Reserve	2,351	397	–	2,748
Northern Futures Fund Reserve	273	13	–	286
Business Transformation Future Fund Reserve	3,736	1,625	(2,428)	2,933
<b>Total other reserves</b>	<b>49,764</b>	<b>40,018</b>	<b>(35,146)</b>	<b>54,636</b>
Comparatives	46,852	38,764	(35,852)	49,764



City of Salisbury

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

Note 9. Reserves (continued)

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).

Development and Public Infrastructure Reserve

The Development and Public Infrastructure Reserve contains developer contributions towards future footpaths, street signs and street trees specific to the development site. It also contains developer contributions towards future works associated with drainage systems, water pipes and pumps, Council road network, trails and bridges necessary to facilitate the development and external to the development site.

Open Space Reserve

For developer contributions received that are to be utilised towards the future acquisition of open space areas.

Carpark Reserve

For the provision of future renewal and maintenance of car parking areas within the Salisbury Town Centre, Ingle Farm Town Centre and Mawson Lakes Town Centre.

Property Disposal Reserve

To retain the proceeds of any property sales, including surplus land and redevelopments, under the provision of Section 194 of the *Local Government Act 1999* and subject to compliance with all legal requirements thereof, and the cash proceeds received from Council's real estate developments. These proceeds are to be utilised to repay current debt or reduce future borrowing requirements.

Mausoleum Perpetual Care Fund Reserve

To provide maintenance for the Mausoleum situated at Salisbury Memorial Park.

Salisbury Memorial Park Reserve

To fund future development work and maintenance at the Salisbury Memorial Park.

Carried Forward Funds Reserve

Used for unspent budget funds at the end of financial year that are to be carried forward for use in the following year.

Salisbury Water Business Unit Reserve

Generated by the allocation of surpluses, and offset by deficits resulting from the operations of the Salisbury Water Business Unit. Allocations from the Reserve can only be made following a resolution of Council and can only be utilised to fund either business development, asset renewal, offset losses or to distribute dividends to Council.

Northern Futures Fund Reserve

Funds held to be utilised to support local communities, particularly those in priority groups, to engage in lifelong learning leading to employment and provide accessible, quality services and resources relating to schools to work transition, workforce development, employment programs, career transitioning and capacity building. A reference group including three industry representatives, two education representatives and a representative from both the SA Government and City of Salisbury have oversight of the fund and how monies will be disbursed.

Business Transformation Reserve

Generated by the allocation of identified expenditure savings and income gains as stated within the Business Transformation Future Fund Policy and to be utilised to fund future costs associated with projects that align with the City of Salisbury's three success factors being Exceptional Community Experience, Quality Outcomes and Great Place to Work, without unnecessarily burdening the community with the costs of these initiatives in the year of expenditure.

City of Salisbury

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

Note 10. Assets subject to restrictions

\$ '000	2024	2023
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
<b>Cash and financial assets</b>		
Open space contributions	1,994	1,907
Developer contributions	3,403	3,444
Unexpended Grants and Subsidy Funds	3,568	3,655
<b>Total cash and financial assets</b>	<b>8,965</b>	<b>9,006</b>
<b>Total assets subject to externally imposed restrictions</b>	<b>8,965</b>	<b>9,006</b>

Open Space Contributions are received primarily to fund reserves/playspaces and other recreational areas within new subdivisions. Developer Contributions are received primarily to fund infrastructure works in new subdivisions. These funds are held in Reserves (as disclosed in Note 9) until required and as such are regarded as restricted. Grant and Subsidy Funds received but not yet expended are regarded as restricted, and are disclosed in Note 2h.

City of Salisbury

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

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2024	2023
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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	449	10,970
<b>Balances per Statement of Cash Flows</b>		<b>449</b>	<b>10,970</b>

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

<b>Net surplus/(deficit)</b>		<b>(3,251)</b>	<b>21,018</b>
<b>Non-cash items in income statements</b>			
Depreciation, amortisation and impairment		35,457	32,106
Equity movements in equity accounted investments (increase)/decrease		(627)	(19)
Non-cash asset acquisitions		–	(1,955)
Grants for capital acquisitions treated as investing activity		(7,920)	(6,799)
Net (gain)/loss on disposals		8,281	(310)
		<b>31,940</b>	<b>44,041</b>
<b>Add (less): changes in net current assets</b>			
Net (increase)/decrease in receivables		(449)	(1,541)
Net (increase)/decrease in inventories		(99)	18
Net increase/(decrease) in trade and other payables		273	6,686
Net increase/(decrease) in unpaid employee benefits		(847)	153
Net increase/(decrease) in other provisions		(6)	10
<b>Net cash provided by (or used in) operations</b>		<b>30,812</b>	<b>49,367</b>

(c) Financing arrangements

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

Bank overdrafts	500	500
Corporate credit cards	500	500
LGFA cash advance debenture facility	34,687	47,467

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

City of Salisbury

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

Note 12(a). Functions

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

\$ '000	OPERATING INCOME		OPERATING EXPENSES		OPERATING SURPLUS (DEFICIT)		GROSS INCOME
	2024	2023	2024	2023	2024	2023	
<b>Functions/Activities</b>							
Health	168	191	279	315	(111)	(124)	
Social Security and Welfare	4,213	4,059	10,541	9,428	(6,328)	(5,369)	3
Housing and Community Services	3,762	3,273	39,627	38,324	(35,865)	(35,051)	
Recreation and Culture	1,206	1,366	50,220	44,040	(49,014)	(42,674)	
Transport and Communication	2,109	4,747	20,037	18,374	(17,928)	(13,627)	2
Economic Affairs	227	74	10,948	9,171	(10,721)	(9,097)	
Other, Not Attributed and Admin	125,281	126,081	8,202	7,921	117,079	118,160	
Public Order and Safety	4,429	4,141	5,058	4,424	(629)	(283)	
<b>Total Functions/Activities</b>	<b>141,395</b>	<b>143,932</b>	<b>144,912</b>	<b>131,997</b>	<b>(3,517)</b>	<b>11,935</b>	<b>6,000</b>

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures and associated entities, amounts received specifically for the purpose of charge.

City of Salisbury

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

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

Public Order and Safety

Supervision of various laws, fire prevention, crime prevention and repair, road safety and dog control.

Health

Health Act administration, immunisation services and pest and pest plant control.

Social Security and Welfare

Operation of a senior leisure centre, aged care services, youth services and community information.

Housing and Community Services

Town planning, community development planning, road sweeping, roadside rubbish collection, domestic refuse collection, operating of waste transfer station, stormwater drainage, operation of the St Kilda Mangrove trail, street signs, landscape design, tree management and operation of cemetery.

Recreation and Culture

Maintenance and operation of libraries, recreation centres, swimming pool, community centres, parks, gardens and reserves, clubrooms, playgrounds, sports grounds and halls.

Transport and Communication

Construction and maintenance of roads, footpaths, bridges, parking facilities and bus shelters.

Economic Affairs

Building Act administration, economic initiatives, tourism.

Other, Not Attributed and Administration

Rates, public debt transactions, administration costs, capital works in progress and costs which relate to multiple functions but cannot accurately be split between these functions.

Governance

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

Equity accounted Council businesses

Net Gain equity accounting Council businesses

Net Loss equity accounting Council businesses

City of Salisbury

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

Note 13. Financial instruments

Recognised financial instruments

Bank, deposits at call, short term deposits

Accounting Policy:

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

Terms and Conditions:

Deposits are returning fixed interest rates between 4.35% and 4.55% (2023: 4.10% and 4.30%). Short term deposits have an average maturity of 30 days and an average interest rate of 4.55% (2023: 30 days and 4.30%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms and Conditions:

Secured over the subject land, arrears attract interest of 2.0% (2023: 2.0%). 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:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

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:

Carried at nominal value.

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.

City of Salisbury

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

Note 13. Financial instruments (continued)

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:**  
Carried at the principal amounts. Interest is charged as an expense as it accrues.

**Terms and Conditions:**  
Secured over future revenues, borrowings are repayable biannually; interest is charged at fixed rates between 4.00% and 6.80% (2023: 4.00% and 6.80%).

**Carrying Amount:**  
Approximates fair value.

Liabilities - leases

**Accounting Policy:**  
Accounted for in accordance with AASB 16 Leases as stated in Note 17.

City of Salisbury

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

Note 13. Financial instruments (continued)

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial assets and liabilities</b>					
<b>2024</b>					
<b>Financial assets</b>					
Cash and cash equivalents	449	–	–	449	449
Receivables	6,775	93	–	6,868	6,868
Other financial assets	–	–	615	615	615
Total financial assets	7,224	93	615	7,932	7,932
<b>Financial liabilities</b>					
Payables	19,802	–	–	19,802	19,802
Current borrowings	1,504	–	–	1,504	1,504
Non-current borrowings	–	11,441	64	11,505	11,505
Lease liabilities	459	638	–	1,097	1,097
Total financial liabilities	21,765	12,079	64	33,908	33,908
Total financial assets and liabilities	28,989	12,172	679	41,840	41,840
<b>2023</b>					
<b>Financial assets</b>					
Cash and cash equivalents	10,970	–	–	10,970	10,970
Receivables	5,738	47	–	5,785	5,785
Other financial assets	–	–	615	615	615
Total financial assets	16,708	47	615	17,370	17,370
<b>Financial liabilities</b>					
Payables	19,070	–	–	19,070	19,070
Current borrowings	1,410	–	–	1,410	1,410
Non-current borrowings	–	2,254	105	2,359	2,359
Lease liabilities	430	1,126	–	1,556	1,556
Total financial liabilities	20,910	3,380	105	24,395	24,395
Total financial assets and liabilities	37,618	3,427	720	41,765	41,765

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

\$ '000	2024		2023	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	10.72%	–	10.47%	–
Fixed interest rates	4.91%	14,106	5.10%	3,715
		14,106		3,715

**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.



City of Salisbury

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

Note 13. Financial instruments (continued)

Risk exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts and 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. Council consider borrowings as an organisational response to the need for funds for capital projects or cashflow, without specifically borrowing for a particular project. The term of any borrowings, whether fixed interest or floating interest rate borrowings are sought with a range of maturity dates including access to bank overdraft and standby borrowing facilities to ensure a base level of liquidity is available at all times. This is in accordance with the model Treasury Management Policy (LGA Information Paper 15) and Council's Treasury Policy.

**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.

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

Note 14. Capital expenditure and investment property commitments

\$ '000	2024	2023
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	1,499	2,493
Infrastructure	12,736	24,374
Plant and equipment	4,062	1,763
	18,297	28,630
These expenditures are payable:		
Not later than one year	18,297	28,630
	18,297	28,630

City of Salisbury

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

Note 15. Financial indicators

\$ '000	Amounts 2024	Indicator 2024	Indicators 2023	Indicators 2022
Financial Indicators overview				
These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.				
1. Operating Surplus Ratio				
Operating surplus	(2,890)	(2.0)%	8.3%	9.8%
Total operating income	142,022			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net financial liabilities	38,342	27.0%	16.6%	14.3%
Total operating income	142,022			
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.				
Adjustments to Ratios				
In recent years the Federal Government has made advance payments prior to 30 June from future year allocations of financial assistance and supplementary local roads grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.				
Adjusted Operating Surplus Ratio				
Operating surplus	7,612	5.0%	5.8%	8.5%
Total operating income	152,524			
3. Asset Renewal Funding Ratio				
Asset renewals	26,814	89.0%	103.0%	88.6%
Infrastructure and Asset Management Plan required expenditure	30,136			
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.				

