

City of Victor Harbor

Annual Report 2022/23



**VICTOR
HARBOR**
FEEL IT CALLING





Acknowledgement of Country

The City of Victor Harbor is committed to working with Traditional Owners, supporting their role as custodians of this land and helping ensure the future prosperity and cultural enrichment of our community.

We acknowledge the Ramindjeri and Ngarrindjeri people as the Traditional Owners of our beautiful lands and surrounding waters. As a community we recognise and respect their cultural connections with Country.



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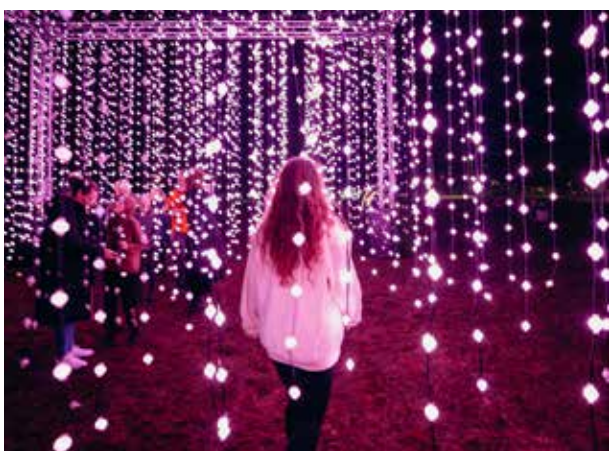
The 2022/23 Annual Report was adopted by the City of Victor Harbor at a Council Meeting on Monday, 27 November 2023.



Introduction



Reading this Annual Report



In accordance with the Local Government Act 1999, Council must publish an Annual Report to provide an update for our community and stakeholders about Council finances, performance and how we have delivered against our strategic management plans.

The Annual Report 2022/23 reports against our Community Plan 2030. This report also includes a summary of our performance against Council's Annual Business Plan and Budget 2022/23. The Annual Report gives our ratepayers and key stakeholders insight into how we invest public funds to provide essential services and infrastructure and promote social, environmental and economic advancements across the City of Victor Harbor.

It is a chance to share more detail about the opportunities and challenges faced during the financial year, and some of the noteworthy achievements during 2022/23, in our effort to serve ratepayers, residents, businesses and visitors.

The report is divided into the following sections:

- Introduction (pages 4-15)
- Who We Are, What We Do (pages 16-61)
- 2022/23 In Review (pages 62-79)
- Our Performance (pages 80-111)
- Corporate Reporting (pages 112-121)
- Financials (pages 122-183)
- Looking Ahead To 2023/24 (pages 186-191)

Legislation also requires the Annual Report of Council subsidiaries to be attached to this report.

Mayor's Welcome



Dr Moira Jenkins
Mayor

It's been another busy 12 months in the City of Victor Harbor, with many projects and milestones to celebrate. Each year, I become even more inspired and impressed by the local community and their connection to the gorgeous place where we are so lucky to live – the land of the Ramindjeri and Ngarrindjeri peoples.

As your Mayor and a fellow resident, I am fortunate to play a part in local decision making that influences the future of our coastal city, and I also get to witness first-hand the benefits of actions being implemented at a local government level.

Whether affiliated with Council or not, each and every one of us makes decisions every day that support our neighbourhood. Decisions to be kind. Decisions to offer our time. Decisions to be forward-thinking and open-minded. I want to thank our community for being an integral part of the fabric that makes up Victor Harbor – it's you that makes our region so special.

Our Outstanding Citizens

In the City of Victor Harbor, it's in our spirit to go above and beyond for the community.

At our Australia Day Celebrations in January 2023, I was honoured to present Citizen of the Year awards to Donald Rumbelow, Deidre Hughes and Mathilda Meinecke for their outstanding contributions to our area. Congratulations again to these remarkable individuals. There are many more people that deserve recognition, including our hundreds of volunteers that generously offer their time to supporting local initiatives.

This year, I was also inspired to see so many young people diving headfirst into initiatives such as the Youth Climate Summit, Mayors' Short Story Challenge and Youth Development Program. Our talented young people are the future of our region.

Our diverse population continues to grow as people identify the Fleurieu Peninsula as an ideal place to live. It was wonderful to welcome 22 new citizens over the course of 2022/23, bringing a wide range of cultures and backgrounds to Victor Harbor.

Building Our Future

As a growing city, developing infrastructure that meets our community's future needs is essential. Notably, 2022/23 saw the completion of Stage 4 of our Mainstreet Precinct Upgrade, which has vastly enhanced the main tourism hub and economic centre of Victor Harbor. It was an honour to officially open the area to the public during our Street Party in December.

Planning infrastructure to meet future needs has been a major focus for both our outgoing and incoming Council. Over the past 12 months, significant work has been undertaken on concept designs for a Regional Community, Sport and Recreation Precinct. I would like to sincerely thank our local clubs and associations, community members and Council Members for their input into this substantial project so far – and I look forward to continuing this work in 2023/24.

As a seaside city, blessed with more than 30km of stunning coastline, we continue to explore and invest in the blue economy. In 2022/23, we focused on the completion of The Bluff Master Plan, new channel markers and a toilet facility for The Bluff Boat Ramp, and continued efforts to protect against rising tides, storm surges and coastal erosion. A multi-purpose boating facility is still needed and Council is looking for solutions that can benefit our region.

Visitors From Across The Globe

With our stunning natural surrounds, bustling economic centre and endless things to see, eat and do, it's no surprise that more than 1.2 million people choose to visit Victor Harbor each year. Perhaps a little more humbling is the recognition of Victor Harbor as the winner of the 2023 SA Top Tourism Town Award, which was presented to us by the Tourism Industry Council in May 2023.

This award is a result of the City of Victor Harbor's investment into economic development initiatives in recent years, as well as our passionate business community. It is also a reflection of the hundreds of services that Council provides to keep our city vibrant, safe and clean – from our efforts to conserve the natural environment, to our ever-growing events calendar, and everything else in between.

Many will agree that the hardest part about visiting Victor Harbor is having to leave at the end of your holiday. That's why I and 16,000 others, have decided to call this extraordinary place home.

Proud To Call Victor Harbor Home

Victor Harbor is changing. New developments are sprouting on every corner of our city as we continue to reinforce our position as the hub of the southern Fleurieu Peninsula.

Council is planning in a manner that protects our environment, retains our heritage, and preserves our character. Whether you live, work, visit or invest in Victor Harbor, you will know that this is a truly special place.

The ongoing work of Council wouldn't be possible without our stakeholders and community inspiring and guiding us.

I'd like to thank current and outgoing Council Members for their contributions to our vibrant city. My fellow Council Members and I are committed to working with the community to achieve the best outcomes. Our contact details are available in this document and online, and I invite you to contact us to discuss any local matters.

It is with great honour that I present the City of Victor Harbor's 2022/23 Annual Report.

Introduction from the CEO



Victoria MacKirdy
Chief Executive Officer

Our Annual Report is an excellent opportunity to reflect on the past 12 months and celebrate the collaborative efforts from Council Members, staff, volunteers and our community.

Guided by our Community Plan 2030, the City of Victor Harbor has achieved a significant amount in 2022/23, including work that will benefit our region now and into the future.

Diverse Accomplishments

Council business is far-reaching and multifaceted. This diversity of services is reflected in some of our key achievements over the course of the year – each impressive in their own right.

For example, while our open spaces crew planted more than 4,500 plants, our Southern Communities Transport Scheme provided 8,000 passenger trips. As the Library hosted 960 events and group sessions, our maintenance team was busy grading 134 kilometres of unsealed roads.

Among our key projects in 2022/23 were major upgrades to the Mainstreet Precinct, the development of a Master Plan for The Bluff, work towards reconciliation with First Nations peoples, and the opening of our newly renovated Visitor Centre.

Engaging stakeholders and the community was a key focus during these projects, and an ongoing priority for our organisation.


Challenges Impacting Operations

Covid-related staff shortages, an evolving economic landscape, significant inflation pressures, ongoing material delays and a tight labour market were just some of the difficulties faced by businesses and industries across the country in 2022/23.

In the City of Victor Harbor, we were not immune to these challenges, yet it is our resilient nature and strategic approach that has ultimately defined the past 12 months. We have continued to provide more than 100 services to keep our local community vibrant, clean and safe, while also delivering on a range of major projects.

Sustainable Financial Management

The Council continues on a path of financial sustainability through considered budgeting and financial management, along with balancing the need for services and infrastructure against the impact that funding these initiatives has on ratepayers.



In 2022/23 the City of Victor Harbor performed well against its key financial indicators. These indicators help with Council's decision-making process as it strives to achieve and maintain a surplus position over the long term, manage borrowings and debt sensibly, employ sound asset management principles and achieve intergenerational equity.

It is expected that inflationary pressures will continue to impact Australia over the coming year. Sustainable financial management will be at the forefront for Council as we navigate this economic uncertainty.

Protecting Our Backyard

In addition to our changing economic 'environment' are the challenges associated with our changing natural environment. In 2022/23, several storm events threatened coastal infrastructure and emphasised the importance of climate action. Our team undertook emergency action as required to prepare and respond to high tides and inclement weather.

Our Coastal Adaptation Strategy and Climate Agenda 2030 both recognise the need for continuous action in this space. We know that our stunning natural surrounds are part of what makes Victor Harbor so extraordinary, and they must be protected. With a potentially hazardous bushfire season forecast for 2023/24, mitigating the impacts of climate change will continue to be a priority of the Council.

Working Towards Efficiency

For a number of years, our team has been planning for the implementation of a new corporate system (the engine of our day-to-day operations) that will allow Council to be more customer-centric and operate more efficiently. Our Corporate Systems Project means we are working towards a new foundation that is secure, stable and flexible.

This project is a significant investment into our technology and the future of our organisation, ensuring we can grow and adapt as Council engages with important projects in the community. At project completion, there will be a reliable single 'source of truth' for the management and reporting of business.

In 2022/23 our teams diligently configured the system ahead of Release 1. Work on the corporate systems project will continue in 2023/24 as planned.

Continuing The Momentum

2023 saw three elections – state, federal and local. The Local Government Elections involved a substantial administrative effort in collaboration with the Electoral Commission of South Australia and Local Government Association. Our Council Members, elected for a four year term, play a critical role in local decision-making, and the elections are an opportunity for our community to shape a Council that represents their values.

Residents, ratepayers and businesses in the City of Victor Harbor voted for a diverse and skilled Chamber that has taken the responsibility of serving our wonderful community in their stride. The transition from our outgoing to incoming Council was seamless.

Looking Ahead

The following pages outline more accomplishments, challenges and news from the financial year. This report is a great demonstration of what can be achieved when Council plans well, collaborates with its community and strives for the best outcomes.

I would like to thank the entire City of Victor Harbor team, including Council Members, staff and volunteers, for their staunch commitment to serving residents, ratepayers, businesses and visitors. It is a privilege to work alongside my passionate peers.

About the City of Victor Harbor

Our Location



Our History



For thousands of years, the Ramindjeri and Ngarrindjeri people hunted and gathered in the region they called 'Wirramulla'. The fertile lands supported huge animal populations while the waters were sheltered and rich with life. Among the local dreamtime stories, Nulcoowarra or Kaiki (the Ngarrindjeri name for Granite Island) has tremendous spiritual significance, as does the southern right whale, told in the Kondoli dreaming. The first non-Indigenous settlers approved of the region for the same reasons – rich lands, sheltered waters and whales.

The famous encounter between Captain Matthew Flinders of the British sloop Investigator and Captain Nicholas Baudin of the French ship Le Geographe occurred in waters off Victor Harbor over 200 years ago. The ships sheltered in the bay, which was later named Encounter Bay by Captain Flinders.

In 1837, Captain Richard Crozier in command of the Cruizer-class H.M.S. Victor anchored just off Granite Island on his way back to Sydney and India. Captain Crozier named the place 'Victor Harbour' (the original spelling of the town name) after his ship.

About the same time as Captain Crozier's stop over, two whaling stations were established, one at Rosetta Head (popularly known as "The Bluff") and the other near the point opposite Granite Island. Whale oil became South Australia's first export. From 1839 the whaling station was managed for a time by Captain John Hart, a later Premier of South Australia. Whaling stations continued trading until around the mid-1860s.

Council Background



On 31 October 1975, the District Council of Encounter Bay and the Corporation of Victor Harbor amalgamated to form the District Council of Victor Harbor. The amalgamation recognised the strong communities of interest that existed between the two former local government areas and the resource, cost and efficiency benefits that would be generated by the combining of the two councils.

Potential for further amalgamation was considered in 1996-1997, this time involving the Local Government areas of Victor Harbor, Port Elliot, Goolwa, Strathalbyn, Yankalilla and Willunga. Although some Council mergers did result from these extensive investigations, Victor Harbor remained an independent entity.

On 1 February 2000, the District Council of Victor Harbor became known as the City of Victor Harbor. The new name, new logo and new direction was a reflection of the dynamic changes occurring within the community and the significance of Victor Harbor as the regional centre for the southern Fleurieu Peninsula.

About the City of Victor Harbor

Our Council



The City of Victor Harbor is located on the coast of South Australia's Fleurieu Peninsula, about 80 kilometres south of the Adelaide CBD. It is the largest population centre of the Fleurieu region and considered to be the hub of the southern Fleurieu Peninsula.

The Council area encompasses 346 square kilometres, sharing boundaries with Alexandrina Council to the east and the District Council of Yankalilla to the west.

Amongst others, the Council owns the Victor Harbor Library, Victa Cinema, Victor Harbor Recreation Centre, Old School Building, Town Hall, Victor Harbor Visitor Centre, Coral Street Art Space and the South Australian Whale Centre. Council also owns the Victor Harbor and Encounter Bay sports grounds.

The City of Victor Harbor is involved in four subsidiaries. Three are established under Section 43 of the Local Government Act 1999 including Fleurieu Regional Waste Authority, Southern and Hills Local Government Association and Fleurieu Regional Aquatic Centre Authority. These subsidiaries are run along with neighbouring councils to support key elements in the region's functions.

The fourth subsidiary, the Victor Harbor Horse Tram Authority, was established under Section 42 of the Local Government Act 1999 to oversee the operations of the much-loved horse drawn tram service.

Our City



Victor Harbor's adored natural surrounds and nearness to Adelaide have made the City a favoured holiday destination for many years. The coastal City boasts both coastal and countryside scenery within a comfortable temperate climate.

The town centre overlooks the pleasant waters of Encounter Bay, where southern right whale mothers and calves often frolic between May and October. On land, Victor Harbor is recognised for several significant natural landmarks, including the rock outcrop known as The Bluff (Kongkengguwarr or Longkewar) and scenic Granite Island (Kaiki). The island is most notably known for the iconic horse drawn tram that is pulled by magnificent Clydesdales across the 630-metre causeway to Granite Island.

The City has beautifully preserved heritage buildings and a rich colonial heritage, which can be admired by visiting the SteamRanger, an operational heritage rail service and major tourist attraction. A growing arts, culture and events scene, coupled with diverse recreational opportunities, also attracts travellers from near and far.

Being the economic hub of the southern Fleurieu region, Victor Harbor attracts businesses of varying sizes and industries. Tourism is seen as the significant contributor to the local economy with 1.2 million annual visitors injecting \$163 million each year. Residents and visitors can also benefit from expanding retail and hospitality offerings in the City.

Our Community



The City of Victor Harbor is home to a welcoming community with friendly spirit and strong family values. The charm of the Victor Harbor community is underpinned by a culture of volunteering. Around one in four people in the City of Victor Harbor volunteer in some capacity, and the Council itself is also fortunate to have a team of around 400 volunteers who assist with the delivery of services, programs and initiatives

Over the years, the peaceful coastal lifestyle of Victor Harbor has been known to attract a mature, retiring population. The median age of people in Victor Harbor is 60 years, with 20 per cent of the population aged over 75 years.

However, Victor Harbor is also home to many young people and families who are opting to take advantage of the regional lifestyle benefits.

Schools in the City of Victor Harbor have almost 3,000 students combined, who are drawn from across the southern Fleurieu Peninsula.

Victor Harbor's close proximity to metropolitan Adelaide has also seen an emergence of residents who live in Victor Harbor to enjoy a leisurely coastal lifestyle and commute to the metropolitan area for work.



1,127
businesses



346KM²
council area



32KM
coastline

5,570
jobs

84KM
from Adelaide
CBD

2
major rivers

33%
residents
employed



186
parks and open
space areas

\$730M
gross regional
product

4
schools



1.2M
visitors annually

1
TAFE Campus & Flinders
University Rural Health Campus

16,720
2022 population

25%
population
volunteers

1
hospital
(incorporating
public and private)

19,095
2031 population
projection

29%
population receives
aged pension

1
library with
128,000 visitors
annually

60YEARS
median age

Statistics from a variety of sources: Census (Australian Bureau of Statistics, abs.gov.au), City of Victor Harbor LGA Profile (Future Urban Pty Ltd), Victor Harbor Economy Dashboard (REMPLAN).

About the City of Victor Harbor

Topical Community Issues



The City of Victor Harbor Council area is unique in so many ways. We are faced with a number of significant challenges and opportunities, all of which are reflected in our planning and strategic outlook.

Population growth

The City of Victor Harbor is a coastal community with an ageing, growing and diversifying population.

Victor Harbor's population is forecast to reach between 18,776 and 19,095 by 2031.

This growth has implications for the provision of services and infrastructure, and will be considered in the State Government's Greater Adelaide Regional Plan as well as Council's Urban Growth Management Strategy.

Seasonality

Victor Harbor's population and economy is impacted by seasonality. In the summer months, as holidaymakers flock to the coast, Victor Harbor's population doubles, jumping to 30,000.

This provides a number of challenges including ratepayers subsidising facilities for our visitors. Also, the fact that grant funding allocated to Council by the Local Government Grants Commission is based on is based on the permanent resident population and doesn't take into account this seasonal population boom.

Climate change

The City of Victor Harbor Council area is home to many wonderful assets such as The Bluff, Granite Island and the Little Penguin colony, Hindmarsh Falls, Glacier Rock, Hindmarsh and Inman Rivers.

The natural environment, including the coastal and marine areas, rivers, natural vegetation, clean air and mild climate are all identified as things that make Victor Harbor a great place to live.

The ability for the City of Victor Harbor to maintain its position as a place of choice to live, work, invest and visit is intrinsically linked to our preparedness for, and responsiveness to, the impacts of climate change. Our local economy is largely influenced by the seasonality of visitors attracted to our remarkable but vulnerable natural assets and features.

Over the next ten years, the changing climate will put pressure on our natural and urban environment. Climate adaptation studies for the region highlight that the area's climate will become warmer and drier with rising sea levels, increasing heatwaves, storm surges and increased bushfire risk.

In December 2019 the City of Victor Harbor joined a growing number of councils across the country to declare a climate emergency. This move recognises the serious risk that climate change poses to the Victor Harbor community and that more action needs to be undertaken by all levels of government.

Planning for young and old

With a median age of 60 years, Victor Harbor has one of the oldest populations in the country. Our relaxed lifestyle makes our region a popular place for people to retire.

However, in recent times we have seen an increase in the number of young people and families coming to our area, supported by the fact that we have four great schools. It is important we plan for facilities, programs and services that suit both younger and older people.



Hospital and palliative care services

Palliative care services in the region are under-resourced. The need for increased palliative care and hospice facilities is crucial to support Victor Harbor's ageing population.

The limited paediatric services at the Victor Harbor Hospital is also a concern. As a region that is attracting more and more young families, having this type of service is essential.

Additional mental health services are also required.

Access for all

The City of Victor Harbor recognises the importance of an inclusive community. That is, a community that not only accepts but embraces diversity.

The Council recognises that some people are more disadvantaged than others in being able to access services and facilities.

One of the responsibilities of local government is to ensure that all members of our community have the right to be included, participate, have access to services and goods, and are able to be included in decision making. Access and equity forms part of all our decision making and planning processes.

Our Disability Access and Inclusion Plan 2020-2024 supports us to understand and take into consideration the needs of people living with a disability.

Public transport

There is insufficient public transport in our region. As our region grows, the need for improved transport options will only increase. This has been of great concern to Council for many years.

Improving public transport is a significant challenge. Currently there are minimal public transport connections to Adelaide, and there is a need for more public transport options locally. Opportunities need to be actively sought for more services.

Technology and innovation

Technology is continually evolving. There is a need to embrace and further develop the use of technology to create opportunities for both business and the wider community.

The City of Victor Harbor is a leader in the local community, and is expected to remain up-to-date with technology trends. Council continues to encourage innovation to improve service delivery.

Housing and homelessness

Like many areas across Australia, the rate of homelessness on the Fleurieu Peninsula is increasing. Housing affordability and availability are commonly discussed issues amongst our community.

In 2022/23, as cost of living pressures have continued to impact households across the country, homelessness has also become a significant topic of conversation in the media. With the median house price in the City of Victor Harbor increasing to \$560,000 in 2022 (up \$95,000 from 2021), the prospect of owning a home is becoming out of reach for many.

While in many cases local government is not a primary service provider for housing, councils can still play a significant role in creating equitable and cohesive communities. The City of Victor Harbor aims to be a vibrant city where individuals of all ages, backgrounds and abilities thrive.

Council offers a range of support services that are directed at assisting vulnerable people and groups in the community. This includes advocating to state and federal government representatives to table collective concerns from our region.

The City of Victor Harbor also proactively coordinates a range of community programs that aim to support vulnerable people (and those at high risk of homelessness) across all demographics.







Who We Are, What We Do

Kings Beach | Ben Goode

Council Services

Most people are surprised when they learn how much councils do for their communities. The City of Victor Harbor provides more than 100 services to keep our community vibrant, clean and safe. Some of the services provided are required to be delivered by the Council under the Local Government Act 1999, while others services and programs are delivered to meet community needs or to deliver on community expectations. Below is a list of the services Council provides to the Victor Harbor community.

<p>Infrastructure & Asset Management</p> <p>Managing and maintaining roads, footpaths, bridges, bicycle paths, street furniture and cemeteries</p> 	<p>Waste & Recycling</p> <p>Kerbside waste collection, recycling depot, street cleaning and graffiti removal</p> 	<p>Heritage</p> <p>Heritage advisory services and support for owners of heritage listed places</p> 	<p>Planning & Development</p> <p>Urban planning, building assessments, development assessments</p> 	<p>Customer Service & Information</p> <p>Responding to community requests, providing after hours call centre and community information</p> 
<p>Family, Youth & Children's Services</p> <p>Family support services, youth development programs and events, and immunisation program</p> 	<p>Aged & Disability Services</p> <p>Social support services and supporting planning for aged services</p> 	<p>Library Services</p> <p>Victor Harbor Library service, activities and events</p> 	<p>Tourism Marketing, Events & Attractions</p> <p>Festivals and events, visitor information, Horse Drawn Tram and SA Whale Centre</p> 	<p>Economic Development</p> <p>Mainstreet Precinct, digital economy strategy, supporting agribusiness and renewable energy programs</p> 
<p>Arts & Cultural Activities</p> <p>Arts and culture development, public art, planning for an arts and culture centre</p> 	<p>Parks & Recreation</p> <p>Maintaining parks, reserves, playgrounds, walking trails, street trees, boating facilities</p> 	<p>Coastal Protection & Environment</p> <p>Foreshore and estuary maintenance, revegetation management, pest animal and plant control</p> 	<p>Compliance & Parking</p> <p>Dog and cat management, outdoor dining, nuisance and litter control, parking enforcement</p> 	<p>Transport</p> <p>Community transport services, advocating for improved public transport</p> 
<p>Public Health</p> <p>Regulating food safety, waste water systems, water quality, sanitation, swimming pools/spas, vermin control</p> 	<p>Emergency Planning</p> <p>Regional bush fire management plan, local and zone emergency management plans</p> 	<p>Administration</p> <p>Records management, FOI requests, Council and committees support, maintaining the electoral roll</p> 	<p>Corporate Services</p> <p>Financial & risk management, HR, organisational development, computers and telecommunications</p> 	<p>Community Development</p> <p>Grant programs, community facilities and meeting places, advice, advocating on behalf of the community</p> 

Role of Council

Everything Council does helps to shape the future of Victor Harbor. We want to see Victor Harbor continue to be a place of choice to live, work, invest and visit.

Like all councils in South Australia, the City of Victor Harbor is established and empowered by the SA Government under the Local Government Act 1999. In addition to this, there are more than 50 Acts of legislation that assign roles, responsibilities and powers to Local Government.

We have a responsibility to create an environment for residents and visitors that is safe, healthy and contributes to the quality of life of the broader community. This is achieved by:

- Preparing and implementing policies and procedures that ensure development of the area is directed to the overall wellbeing of the community and the environment.
- Providing the community with an acceptable level of physical, environmental and economic services.