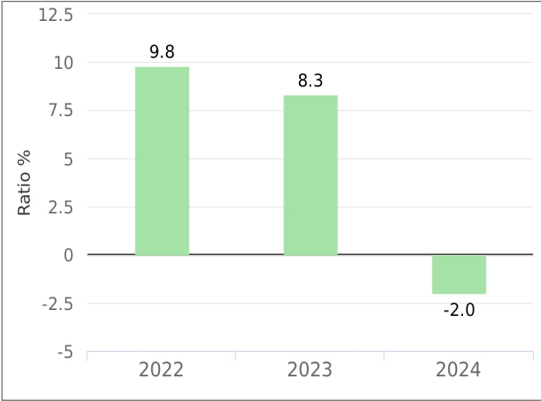
City of Salisbury

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

Note 15. Financial indicators (continued)

Financial indicators - graphs

1. Operating Surplus Ratio



**Purpose of operating surplus ratio**

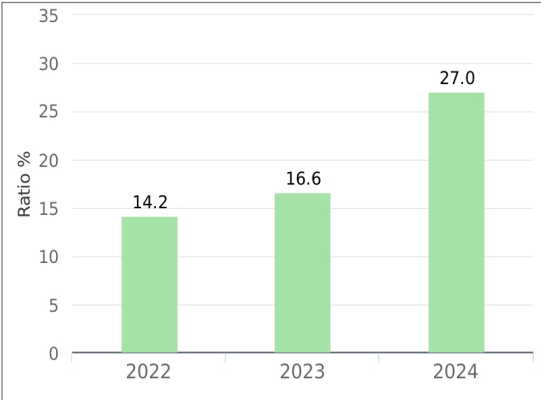
This indicator is to determine the percentage the operating revenue varies from operating expenditure

**Commentary on 2023/24 result**

**2023/24 ratio    (2.0)%**

The target for the operating surplus ratio as per the 2023/24 Long Term Financial Plan and Annual Business Plan (LTFP & ABP) was 0.5% to 5.0% with the actual results falling just under these targets. This is primarily due to lower grant income received as a result of the State Government reverting back to payment of the Financial Assistance and Untied Local Roads funding in the year it relates to (100% of the 2023/24 grant was paid in the 2022/23 financial year).

2. Net Financial Liabilities Ratio



**Purpose of net financial liabilities ratio**

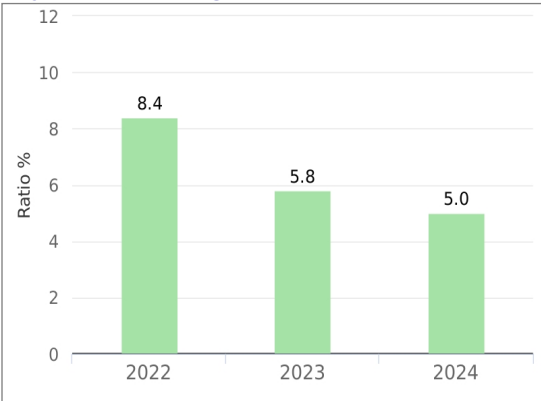
This indicator shows the significance of the net amount owed to others, compared to operating revenue

**Commentary on 2023/24 result**

**2023/24 ratio    27.0%**

The target for the net financial liabilities ratio as per the 2023/24 LTFP & ABP was <70%, with the actual result remaining lower than target. This is the result of consistent low levels of debt, although year on year the ratio has increased as a result of drawdowns of Cash Advance Debentures, which are expected to be repaid in 2024/25.

Adjusted Operating Surplus Ratio



**Purpose of adjusted operating surplus ratio**

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

**Commentary on 2023/24 result**

**2023/24 ratio    5.0%**

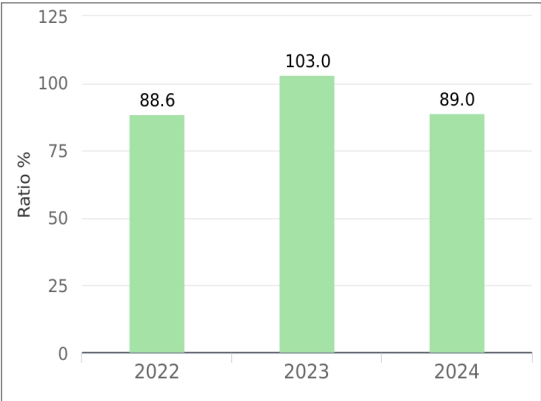
The target for the operating surplus ratio as per the 2023/24 LTFP & ABP was 0.5% to 5.0% with the actual results adjusted for the timing differences of the Financial Assistance grant, the adjusted ratio is sitting just above the upper limit. 100% of the Financial Assistance and Untied Local Road grants relating to the 2023/24 year were paid in advance in 2022/23, with no advance payment made in the current year.

City of Salisbury

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

Note 15. Financial indicators (continued)

3. Asset Renewal Funding Ratio



**Purpose of asset renewal funding ratio**

This indicator aims to determine if assets are being renewed and replaced in an optimal way

**Commentary on 2023/24 result**

**2023/24 ratio    89.0%**

The target for the asset renewal funding ratio as per the 2023/24 LTFP & ABP was 100%, with the actual results just below this target. There is significant renewal capital carry forwards from 2023/24 to 2024/25 and once delivered the ratio will realign to targets.

City of Salisbury

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

Note 16. Uniform presentation of finances

\$ '000	2024	2023
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
<u>Income</u>		
Rates	122,381	112,253
Statutory charges	4,183	3,933
User charges	6,037	5,385
Grants, subsidies and contributions - operating	6,675	20,258
Investment income	466	291
Reimbursements	469	536
Other income	1,184	1,276
Net gain - equity accounted council businesses	627	340
<b>Total Income</b>	<b>142,022</b>	<b>144,272</b>
<u>Expenses</u>		
Employee costs	42,822	40,404
Materials, contracts and other expenses	66,310	59,093
Depreciation, amortisation and impairment	35,457	32,106
Finance costs	323	394
Net loss - equity accounted council businesses	—	321
<b>Total Expenses</b>	<b>144,912</b>	<b>132,318</b>
<b>Operating surplus / (deficit)</b>	<b>(2,890)</b>	<b>11,954</b>
<b>Adjusted Operating surplus / (deficit)</b>	<b>(2,890)</b>	<b>11,954</b>
<b>Net outlays on existing assets</b>		
Capital expenditure on renewal and replacement of existing assets	(27,285)	(21,043)
Add back depreciation, amortisation and impairment	35,457	32,106
Add back proceeds from sale of replaced assets	471	434
	<b>8,643</b>	<b>11,497</b>
<b>Net outlays on new and upgraded assets</b>		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(32,419)	(39,921)
Add back amounts received specifically for new and upgraded assets	7,920	6,799
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	1,297	5,406
	<b>(23,202)</b>	<b>(27,716)</b>
<b>Annual net impact to financing activities (surplus/(deficit))</b>	<b>(17,449)</b>	<b>(4,265)</b>

City of Salisbury

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

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Council leases information technology equipment and a parcel of land utilised as part of its recycled water operations. The repayments for the information technology assets are fixed and the land is subject to yearly increases in-line with contractual requirements. Information technology leases are either 3 or 5 year terms, and the land has a contractual agreement in place until 2048, with another right of renewal.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

(a) Right of use assets

\$ '000	Information Technology Assets	Land	Total
<b>2024</b>			
Opening balance	432	1,036	1,468
Additions to right-of-use assets	—	—	—
Adjustments to right-of-use assets due to re-measurement of lease liability	—	—	—
Depreciation charge	(378)	(46)	(424)
<b>Balance at 30 June</b>	<b>54</b>	<b>990</b>	<b>1,044</b>
<b>2023</b>			
Opening balance	810	1,078	1,888
Additions to right-of-use assets	—	—	—
Adjustments to right-of-use assets due to re-measurement of lease liability	—	—	—
Depreciation charge	(378)	(42)	(420)
<b>Balance at 30 June</b>	<b>432</b>	<b>1,036</b>	<b>1,468</b>

City of Salisbury

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

Note 17. Leases (continued)

(b) Lease liabilities

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

\$ '000	2024	2023
Balance at 1 July	1,556	1,985
Additions	–	–
Accretion of interest	34	56
Payments	(493)	(485)
Other	–	–
<b>Balance at 30 June</b>	<b>1,097</b>	<b>1,556</b>
<b>Classified as:</b>		
Current	459	429
Non-current	638	1,127

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

The Group had total cash outflows for leases of \$543k.  
The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	424	420
Interest expense on lease liabilities	34	55
Expense relating to short term leases	24	134
<b>Total amount recognised in profit or loss</b>	<b>482</b>	<b>609</b>

(ii) Council as a lessor

Leases Providing Revenue to the Council

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

Investment property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

\$ '000	2024	2023
<b>Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:</b>		
Not later than one year	752	1,011
Later than one year and not later than 5 years	1,960	2,063
Later than 5 years	1,235	1,611
	<b>3,947</b>	<b>4,685</b>

City of Salisbury

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

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (11.00% in 2023/24; 10.50% in 2022/23). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

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

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

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

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

Contributions to other superannuation schemes

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



City of Salisbury

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

Note 19. Interests in other entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2024	2023	2024	2023
Joint Ventures - in profit	627	340	6,917	6,290
Joint Ventures - in loss	–	(321)	–	–
Council's share of net income				
Joint ventures	627	19	6,917	6,290
Total Council's share of net income	627	19	6,917	6,290

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

(a) Carrying amounts

\$ '000	Principal Activity	2024	2023
Northern Adelaide Waste Management Authority	Waste Management	6,917	6,290
Total carrying amounts - joint ventures and associates		6,917	6,290

Northern Adelaide Waste Management Authority

Manages the waste collection, recycling and waste disposal for the Cities of Salisbury and Playford and the Town of Gawler.

Whilst the City of Salisbury has a 56.71% share of equity in NAWMA for the 2024 financial year, Council is of the opinion that it does not have control over NAWMA's operations. The rationale being that all three Constituent Councils hold equal voting power at 33.33% and NAWMA's Chairperson and CEO are independent from the constituent Councils. Therefore the ability for Council to control NAWMA's operations is limited to Council's voting power at 33.33%, not its share of equity at 56.71%. Accordingly Council has utilised the equity accounting method to recognise its share of equity in NAWMA for the 2024 financial year.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2024	2023	2024	2023	2024	2023
Northern Adelaide Waste Management Authority	56.71%	57.11%	56.71%	57.11%	56.71%	33.33%

City of Salisbury

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

Note 19. Interests in other entities (continued)

(c) Movement in investment in joint venture or associate

\$ '000	Northern Adelaide Waste Management Authority	
	2024	2023
Opening Balance	6,290	6,049
Share in Operating Result	(514)	(321)
Share of Amounts Received for New and Upgraded Assets	1,185	–
Share in Other Comprehensive Income	–	222
Adjustments to Equity	(44)	340
Council's equity share in the joint venture or associate	6,917	6,290

(d) Summarised financial information of the equity accounted business

Statement of Financial Position

Cash and Cash Equivalents	2,649	9,842
Other Current Assets	4,642	4,593
Non-Current Assets	27,588	19,337
Total assets	34,879	33,772
Current Trade and Other Payables	6,665	5,876
Current Financial Liabilities	2,803	2,503
Current Provisions	546	516
Non-Current Financial Liabilities	4,409	6,479
Non-Current Provisions	8,258	7,383
Total liabilities	22,681	22,757
Net Assets	12,198	11,015

Statement of Comprehensive Income

Other Income	46,518	45,277
Management Fees	–	–
Interest Income	536	556
Total income	47,054	45,833
Employee Costs	4,688	4,767
Materials, Contracts and Other Expenses	39,635	37,482
Depreciation, Amortisation and Impairment	3,101	3,566
Finance Costs	537	576
Total expenses	47,961	46,391
Operating Result	(907)	(558)

City of Salisbury

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

Note 19. Interests in other entities (continued)

(e) Share of joint operations expenditure commitments

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

\$ '000	2024	2023
(i) Capital expenditures payable		
Not later than one year	31,611	16,730
Later that one year and not later than 5 years	3,021	6,522
	34,632	23,252

The Northern Adelaide Waste Management Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf on its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

(ii) Lease Payments Commitments Payable

Not later than one year	1,564	1,313
Later that one year and not later than 5 years	1,533	2,364
	3,097	3,677

Council did not have any individually immaterial businesses

((a)iii) Unconsolidated structured entities

Council has no unconsolidated structured entities

City of Salisbury

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

Note 20. 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.

3. Legal matters

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

4. Cemetery

Council operates a Cemetery Facility - Salisbury Memorial Park. A Contingent Liability exists for the ongoing maintenance of this Cemetery. This liability remains for a period of 100 years after the expiry of the lease on the last burial of the site. Council ceased the original leasing arrangement for the running of the Mausoleum situated at the Salisbury Memorial Park in November 2023 and contributions to the Perpetual Care Fund ceased. This fund was established to fund the long term maintenance of the Mausoleum upon expiry of the lease.

Note 21. Events after the Statement of Financial Position Date

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

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

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

City of Salisbury

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

Note 22. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel (KMP) of the Council include the Mayor, Councillors, CEO, General Managers and certain prescribed officers under section 112 of the *Local Government Act 1999*, as well as other personnel that satisfy the criteria of KMP as contained within *AASB 124 Related Party Transactions*. In some circumstances members of the KMP have left Council during the financial year, however their compensation has still been included. In all, 45 persons were paid the following total compensation:

\$ '000	2024	2023
The compensation paid to key management personnel comprises:		
Short-term employee benefits	6,020	5,567
Post-employment benefits	585	485
Long-term benefits	759	953
Total	7,364	7,005

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

Receipts from key management personnel comprise:

There have been no other material amounts received from KMP during the financial year, other than amounts paid in their capacity as ratepayers or residents (e.g. rates, swimming pool entry fees, etc).

Transactions with Regional Subsidiaries:

In regards to Council's Regional Subsidiary being NAWMA, further information relating to their specific activities and carrying amounts are disclosed in Note 19. Council is an equity owner, along with other member Councils, of NAWMA. Member Councils have equal representation on the Board of NAWMA and accordingly have influence over both the financial and operational decisions of the Subsidiary. However, no one Member Council individually has control over these decisions. The following material transactions occurred with Council's Regional Subsidiary, during the financial year:

	Payments	Outstanding
Northern Adelaide Waste Management Authority (NAWMA)	16,964	1,401
Total	16,964	1,401

Budgeted future year expenditure at the reporting date but not recognised in the financial statements as liabilities:

Northern Adelaide Waste Management Authority	17,595
Total	17,595

The budgeted expenditures are payable no later than one year from the reporting date



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INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CITY OF SALISBURY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of City of Salisbury (the Council), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information and the declaration by those charged with governance.

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Local Government Act 1999, which has been given to the Council, would be in the same terms if given to the Council as at the time of this auditor's report.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report Northern Adelaide Waste Management Authority for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Council’s Responsibility for the Financial Report**

The Council’s officers are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, 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 and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council’s officers are 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 responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor’s report.



BDO Audit Pty Ltd



Andrew Tickle  
Director

Adelaide, 10 October 2024



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**INDEPENDENT ASSURANCE REPORT  
ON THE INTERNAL CONTROLS OF THE CITY OF SALISBURY**

**Opinion**

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by City of Salisbury (‘the Council’) in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2023 to 30 June 2024 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, in all material respects:

- (a) The controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2023 to 30 June 2024.

**Basis for opinion**

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

**The Council’s responsibilities for the internal controls**

The Council is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

**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.

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Assurance practitioner’s responsibilities

Our responsibility is to express an opinion, in all material respects, on the suitability of the design to achieve the control objectives and the operating effectiveness of controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities. ASAE 3150 requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operated effectively throughout the period.

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

Limitations of controls

Because of the inherent limitations of an assurance engagement, together with 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 and so fraud, error, or non-compliance with laws and regulations may occur and not be detected.

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



BDO Audit Pty Ltd



Andrew Tickle  
Director

Adelaide, 10 October 2024


City of Salisbury

General Purpose Financial Statements  
for the year ended 30 June 2024

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Salisbury for the year ended 30 June 2024, the Council’s Auditor, BDO Australia 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.

  
John Harry  
Chief Executive Officer  
Kylie Grenfell  
Presiding Member, Audit Committee

Date: 09 October 2024



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CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the City of Salisbury for the year ended 30 June 2024, I have maintained my independence in accordance with the requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code), Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Andrew Tickle  
Director

**BDO Audit Pty Ltd**

Adelaide, 9 October 2024

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NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

General Purpose Financial Report  
for the year ended 30 June 2024

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NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Annual Financial Statements  
Financial year ended 30 June 2024

Certification of Financial Statements

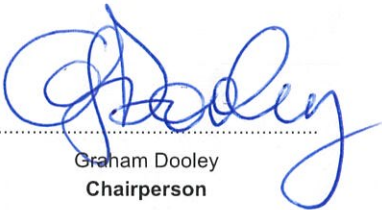
We have been authorised by the Northern Adelaide Waste Management Authority to certify the financial statements in their final form. In our opinion:

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



Toby Terlet  
Chief Executive Officer

Date: 30/9/24



Graham Dooley  
Chairperson



## NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

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

	Notes	2024 \$'000	2023 \$'000
<b>Income</b>			
User charges	2	46,281	45,150
Grants, subsidies and contributions - operating		66	96
Investment income	2	536	556
Other	2	171	31
<b>Total Income</b>		<b>47,054</b>	<b>45,833</b>
<b>Expenses</b>			
Employee costs	3	4,688	4,767
Materials, contracts & other expenses	3	39,635	37,482
Finance costs	3	537	576
Depreciation, amortisation & impairment	3	3,101	3,566
<b>Total Expenses</b>		<b>47,961</b>	<b>46,391</b>
<b>Operating Surplus / (Deficit)</b>		<b>(907)</b>	<b>(558)</b>
Asset disposal & fair value adjustments	3	-	(7)
Amounts received specifically for new/upgraded assets		2,090	2
<b>Net Surplus / (Deficit)</b>		<b>1,183</b>	<b>(563)</b>
<b>Other Comprehensive Income</b>			
Changes in revaluation surplus - property, plant & equipment		-	390
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>390</b>
<b>Total Comprehensive Income</b>		<b>1,183</b>	<b>(173)</b>

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

## NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

### Statement of Financial Position as at 30 June 2024

	Notes	2024 \$'000	2023 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	2,649	9,842
Trade & other receivables	4	4,523	4,516
Stock on Hand		119	77
<b>Total Current Assets</b>		<b>7,291</b>	<b>14,435</b>
<b>Non-current Assets</b>			
Property, Plant & Equipment	5	27,588	19,337
<b>Total Non-current Assets</b>		<b>27,588</b>	<b>19,337</b>
<b>Total Assets</b>		<b>34,879</b>	<b>33,772</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	6	6,665	5,876
Provisions	6	546	516
Borrowings	6	2,803	2,503
<b>Total Current Liabilities</b>		<b>10,014</b>	<b>8,895</b>
<b>Non-Current Liabilities</b>			
Borrowings	6	4,409	6,479
Provisions	6	8,258	7,383
<b>Total Non-current Liabilities</b>		<b>12,667</b>	<b>13,862</b>
<b>Total Liabilities</b>		<b>22,681</b>	<b>22,757</b>
<b>Net Assets</b>		<b>12,198</b>	<b>11,015</b>
<b>Equity</b>			
Accumulated Surplus		11,148	9,965
Asset Revaluation Reserve		1,050	1,050
<b>Total Equity</b>		<b>12,198</b>	<b>11,015</b>

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

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

	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at start of period - 1 July 2022	10,528	660	11,188
Net Surplus/ (Deficit) for Year	(563)	-	(563)
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	390	390
Transfers between reserves	-	-	-
Balance at end of period - 30 June 2023	9,965	1,050	11,015
Balance at start of period - 1 July 2023	9,965	1,050	11,015
Net Surplus/ (Deficit) for Year	1,183	-	1,183
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Balance at end of period - 30 June 2024	11,148	1,050	12,198

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Statement of Cash Flows  
for the year ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities			
Operating receipts from customers		46,377	45,894
Investment receipts		536	556
Operating payments to suppliers & employees		(43,467)	(43,423)
Finance payments		(313)	(343)
Net Cash provided by (or used in) Operating Activities	7	3,133	2,684
Cash Flows from Investing Activities			
Amounts specifically for new or upgraded assets		2,090	2
Sale of surplus assets	3	-	6
Expenditure on renewal/replacement of assets		(197)	(27)
Expenditure on new/upgraded assets		(9,537)	(194)
Net Cash provided by (or used in) Investing Activities		(7,644)	(213)
Cash Flows from Financing Activities			
Proceeds from Borrowings		-	-
Repayments of Borrowings		(1,190)	(1,143)
Repayment of lease liabilities		(1,492)	(1,288)
Net Cash provided by (or used in) Financing Activities		(2,682)	(2,431)
Net Increase (Decrease) in cash held		(7,193)	40
Cash & cash equivalents at beginning of period	7	9,842	9,802
Cash & cash equivalents at end of period	7	2,649	9,842

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 1 – Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*. The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Salisbury, City of Playford and the Town of Gawler.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

2 The Local Government Reporting Entity

Northern Adelaide Waste Management 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, and has its principal place of business at 71 – 75 Woomera Avenue, Edinburgh SA 5111. These financial statements have been prepared for use by the Constituent Councils of the Authority.

3 Income Recognition

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

4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest.

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

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.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

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 the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

No capitalisation threshold is applied to the acquisition of land or interests in land. The capitalisation threshold applied for Plant and Equipment assets is \$5,000. All Information Technology Equipment has a capitalisation threshold of \$1,000 (previously \$5,000). Any purchases greater than these amounts are capitalised and depreciated on the Authority's asset register.

5.3 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Plant & Equipment assets are not revalued due to operational nature, the specialised nature of equipment with low resale potential and short lifespan. Plant & Equipment assets are only assessed for insurance value. Land and buildings are assessed for fair value and insurance value due to longer useful life and sale potential outside of the Authority's specialised operations

5.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment	2 to 20 years
Buildings	30 to 50 years
Waste Processing Facility	10 to 20 years
Landfill Construction	Amortised proportionately to rate of filling
Landfill Capping & Rehabilitation	Amortised proportionately to rate of filling

5.5 Land & Building Assets

As at 30 June 2023, an independent valuation was undertaken on all Land and Building assets held by the Authority. The independent valuation was undertaken by AssetVal Pty Ltd and valued land and building assets to the current market value. Given the material value of Land and Building assets subsequent to the valuation performed, Land and Building assets are shown as a separate class of asset and disclosed accordingly in Note 5.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

As part of the valuation exercise, an update to the Buildings asset register was undertaken with some assets being reclassified and transferred from other asset classes to the Buildings asset class to better reflect the true nature and use of the asset. These transfers have been disclosed in Note 5.

5.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

6 Payables

6.1 Goods & Services

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

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

No accrual is made for sick leave as the Authority's experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

7.2 Superannuation

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

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (11% in 2023/24; 10.5% in 2022/23). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Contributions to Other Superannuation Schemes

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

Landfill Remediation

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. An independent assessment of the Authority's landfill capping and post closure rehabilitation obligations was undertaken by Golder Associates Pty Ltd as at 30 June 2024.