The provision of services is one way we respond to the needs of our community. Some of these services are statutory (we must do them) and are undertaken on behalf of the SA Government. Others are discretionary (we are not required to do them) and we choose to provide them for our community.

The principal roles of a Council are to provide government and management of its area at the local level. This can be done by:

- Providing **leadership** by setting directions to meet current and future needs, usually through policies, strategies, plans and reviews
- **Planning** for the development and future requirements of the area
- **Managing** community assets including buildings, facilities, public space, reserves and the natural environment

- Undertaking a **regulatory role** in response to specific legislation
- Acting as an **information provider** including developing resources to promote an understanding of the community and inform decision making
- **Liaison, advocacy and lobbying** on behalf of the community
- Acting as an **initiator or facilitator** to stimulate community action or bring stakeholders together
- Providing **developmental support** to enhance the capacity of the community to identify and respond to its own needs
- Being a **direct provider** of services, facilities and infrastructure
- Being an indirect **provider or part funder** of services, facilities and infrastructure
- Acting as an **agent** by providing service on behalf of another party that funds the services

Many of our community's needs are outside the direct responsibility of Council, or cannot be achieved by Council alone, and require the involvement of other levels of government.

The City of Victor Harbor works closely with the South Australian and Australian Governments to plan for services and infrastructure that support the community, and protect the natural environment.

Council Roles

No Role		The Council chooses not to have a role in relation to a particular service or activity
Enabler	Information Channel	Information about a service or activity of other bodies is channelled through Council communication activities
	Advocate	The Council may advocate to another level of government or other organisations for certain things to happen. This could range from a single event (such as writing to a Minister) through to an ongoing campaign
	Facilitator	A step further from advocacy where the Council may try to bring parties together to work out a solution to an issue affecting the Council area
Provider	Agent	Typically this would involve the Council delivering a service, funded by a government agency, that is (or likely to be regarded as) the responsibility of another level of government
	Part Funder	The Council either provides funding to another body to meet part of the cost of that body providing a function/service activity, or receives funding from another body (usually a government agency) to meet part of the cost of the Council delivering it
	Asset Owner	As the owner (or custodian) of an asset (road, footpath, playground, etc) the Council has responsibility for capital, operating and maintenance costs
	Regulator	The Council has legislated roles in a range of areas which it is required to fund from its own funds (apart from fees for cost recovery, government grants)
	Service Provider	The full cost (apart from fees for cost recover, government grants etc.) for a service or activity is met by Council
Leader	Strategic Planning	The Council has a role as a community leader by setting out a strategic plan for the area's future
	Policy Setter	The Council sets public policy to guide the operation of the council
	Educator	The Council has an important role to assist in educating the community on key issues

Council Members

The City of Victor Harbor is currently represented by 10 Council Members, consisting of the Mayor and nine Councillors. The City of Victor Harbor's current Council Members were elected by the community during the 2022 Council Elections. The Council Members are elected for a four year term of office.

Councillors serve the community by listening to residents, businesses and stakeholders, and representing their views on Council. They provide community leadership and guidance, and facilitate communication between the community and the Council.

Having a diversity of people on councils is important so our communities are represented fairly. The City of Victor Harbor has Council Members of various ages, backgrounds, abilities and beliefs.

On a Council, leadership skills are fundamental. Council Members must be impartial, able to listen to other perspectives, and be well informed of the facts when advocating for the community.

Councillors do not make decisions on their own. Councils make decisions as a whole.

More information about the City of Victor Harbor's Mayor and Councillors is provided on the following pages. Contact details for Council Members can be found at any time by visiting victor.sa.gov.au.

Representation Quota

Section 12(4) of the Local Government Act 1999 requires the Council to undertake a comprehensive review of the structure of Council at least once every eight years.

The City of Victor Harbor concluded its most recent review in April 2017. No changes were made to the Council's representation structure during this review.

The representation quota is determined by dividing the total number of electors for the area of the Council by the number of members of Council.

The City of Victor Harbor's representation quota is 1:1,340.

The table (below) shows the current representative structure for the City of Victor Harbor and comparative data for similar councils.

Council	Council Members	Electors	Representative Quota
Alexandrina	10	22,332	2,233
Yankalilla	9	4,533	503
Barossa	12	18,810	1,567
Copper Coast	10	12,401	1,240
Light	10	11,201	1,120
Loxton Waikerie	11	8,231	748
Murray Bridge	10	15,424	1,542
Port Pirie	10	13,015	1,301
Wattle Range	12	8,786	732
Yorke Peninsula	12	9,095	757
City of Victor Harbor	10	13,402	1,340

Council Members (1 July - 10 November 2022)



Mayor
Dr Moira Jenkins



Deputy Mayor
Nick Hayles



Councillor
Brayden Mann



Councillor
Tim Glazbrook



Councillor
Bryan Littlely
*resigned September 2022



Councillor
Marilyn Henderson



Councillor
Carol Schofield



Councillor
David Kemp



Councillor
Andrew Robertson



Councillor
Peter Charles
*resigned August 2021

Council Members (11 November 2022 - 30 June 2023)



Mayor
Dr Moira Jenkins



Deputy Mayor
David Kemp



Councillor
Brayden Mann



Councillor
Stewart Burns



Councillor
Michael Quinton



Councillor
Marilyn Henderson



Councillor
Angela Schiller



Councillor
Carlos Quaremba



Councillor
Carol Schofield



Councillor
Nick McKenzie

Council Member Profiles



Mayor Moira Jenkins

Dr Moira Jenkins has been serving our local community for several years, including as Mayor since 2018 and as a Council Member between 2014-2018.

Moira is a clinical psychologist with post graduate qualifications in workplace conflict management and the development of healthy workplaces.

Her approach to leadership is based around collaboration – engaging our residents, ratepayers and other stakeholders to ensure decision making has the best interests of our community at heart.

She is especially passionate about addressing regional issues such as health, public transport and facilities for people of all ages.

While the past few years have been challenging for communities across Australia, with fires, pandemic, economic uncertainty and floods, Moira believes that Victor Harbor is stronger than ever and has a very bright future ahead.

Committee and Advisory Group appointments*

- Arts and Culture Advisory Group
- CEO Performance Review Committee (Chair)

The Mayor holds an ex-officio position on all Section 41 Committees, excluding the Audit committee.

Contact details



0412 733 453



moira.jenkins@victor.sa.gov.au



Deputy Mayor David Kemp

Councillor David Kemp has been serving the local community as Council Member since 2018, and is also the City of Victor Harbor's Deputy Mayor.

David has dedicated much of his life to the SA Metropolitan Fire Service where he was an Executive of the Fire Service and Board Member of the Fire Service Credit Union.

His experience in corporate governance, emergency management, risk management, strategic and financial planning is an asset to the Council.

Through his role on Council, David is able to connect and communicate with our community and ensure resident and ratepayer needs are at the forefront of all decision-making.

As a fellow resident of Victor Harbor, he is passionate about representing the community and advocating for our region's future.

Committee and Advisory Group appointments*

- Audit Committee
- Recreation Centre Management Committee (Chair)
- Recreation and Sport Grant Working Group (Chair)

Contact details



0448 801 521



david.kemp@victor.sa.gov.au



Councillor Brayden Mann

Born and bred in Victor Harbor, Councillor Brayden Mann has been serving the local community on Council since 2018.

Working locally as a Wills & Estates Lawyer at Bartel & Hall, Brayden is one of the many young professionals who call the South Coast home.

With a strong belief that everyone benefits from a vibrant, multigenerational community, Brayden is focused on making Victor Harbor a lifestyle city that attracts and retains younger generations.

Committee and Advisory Group appointments*

- CEO Performance Review Committee

Contact details



0403 785 805



brayden.mann@victor.sa.gov.au



Councillor Stewart Burns

Councillor Stewart Burns was elected to the City of Victor Harbor in November 2022.

Stewart is passionate about effective long-term planning and considered budget management.

Through informed decision-making, Stewart aims to add value to Victor Harbor and ensure our coastal city is equipped for current and future generations.

He is committed to representing local residents and ratepayer interests on Council, approaching all matters with an open mind, and advocating for all members of Victor Harbor's diverse community.

Stewart is actively involved in local organisations, and enjoys being a community leader.

Committee and Advisory Group appointments*

- Audit Committee
- Boating Facilities Working Group (Chair)
- Heritage Advisory Group (Chair)
- Victor Harbor Oval Planning Group (Chair)

Contact details



0419 766 263



stewart.burns@victor.sa.gov.au

*Appointments as at 30 June 2023. For more on decision making structures, see pages 54 - 58.

Council Member Profiles



Councillor Michael Quinton

Councillor Michael Quinton was elected to the City of Victor Harbor in November 2022.

Michael has diverse qualifications in economics, agribusiness, veterinary science and medicine, and currently works locally as a vet.

He is passionate about protecting the things that make Victor Harbor great, while supporting opportunities to improve recreational activities, infrastructure and services.

As a local resident, business owner, husband and father, he aspires to work collaboratively with the community and make decisions in the best interests of Victor Harbor's future.

He is committed to sustainable development and supporting all generations.

Committee and Advisory Group appointments*

- CEO Performance Review Committee
- Council Assessment Panel
- Recreation and Sport Grant Working Group

Contact details



0473 680 399



michael.quinton@victor.sa.gov.au



Councillor Marilyn Henderson

Councillor Marilyn Henderson has been serving the local community on Council since 2018.

Through her career in science, Marilyn has contributed extensively to the agriculture industry, medical and plant research, anatomy, and microscopy and microstructure analysis.

In her role on Council, she aims to respect the needs of all and ensure Victor Harbor remains a vibrant and inviting coastal city.

Marilyn is extremely passionate about addressing climate change, and protecting Victor Harbor's stunning natural environment will continue to be one of her key focuses on Council.

She is also committed to encouraging intergenerational connectedness, developing accessible communities, and supporting small businesses to thrive.

Committee and Advisory Group appointments*

- Disability Access and Inclusion Advisory Committee
- Fleurieu Region Community Services Advisory Committee (Chair)
- Southern Communities Transport Scheme Advisory Committee (Chair)
- Arts and Culture Advisory Group (Chair)

Contact details



0427 464 213



marilyn.henderson@victor.sa.gov.au



Councillor Angela Schiller

Councillor Angela Schiller was elected to the City of Victor Harbor in November 2022, becoming South Australia’s first blind Council Member.

Angela has experience as a primary producer, small business owner and mother.

As a local resident in Victor Harbor, she is focused on representing fellow residents and ratepayers and improving our region for future generations.

Her interests include improving public transport, increasing affordable housing, engaging youth and encouraging positive ageing with a focus on equity for all.

Angela is committed to bringing a new perspective to Council, and advocating for the needs and interest of our diverse community.

Committee and Advisory Group appointments*

- Disability Access and Inclusion Advisory Committee (Chair)
- Fleurieu Region Community Services Advisory Committee
- Fleurieu Regional Aquatic Centre Authority

Contact details



0428 964 118



angela.schiller@victor.sa.gov.au



Councillor Carlos Quaremba

Councillor Carlos Quaremba was elected to the City of Victor Harbor in November 2022.

Carlos is a local resident and employer through his construction business. In his role as a Council Member for the City of Victor Harbor, he is strongly committed to ensuring the Council prioritises its core service responsibilities to ratepayers and keeps rates as low as possible for Victor Harbor residents.

Carlos is passionate about promoting and defending the benefits of democracy at the local government level.

He is also an advocate for full transparency and accountability with respect to Council meetings, finances and projects as well as his own performance as an elected representative of the people of Victor Harbor.

Committee and Advisory Group appointments*

- Boating Facilities Working Group
- Heritage Advisory Group
- Fleurieu Regional Waste Authority

Contact details



0436 469 723



carlos.quaremba@victor.sa.gov.au

*Appointments as at 30 June 2023. For more on decision making structures, see pages 54 - 58.

Council Member Profiles



Councillor Carol Schofield

Councillor Carol Schofield has been serving the local community on Council for more than eight years.

Throughout her diverse career, Carol has contributed to the aquaculture, agriculture and dairy industries, giving her extensive experience in risk management and business planning.

In her role on Council, Carol is very passionate about protecting our ever-changing environment, and continues to advocate for Victor Harbor's stunning natural surrounds.

Through effective strategic planning, Carol aspires to support growth in Victor Harbor while ensuring infrastructure and facilities meet our city's evolving needs.

She is an active community member, involved in many local clubs and organisations, and enjoys being a voice for residents and ratepayers on Council.