The obligation to recognise a landfill remediation liability commences when the landfill cell is developed. Provisions are stated at the present value of the expected future cash outflows to occur. The Authority has an obligation to cap each cell upon the airspace of the cell being fully consumed as well as an ongoing post-closure monitoring and remediation of the site once it is closed for a period determined by the Environment Protection Authority (EPA) and other government environmental requirements.

Industrial Property Remediation

The Authority leases industrial property which under lease agreement held, requires that the Authority undertakes remediation and rectification works to the site upon exit. The scope of works includes the remediation of damaged and/or worn facilities, the removal of plant and equipment from the site as well as undertake rectification of any site contamination issues.

9 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards. No changes have been made to comparative information in the principal financial statements nor has not been amended for any changes to accounting standards.

10 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

11 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.

12 Stock on Hand

The Authority records stock on hand as at reporting date to reflect the value of stockpiled recycled finished goods held. The value attributed to stock items is based on the expected sale price of goods held based on existing contract rates held with customers and/or public market rates, whichever is applicable. Stock recorded also includes bailing wire and other materials used in the processing of waste through processing plants.

13 Related Party Transactions – Services Provided by Member Councils to the Authority

The Authority has a lease agreement with the City of Salisbury to manage and operate the waste transfer station located at Pooraka. The lease with the City of Salisbury is reflected on the Balance Sheet in accordance with AASB 16. Transactions between the Authority and Member Councils where services have been provided by the Authority have been separately disclosed in Note 13.

14 Leases

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right of use of the underlying assets.



**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY****Notes to the Financial Statements****for the year ended 30 June 2024****14.1 Right-of- Use Assets**

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

**14.2 Lease Liabilities**

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the net present value of the lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

**14.3 Short-term leases and leases of low-value assets**

The Authority applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY****Notes to the Financial Statements****for the year ended 30 June 2024**

	Notes	2024 \$'000	2023 \$'000
<b>Note 2 - Income</b>			
<b>User Charges</b>			
Waste Management Operations		46,281	45,150
		<b>46,281</b>	<b>45,150</b>
<b>Investment Income</b>			
Interest Income: Local Government Finance Authority		347	340
Rental income		189	216
		<b>536</b>	<b>556</b>
<b>Other Income</b>			
Insurance Claim		-	6
Promotional Income		171	25
		<b>171</b>	<b>31</b>
<b>Note 3 - Expenses</b>			
<b>Employee Costs</b>			
Salaries and Wages		3,673	3,583
Employee leave expense		465	536
Superannuation		394	381
Workers' Compensation Insurance		82	59
Other		74	208
		<b>4,688</b>	<b>4,767</b>
<b>Materials, Contracts &amp; Other Expenses</b>			
Auditor's Remuneration			
Auditing the financial reports		18	17
Other Services		-	-
Bad and Doubtful Debts		-	-
Lease costs		141	38
Bank Fees		53	47
Landfill Royalty		123	59
Contractors		29,282	27,686
Electricity		275	273
Environmental Protection Agency Levy		8,063	7,873
Fuels & Oils		255	303
Professional services		234	265
Administration & Other Expenses		1,191	921
		<b>39,635</b>	<b>37,482</b>

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 3 - Expenses (cont)

	Notes	2024 \$'000	2023 \$'000
<b>Depreciation, Amortisation &amp; Impairment</b>			
Waste Processing Facility		106	213
Uleybury Landfill Plant & Equipment		10	25
Education Program Plant & Equipment		-	1
Office Furniture & Equipment		16	30
Property & Improvements		-	17
Landfill Cell Stage Three		151	187
Landfill Capping Stage Three		200	204
Post Closure Rehabilitation		220	190
Buildings		104	220
Material Recovery Facility		491	581
Right-of-use-assets		1,518	1,620
Right-of-use-asset Restoration		276	275
Operating Equipment		9	3
		<b>3,101</b>	<b>3,566</b>
<b>Finance Costs</b>			
Interest on Loans and Overdraft		172	220
Interest on Leases		177	159
Unwinding of present value discounts		188	197
		<b>537</b>	<b>576</b>
<b>Asset Disposals</b>			
Proceeds from disposal		-	6
Less: Carrying amount of assets sold		-	(13)
<b>Gain (Loss) on disposal</b>		<b>-</b>	<b>(7)</b>
<b>Note 4 - Current Assets</b>			
<b>Cash &amp; Cash Equivalents</b>			
Cash on Hand and at Bank		274	4,342
Deposits at Call		2,375	5,500
		<b>2,649</b>	<b>9,842</b>
<b>Trade &amp; Other Receivables</b>			
Debtors - general		3,831	3,917
Accrued Revenues		243	304
Prepaid Expenses		449	295
Provision for Impairment		-	-
		<b>4,523</b>	<b>4,516</b>

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

	2024 \$'000				2023 \$'000			
	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount
Land	3,365	-	-	3,365	3,365	-	-	3,365
Waste Processing Facility	-	3,305	(2,435)	870	-	3,219	(2,329)	890
Uleybury Landfill Plant & Equipment	-	2,100	(2,077)	23	-	2,100	(2,067)	33
Education Program Plant & Equipment	-	34	(32)	2	-	34	(32)	2
Office Furniture & Equipment	-	268	(207)	61	-	215	(191)	24
Property & Improvements	-	1,670	(1,553)	117	-	1,606	(1,553)	53
Landfill Cell Stage Three	-	3,084	(2,209)	875	-	3,084	(2,058)	1,026
Landfill Capping Stage Three	2,704	-	(1,103)	1,601	2,256	-	(903)	1,353
Post Closure Rehabilitation	3,487	-	(1,957)	1,530	3,229	-	(1,737)	1,492
Buildings	3,839	-	(1,035)	2,804	3,839	-	(931)	2,908
Material Recovery Facility	-	7,485	(3,697)	3,788	-	7,266	(3,206)	4,060
Right-of-use-assets	-	9,881	(7,302)	2,579	-	8,969	(5,784)	3,185
Right-of-use-asset Restoration	1,516	-	(1,102)	414	1,515	-	(826)	689
Operating Equipment	-	152	(12)	140	-	40	(3)	37
WIP	-	9,419	-	9,419	-	220	-	220
	<b>14,911</b>	<b>37,398</b>	<b>(24,721)</b>	<b>27,588</b>	<b>14,204</b>	<b>26,753</b>	<b>(21,620)</b>	<b>19,337</b>

Note 5 - Property, Plant & Equipment

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 5 - Property, Plant & Equipment

	Movement in Property, Plant & Equipment during the Financial Year							2024	
	Carrying Value	Additions		Disposals	Revaluation	Adjustments	Transfers	Depreciation	Carrying Value
		Renewal / Replacement	New/Upgrade						
Land	3,365	-	-	-	-	-	-	-	3,365
Waste Processing Facility	890	-	86	-	-	-	-	(106)	870
Uleybury Landfill Plant & Equipment	33	-	-	-	-	-	-	(10)	23
Education Program Plant & Equipment	2	-	-	-	-	-	-	-	2
Office Furniture & Equipment	24	42	11	-	-	-	-	(16)	61
Property & Improvements	53	-	64	-	-	-	-	-	117
Landfill Cell Stage Three	1,026	-	-	-	-	-	-	(151)	875
Landfill Capping Stage Three	1,353	-	-	-	-	448	-	(200)	1,601
Post Closure Rehabilitation	1,492	-	-	-	-	258	-	(220)	1,530
Buildings	2,908	-	-	-	-	-	-	(104)	2,804
Material Recovery Facility	4,060	155	64	-	-	-	-	(491)	3,788
Right-of-use-assets	3,185	-	752	-	-	160	-	(1,518)	2,579
Right-of-use-asset Restoration	689	-	-	-	-	1	-	(276)	414
Operating Equipment	37	-	112	-	-	-	-	(9)	140
WIP	220	-	9,199	-	-	-	-	-	9,419
	19,337	197	10,288	-	-	867	-	(3,101)	27,588
2023 \$'000	20,679	28	1,141	(13)	390	670	8	(3,566)	19,337

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 6 - Liabilities

	2024 \$'000		2023 \$'000	
	Current	Non-current	Current	Non-current
<b>Trade &amp; Other Payables</b>				
Goods & Services	4,557	-	4,289	-
Accrued expenses - other	1,146	-	759	-
Amounts received in advance	962	-	828	-
	<b>6,665</b>	<b>-</b>	<b>5,876</b>	<b>-</b>
<b>Borrowings</b>				
Loans	1,239	2,876	1,190	4,115
Lease Liabilities	1,564	1,533	1,313	2,364
	<b>2,803</b>	<b>4,409</b>	<b>2,503</b>	<b>6,479</b>
<b>Provisions</b>				
Annual Leave	247	-	285	-
Long Service Leave	299	77	231	95
Provision for Capping Stage 3A	-	2,973	-	2,396
Provision for Post Closure Site Rehabilitation	-	3,470	-	3,212
Provision for Property Restoration	-	1,738	-	1,680
	<b>546</b>	<b>8,258</b>	<b>516</b>	<b>7,383</b>
<b>Reconciliation of Movement in Landfill &amp; Restoration Provisions</b>				
	Provision for Capping Stage 3A	Provision for Post Closure Site Rehabilitation	Provision for Property Restoration	Total
Opening Balance	2,396	3,212	1,680	7,288
Additional Amounts Recognised/ (Derecognised)	448	258	-	706
Payments	-	-	-	-
Unwinding of Present Value Discounts	129	-	59	188
Closing Balance	<b>2,973</b>	<b>3,470</b>	<b>1,739</b>	<b>8,182</b>

## NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

## Note 7 - Cash Flow Reconciliation

## (a) Reconciliation of Cash

	Notes	2024 \$'000	2023 \$'000
Total cash & equivalent assets	4	2,649	9,842
Less: Short-term borrowings		-	-
Balances per Statement of Cash Flows		<u>2,649</u>	<u>9,842</u>

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

Net Surplus (Deficit)		1,183	(563)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment	3	3,101	3,566
(Gain) / Loss on Disposal of Assets	3	-	7
Capital Grants		(2,090)	(2)
Lease Adjustment - Right-of-Use Asset	5	-	(71)
Unwinding of Present Value Discounts	6	188	197
Asset Transfer Adjustment		-	(8)
		<u>2,382</u>	<u>3,126</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(7)	627
Net (increase) decrease in inventory		(42)	(27)
Net increase (decrease) in trade & other payables		789	(1,241)
Net increase (decrease) in other provisions		11	199
<b>Net Cash provided by (or used in) operations</b>		<u><b>3,133</b></u>	<u><b>2,684</b></u>

## (c) Financing Arrangements

Credit Card Facilities	25	15
LGFA Cash Advance Debenture Facility	2,500	2,500

## NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

## Note 8 - FINANCIAL INSTRUMENTS

## Recognised Financial Instruments

**Bank, Deposits at Call, Accounting Policy:** Carried at lower of cost and net realisable value; Interest is recognised when earned.

**Short Term Deposits Terms & conditions:** Deposits on Call do not have a maturity period and have an average interest rate of 4.6% (2023: 4.3%).

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

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

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

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



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 8 - Financial Instruments

Liquidity Analysis

2024	Maturity			Non- interest bearing	Total
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
<b>Amortised Cost</b>					
Cash Assets	2,649	-	-	-	<b>2,649</b>
Receivables	-	-	-	4,074	<b>4,074</b>
<b>Total</b>	<b>2,649</b>	<b>-</b>	<b>-</b>	<b>4,074</b>	<b>6,723</b>
<b>Financial Liabilities</b>					
Payables	-	-	-	5,703	<b>5,703</b>
Borrowings	2,803	4,034	375	-	<b>7,212</b>
<b>Total</b>	<b>2,803</b>	<b>4,034</b>	<b>375</b>	<b>5,703</b>	<b>12,915</b>

2023	Maturity			Non- interest bearing	Total
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
<b>Amortised Cost</b>					
Cash Assets	9,842	-	-	-	9,842
Receivables	-	-	-	4,221	4,221
<b>Total</b>	<b>9,842</b>	<b>-</b>	<b>-</b>	<b>4,221</b>	<b>14,063</b>
<b>Financial Liabilities</b>					
Payables	-	-	-	5,048	5,048
Borrowings	2,503	6,103	376	-	8,982
<b>Total</b>	<b>2,503</b>	<b>6,103</b>	<b>376</b>	<b>5,048</b>	<b>14,030</b>

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 9 - Commitments for Expenditure

Notes	2024	2023
	\$'000	\$'000
<b>Expenditure Commitments</b>		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	-	18
Waste Collection, Processing and Mobile Garbage Bin Supply Contracts	34,632	23,234
	<b>34,632</b>	<b>23,252</b>
These expenditures are payable:		
Not later than one year	31,611	16,730
Later than one year and not later than 5 years	3,021	6,522
Later than 5 years	-	-
	<b>34,632</b>	<b>23,252</b>

The Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf of its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

Note 10 - Events Occurring After Reporting Date

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

Note 11 - Contingent Liabilities

The Authority has a performance bond/guarantee held with the Local Government Finance Authority to the Environment Protection Authority for an amount of \$1,350,000 in accordance with the requirements under its Post Closure remediation obligations for the Uleybury Landfill site.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 12 - Leases  
Authority as a lessee

The Authority leases external operations facilities, waste processing plant & machinery and motor vehicles.

	Buildings & Other Structures \$'000	Plant & Motor Vehicles \$'000	Total \$'000
At 1 July 2023	1,949	1,236	3,185
Additions of right-of-use-assets	-	752	752
Depreciation Charge	(886)	(632)	(1,518)
Right-of-Use Adjustments	94	66	160
At 30 June 2024	1,157	1,422	2,579

Set out below are the carrying amounts of lease liabilities and the movements during the period:

At 1 July 2023	3,677
Additions	622
Accretion of interest	(177)
Payments	(1,553)
Lease Liability Adjustment	528
At 30 June 2024	3,097
Current	1,564
Non-Current	1,533

Note 13 - Disclosure of Related Party Transactions

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

	2024 \$'000	2023 \$'000
Salaries, allowances & other short term benefits	1,079	692
Total	1,079	692

Transactions 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 Salisbury	18,420	1,401	Provision of waste collection, processing and disposal services
City of Playford	13,422	1,040	Provision of waste collection, processing and disposal services
Town of Gawler	3,140	240	Provision of waste collection, processing and disposal services

The Related Parties disclosed above are equity owners of the Authority (Member Councils). Member Councils have equal representation on the Board and accordingly have significant influence on the financial and operating decisions. No one Member Council individually has control of those policies.

In total, approximately \$1,800 of contractor services have been provided to the Authority from a Key Management Personnel close relation during the financial year. The Authority pays membership subscriptions for membership, payment for conference attendance and travel costs to the Waste Management and Resource Recovery Association on which the Authority's Chief Executive Officer sits on the Board of Management.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 14 - Fair Value Measurements

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets
- Building assets
- Stock on Hand
- Landfill Capping
- Post Closure Rehabilitation Costs
- Right-of-Use Restoration

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 Authority 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.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

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.

The following tables provide the fair values of the Authority’s assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2024</b>					
<b>\$'000</b>					
Recurring fair value measurements					
<b>Infrastructure, Property, Plant &amp; Equipment</b>					
- Land	5	-	3,365	-	3,365
- Buildings	5	-	3,839	-	3,839
- Stock on Hand		119	-	-	119
- Landfill Capping Asset	5	-	-	2,704	2,704
- Post Closure Rehabilitation	5	-	-	3,487	3,487
- Right-of-Use Restoration	5	-	-	1,516	1,516
<b>Total financial assets recognised at fair value</b>		<b>119</b>	<b>7,204</b>	<b>7,707</b>	<b>15,030</b>
<b>2023</b>					
<b>\$'000</b>					
Recurring fair value measurements					
<b>Infrastructure, Property, Plant &amp; Equipment</b>					
- Land	5	-	3,365	-	3,365
- Buildings	5	-	3,839	-	3,839
- Stock on Hand		77	-	-	77
- Landfill Capping Assets	5	-	-	2,256	2,256
- Post Closure Rehabilitation	5	-	-	3,229	3,229
- Right-of-Use Restoration	5	-	-	1,515	1,515
<b>Total financial assets recognised at fair value</b>		<b>77</b>	<b>7,204</b>	<b>7,000</b>	<b>14,281</b>

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Notes to the Financial Statements  
for the year ended 30 June 2024

(b) **Disclosed fair value measurements**  
The following table provides 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 techniques used to measure the value of items disclosed in the financial statements.	1	Market	Based on expected sale price of goods based on existing contract prices.
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements
There has been no change in the techniques used to measure the value of items 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.



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Statement by Auditor

I confirm that, for the audit of the financial statements of the Northern Adelaide Waste Management Authority for the year ended 30 June 2024, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

**Tim Muhlhausler** CA, Registered Company Auditor  
Partner

Date: 1 October 2024

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INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL REPORT

To the members of the Northern Adelaide Waste Management Authority (NAWMA)

Opinion

We have audited the accompanying financial report of NAWMA (the Authority), which comprises the statements of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Chief Executive Officer and the Chairperson.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2024, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

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

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as the 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 entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 risk of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but 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 the Authority’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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  
Partner

Date: 1 October 2024

Galpins

Accountants, Auditors  
& Business Consultants



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INDEPENDENT AUDITOR’S REPORT ON THE INTERNAL CONTROLS

To the members of the Northern Adelaide Waste Management Authority (NAWMA)

Independent Assurance Report on the Internal Controls of NAWMA

Opinion

We have audited the compliance of NAWMA (the Authority) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2023 to 30 June 2024 have been conducted properly and in accordance with the law.

In our opinion, the Authority has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Authority in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the period 1 July 2023 to 30 June 2024.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

Responsibility for Internal Controls

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 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 Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

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.

**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 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  
Partner

Date: 1 October 2024

**NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2024**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

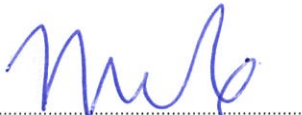
To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2024, the Authority's Auditor, Galpins, has maintained its independence in accordance with the requirements of the *Local Government Act 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*.



Toby Terlet  
Chief Executive Officer

Date: 17/09/2024



Mark Labaz  
Chairman - Audit Committee

Date: 17/09/2024

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2024

CONSTITUENT COUNCIL CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, I confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2024, the Authority'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*.

  
.....  
Mr Charles Mansueto  
Acting Chief Executive Officer  
City of Salisbury

Date: 30/9/2024.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2024

CONSTITUENT COUNCIL CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, I confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2024, the Authority'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*.

  
.....  
Sam Green  
Chief Executive Officer  
City of Playford

Date: 30th September 2024

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

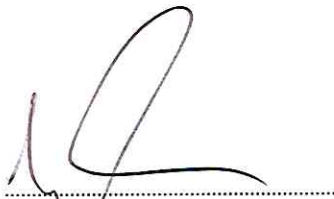
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2024

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CONSTITUENT COUNCIL CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, I confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2024, the Authority'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*.



Mr Andrew Goodsell  
Acting Chief Executive Officer  
Town of Gawler

Date: 30/9/24

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Version 1. October 2024

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**ITEM** 7.2.5**AUDIT AND RISK COMMITTEE****DATE** 12 November 2024**HEADING** Risk Management and Internal Control Activities**AUTHOR** Sharon Kinsella, Audit and Risk Manager, CEO and Governance**CITY PLAN LINKS** 4.2 We deliver quality outcomes that meet the needs of our community  
4.4 We plan effectively to address community needs and identify new opportunities**SUMMARY** This report provides an update on the risk management and internal control activities undertaken and planned since the last update to the Audit and Risk Committee in August 2024.**RECOMMENDATION**That Council:

1. Notes the updates on Risk Management and Internal Control Activities detailed for 2024/2025, as set out in this report (Item No.7.2.5, Audit and Risk Committee, 12 November 2024).

**ATTACHMENTS**

There are no attachments to this report.

**1. BACKGROUND**

- 1.1 This report provides an update on the risk management and internal control activities undertaken and planned since the August 2024 Audit and Risk Committee meeting.
- 1.2 The report allows the Audit and Risk Committee to monitor and review these activities and assurances they provide.

**2. OPERATIONAL RISK REGISTER REVIEW**

- 2.1 A project has commenced to create/review or update the Operational Risk Registers.
- 2.2 As per the recommendation following the Local Government Risk Services review and following suggestion from the Audit and Risk Committee, Operational Risk Registers will be prepared for all divisions within the organisation. These should document the key operational risks with mitigating controls in place, and where required an action plan to address gaps identified.
- 2.3 Training workshops have taken place with General and Divisional Managers, and drafting of risk assessments are underway.
- 2.4 Next update will be provided to the February Audit and Risk Committee, with the expectation that all operational risk registers will be complete.

### 3. STRATEGIC RISK REGISTER

- 3.1 A Strategic Risk Register is a living document and continuous work in progress. This is demonstrated by the following points over the last 12 months:
- 3.1.1 October 2023 – The causes, controls and ratings were expanded for the approved risk descriptions and a draft new strategic risk register was shared with the Senior Leadership Team (SLT - all Divisional Managers).
  - 3.1.2 November 2023 - Feedback from SLT was incorporated.
  - 3.1.3 January 2024 – Further review and consideration by Executive.
  - 3.1.4 February 2024 – Audit and Risk Committee consultation.
  - 3.1.5 August 2024 – Strategic Risk Register was presented to Audit and Risk Committee in August.
  - 3.1.6 November 2024 – Post the completion of the Operational Risk Assessment with all Divisional Managers, the Strategic Risk Register will be reviewed and updated with the CEO and the Executive team.
  - 3.1.7 All changes to the Strategic Risk Register will be tabled at the Audit and Risk Committee as they occur, and an ongoing scheduled annual review will be presented to the February's 2025 meeting.

### 4. BUSINESS CONTINUITY PLANS (BCP)

- 4.1 Business Continuity Management (BCM) ensures that the Council can maintain and quickly restore critical operations during and after disruptions through effective planning, strategies, and procedures. It involves risk assessment, planning, and testing to minimise the impact of potential threats. The BCM lifecycle comprises three phases:
- 4.1.1 Identifying and approving functions critical to business operations through the Business Impact Assessment (BIA) process
  - 4.1.2 Developing Business Continuity Plans for each approved critical function
  - 4.1.3 Testing and Reviewing of (BCPs)
- 4.2 The Business Continuity Management framework maintains a focus on Council functions critical to business operations. Council has developed an Information Technology Disaster Recovery Plan (ITDRP) to support recovery of networks and IT systems. The BCP and ITDRP are intended to complement each other, in that the DRP provides assurance on the delivery of critical resources as identified in the BCPs. The ITDRP is dated and is scheduled for review in 2025.
- 4.3 In the second quarter of 2024, meetings with Divisional Managers were initiated to accelerate the development and review of our BCPs.

- 4.4 BCP is on our Internal Audit plan in this financial year, detailed below and in our 3-Year Internal Audit plan (Item no 7.1.1, Audit and Risk Committee, 12 November 2024).

- The overall objective of the internal audit is to assess the adequacy of practices and procedures to manage the City's business continuity. The internal audit will provide assurance that processes and measures in place ensure that, in the event of a disruption, critical business operations can be maintained, or restored in a timely manner, with minimal impact to the City and its stakeholders. The final report is anticipated to be presented at the August 2025 Audit and Risk Committee meeting.