Committee and Advisory Group appointments*

- CEO Performance Review Committee
- Council Assessment Panel
- Agribusiness Working Group
- Victor Harbor Oval Planning Group (Chair)
- Victor Harbor Horse Tram Authority

Contact details



0473 236 491



carol.schofield@victor.sa.gov.au



Councillor Nick McKenzie

Councillor Nick McKenzie was elected to the City of Victor Harbor in November 2022.

As a local resident and business owner, Nick aspires to boost Victor Harbor's offering as a vibrant coastal city and ensure people of all ages can thrive.

He is particularly passionate about developing facilities and services that meet the needs of local young people, and improving Victor Harbor as a favourable place to raise a family.

In his role on Council, Nick is focused on supporting small businesses and nurturing local employment opportunities.

Nick is also committed to conserving our natural environment and enhancing our local lifestyle through increased recreational activities.

Committee and Advisory Group appointments*

- Recreation Centre Management Committee

Contact details



0467 606 927



nick.mckenzie@victor.sa.gov.au

*Appointments as at 30 June 2023.

For more on decision making structures, see pages 54 - 58.

Council Member Reporting

Council Member Allowances

The Council Member Allowances and Support Policy summarises provisions of the Local Government Act 1999 and the regulations in respect to Council Member allowances, expenses and provision of facilities, support, and benefits.

It also provides the circumstances under which Council approves the reimbursement of additional expenses on a discretionary basis.

Council Members are paid an annual allowance as determined by the Remuneration Tribunal on a four yearly basis, in accordance with Section 76 of the Local Government Act 1999. In determining allowances, The Remuneration Tribunal has regard to the role of Council Members, plus the size, population, revenue, economic factors and social factors in the particular Council area.

The following allowances were received in 2022/23:

- **Mayor** - \$61,524
- **Deputy Mayor** - \$19,226
- **Presiding member of a prescribed committee** - \$19,226
- **Councillors** - \$15,381
- **Councillors who are presiding members of a Section 41 Committee that is not a prescribed committee** - \$15,381 plus \$188 per meeting (up to \$1,129)

In addition, Council Members are entitled to other support including reimbursement of travel and childcare expenses.

Mayor Jenkins was reimbursed \$5,539.68 for travel expenses in fulfilling her role as Mayor for 2022/23.

The Mayor also travelled interstate for the National General Assembly, held in Canberra in June 2023 at a cost of \$2,350, funded in whole by the Council.

No international travel was undertaken and funded in whole or in part by Council Members during 2022/23.

Meeting Attendance

The City of Victor Harbor's Ordinary Council meetings are held on the fourth Monday of the month from 5.30pm. In 2022/23, there were 12 ordinary meetings and six special meetings.

Meeting attendance from 1 July 2022 to 10 November 2022 (end of term)

Total number of meetings	7
Mayor Moira Jenkins	6
Cr Brayden Mann	6
Cr Tim Glazbrook	5
Cr Bryan Littlely	5*
Cr Nick Hayles	7
Cr Marilyn Henderson	6
Cr Carol Schofield	6
Cr David Kemp	6
Cr Andrew Robertson	7

*Cr Bryan Littlely resigned as of 26 September 2022.

Meeting attendance from 11 November 2022 to 30 June 2023

Total number of meetings	11
Mayor Moira Jenkins	11
Cr Brayden Mann	10
Cr Stewart Burns	9
Cr Michael Quinton	8*
Cr Marilyn Henderson	10
Cr Carlos Quaremba	11
Cr Angela Schiller	11
Cr David Kemp	11
Cr Carol Schofield	11
Cr Nick McKenzie	10

*Cr Michael Quinton temporarily vacated office from 10 February 2023 to 9 March 2023.

Council Member Reporting

Training and Development

From 1 July 2022 to 10 November 2022 (end of Council term), no training was undertaken by Council Members.

The following table is a record of training and development activities that were undertaken by Council Members between 11 November 2022 and 30 June 2023.

Training Sessions	Date/s	Mayor Moira Jenkins	Cr Brayden Mann	Cr Stewart Burns	Cr Michael Quinton	Cr Marilyn Henderson	Cr David Kemp	Cr Angela Schiller	Cr Carlos Quaremba	Cr Carol Schofield	Cr Nick McKenzie
Mandatory Training Session – General – Induction	18/11/2022	•	•	•	•	•	•	•	•	•	•
Mandatory Training – Civic – Introduction to Local Government	19/11/2022	•	•	•	•	•	•	•	•	•	•
Mandatory Training – Civic - Effective Council Meetings, Meeting Procedures, Representing Council Decisions	19/11/2022	•	•	•	•	•	•	•	•	•	•
Mandatory Training Session – Tour of Victor Harbor	9/01/2023	•	•	•	A	•	•	•	A	•	•
Mandatory Training – Legal – Role of a Council Member, Registers, Returns and Resources, Legal Protections and Oversight	19/12/2022	•	•	•	•	•	•	•	•	•	•
Mandatory Training – Strategy and Finance Financial Management – Managing public funds, rating and other revenue sources and funding plan, Strategic Risk Management and Oversight, Assessment of Loans and Council’s Position (LGFA)	16/01/2023	•	•	•	•	•	•	•	•	•	•
Mandatory Training Session – Mayor Leadership Competency Framework	17/02/2023 18/02/2023	•									
Council Assessment Panel Training	17/03/2023			•				A			
Mandatory Training Session – Council Leadership – Behaviour – Values, Ethics and Behaviour (Technical)	22/03/2023	•	•	•	A	•	•	•	•	•	•
Mandatory Training Session – Council Leadership – Behaviour – Communication Skills	22/03/2023	•	•	•	A	•	•	•	•	•	•
Media Training	05/04/2023	•	•	A	A	A	•	•	A	•	•
Mandatory Training Session – Council Leadership – Behaviour – Values, Ethics and Behaviour (Behavioural)	17/04/2023	•	•	A	•	•	•	•	•	•	•
Mandatory Training Session – Behaviour – Leadership Skills – Strategic Thinking and Change Management	17/04/2023	•	•	A	•	•	•	•	•	•	•
Mandatory Training Session – Behaviour – Leadership Skills – Resilience	15/05/2023	•	•	A	•	•	•	•	A	A	•
Deputy Mayor Forum	12/05/2023						•				

A - Apology

• - Attended

Note: Cr Quinton was temporarily vacated from office on 10 February 2023 and was reinstated on 9 March 2023.

Workshop Attendance

Open and transparent Council and Committee meetings underpin representative democracy and ensure public confidence in Council's decision-making processes.

Information and Briefing Sessions (sometimes referred to as workshops) provide a valuable opportunity to enhance Council decision making by providing opportunities for members to become better informed on issues, enhance their local government knowledge and seek further clarification.

Section 90A of the Local Government Act 1999 provides that Council or the Chief Executive Officer may arrange for the holding of an Information or Briefing Session where more than one member of the Council or Council Committee is invited to attend or be involved in the session. These sessions will be used for the sole purpose of discussing a matter that is, or is intended, to be part of the agenda for a formal meeting of the Council or Council Committee.

All Information and Briefing Sessions are held in a place open to the public unless the session is one that Council or the Chief Executive Officer has declared will be held in confidence.

The tables (right) are a record of Information and Briefing Session attendance in 2022/23.

A - Apology

• - Attended

Note: Cr Quinton was temporarily vacated from office on 10 February 2023 and was reinstated on 9 March 2023.

Workshop attendance from 1 July 2022 to 10 November 2022 (end of term)

Information and Briefing Session Date	Mayor Moira Jenkins	Cr Brayden Mann	Cr Tim Glazbrook	Cr Bryan Littliely	Cr Marilyn Henderson	Cr David Kemp	Cr Nick Hayles	Cr Andrew Robertson	Cr Carol Schofield
04/07/2022	•	•	•	•	•	•	•	•	•
08/08/2022	•	•	•	•	•	•	•	•	•

Workshop attendance from 11 November 2022 to 30 June 2023

Information and Briefing Session Date	Mayor Moira Jenkins	Cr Brayden Mann	Cr Stewart Burns	Cr Michael Quinton	Cr Marilyn Henderson	Cr David Kemp	Cr Angela Schiller	Cr Carlos Quaremba	Cr Carol Schofield	Cr Nick McKenzie
05/12/2022	•	•	•	•	•	•	•	•	•	•
09/01/2023	•	•	•	•	A	•	•	•	•	•
01/02/2023	•	•	•	•	•	•	•	A	•	•
06/02/2023	•	•	•	•	•	•	•	•	•	•
13/02/2023	•	•	•	A	A	•	•	•	A	•
20/02/2023	•	•	•	•	•	•	•	•	•	•
06/03/2023	•	•	•	•	•	•	•	•	•	•
15/03/2023	•	•	•	•	•	A	•	•	•	A
20/03/2023	•	•	•	•	•	•	•	•	•	A
03/04/2023	•	A	•	•	•	•	•	•	•	A
12/04/2023	•	•	A	•	•	•	•	•	•	A
08/05/2023	•	•	A	•	•	•	•	•	•	A
31/05/2023	•	•	•	•	•	•	•	•	•	A
7/06/2023	•	•	•	•	•	•	•	•	•	•
14/06/2023	A	•	•	A	•	•	•	•	•	•
28/06/2023	•	•	•	A	•	•	•	•	•	•

Council Member Reporting

Behavioural Standards

The Behavioural Standards for Council Members (Behavioural Standards) are established by the Minister for Local Government pursuant to section 75E of the Local Government Act 1999 (the Act). These Behavioural Standards form part of the conduct management framework for Council Members under the Act.

Upon election, Council Members in South Australia undertake to faithfully and impartially fulfil the duties of office in the public interest, to the best of their judgment and abilities and in accordance with the Act. Council Members are required to act with integrity, serve the overall public interest and provide community leadership and guidance. The community expects Council Members to put personal differences aside, to focus on the work of the Council and to engage with each other and Council employees in a mature and professional manner.

In terms of general behaviour, all Council Members must:

- Show commitment and discharge duties conscientiously
- Act in a way that generates community trust and confidence in the Council
- Act in a manner that is consistent with the Council's role as a representative, informed and responsible decision maker, in the interests of its community
- Act in a reasonable, just, respectful and non-discriminatory way
- When making public comments, including comments to the media, on Council decisions and Council matters, show respect for others and clearly indicate their views are personal and are not those of the Council

Complaint Management Process

Following the 2022 Council Elections, the Behavioural Standards for Council Members replaced the former Code of Conduct for Council Members. In line with this change, all councils must adopt a Behavioural Management Policy relating to the management of behaviour of Council Members, including the process for receipt and management of a complaint received regarding the conduct of a Council Member.

To support councils' compliance with the Behavioural Management Framework requirements, transitional provisions have been enacted which will deem the LGA's Model Policy as the Behavioural Management Policy for each Council until November 2023. By November 2023, Council must have adopted their own Behavioural Management Policy

The Model Behavioural Management Policy sets out the procedures for dealing with an allegation of a breach of the behavioural requirements applying to Council Members.

The Policy has three distinct stages to the approach that will be taken to address complaints about the behaviour of Council Members:

Part 1: Informal Action: Where the matter can be resolved directly between the parties.

Part 2: Formal Action: Where the matter cannot be resolved using informal action and a formal process of consideration is required.

Part 3: Referrals to the Behavioural Standards Panel: the circumstance under which the Mayor, the Council or other authorised person(s) will make a referral.

The Behavioural Standards Panel is an independent statutory authority consisting of three members and has powers to impose sanctions on Council Members who breach the behavioural requirements.

2022/23 Council Member Behaviour

The total number of contraventions of Chapter 5 (Members of Council) Part 4 (Member Integrity and Behaviour) Division 2 (Member Behaviour) during the relevant financial year was **two**. These were dealt with informally.

No costs were incurred by the Council in relation to dealing with complaints alleging contravention of Chapter 5 Part 4 Division 2 and any referrals of such complaints to the Behavioural Standards Panel during 2022/23. This figure relates to external costs and does not consider internal human resourcing costs already budgeted.

There were no contraventions of section 75G (Health and safety duties) during 2022/23.

No costs were incurred by the Council in relation to dealing with complaints alleging contravention or failure to comply with section 75G and any referrals of such complains to the Behavioural Standards Panel during 2022/23.



Our Organisation

The City of Victor Harbor is a dynamic, driven and energetic organisation that is committed to delivering essential services and infrastructure to ensure our city remains a place of choice to live, work, visit and invest.

The Council's workforce is made up of high performing teams, and diversely talented, skilled and passionate individuals. Our workforce assists in the delivery of more than 100 services and programs that help to meet our community's needs.