## **5. ASSURANCE MAP**

- 5.1 Work has commenced to update the City's Assurance Map; the aim of this review is to determine the overall assurance level in key functions and areas.
- 5.2 This map helps Council to visualise and assess how well different assurance activities are aligned with the risk management framework. By mapping out what is providing assurance, what risks are being addressed, and the effectiveness of these assurances, it can help us identify gaps, overlaps, and areas for improvement in risk management and assurance processes.
- 5.3 A review of the assurance map will be presented to Audit and Risk Committee in February 2025.

## **6. CLIMATE CHANGE**

- 6.1 The Audit and Risk Committee noted a report on the Climate Change Risk Assessment on 13 August 2024.
- 6.2 A Climate Change Risk Assessment was completed to assess Council's corporate risk exposure to the physical, economic transition and liability risks associated with climate change with the findings reported to Council in March 2024.
- 6.3 In March 2024, Council approved development of a Climate Change Adaptation Action Plan to guide and prioritise risk controls and next steps drawing on the findings of the climate change risk assessment.
- 6.4 As advised in August 2024, the development of a Climate Change Adaptation Action Plan is underway.
- 6.5 Most recently a consultant has been engaged to undertake a technical analysis to identify vulnerabilities, refine risk ratings and target adaptation measures more effectively for community services provided by assets and infrastructure.
- 6.6 The technical analysis project has commenced and will inform development of the Climate Change Adaptation Action Plan over the next six months.

## **7. CONCLUSION**

- 7.1 This report provides a summary of the risk management and internal controls activities undertaken since its last presentation to the Audit and Risk Committee in August 2024.





ITEM	7.2.6
	AUDIT AND RISK COMMITTEE
DATE	12 November 2024
HEADING	Audit and Risk Committee Annual Work Plan - 2024/2025
AUTHOR	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	The Audit and Risk Committee Annual Work for 2024/2025 is attached for review by the Audit & Risk Committee.

RECOMMENDATION

That Council:

1. Notes the Audit and Risk Committee Annual Work Plan 2024/2025 as set out in Attachment 1 to this report (Item No. 7.2.6, Audit and Risk Committee, 12 November 2024).

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Annual Work Plan 2024/25

1. BACKGROUND

- 1.1 The Annual Work Plan 2024/2025 was last presented to the Audit and Risk Committee at its meeting held on 13 August 2024.
- 1.2 Section 126 of the *Local Government Act 1999* (“the Act”) states that:

*The functions of a council audit and risk committee include—*

- (a) *reviewing annual financial statements to ensure that they present fairly the state of affairs of the council; and*
- (b) *proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan; and*
- (c) *monitoring the responsiveness of the council to recommendations for improvement based on previous audits and risk assessments, including those raised by a council's auditor; and*
- (d) *proposing, and reviewing, the exercise of powers under section 130A; and*
- (e) *liaising with the council's auditor in accordance with any requirements prescribed by the regulations; and*
- (f) *reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis; and*
- (g) —
  - (i) *if the council has an internal audit function—*

- (A) providing oversight of planning and scoping of the internal audit work plan; and*
- (B) reviewing and commenting on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis; or*
- (ii) if the council does not have an internal audit function, reviewing and commenting on an annual report provided by the chief executive officer in relation to the policies and processes adopted by the council to evaluate and improve the effectiveness of its internal control practices and procedures; and*
- (h) reviewing and evaluating the effectiveness of policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis; and*
- (i) reviewing any report obtained by the council under section 48(1); and*
- (j) performing any other function determined by the council or prescribed by the regulations.*

## **2. REPORT**

- 2.1 The purpose of the Audit and Risk Committee Annual Work Plan is to ensure that all essential areas are covered by the Audit and Risk Committee, in performing its roles and responsibilities under section 126 of the *Local Government Act 1999* (“the Act”).

## **3. CONCLUSION**

- 3.1 This report outlines the Audit and Risk Committee Annual Work Plan for the 2024/2025 financial year.

## Audit and Risk Committee Annual Plan 2024/2025

Activity	Responsible officer	Timing 2024 / 2025				Comments
		Q1 (Jul- Sept)	Q2 (Oct- Dec)	Q3 (Jan- Mar)	Q4 (Apr- Jun)	
Audit & Risk Committee performance						
- Recommendations of the Audit and Risk Committee presented to Council.	Audit and Risk Manager	✓	✓	✓	✓	
Present annual work plan	Audit and Risk Manager	✓				
- Undertake self assessment	Audit and Risk Manager				✓	
- Review of Terms of Reference (alternate years)	Audit and Risk Manager					Next review date Nov 2026
Financial Reporting						
- Review annual financial statements	Finance Manager		✓			
- Review asset valuations	Finance Manager		✓			
- Review methodology and approach to depreciation	Finance Manager		✓			
- Review significant accounting and reporting issues, changes to accounting standards and industry updates	Finance Manager		✓			
Management Plans & Business Plans						
- Review of annual business plan and budget	Finance Manager				✓	
- Review of long-term financial plan (s.122(4)(a) on an annual basis)	Finance Manager				✓	
- Review of infrastructure and asset management plan(s)	City Infrastructure				✓	
- Review of strategic plan (s.122(4)(b) within 2 years after each general election)		N/A				
Risk Management						
- Review strategic risk register	Audit and Risk Manager	✓				All changes will be reported to committee.



## Audit and Risk Committee Annual Plan 2024/2025

Activity	Responsible officer	Timing 2024 / 2025				Comments
		Q1 (Jul- Sept)	Q2 (Oct- Dec)	Q3 (Jan- Mar)	Q4 (Apr- Jun)	
Internal Controls						
- Review internal controls self-assessment	Control Owners				✓	
- Review internal control policies and procedures	Audit and Risk Manager	✓				
Internal Audit						
- Oversight of planning and scoping of internal audit plan [within '3-Year Internal Audit Plan quarterly report]	Audit and Risk Manager	✓	✓	✓	✓	
- Review (as presented) internal audit reports	Audit and Risk Manager	✓				
- Internal Audit – Action status report	Audit and Risk Manager	✓	✓	✓	✓	
- CEO's annual report to the Audit & Risk Committee; COS's internal audit processes (S.99)	CEO	✓				
- Annual report of the Audit & Risk Committee activities, for inclusion in the COS's annual report	Audit and Risk Manager	✓				
External Audit						
- Submission of Annual Audit Plan	BDO / Audit and Risk Manager				✓	
- Review interim audit report	BDO / Audit and Risk Manager	✓				
- Review final external audit report	BDO / Audit and Risk Manager		✓			
- Review management representation letters	CEO		✓			
- Meet with External Auditor (in confidence)	BDO		✓			
Other Reporting						
- Cybersecurity report	Technology Manager	✓	✓	✓	✓	
- CEO's consultation report to the Committee on appointment of a 'person primarily responsible for the internal audit function'.	CEO	N/A				Ad-hoc

## Audit and Risk Committee Annual Plan 2024/2025

Activity	Responsible officer	Timing 2024 / 2025				Comments
		Q1 (Jul- Sept)	Q2 (Oct- Dec)	Q3 (Jan- Mar)	Q4 (Apr- Jun)	
- Litigation risk update	Legal Services Advisor					Ad-hoc



ITEM	7.2.7
	AUDIT AND RISK COMMITTEE
DATE	12 November 2024
HEADING	Outstanding Actions Arising from Internal Audits
AUTHOR	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	This report provides an update on the status of outstanding actions arising from previously completed internal audits.

RECOMMENDATION

That Council:

1. Notes the report and the Internal Audit - Action Register in Attachment 1 to this report (Item No. 7.2.7, Audit and Risk Committee, 12 November 2024).

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Internal Audit - Action log
2. Management of Contaminated Sites - Audit Log Action #35
3. Project Management - Audit Log Action #75

1. BACKGROUND

- 1.1 This report provides a status update on the outstanding actions from past internal audits, showing a summary position, number of actions by risk rating and the movement of actions since it was last presented to the August 2024 Audit and Risk Committee meeting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
  - 2.1.1 Audit Action Process Owners

3. REPORT

- 3.1 The total number of outstanding Audit actions reported to the August 2024 Audit and Risk Committee was 14.
- 3.2 A total of ten actions were closed for this reporting period from August 2024 to October 2024, which included one high, seven medium rated risks, one low rated risk and a better practice recommendation.



- 3.3 Seven new actions were added to the Internal Audit Log, post the completion of the Rates Setting and Revenue Process Internal Audit presented to Audit and Risk Committee in August (Item 7.1.1, Audit and Risk Committee, 13 August 2024).
- 3.4 New actions resulting from the Tree Management internal audit and the Procurement Better Practice will be incorporated into the Internal Audit – Action Register and reported quarterly to the Audit and Risk Committee until they are complete.

### **Actions Outstanding**

- 3.5 A summary of the outstanding actions remaining as at 12 November 2024, their status and risk ratings, and the level of completion relative to the total number of actions for the respective audit, are below:

<b>Audit</b>	<b>Total # Actions</b>	<b>Actions Completed</b>	<b>% Complete</b>	<b>Actions Outstanding</b>	<b>% Outstanding</b>	<b>Status of Outstanding Actions</b>
Management of Contaminated Sites - Oct 2020	14	13	93%	1	7%	1 extended (1 better practice, with 7 sub tasks)
Capital Works Project Audit - Nov 2021	3	2	67%	1	33%	1 high risk (with 4 sub tasks)
Fleet Heavy Vehicle, High Value and Portable Assets Audit – Feb 2023	9	6	67%	3	33%	(1 high risk and 2 medium risk)
Strategic Reporting Process - Feb 2024	7	5	71%	2	29%	(1 high risk, 1 med risk)
Rates Setting and Revenue Process	7	3	43%	4	57%	(2 med risk and 1 low risk, 1 better practice)
<b>TOTAL</b>	<b>40</b>	<b>29</b>	<b>73%</b>	<b>11</b>	<b>28%</b>	

- 3.6 The status of all outstanding actions with agreed target deadlines, relevant action owners and updated commentary is included in Attachment 1, 2 and 3.

## **4. CONCLUSION**

- 4.1 This report provides a summary of the position on outstanding actions from past internal audits, since the August 2024 Audit and Risk Committee meeting.
- 4.2 Ten actions were closed, seven actions were opened during this reporting period, resulting in a total of 11 actions remaining open.

Audit Log Actions Register - 12 November 2024												
Log #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Status	Audit Manger comment as at 30/10/2024	Resolved
35	03-Aug-20	4. Management of Contaminated Sites	5_ Better Practice	11. Management of Contaminated Sites Integrated into a Single Framework	The management of contaminated sites should be integrated into a single framework, providing documented feedback mechanisms, and ensuring the overall risk to the CoS and the Recycled Water Systems are appropriately managed.	a) Noted b) At this point in time the Contaminated Site Register sits in the Corporate GIS system and is managed by City Infrastructure, however there is no mechanism to provide ongoing reporting in this area, other than on an incident by incident basis. c) Also agree that a more integrated approach across Council Departments is required. This is proposed to be done by revising the Integrated Water Cycle Management Plan into a new Integrated Catchment Risk Management Plan and up-dating all Stormwater Management Plans (SMPs) to ensure they model and	Beth / Craig Johansen (Team Leader Streetscape and Open Space Assets)	30/06/2026	Jun-26	Extended	There are 10 sub-components to this action, final action due to close by June 2026. <b>One</b> sub-components closed in this reporting period. See attachment 2 for further details.	No
75	22-Mar-22	12. Capital Works Projects Audit	2_ High	Project Management Pressure Points - Action Plan Items	Recommendation from Feb 2023 Audit & Risk Committee was to track the status of Capital Works Project Audit Pressure Point Action Plan presented to the A&RC and include that in the Audit Log Action Items Register.	The Action Plan items are included as a separate attachment and status update tracked from the action owners and reported to every A&RC meeting until fully resolved. See Attachment 2 for details.	Jarred Collins, Manager Infrastructure Delivery.	Dec-24	Jun-25	Extended	There are 11 sub-components to this action, 7 are closed, the remaining have been extended (see attachment 3 for details) .Extension does not effect any business process.	No
76	15-Feb-23	13. Fleet Heavy Vehicle High Value and Portable	2_ High	Plant & Fleet Asset Management Plan	1)Review the current asset management process and update the P&FAMP or P&FAMOP. 2)Consider implementing a process where budget bids for asset maintenance and acquisition relies on approved P&FAMPs.	The Action Plan items are included as a separate attachment and status update tracked from the action owners and reported to every A&RC meeting until fully resolved. See Attachment for details.	Mark Purdie (Manager Field Services)	30/06/2023	Sep-2023 May 2024 Dec 2024	Reopened	Due to be presented to Executive in December 2024 following the low vehicle emission report to Policy and Planning November 24.	No
77	15-Feb-23	13. Fleet Heavy Vehicle High Value and Portable	3_ Medium	Physical Verification and Asset Stocktake	1)Develop a stocktake policy or procedure covering all relevant assets, to physically verify the assets against relevant asset registers. 2)Undertake periodic stock takes as per approved policy and/or procedure.	Recommendation 1: Policy / Procedure will be developed as recommended. Recommendation 2: Agree with the recommendation. Consideration will need to be given in the policy/procedure regarding the level of detail for stock take of portable assets.	1.Kate George (Manager Finance & Procurement) 2.Relevant Divisional Managers (subject to Recommendation 1 process approved).	1.30 June 2023 2.TBD as per procedure approved.	31/12/2023 30/06/2024 Aug 2024	Closed	<b>CLOSED</b> : Portable items and Stocktake procedure endorsed by Executive Group in August. Procedure includes annual stocktake.	yes
78	15-Feb-23	13. Fleet Heavy Vehicle High Value and Portable	3_ Medium	Comprehensive Minor Assets Register	1)Develop policy or procedure for minor assets register covering all relevant portable and attractive items (including but not limited to mobile phones, laptops, computers, IT devices, audio video equipment etc.), purchase, disposal (including write-offs), record keeping, updating the assets register and physical verification of such assets. 2)Consider undertaking an organisation wide stock-take of all portable and attractive items as at a given reference starting point, and update and maintain a comprehensive register for all minor assets thereafter.	Recommendation 1: Policy / Procedure will be developed as recommended. Recommendation 2: Comments from Manager Field Services - Consideration will need to be given on the level of detail for implementing registers and stock takes for portable assets, particularly in relation to Field Services and range of tools/equipment utilised for service delivery.	1.Kate George (Manager Finance & Procurement) 2.Relevant Divisional Managers (subject to Recommendation 1 process approved).	1.30 June 2023 2.TBD as per procedure approved.	31/12/2023 30/06/2024 Aug 2024	Closed	<b>CLOSED</b> : Portable items and Stocktake procedure endorsed by Executive Group in August. Procedure includes annual stocktake.	yes
79	15-Feb-23	13. Fleet Heavy Vehicle High Value and Portable	3_ Medium	Private Use Vehicles and Salary Sacrifice Calculator	1)Considering the 20% pool discount benefit entitlement applied for Private-Use vehicles, for clarity it is recommended that Administration ensures that all such vehicles are either made available for car pool booking on a common standard platform accessible to all employees as per current Motor Vehicle Policy or revise the Motor Vehicle Policy specifying any exceptions. 2)Ensure employees are appropriately briefed on the vehicle use policy, terms and conditions, and establish a sign-off induction checklist document for private use vehicle handover process. 3)Consider the engagement of an independent external consultant to benchmark	Agree with the recommendation. A working group has been established to review and update the Vehicle Policy.	Mark Purdie (Manager Field Services)	30/06/2023	30/11/2023 May 2024 Nov 2024	Extended	Action on track to close by November month end.	No
81	15-Feb-23	13. Fleet Heavy Vehicle High Value and Portable	3_ Medium	Policies and Procedures	1.Review the following policies and procedures that have gone beyond their current stated next review dates: a)Asset Management Policy. b)Motor Vehicle Policy. c)Procurement Framework.  2.It may be beneficial to incorporate the following specific process enhancements or clarifications: a)In the Disposal of Assets Other than the Land Policy, clarify the responsible authority for approval of asset disposals.	Recommendation 1a): Agree with recommendation. Work is underway to review and update the Asset Management Policy. Recommendation 1b): Agree with recommendation. Work is underway to review and update the Motor Vehicle Policy. Recommendation 1c and 2: Agree with recommendation. Will be resolved by 30 September 2023	1a) Chris Haskas <del>Jonathan Foong</del> (Manager Urban, Recreation and Natural Assets)  1b) Mark Purdie (Manager Field Services);	1)30 Sep 2023 2) 30 September 2023	31/12/2023 June 2024 Nov 2024	Extended	1) Policy and Frameworks all currently being worked on. Action on track to close by November month end.  2) <b>CLOSED</b> : Draft Portable items and Stocktake procedure in place to be approved by Executive in August. Procedure includes disposal of assets  Item 1 due to close by November month end - further update at February Committee.	No
85	Jan-24	14. Strategic Reporting Process	3_ Medium	2.1 Opportunities exist to strengthen governance over strategic planning	Recommendation 1: Consider whether there are sufficient resources allocated to establish the monitoring and reporting systems for tracking the City Plan, particularly as the current reporting system is due to be decommissioned in 2024.	1)Agreed.	CEO	1/03/2024	1/08/2024	Open	CLOSED Measures for the new City Plan will not require a new system or extra resources. The measures have been presented and carried at the August Council (Ref - CARRIED 0789/2024)	Yes

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86	Jan-24	14. Strategic Reporting Process	2_High	2.1 Opportunities exist to strengthen governance over strategic planning	Recommendation 2: Legislative non-compliance (Minor)	2) The following specific actions will be undertaken to ensure full compliance with the Act: - s122(1)(d): SMART KPIs will be considered for next City Plan. - s122(1)(e): Budget allocations breakdown for City Plan critical actions will be considered where possible, to implement recommendations in finding 2.3 - s122 (1)(g): COS will give consideration to implementing further organisational delivery frameworks which provides for separation of regulatory activities and other activities, and incorporate within the City Plan an overview of functional structure of the business.	CEO	Jul-24	Mar-25	Open	Measures for the new City Plan will not require a new system or extra resources. The measures have been presented and carried at the August Council (Ref - CARRIED 0789/2024). An Organisational Delivery Plan is being developed to provide further clarity on implementation of the City Plan and overall service provision.	No
87	Jan-24	14. Strategic Reporting Process	2_High	2.2 Reporting and transparency in achieving the City Plan	Recommendation 3: Continue existing work to ensure that 'SMART' (Specific, Measurable, Attainable and action oriented, Relevant and Time-bound) corporate indicators are in place for all critical actions identified the next City Plan. Note – These measurements can be for actions only, and be clearly separate from any aspirational/visionary statements that may be included in the Plan. Any included advocacy initiatives and/or aspirational goals may be able to be included separately, without needing a direct link to a SMART goal.	3) Agreed. Council intend to develop a Delivery Plan as part of development of the next City Plan, and are working to ensure that SMART corporate indicators will be established	CEO	Jun-24	Mar-25	Closed	<b>Closed</b> - Measures for the new City Plan have been defined and consideration has been given to this. Indicators will be now measuring 'Foundations' in the City Plan instead of Critical Actions.	Yes
88	Jan-24	14. Strategic Reporting Process	3_Medium	2.2 Reporting and transparency in achieving the City Plan	Recommendation 4: Detailed delivery plan	4) Agreed. It is intended to develop a Departmental Delivery Plan as part of the development of the next City Plan being finalised.	CEO	Dec-24	Mar-25	Open	Further work is underway to develop Divisional Plans that will track delivery of all Critical Actions. A new system will need to be implemented to track this.	No
89	Jan-24	14. Strategic Reporting Process	3_Medium	2.3 Budgeting to achieve the City Plan	Recommendation 5: Build on the existing mature internal budgeting process to more clearly identify the expected source of funding and/or resourcing for actions arising from the next iteration of the City Plan (where appropriate). For example, which of the following sources of resourcing are required: • operational budgets • budget bids This can help to more clearly outline resourcing requirements to each critical action.	5) Agreed. It is intended to develop a Delivery Plan as part of the development of the next City Plan and this will also consider budgetary impacts.	GM City Development	Jun-24		Closed	<b>Closed</b> - budgetary impacts have been address in the Annual plan, finding addressed and closed.	Yes
90	Jan-24	14. Strategic Reporting Process	3_Medium	2.4 Planned system change and City Plan reporting	Recommendation 6: Reporting framework	6) Agreed	CEO	Jun-24	Dec-2024 (and ongoing)	Closed	<b>CLOSED</b> Measures for the new City Plan have been defined and a new City Plan reporting framework will be led by City Shaping team.	Yes
92	Jan-24	14. Strategic Reporting Process	5_Better Practice	2.5 Strategic Planning Framework	Recommendation 8: Timing of strategic plan updates	8) Agreed. The administration will review all supporting strategic plans post the adoption of the new City Plan to facilitate alignment. For future reviews, the review timeframes for all sub-plans will be amended so that they are adopted after the City Plan is adopted. Note - the development and review timing of the strategic documents is inter-related and research and development of supporting strategies helps inform the City Plan. Conversely the City Plan research and development also informs sub-plan development (documents are not mutually exclusive)	CEO	Dec-24	Dec-2024 (and ongoing)	Closed	<b>CLOSED</b> Strategies and Actions plans have been developed in alignment with the new City Plan.	Yes
93		15 Rates Setting and Revenue Process	low	The Community Consultation Policy	The Community Consultation Policy on the Council's website is out of date for review.	As an interim measure, the Administration will administratively review the current policy (i.e. no actual change in policy position; rather, editorial update) and then, in due course, seek the Council to consider and adopt the new CEC and Community Engagement Policy position.	Manager Community Experience	Apr-24	Mar-25	Open	The Administration has commenced a review of the current policy to be complete and endorsed by Council in March 2025.	
94		15 Rates Setting and Revenue Process	Medium	Meeting for the consultation on the ABP.	The Public Meeting was held before the 21 days had been completed from the date of the notice of the meeting for the consultation on the ABP.	For the next ABP process cycle, these timeframes will be incorporated into the scheduling. Noted that the meeting was held on day 20 for the 2023/24 ABP consultation process.	Manager Finance & Procurement Services	Jun-24	May-25	Open	The next ABP will be scheduled to reflect requirement (this will be in May 2025)	