Our team places our customers at the centre of everything we do. Focus on improving internal and external customer service has led to an enhanced experience. We strive to continually improve and adapt our service delivery to find efficiencies and enhance customer experience.

Our organisation embraces technology and actively looks to integrate this into our practices, at the same time as ensuring accessibility for our diverse community.

Cross-department collaboration is a key focus of the organisation, leveraging extensive skillsets across the organisation to not only deliver great outcomes but upskill and empower our workforce.

The following section (pages 32 - 46) provides information about our organisation structure, Senior Management Team, Council staff, and our commitment to our workforce.



Industry Awards



Finalist - 2023 Annual Leadership Excellence Awards

Council's Reconciliation Action Team was recognised as a finalist in the LG Professionals SA Annual Leadership Excellence Awards.

The journey of producing our first Reconciliation Action Plan has demonstrated a formal commitment to scoping and developing relationships with Ramindjeri, Ngarrindjeri and other First Nations communities.

The Plan promotes positive race relations through anti-discrimination strategies and the review of policies and procedures.

It's a step towards strengthening relationships and exploring our influence in the wider community.

Nominations - 2023 National Awards for Local Government

We were extremely proud to see four initiatives nominated in the 2023 National Awards for Local Government.

- Climate Agenda 2030 and Youth Climate Summit – Disaster Preparedness Category
- Mainstreet Precinct Masterplan (Stage 4) – Productivity Through Infrastructure Category
- Economic Development Strategy 2020 – 2030 – Regional Growth Category
- Traineeship Program – Career Starter Category

It's an honour to receive national recognition for our work within the Victor Harbor community.



Organisation Structure



Senior Management Team

The City of Victor Harbor is structured as four departments, led by a Senior Management Team:

- Office of the Chief Executive Officer
- Corporate and Customer Service
- Community and Development
- Environment and Infrastructure

The Senior Management Team is comprised of the Chief Executive Officer, as well as three Directors and the Group Manager Governance and Finance who each have responsibility and accountability for the outputs of their departments.

Units within each department perform specific functions and collaborate with other areas across the organisation to deliver services and projects. In addition to capitalising on the breadth of expertise, it also assists to increase knowledge and enhance skills across the organisation.



Senior Officers

The City of Victor Harbor employs four staff members classified as Senior Officers. These officers are employed on a performance based fixed-term contract and include the following:

- Chief Executive Officer (CEO)
- Director Corporate and Customer Service
- Director Environment and Infrastructure
- Director Community and Development

Profiles of the City of Victor Harbor's Senior Officers are provided on the following pages.

Each Senior Officer receives a remuneration package that includes:

- A negotiated base salary, recognising overtime and out of hours work, limited term of contract, and officer performance (register of salaries available at victor.sa.gov.au/registers)
- Business and private use of a Council vehicle
- Communication expenses
- Professional memberships
- Statutory superannuation entitlements

The Chief Executive Officer's remuneration is reviewed by the CEO Performance Review Committee.

This Committee is guided by a suitably qualified independent person, as required under recent local government reforms. Mr Daryl Stillwell of Stillwell Management Consultants was approved by Council to be the independent qualified person for the Committee for 2021/22 and 2022/23. The Committee's role, as guided by Mr Stillwell, is to undertake the CEO's review and to make recommendation to the Council who are then responsible for determining the CEO's remuneration.

An Inaugural Review of Minimum and Maximum Remuneration for Local Government Chief Executive Officers was undertaken by the Remuneration Tribunal and a subsequent determination made on the 16 June 2023. As the CEO for City of Victor Harbor was already contracted at the time of the Tribunal's determination, the remuneration bands do not strictly apply in these circumstances.

Senior Officer Remuneration (as at 30 June 2023)			
	Female	Male	Total Package Value
CEO	1		\$254,300
Director	2	1	\$183,800 - \$197,500

Executive Staff Profiles



Victoria MacKirdy
Chief Executive Officer

Joined the Council in 2018.

I was proud to be appointed to the role of Chief Executive Officer for the City of Victor Harbor – the local government area that my family and I call home.

Having worked in local government for more than 30 years, I continue to be inspired by the multi-disciplinary nature of Councils and the feats that can be achieved when such diversely skilled individuals and teams work in partnership towards a common goal.

I am accountable to the Council and the community for the implementation of all Council decisions, and for the overall management and leadership of the organisation. It is a privilege to lead a highly-skilled team of passionate professionals who continue to demonstrate a high level of commitment towards service delivery.

Collaborating with businesses, the community and government to achieve social, economic and environmental outcomes is one of my primary focuses, and this long-term approach is one that I believe can activate a real, constructive difference for people who live, work, visit and invest in our Council area.

Qualifications

- Graduate Australian Institute of Company Directors
- Graduate Transformational Leadership Program, University of Adelaide
- Advanced Diploma Management
- Diploma Human Resource Management
- M.L.G.P.S.A



Graham Pathuis
Director Community and Development

Joined the Council in 2009.

Over two decades of working in local government, I have developed a strong passion and deep understanding of the influence and importance of people – both in shaping our vibrant community, and driving our exceptional workforce.

As the City of Victor Harbor’s Director of Community and Development, I am responsible for leading the city activation, planning, public safety, regulation, and community well-being teams. This diverse portfolio sees me coordinating long-term planning across a broad scope of initiatives – from the delivery of support programs, to events and education, to the design and use of space, to the provision of facilities and infrastructure.

Victor Harbor’s characteristics present an abundance of opportunity for enjoyable, relational and stimulating experiences. The challenge is to apply an equitable approach that respects the need to balance cultural, social, economic and environmental values. I am privileged to work with a team of highly talented and experienced professionals who are equally committed to meeting this challenge.

Qualifications

- Diploma Applied Science (Environmental Health & Building Surveying)
- Graduate Diploma Urban & Regional Planning
- Accredited Planner
- RPIA (Registered Planner)



Karen Rokicinski
Director Corporate and Customer Service

Joined the Council in 2019.

I commenced my career in local government in 2004, gaining experience in environmental health and regulatory services, civil construction and maintenance, recreation and open spaces, environmental strategy and sustainability, and community waste management.

In 2022, I spent eight months as Acting Chief Executive Officer, responsible for the overall management and leadership of the organisation.

As Director of Corporate and Customer Service, I bring extensive experience in risk management and process review to lead an exceptionally talented team of professionals across the Library, Customer Service, People and Culture, Information and Communications Technology, and Records departments. My team is also responsible for delivering a new Enterprise Resource Planning software system, a project which progressed significantly in 2022/23, and seeks to modernise the customer experience while streamlining processes.

I believe people are at the core of all progress, and I am passionate about driving long-lasting improvements through effective people management and change management. By thoughtfully exercising the skills of my team and applying a strategic lens to all opportunities, I aspire to increase efficiency and data accessibility, with the ultimate goal of enhancing our service and outcomes to benefit the Victor Harbor community.

Qualifications

- Master of Business Administration (Maj. Local Government & Human Resource Management)
- Bachelor of Environmental Health
- Diploma of Business (Quality Auditing)



Kathy Hayter
Director Environment and Infrastructure

Joined the Council in 2021.

I began working in local government in 2014, bringing formal qualifications in environmental science and extensive experience in both the private and public sectors. My career has seen me work across various disciplines, including science, arts, technology and community development.

Now as the City of Victor Harbor's Director of Environment and Infrastructure, I am fortunate to work with an outstanding team of diversely skilled professionals who are dedicated to delivering the best outcomes for the community.

My portfolio combines both the natural and built environment, and I am responsible for leading the infrastructure, environment, property, recreation, construction, maintenance and open spaces teams.

Despite the complexities and challenges associated with preserving Victor Harbor's historically-rich and naturally beautiful features, the Environment and Infrastructure team is committed to sustainability and thoughtful engineering.

I am passionate about working for and with our community to conserve Victor Harbor's wonderful natural assets whilst still planning and providing for the needs of our growing City.

Qualifications

- Bachelor of Science – Environment, Biodiversity and Park Management

Council Employees Snapshot

as at 30 June 2023

146

staff (equalling 118 FTE)

86

full time staff

60

part time or casual staff

9.08 years

average length of service

Celebrating...

10 years of service:

- Paula Thorez
- Jenna Hack
- Peta Middleton

20 years of service:

- Ben Coventry



Gender Profile

62%



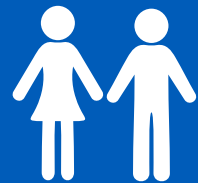
identify as female
(91 employees)

38%



identify as male
(55 employees)

4/5



of the Senior Management
Team identify as female

Age Profile

2% <25
years old



43% 25-44
years old

22% 45-54
years old

33% 55+
years old



4

employees identify as Aboriginal
or Torres Strait Islander

2

employees identify as having a
physical disability

6

employees from non-English
speaking backgrounds

10

traineeships and
apprenticeships

67%



of our workforce is permanent

17%

staff
turnover

compared to 20% sector average

Meet some of our team



Shelley Belle

Human Resource Officer

Having worked for the City of Victor Harbor for more than 20 years, Shelley is a very familiar face around the office. She began as a trainee in 2003 before being appointed to the Customer Service Team. Eventually, she took on the role of Human Resource Officer.

“The thing I enjoy most about my work is the people side. Being a person who is keen to please, I love dealing with people. I find it personally rewarding matching people to their ideal role where they will grow and thrive.”

Shelley’s positive mindset and enthusiastic approach are enormous assets to the organisation.

“I believe I work in an amazing team at Council who are dedicated to their role to provide the best possible customer service to the organisation.”

When not in the office, Shelley likes to spend her free time with her husband and seven year old son.

“We love using the Encounter Bikeway on our bicycles and scooters as well as kayaking. Our family has a Rare Breeds Farm at Mount Compass where we enjoy spending time with the animals such as pigs, goats, miniature cows, chickens among others. We also love Granite Island and are sometimes seen crossing the causeway or walking around the island.”



Cory Wolverton

Team Leader, Fleurieu Families

Every day, Cory and his team play a vital role in supporting local families to thrive. It’s something that Cory takes in his stride, as he genuinely enjoys working within the community and providing helpful support.

“I love seeing and hearing the positive impact that Fleurieu Families has had and continues to have in people’s lives.”

In his role, Cory manages a small team that provide case management outreach family support, parenting workshops, and safe environments training.

He brings extensive experience in social work to the City of Victor Harbor. Since commencing with Council in 2022, Cory has become increasingly proud of his devoted team and the efforts they put into their work.

“I have a great team that work super hard within the community they live in. It’s very easy leading a team of people that are so easy to get along with and passionate about the positive change they are making for families and the community.”

Outside of work, Cory loves to spend most of his time with family, enjoying each other’s company on their local property, plus plenty of surfing and camping.

“I have a little family and I love spending time with them.”

Meet some of our team



Megan Weaver

Accounts Officer

Megan and her team play a key role in supporting our organisation to operate as smoothly as possible.

“My main responsibility is the timely processing and payment of invoices issued to the City of Victor Harbor. This also includes finance enquires from our creditors and staff members.”

Megan has been working for the City of Victor Harbor since 2007, and the dynamic work environment at Council keeps her on her toes.

“What I most enjoy is that every day is different, not one day is ever the same. Each day there is always a new challenge. I am constantly learning.”

Over the years, there have been many highlights to Megan’s working life.

“I loved the opportunity to be part of the Rural Management Challenge Team in 2016 – we came third! Also being part of the implementation of the purchase order module in SynergySoft which was ultimately nominated for an award at the LG Professionals SA Excellence in Leadership Awards.”

She credits her talented team and amazing support network for her ability to accomplish these achievements.

When not busy in the office, Megan has an abundance of hobbies.

“In my free time I love lego, painting, shopping, spending time with family and friends.”



Andrew Comas

Manager, Open Space and Environment

Andy has plenty of experience in local government, having worked at councils for several decades.

“My first job in local government was as a gardener in Ceduna after completing a Diploma of Applied Science in Natural Resources in December 1983.”

“I enjoyed then the opportunity to be involved in making a place a better place to live and especially greening where we live, and still do.”

Now, Andy plays a key role in ensuring Victor Harbor has a liveable environment for residents and visitors.

His role primarily involves the management and guidance of the Open Spaces Team, who are responsible for preservation of biodiversity, maintenance of parks, coordination of environmental volunteers, delivery of capital works and elimination of environmental weeds.

“Local government offers that direct connection to the community in what you do. This does create hurdles but it is rewarding.”

With more than 1,326 hectares of open space across the Council area, Andy and his team are continually challenged to keep up with day-to-day maintenance and conservation efforts.

“The Open Spaces team have such great ‘buy in’ and commitment in their task of maintaining the open space areas of Victor Harbor. This enables a quite small team to achieve an enormous amount. It gets harder each year as our areas expand.”

Council Employees

About our Workforce

The City of Victor Harbor is one of the city's major employers. At 1 July 2022, Council employed 154 staff equating 121.3 full time equivalent employees. This includes 94 full time and 60 part time or casual staff.

Roles within the Council's organisation structure are diverse. They range from administration, civil services, economic development, planning and building, events, environment, and recreation planning, plus many more. A list of the services Council provides is available on page 17 of this Annual Report.

Everyone within our team plays an important role to ensure Victor Harbor remains a great place to live, visit and invest.

Our organisation is full of passionate, skilled individuals who foster a safe, inclusive and welcoming workplace environment.

Workforce Plan

A Workforce Plan was developed in June 2023 to strategically align human resources with Council's broader business objectives.

Such a plan serves as a roadmap for efficiently managing and developing our workforce. Workforce planning helps organisation's anticipate and address future talent needs, mitigate potential talent shortages, optimize resource allocation, and adapt to changing market conditions and industry trends.

It enables effective talent management, recruitment, and development strategies, ensuring that the workforce remains agile and capable of meeting evolving business demands.

The Senior Management Team will begin implementation of the Workforce Plan in 2023/24.

Traineeships and Apprenticeships

Council supported 10 individuals in traineeship and apprenticeship opportunities in 2022/23, encompassing six different work areas of the organisation.

These initiatives, undertaken in partnership with Statewide Group Training (SA) Inc., have provided a valuable learning environment for our youth by enhancing ability to gain future employment.

Industrial Relations

There was **one** matter referred to the SA Industrial Relations Commission during 2022/23.

Staff Communications

A connected organisation is essential to ensuring City of Victor Harbor staff are engaged with their work and empowered to collaborate across teams and departments.

Effective communication and information sharing is achieved with a weekly email newsletter, monthly all staff meeting, and use of the Council's employee intranet portal.

The all staff meeting typically includes updates from the Chief Executive Officer, People and Culture Team, Communications Team and ICT Team. There is also time allocated to introducing new staff and providing progress updates on significant projects.

The weekly email newsletter is a powerful communications tool distributed to all staff via the Communications Team. All staff are invited to contribute project updates, news and interesting information to this newsletter, which is sent internally every Monday morning.

Council Employees

Health and Wellbeing

The City of Victor Harbor aims to promote a healthy and safe working environment by providing a Healthy Lifestyle Program.

The program is available to all employees and includes an online interactive health program, general health assessments, fitness tests, weight loss programs, mental health seminars, eye and hearing testing, skin cancer checks, influenza and hepatitis vaccinations.



Work Health and Safety

In 2022/23, Council had **five** workers compensation (Return to Work) claims amounting to **six** days lost time due to injury. This is compared to five workers compensation claims and nil days lost time in the previous reporting year. These figures are below Council's targets for the period.

Council uses software called SkyTrust to log, record, assess and monitor hazards and incidents that are identified by staff.

Incidents in 2022/23 ranged from abusive constituents toward front counter staff, to undisciplined driving in the Civic Centre carpark, and various trips/falls.

Hazards are identified on a day-to-day basis, especially for staff who assess hazards whenever attending new sites. Staff are asked to 'Take 5' when mitigating exposure to hazards and other health risks. The 'Take 5' process involves stopping, looking, assessing, controlling and monitoring the hazard.

The City of Victor Harbor recognises its obligation to identify reasonably foreseeable hazards that could give rise to risks to health and safety, and eliminate risks to health and safety so far as is reasonably practicable.

The Council has a Hazard Management Procedure that aims to:

- Ensure that the organisation's Work Health and Safety (WHS) management system conforms with legislative requirements and the ReturnToWorkSA Work Health and Safety standards for self-insured employers, which includes the Performance Standards for Self-Insurers (PSSI);
- Achieve the highest level of WHS performance by:
 - Providing Managers and workers with the information, instruction and training necessary to enable them to manage risks to health and safety effectively
 - Identifying reasonably foreseeable hazards and eliminating risks so far as is reasonably practicable, or where that is not reasonably practicable, minimise risks so far as is reasonably practicable by implementing the Hierarchy of Control
 - Implementing processes to facilitate the monitoring and evaluation of the effectiveness of controls

Work health and safety information is shared to Council employees through regular email communications, notice boards in Council buildings, and in department/team meetings.

Mental Health First Aid

The City of Victor Harbor is a Mental Health First Aid Australia (MHFA) Gold Skilled Workplace.

Working alongside MHFA Australia for several years, we have bolstered mental health first aid as an organisational priority and expanded education and resources available to staff.

Prioritising mental health has been especially important throughout the pandemic, and support systems such as an Employee Assistance Program and designated MHFA Officers have assisted our organisation during challenging times.

Strengthening mental health first aid has proven to have far-reaching benefits, not only for Council staff but also the community at large. Awareness in this area has a flow on effect of building local capacity for mental health response in the community.

Code of Conduct

Council employees (including contractors, etc) must comply with the provisions of the Code of Conduct in carrying out their functions as public officers. Council is committed to ensuring Council employees:

- Have a commitment to serve the best interests of people within the community of the City of Victor Harbor and to discharge their duties conscientiously and to the best of their ability
- Will act honestly in every aspect of their work and be open and transparent when making decisions or providing advice to Council
- Will perform their official duties in such a manner to ensure that public confidence and trust in the integrity and impartiality of Council is strong
- Will respect the law, and the resolutions made by the elected body of the Council
- Will make reasonable endeavours to ensure that they have such current knowledge of both statutory requirements and best practices relevant to their position as is drawn to their attention by Council

Training and Development

The City of Victor Harbor provides training and development opportunities for its employees to ensure they are able to fulfil the requirements of their roles and meet the needs of the community.

Employees are encouraged to take advantage of Council's comprehensive training programs that are supported by annual budget allocations. Council also supports employees' requests to attend professional conferences within their respective disciplines. This ensures they maintain their professional accreditation, develop their knowledge and network with their peers.

Training undertaken in 2022/23 was in the areas of leadership and management, incident response, reporting and investigation, WHS general awareness training, contractor management, first aid, mental health first aid, emergency management, warden and extinguisher, civil construction, work zone traffic management, report writing and computer software.

Council also promotes learning on-the-job, a program of job rotation, higher duties and internal promotion to ensure that skills are retained and developed within the organisation.



Council Employees

Recruitment

Like other regional councils, recruiting skilled professionals in the City of Victor Harbor can be challenging due to distance from Adelaide and costs associated with potential employees relocating.

In 2022/23, the tight labour market experienced in many industries across Australia exacerbated recruitment difficulties.

The Council has a number of tools available to assist with recruiting suitable employees. This includes advertising on Seek, social media, the Local Government Job Directory and local newspapers.

The City of Victor Harbor's employee turnover rate for 2022/23 was 17%.

At the City of Victor Harbor, every leaving team member undertakes an 'exit interview' so we can track and understand the reasons for resignations. Key drivers of recent resignations have included: illness or other personal/family matters, higher pay expectations, career advancement, and dissatisfaction with work-life balance.

The local government sector has been recognised as currently facing a jobs and skills crisis with 20% turnover rates in many rural areas. We also note a larger phenomenon in recent years that has been dubbed 'The Great Resignation', with national turnover rates hitting a 10 year high.

A staff turnover average of around 10% is widely considered to be a healthy number, and the Council will work towards achieving a lower turnover rate in coming years. As part of the City of Victor Harbor's Workforce Plan, a range of actions are planned which aim to improve employee satisfaction and retain staff.

Local government is a challenging (but also very rewarding) setting to work in, with staff often balancing many competing priorities to achieve the best outcomes for Victor Harbor.

All new employees of the Council participate in an induction program covering all areas of the Council's operations. This typically includes a one-on-one induction from key areas, such as ICT, WHS, Governance, Finance, Communications, Records and Payroll.

In order to attract and retain high performing staff, employees are offered a range of benefits, including:

- An Employee Assistance Program for employees requiring confidential and independent personal or professional support
- A Health Lifestyle Program
- Benefits of Enterprise Bargaining Agreements
- Free on-site car parking

Equal Opportunity Employment

The City of Victor Harbor is an equal opportunity employer committed to the principles of providing a working environment free from discrimination, bullying and harassment.

This means the Council prohibits discrimination and treats people as individuals without making judgements based on characteristics.

This includes a person's sex, chosen gender or sexuality, race, physical or mental disability, age, or religious beliefs.

Council actively works to raise the level of awareness of Equity and Diversity principles and practices within Council. This commences from a new employee's induction process. Council actively promotes an environment for all staff that is free of discrimination, bullying and harassment.

Culture Survey

Since 2021, the City of Victor Harbor has been undertaking regular internal culture surveys. The surveys examine:

- Organisation culture
- Organisation climate
- Organisational citizenship behaviours
- Psychological capital
- Staff satisfaction

In August/September 2022, another organisation-wide culture survey was undertaken, and was followed up by a pulse survey in July 2023.

Opportunities identified for development and improvement included:

- Increasing innovation and creativity
- Staff recognition
- Communication and connection
- Explore 360 evaluations for PDR process

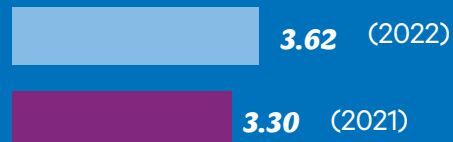
Some of the key findings from recent surveys included:

- A theme emerged of concern from staff over increased pressures, demands and expectations. Despite this, a common theme from staff comments was a general sense of empathy for the challenges that management faces.
- Male employees consistently rated lower than other groups in relation to perceptions of culture, climate, organisational citizenship behaviours and psychological capital.
- Staff remain generally satisfied and happy with their job, despite the slight decline in overall satisfaction compared with the 2021 report.

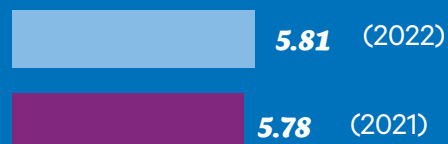


Organisational Culture Survey

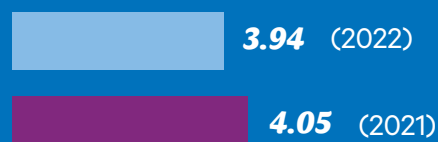
Organisational culture
(rated out of 5)



Organisational citizenship behaviour
(rated out of 7)



Overall staff satisfaction
(rated out of 5)



Council Employees

Performance Management

Council employees service the best interests of the people within the community their Council represents, and discharge their duties conscientiously and to the best of their ability.

Each year, an employee Performance and Professional Development Review Process (PPDR) is conducted across the organisation.

The PPDR is when we take some time out to:

- reflect on how employees have performed against their performance objectives over the past 12 months
- identify what worked well, what didn't, and any focus areas for improvement
- consider the organisation and department's priorities and objectives
- identify performance objectives and goals for the next 12 months
- ensure position descriptions are up-to-date
- identify any employee training/development needs that may be required

Enterprise Bargaining Agreement

The Council is bound by industrial agreements with prescribed wage rates and a position classification system. Employees are covered by an Enterprise Agreement.

As of 30 June 2023, the 2022 SAMSOA (South Australian Municipal Salaried Officer's Award) and LGEA (Local Government Employees' Award) Agreements were approved and in place across the organisation.

The agreements include provisions for re-negotiation in the final six months of the agreement, and has clauses relating to the make-up of the Enterprise Bargaining Committee.

The Committee is a consultative mechanism established to monitor implementation of the Enterprise Agreement, undertake consultation, discuss general industrial relations issues and to provide a communication channel between employees and management.

Wage and Superannuation Obligations

As an employer, the City of Victor Harbor understands that it is important that we take the necessary steps to ensure we are complying with our legal obligations.

Payroll legislation in Australia is a vast and complex area of law. It covers payroll administration, payroll records, payroll tax liability, and superannuation. Even the slightest breach of our payroll obligations could result in severe penalties and harsh sanctions.

We take the following steps to mitigate risk:

- Review employee wages against the relevant enterprise agreements and awards
- Keep up to date with any changes to industrial instruments
- Ensure our employees are correctly classified for the job they are undertaking
- Perform regular wage audits
- Review payroll functions and ensure it is properly resourced
- Make employees feel comfortable to raise any wage or entitlement issues
- Seek legal advice before an issue occurs where possible

We ensure compliance with the legislative and award requirements with regard to employee issues, provide employee information to Council staff and appropriate authorities as required, and ensure confidentiality of accurate and appropriate employee records.