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95		15 Rates Setting and Revenue Process	Medium	The non-rateable list	The non-rateable list was reviewed, and 4 properties were listed as non-rateable that should have had rates levied in 2023/24. This equated to a total in rates of \$16,785.82.	The issue was identified in early 2024/25. The previous process was that non-rateable properties were only reviewed at the time of property transfer. It was identified that this process could result in human error and missed revenue and an additional review process of non-rateable properties has been added to the modelling process. This process now involves reviewing all non-rateable property ownership to determine that the non-rateable classification has been correctly applied.	Manager Finance & Procurement Services	The new process will be included in the 2024/25 rate modelling.		Closed	<b>CLOSED</b> This process now involves reviewing all non-rateable property ownership to determine that the non-rateable classification has been correctly applied.	Yes
96		15 Rates Setting and Revenue Process	Low	Council declaration	The council declaration on the 26th of June contained a different \$ amount compared to the Valuer General's Report on the 25th of June. The Gazette Notice contained the same \$ amount as the Valuer General's Report.	At its meeting on 26 June 2023, the Council resolved to adopt the valuations. As the motion was moved, some different numbers were put forward, which caused the relevant manager to have to manually update the calculations within the wording of the motion at that time. In doing so, the original total wasn't adjusted (human error/oversight) to reflect the updated new valuation. The non-rateable and rateable amounts were updated in the valuation in part d of the resolution. This was also reflected in the declaration of rates in part f of the resolution. However, an error has been made under part d of the resolution.	Manager Finance & Procurement Services	At the time of adoption of new rates for 24/25		Closed	<b>CLOSED</b> This was noted in the adoption report for 2024/25	Yes
97		15 Rates Setting and Revenue Process	Medium	A notice of the declaration of a rate must be published in the Gazette	A notice of the declaration of a rate must be published in the Gazette and a newspaper circulating in the area within 21 days after the date of declaration. The notice in the Gazette was published in the legislated timeframe. A notice was not published in a local newspaper. Recommendation: a checklist should be developed and used to ensure all legislated tasks are completed and ticked off for the process of the adoption of the rates.	This was an oversight.	Manager Finance & Procurement Services	24/25 Rates		Closed	<b>CLOSED</b> The notice of the declaration was published in the advertiser on 4 July 2024.	Yes
98		15 Rates Setting and Revenue Process	5. Better Practice	If an instalment is not paid when due, a fine of 2% is payable, and after each full month after the date due, interest accrues.	If an instalment is not paid when due, a fine of 2% is payable, and after each full month after the date due, interest accrues. Rate Notices with Fines and Interest only show one figure labelled 'Fines', which includes both the fines and the interest. Business Improvement Opportunity: Showing Fines and Interest separately on rates notices may make it easier for ratepayers to understand what they are being charged for when their payments are late.	This is unable to be done in the current system. UHY Response: The Council is changing software. This should be noted as an improvement for the new software.	Manager Finance & Procurement Services	Mar-25			Will be considered in system optimisation commencing March 2025	No
99		15 Rates Setting and Revenue Process	Medium	Postponed rates can be charged interest, but the interest on the postponed rates notices uses the description fines.	Postponed rates can be charged interest, but the interest on the postponed rates notices uses the description fines. Recommendation: R18 (6)(b)(ii) Legislation requires that subsequent rates notices must show information about the amount of interest that has accrued under the postponement. The Council's rate notices only show one line, labelled fines, that includes fines and interest. The Notices should show interest separately.	This is unable to be done in the current system. UHY Response: The Council is changing software. This should be noted as a requirement in the new software.	Manager Finance & Procurement Services	Mar-25			Will be considered in system optimisation commencing March 2025	No





**Attachment 2: Management of Contaminated Sites - Audit Log Action #35 - Follow up of Action Status**  
(Status Updated for 12 November 2024 A&RC)

Task No	Task Description	Resources Required	Timing	Updated timing	Updated (as at 12 November 2024)
1	Review historical land use within the catchments of City of Salisbury. A comprehensive report has been prepared previously by a consultant so an internal review to update this is proposed in order to reduce expenditure.	Reviewed internally – savings on consultant Estimated time – 0.2 FTE (from existing budget)	During 2022 (Feb to June)	Completed	CSIRO historical land-use mapping – internal review completed Dec.2023
2a	Investigate data management and analysis systems/software requirements and available suitable products	Internal	1 <sup>st</sup> Half 2022	Completed	Investigation complete. Information provided to IT for procurement and business requirements document.
2b	Purchase and set-up a suitable software package to store, analyse and present data from sampling across the City.	Approximately \$50K to purchase and \$40K per year for licensing and support	2 <sup>nd</sup> Half 2022	Nov-24	Procurement team await Contractor's risk management processes to mitigate the limitation of liability for Water Quality Testing Software, upon receipt we will confirm our position.
3	Sample and test water from waterways and Salisbury Water injection sites to screen for a wide variety of analytes to establish a baseline	Salisbury Water – already included in budget (no additional cost) City Infrastructure - \$50K	June – Nov. 2023	Completed	Full laboratory analyses for 'all pollutants of concern' completed Jan. Action closed, and evidence saved.
4	Review the baseline data collected to identify risks	Internal review and data analysis Estimated resourcing – 0.2 FTE (from existing budget)	Oct 2023 – June 2024	Oct 2024 - June 2025	Baseline data analysis is underway.
5	Revise and update the contaminated sites register. A review of the register was undertaken during 2021, however including new/additional information and sites to keep the register current is an ongoing task. This will also be an internal review, as part of the newly established review procedure for the register.	Undertaken internally – savings on consultant Estimated resourcing – 0.2 FTE (from existing budget)	2 <sup>nd</sup> half 2023	Completed	Updated August 2023. Regular reviews will continue. Refer to Beth McGilvray (Senior Engineer, City Infrastructure).
6	Discuss identified risks (determined from data obtained) with EPA to highlight priorities within the catchments and the City of Salisbury area.	Internal resources, within existing budgets	Mid 2024	Oct 2024 - June 2025	2025
7	Undertake additional sampling and analysis to refine data regarding identified key contaminants.	Will depend on findings. Allowance of up to \$100K	Late 2024 - 2025	July - Dec 2025	2025
8	Prepare Integrated Framework document, based on catchment information and contaminant data obtained. Risk management plans, including monitoring programs/plans for key areas or sites to be prepared as outworkings of the integrated framework.	Consultants engaged to prepare Integrated Framework document and risk management plans - \$150K	Mid 2025 – early 2026	Nov 2025 - June 2026	2026
9	Assessment undertaken to determine required resources in the year 2025 and following to maintain the integrated contaminated management system.	Internal Report to Executive and subsequent update of Strategic Asset Management Plan	2025	2025	2025
10	Feedback and refinement prior to the next round of sampling and analysis.	Internal resources	Mid 2026	Mid 2026	2026



Attachment 3: Project Management Audit Action Group - Follow up of Action Status  
Capital Works Projects Audit Action #75

No.	Action Tasks	Pressure Point Identification	Responsible Group	Due Date	Status	Comments
1	Determine and create portal / option for organisation wide access to view project status information and contact details for person responsible. Needs to be completed in line with the new ERP system solution.	1 – Cross collaboration between teams	Infrastructure Delivery	<del>31/12/2023</del> 31/12/2024 30/06/2025	Extended	11/7/23: In line with ERP system roll out 13/2/24: Ongoing with the roll out of the ERP System 13/08/24: Action due date December 2024 30/09/24: The Projects and Contracts module is progressing, working closely with the new Finance Module, in Line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
2	Completed projects by asset have been mapped and is accessible via Power BI, with the roll out of the new ERP system solution, create the ability to view projects in progress geographically. Completed projects may transition to the same view as active projects, pending ERP system solution.	1 – Cross collaboration between teams 3 – Community consultation 5 – Resident and EM information requests 6 - Reporting	Infrastructure Delivery	<del>31/12/2023</del> 30/06/2025	Extended	11/7/23: In line with ERP system roll out 13/2/24: System has been created in Power BI to track projects and will be rolled out in line with the ERP system 13/08/24: Action due date December 2024 30/09/24: The Projects and Contracts module is progressing, working closely with the new Finance Module, in Line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
3	Pending ERP system solution enable organisational wide access to project documents such as briefs and design drawings to enable review and feedback from any location	1 – Cross collaboration between teams 5 – Resident and EM information requests 6 - Reporting	Infrastructure Delivery	<del>31/12/2023</del> 31/12/2024 30/06/2025	Extended	13/2/24: Ongoing with the roll out of the ERP System 13/08/24: In line with ERP system roll out 13/08/24: Action due date December 2024 30/09/24: The Projects and Contracts module is progressing, working closely with the new Finance Module, in Line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
4	A1 digital drawing review solution implemented, subject to funding availability. - Schedule working group to discuss and determine requirements - Investigate options and estimated pricing - Determine funding source - Schedule tender - Schedule install - Schedule training	1 – Cross collaboration between teams 2 – Resourcing 3 – Community Consultation 4 – Procurement 5 – Resident & EM requests 7 – Clarity of Roles and Responsibilities 8 – Prioritisation of Projects 9 – Bespoke design work	Design Team, Infrastructure Delivery	<del>31/08/2024</del> 30/11/2024	Extended	14/11/23: Workshop has been completed, reviewing available funding sources for implementation. 13/2/24: Still determining funding source with a view to implement in 24/25 financial year 13/08/24: IT are reviewing the proposed plan table, in particular from a cyber security and maintenance perspective. Funding will be sourced from within existing internal budgets. Action on track to close by end August. 30/09/24: The proposed table is still being reviewed by the TDS team, in addition we are reviewing this against the ERP roll out and business process that will occur as part of the Projects and Contracts Module role out. Estimated outcome is the 30/11/2024.
5	Develop process to maintain Major Project information on the City of Salisbury website - Document process - Upload updated Major Project information - Schedule periodical reviews	2 – Resourcing 3 – Community consultation 5 – Resident & EM information requests	City Infrastructure Administration	45170	Completed	Completed, pilot projects have been loaded and these will be continued to be developed and reviewed. <a href="https://www.salisbury.sa.gov.au/development/council-projects/capital-works">https://www.salisbury.sa.gov.au/development/council-projects/capital-works</a>
6	Schedule bi-annual workshops to review overarching project risk register	1 – Cross collaboration between teams 6 – Reporting 8 – Prioritisation of projects	Infrastructure Delivery	1/03/2023	Completed	The Project Risk Register has been updated and included on the intranet for reference, it is proposed to review this inline with preparation of the new Financial Year in July 2023 and mid year in January 2024 consecutively.
7	Schedule bi-annual workshops to review a small set of completed projects, so what worked well and what didn't work so well can be discussed and captured. Include a section for acknowledgements	1 – Cross collaboration between teams 6 – Reporting 8 – Prioritisation of projects	Infrastructure Delivery	1/03/2023	Completed	Workshops scheduled to occur in July and January each year, and a sample of 3-4 completed projects to be reviewed for lessons learned. Register of Lessons Learnt to be kept within the Capital Delivery Framework page on Intranet.
8	Schedule workshop to review Change RACI (Roles Accountability Consulted Inform) Chart	1 – Cross collaboration between teams 2 – Resourcing 7 – Clarity of Roles and Responsibilities	Infrastructure Delivery	<del>01/04/2023</del> <del>30/06/2023</del> 31/12/2023	Completed	14/11/23: Workshop has been completed - New RACI will be uploaded to the Capital Delivery Templates workspace by 31/12/2023 13/2/24: Completed and uploaded
9	Create Project Management Plan template to support Project Managers with the delivery of their assigned projects	7 – Clarity of Roles and Responsibilities	Infrastructure Delivery	<del>1/06/2023</del> 31/07/2023	Completed	11/7/23: Underway, to be completed by the end of July. 14/11/23: Completed <a href="http://intranet.cos.ad/Our_Business/Capital_Delivery_Framework/Capital_Delivery_Framework_Templates">http://intranet.cos.ad/Our_Business/Capital_Delivery_Framework/Capital_Delivery_Framework_Templates</a>
10	Re-establish asset-based project meetings to aid in decision making, communication sharing and project monitoring. Consider membership and options for online participation.	1 – Cross collaboration between teams 6 – Reporting	Infrastructure Delivery	1/05/2023	Completed	Completed

11	Explore the expansion of costing internal wages to capital projects, staff not within City Infrastructure or Strategic Property Development but are staff involved with project delivery.	2 – Resourcing	Financial Services Community Development Infrastructure Delivery	1/06/2023 31/12/2024	Completed	In line with ERP system roll out, working with Project Support Team and Financial Services <b>13/2/24:</b> Completed - considered business partners working with departments as projects arise on an as needed basis.
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