Volunteers

Victor Harbor has a strong culture of volunteering. In fact, one in four Victor Harbor residents volunteer within the community. Our local volunteers play a valuable role in sustaining a healthy and resilient community and contribute significantly to the quality and vibrancy of our Victor Harbor community spirit.

Volunteers make such an important contribution to Council and the community, collectively providing more than 40,000 hours each year to give back to their community and assist others. In dollar terms, this contribution is worth more than \$1 million.

Council Volunteers

The City of Victor Harbor acknowledges all those who contribute their energy to the City of Victor Harbor volunteering programs, including: Caring Neighbourhood Program, Fleurieu Families, Victor Harbor Public Library, Southern Communities Transport Scheme, Victor Harbor Visitor Centre (incorporating the SA Whale Centre), Coral Street Art Space and our outdoor parks, gardens, environmental and event volunteer groups.

Volunteering opportunities are available for all ages and abilities, with current vacancies advertised at victor.sa.gov.au/volunteer.

Volunteer Recognition

The City of Victor Harbor aims to host a number of celebrations each year to honour the 400 volunteers who contribute to Council's programs, initiatives and projects. It is important to note that a number of Council's programs and services simply would not exist without the support of volunteers.

These events are generally held to coincide with International Volunteer Day (December) and National Volunteer Week (May/June). In recent years, these events have been disrupted due to Covid-19 regulations, however they were able to proceed with great success in 2023.

Community Volunteers

To acknowledge the efforts of volunteers in the Victor Harbor community, the City of Victor Harbor offers small grants to encourage, and assist, non-profit community groups, management committees and organising committees to celebrate and recognise the contribution of their volunteers.

Grants can be used to fund a range of 'thank-you' celebrations during the annual National Volunteer Week that recognise the important contribution of volunteers to the Victor Harbor community. Activities include such things as a morning tea, a lunch, certificates of appreciation, a barbeque, or a small gift.

Council extends thanks and appreciation to all its volunteers, and acknowledges their outstanding service to the community.



Meet some of our volunteers



Jill

Coral Street Art Space

Whether it's supporting orphans in Africa, or promoting the arts right here in Victor Harbor, Jill is making an enormous impact in many communities.

Although she describes her work as a drop in the ocean, Jill knows that the world would stop spinning around if it weren't for volunteers, which is why she generously volunteers her time for the benefit of others.

In addition to volunteering at the Coral Street Art Space, Jill also currently volunteers for the Victor Harbor Regional Gallery and the South Coast Veterans Association. In the past, she has travelled to Kenya to provide volunteer support to physically and mentally handicapped orphans.



Pat

Caring Neighbourhood Program

After noticing the difference that the Caring Neighbourhood Program had on her sister's life, Pat couldn't help but sign up as a volunteer.

Pat is one of many extraordinary volunteers who assist older people to access social activities and support the Council's positive ageing initiatives.

For some older individuals in the community, the Caring Neighbourhood Program activities are the only social interaction they receive on a week to week basis, but Pat believes she also reaps the social benefits as a volunteer.

According to Pat, there's so much knowledge to be uncovered when you simply sit down and have a conversation with someone.



Jake

Southern Communities Transport Scheme

As one of Council's youngest volunteers, Jake regularly drives transport disadvantaged people to and from Adelaide as part of the Southern Communities Transport Scheme (SCOTS).

He also assists senior citizens through Council's Caring Neighbourhood Program. Around four years ago, Jake found he had some spare time on his hands and decided he could make a positive contribution to the community.



Jan

Victor Harbor Visitor Centre

Three and a half decades... that's how long Jan has been volunteering at the Victor Harbor Visitor Centre. After seeing an advertisement in the local newspaper 35 years ago, she became interested in the possibility of volunteering and learning more about the tourism industry.

Now operating from the new Visitor Centre on Railway Terrace, Jan continues to share her vast knowledge of the local area with travellers coming from all parts of the globe and all walks of life.

Jan says it has been privilege to help holidaymakers make the most of their stay while they are visiting the Fleurieu Peninsula region. She enjoys giving back to the community and highly recommends volunteering as it brings huge amounts of self satisfaction.



Wendy

Inman Valley Cemetery Scrubbers

Wendy is no stranger to volunteering. Since her first volunteer role in 1985, she has provided her time and expertise to a wide range of community groups and initiatives, particularly in the environmental space.

Wendy established the Inman Valley Cemetery Scrubbers group and assists with Hooded Plover monitoring. Currently, she also volunteers for the Fleurieu Environment Centre, RSPCA Op Shop and the Yankalilla Show. The list goes on!

Giving back to the community and knowing she is making a difference are some of the reasons Wendy continues to volunteer.

For others looking to get involved, Wendy says volunteering can be extremely flexible and tailored to suit your skills.

Friends of the Hindmarsh River Estuary

The hard-working volunteers in this local environmental group play an essential role in protecting and beautifying the Hindmarsh River.

Since its inception twelve months ago, the group has grown and is now made up of bird enthusiasts, horticulturalists, farmers, home gardeners and people who simply love their natural surrounds. Most of the volunteers in the group live nearby the river.

Key Stakeholders

The City of Victor Harbor has a range of stakeholders who help to shape, deliver and support the Council's programs and initiatives. They have an interest in what the Council does because it can impact them or their own stakeholders.

Business Partners



Our business partners assist the Council to achieve the aspirations set out in our Community Plan 2030.

They include:

- Regional subsidiaries
- Partners
- Collaborators

Business partners are important because they enable Council to deliver projects. They build capacity and drive the local economy.

Suppliers, consultants and contractors also play a vital role in enabling Council.

We engage with our business partners on a day-to-day basis when acquiring their services.

We also promote Council programs and initiatives to our business partners through email newsletters, publications, social media platforms, website, business forums and workshops, and collaboration/partnership programs.

Community



Our community stakeholders contribute to the Council's strategic directions and day-to-day operations by providing comments, suggestions, knowledge and experience.

There is great diversity amongst our community stakeholders. Our community is part of what makes Victor Harbor so special.

Stakeholders in the community include:

- Ratepayers
- Residents
- Visitors
- Investors
- Businesses
- Community groups and organisations
- Committees and working groups
- Media
- Local schools and education institutions
- Recreation and sporting clubs

We engage with community through our community events and activations, customer service, social media platforms, website, publications, rates notices, community facilities and programs.

Internal



Our talented internal stakeholders provide highly valued skills and knowledge to assist in the delivery of more than 100 services across the Council.

The Council is one of Victor Harbor's biggest employers, which means many of our employees are also local residents. This leads to an extremely passionate and invested workforce, committed to achieving the best outcomes.

Internal engagement is often undertaken on a day-to-day basis as many projects require a multi-disciplinary approach and input from internal specialists.

These internal stakeholders include:

- Staff
- Council Members
- Volunteers

We engage with internal stakeholders through weekly Council Member Updates (email), weekly Staff Updates (email), department meetings, publications, intranet, briefing sessions and internal events.

Government



The City of Victor Harbor works closely with other levels of government to shape legislation, share knowledge, identify funding opportunities, and advocate for the needs of the Fleurieu Peninsula.

Other levels of government can provide the Council with resources, networks, funding and guidance.

Tiers of Government include:

- Local Government (neighbouring councils)
- State Government
- Federal Government

As the level of government closest to the community, councils play a vital role in local law making. However, laws made by State and Federal governments still have significant influence over communities. It's important that governments work together for the best interests of communities.

We engage with levels of Government through joint projects, formal meetings, website, events and networking.

Both State and Federal elections were held in 2022, which presented Council with an opportunity to advocate for positive initiatives in the local community.

Risk Management

The City of Victor Harbor has developed a risk management system which recognises that risk management is an integral part of good governance and is committed to an integrated approach to risk management to assist setting appropriate strategies, achieving the organisation's objectives and making informed decisions in the best interest of the community.

Council Members, Audit Committee, Chief Executive Officer, Senior Management Team, Manager People and Culture and the WHS and Risk Management Officer have a role and responsibility to ensure there is a transparent approach to managing risk, including work health and safety within the City of Victor Harbor. The risk management system for Council includes the following documents:

- Risk Management Policy
- Risk Management Framework
- Risk Assessment Procedure
- Risk Management Plan

Risk Management Policy

The City of Victor Harbor is committed to maintaining and applying governance and risk management principles to ensure that any impacts to strategic and business objectives are considered and analysed. This policy was reviewed and endorsed by Council at the August 2023 Council meeting.

It is the policy of the Council that opportunities are assessed and implemented with a documented risk management approach. Council adopts and implements a systematic approach to identify, assess, evaluate, and treat (mitigate) risks. The risk management program involves identifying opportunities to ensure Council achieves its strategic goals whilst recording and managing its operational risks.

Council applies risk management at levels:

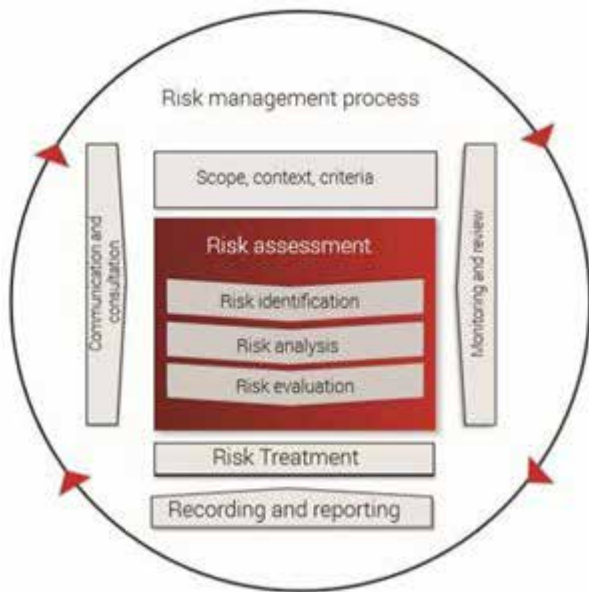
- **Strategic:** high level risks which impact on the City of Victor Harbor's strategic objectives as outlined in the Council's Community Plan, and Annual Business Plan
- **Operational:** risks associated with departmental functions and daily operations to deliver core services
- **Project:** risks associated with Project Management that may affect milestones or deliverables connected to a specific project

Risk Management Framework

Risk management is embedded into the City of Victor Harbor philosophy and forms part of a continuous improvement process to mitigate risks and maximise business opportunities. The Risk Management Framework has been comprehensively reviewed with the Risk Management Policy in 2023 and outlines the requirements and processes supporting Council's Risk Management Policy in order to create and protect value by improving performance, encouraging innovation and supporting the achievement of the Council's objectives.

As outlined in the Risk Management Framework, the Risk Management Process involves:

- Step 1 - Communication and Consultation
- Step 2 - Scope, Context and Criteria
- Step 3 - Risk Assessment
- Step 4 - Risk Treatment
- Step 5 - Monitoring and Review
- Step 6 - Recording and Reporting



Internal Audits

Internal audits, as part of the risk management process, assist to improve the likelihood of success across the organisation through improvement and reliability of financial reporting; compliance with legislation, regulation and policies. Section 125 of the Local Government Act 1999 states a Council must ensure that appropriate policies, practices, and procedures of internal control are implemented and maintained.

Outcomes identified look to improving the risk culture and maturity at Council and assist to deliver a better experience and to enhance council services for the people living and working in the City of Victor Harbor. Council's approach to internal control is based on a proactive, transparent and risk aware culture. Internal control measures will not remove all risk, but they aim to reduce the likelihood and consequence of adverse events.

Council is committed to ensuring that internal control measures are implemented and are adequate and efficient in reducing risk, misuse or misappropriation of resources and that staff remain diligent in adhering to the controls when undertaking operational activities.

Internal Financial Controls

Regulation 14 (e) of the Local Government (Financial Management) Regulations 2011 states internal controls implemented by the Council provide a reasonable assurance that its financial records are complete, accurate and reliable and were effective throughout the financial year.

Effective internal financial controls are designed to assist Council in addressing the risk of fraud, corruption, maladministration, misconduct and errors, while improving the financial reporting and compliance with legislation and internal policies and procedures.

Council uses a combination of internal audits, internal control assessments (using Control Track software) and sample testing to provide an internal control environment that remains effective.

Council's Audit Committee is responsible for reviewing the adequacy of the financial management systems and practices of Council on a regular basis. The Audit Committee must be satisfied that, in aggregate, controls are documented and assessed to be sufficient to provide comfort that the financial risk is being managed at an acceptable level.

Privacy

The City of Victor Harbor is committed to a culture that protects the privacy of individuals. Council will not collect personal information about an individual unless the information is reasonably necessary for one or more of the Council's functions or activities, unless required by law.

The Privacy Act 1988 and the Privacy Amendment (Enhancing Privacy Protection) Act 2012 set out requirements that must be followed by Commonwealth Government agencies.

Council's Privacy Policy outlines its approach to dealing with personal information, and how risk is mitigated when handling data.

Decision Making Structure

The City of Victor Harbor makes decisions directly or indirectly through the following mechanisms:

- Council meetings (strategic planning, financial plans, budget, policies etc)
- Subsidiaries
- Council Assessment Panel
- Chief Executive Officer through delegation of the Council (including sub-delegation to Council officers)
- Authorised officers via appointment by the Chief Executive Officer
- Regional representation

The Council also draws on a number of committees, advisory and working groups to assist with its decision making.

A summary of committees, advisory and working groups is provided over the following pages. In 2022/23, there were several changes to committee membership due to the 2022 Council Elections.

Committees

Audit Committee

The City of Victor Harbor's Audit Committee was constituted in 2007, under Section 126 of the Local Government Act 1999 and also operates in accordance with the Local Government (Financial Management) Regulations 2011.

The Audit Committee met on a quarterly basis (a total of four times) during 2022/23.

Items discussed during the year, as required by the Committee's Terms of Reference included:

- Internal audit program and results
- External audits
- Financial policies
- Annual financial statements
- Internal control assessments and sample testing
- Annual Business Plan and Budget
- Budget reviews
- Asset Management Plans
- Risk management and register

Membership of the Committee included:

- **From 1 July 2022 to 18 November 2022** were Cr Tim Glazbrook, Cr Carol Schofield, David Papa (Chair), Nick Lopez (Independent Member) and Michael Richardson (Independent Member)
- **From 12 December 2022 to 30 June 2023** were Cr Stewart Burns, Cr David Kemp, David Papa (Chair), Nick Lopez (Independent Member) and Michael Richardson (Independent Member)

Independent members of the Audit Committee receive a \$350 sitting fee, and the Chair receives a \$450 sitting fee.

CEO Performance Review Committee

The CEO Performance Review Committee was established as a Section 41 Committee and to meet the requirements of the Chief Executive Officer (CEO) employment contract. The Committee works with the CEO to establish relevant performance objectives and undertakes the annual formal review of the performance of the CEO.

The Committee met three times during 2022/23.

Membership of the Committee included:

- **From 1 July to 18 November 2022** were Mayor Moira Jenkins, Cr Carol Schofield, Cr Marilyn Henderson and Cr David Kemp
- **From 12 December 2022 to 30 June 2023** were Mayor Moira Jenkins, Cr Carol Schofield, Cr Brayden Mann and Cr Michael Quinton

City Activation and Strategic Planning Advisory Committee

At the Ordinary Council meeting held on 22 August 2022, Council resolved to dissolve the City Activation and Strategic Planning Advisory Committee.

Council Assessment Panel

The Council Assessment Panel (CAP) is a body formed by Council in accordance with Section 83(1) of the Planning, Development and Infrastructure Act 2016. The role of CAP is to determine development applications in accordance with the powers and functions delegated to the panel by Council. Membership of CAP includes one Council Member and four independent members.

The Committee held six meetings in 2022/23.

The membership of the Panel consisted of:

- **From 1 July 2022 to 10 November 2023** were Cr Nick Hayles, Michael Doherty (Chair), Sue Giles (Independent Member), Kate Shierlaw (Independent Member), Jock Smylie (Independent Member) and Cherry Getson (Independent Member)
- **12 December 2022 to 24 April 2023** were Cr Carlos Quaremba, Cr Stewart Burns, Michael Doherty (Chair), Sue Giles (Independent Member), Kate Shierlaw (Independent Member), Jock Smylie (Independent Member) and Cherry Getson (Independent Member)
- **25 April 2023 to 30 June 2023** were Cr Carol Schofield, Cr Michael Quinton, Michael Doherty (Chair), Sue Giles (Independent Member), Kate Shierlaw (Independent Member), Jock Smylie (Independent Member) and Cherry Getson (Independent Member)

The Presiding Member of CAP receives a sitting fee of \$500 per meeting and other independent panel members receive \$400 per meeting.

Fleurieu Region Community Services Advisory Committee

The Fleurieu Region Community Services Advisory Committee has been established for the purpose of assisting to improve the quality of life, independence, and wellbeing of the Fleurieu region.

The Committee supports a regional approach between the City of Victor Harbor and District Council of Yankalilla to the planning, development, and coordination of community services.

The Committee met six times during 2022/23.

The membership of the Committee consists of two City of Victor Harbor Council Members, City of Victor Harbor Mayor (ex-officio), two District Council of Yankalilla Council Members, representatives from Flinders University Rural School, representatives from Country SA Primary Health Network, and staff from both the City of Victor Harbor and District Council of Yankalilla.

In 2022/23, City of Victor Harbor Council Members involved in the Committee included:

- **From 1 July 2022 to 10 November 2022** were Cr Marilyn Henderson (Chair), Cr Carol Schofield, and Ex-officio Mayor Moira Jenkins
- **From 12 December 2022 to 30 June 2023** were Cr Marilyn Henderson (Chair), Cr Angela Schiller and Ex-officio Mayor Moira Jenkins

Decision Making Structure

Recreation Centre Management Committee

The Recreation Centre Management Committee has been established to provide advice to Council on the management of the City of Victor Harbor's Recreation Centre. The Committee is made up of representatives from all licensed users and groups with regular bookings, along with two Council Members.

During 2022/23 the Committee met three times.

In 2022/23, City of Victor Harbor Council Members involved in the Committee included:

- **From 1 July 2022 to 10 November 2022** were Cr Brayden Mann (Chair), Cr Nick Hayles and Ex-officio Mayor Moira Jenkins
- **From 12 December 2022 to 30 June 2023** were Cr David Kemp (Chair), Cr Nick McKenzie and Ex-officio Mayor Moira Jenkins

Disability Access and Inclusion Advisory Committee

The Disability Access and Inclusion Advisory Committee was established to assist Council in enabling people with a disability to engage in all aspects of community life, and have equitable access.

The Committee met four times during 2022/23.

Membership of the Committee consists of two Council Members, the Mayor as Ex-officio, and several community representatives and experts. In 2022/23, community representatives included Emiko Artemis, Kathryn Roberts, Kay Ewens, Sid James, Angela Schiller, Kerry Taylor, Donna Brook, Jane French, Kaye Reeves, Cathy Walsh, Judith Leek, Joanne Russell.

In 2022/23, City of Victor Harbor Council Members involved in the Committee included:

- **From 1 July 2022 to 10 November 2022** were Cr Marilyn Henderson (Chair) and Ex-officio Mayor Moira Jenkins
- **From 12 December 2022 to 30 June 2023** were Cr Angela Schiller (Chair), Cr Marilyn Henderson and Ex-officio Mayor Moira Jenkins

Southern Communities Transport Scheme Advisory Committee

The Southern Communities Transport Scheme Advisory Committee has been established to assist in addressing the needs of transport disadvantaged people by supporting a regional approach between the City of Victor Harbor and Alexandrina Council for planning, development and coordination of services.

During 2022/23 the Committee met six times.

Membership of this Committee includes one staff member and one Council Member from both the City of Victor Harbor and Alexandrina Council, a representative from the Department of Communities and Social Inclusion, three volunteers from the scheme, and two community members or interested service users. The Mayor holds an ex-officio position on this Committee.

Cr Marilyn Henderson was the City of Victor Harbor's Council Member representative in 2022/23, with Mayor Moira Jenkins as Ex-officio.



Advisory and Working Groups

Agribusiness Working Group

The purpose of the Working Group is to provide strategic advice to Council on matters directly relating to agribusiness, primary production and rural affairs. Cr Carol Schofield is appointed to this group.*

Arts and Culture Advisory Group

The Arts and Culture Advisory Group was established to assist the Council to plan and support the implementation of the Community Plan with initiatives that cultivate a vibrant community culture. Cr Marilyn Henderson and Mayor Moira Jenkins are appointed to this group.*

Boating Facilities Working Group

The Boating Facilities Working Group was established to provide advice to the committee on boating and marine facilities for Victor Harbor. Cr Stewart Burns and Cr Carlos Quaremba are appointed to this group.*

Heritage Advisory Group

The Heritage Advisory Group was established to provide advice on heritage related matters. Cr Stewart Burns and Cr Carlos Quaremba are appointed to this group.*

Recreation and Sport Grant Working Group

The Recreation and Sport Grant Working Group has been established to assess all applications received for grant funding and to make recommendations to Council in relation to the applications. Cr David Kemp and Cr Michael Quinton are appointed to this group.*

Victor Harbor Oval Planning Group

The Victor Harbor Oval Planning Group has been established to meet on a regular basis to consider the future planning options for the Victor Harbor Oval Complex. Cr Carol Schofield and Cr Stewart Burns are appointed to this group.*

Renewable Energy Advisory Group*

The Renewable Energy Advisory Group was established to consider opportunities renewable energy solutions. This group was suspended on 12 December 2022.

Representative Appointments

Council holds a number of representative positions on a local, regional and national level.

Local Representation*

- Inman River Catchment Group – Cr Carol Schofield
- Carrickalinga Board of Management – Cr David Kemp
- Victor Harbor High School Governing Council - Cr Marilyn Henderson
- Victor Harbor R-6 School Governing Council - Cr Stewart Burns
- Victor Harbor Coastcare – Cr Michael Quinton
- Friends of the Victor Harbor Library - Cr Marilyn Henderson
- Southern Fleurieu Health Advisory Council – Mayor Moira Jenkins
- Murray Darling Association - Cr Burns, Cr Quaremba

Regional Representation*

- Regional Development Australia – Adelaide Hills, Fleurieu and Kangaroo Island
- Southern Adelaide, Adelaide Hills, Fleurieu and Kangaroos Island Emergency Management Committee – Director Environment and Infrastructure, Kathy Hayter
- Zone Emergency Management Committee - Chief Executive Officer, Victoria MacKirdy

National Representation*

- Australian Coastal Councils' Association – Cr Marilyn Henderson

*Appointments as at 30 June 2023

Decision Making Structure

Subsidiaries

Council has a number of subsidiaries under Division 3, Section 42 and 43 of the Local Government Act 1999. More information about subsidiaries is also attached to this Annual Report.

Victor Harbor Horse Tram Authority (Section 42)



Established in 2018 by the City of Victor Harbor, this organisation is responsible for overseeing the operations, business development and marketing of the Horse Tram service to Granite Island. The Horse Tram is one of the very few horse-drawn tram routes remaining in public transit service in the world. Much of its route is over the 630 metre long Causeway.

Fleurieu Regional Waste Authority (Section 43)



Established in 2010 by the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council, this organisation is responsible for the waste management function across the Fleurieu Peninsula and Kangaroo Island areas.

Southern and Hills Local Government Association (Section 43)



This organisation undertakes regional coordination, representation and marketing on behalf of the member councils to improve the wellbeing of the region. Member councils include City of Victor Harbor, Alexandrina Council, Kangaroo Island Council, District Council of Yankalilla, Mount Barker District Council and Adelaide Hills Council.

Fleurieu Regional Aquatic Centre Authority (Section 43)



Established in 2015 by the City of Victor Harbor and Alexandrina Council, this organisation is responsible for the management of the Fleurieu Regional Aquatic Centre. The Fleurieu Regional Aquatic Centre is a modern sport and recreation facility, enhancing the lifestyle and wellbeing of the community on the peninsula. Features of the facility include a 25 metre swimming pool, multi-use program pool, rehabilitation pool, outdoor splash park, fitness facility, and crèche.

Strategic Direction

Strategic Planning Framework

The Council's Strategic Planning Framework assists with strategic decision making, and aligns with our aspirations for Victor Harbor. The framework that this Annual Report is based on is outlined below.



Strategic Direction

Community Plan 2030

The City of Victor Harbor's Community Plan 2030 sets out the Council's strategic direction. It is underpinned by six aspirations that aim to help make the City of Victor Harbor a place of choice to live, work, invest and visit. These aspirations, and the strategies to help achieve them, are outlined on the following page.

The Community Plan 2030 was developed in 2019 and informed by extensive community engagement and research. It is the leading document in the Council's Strategic Planning Framework, shown on page 59. It sets out long term goals, medium term priorities and the measures used to monitor our progress.

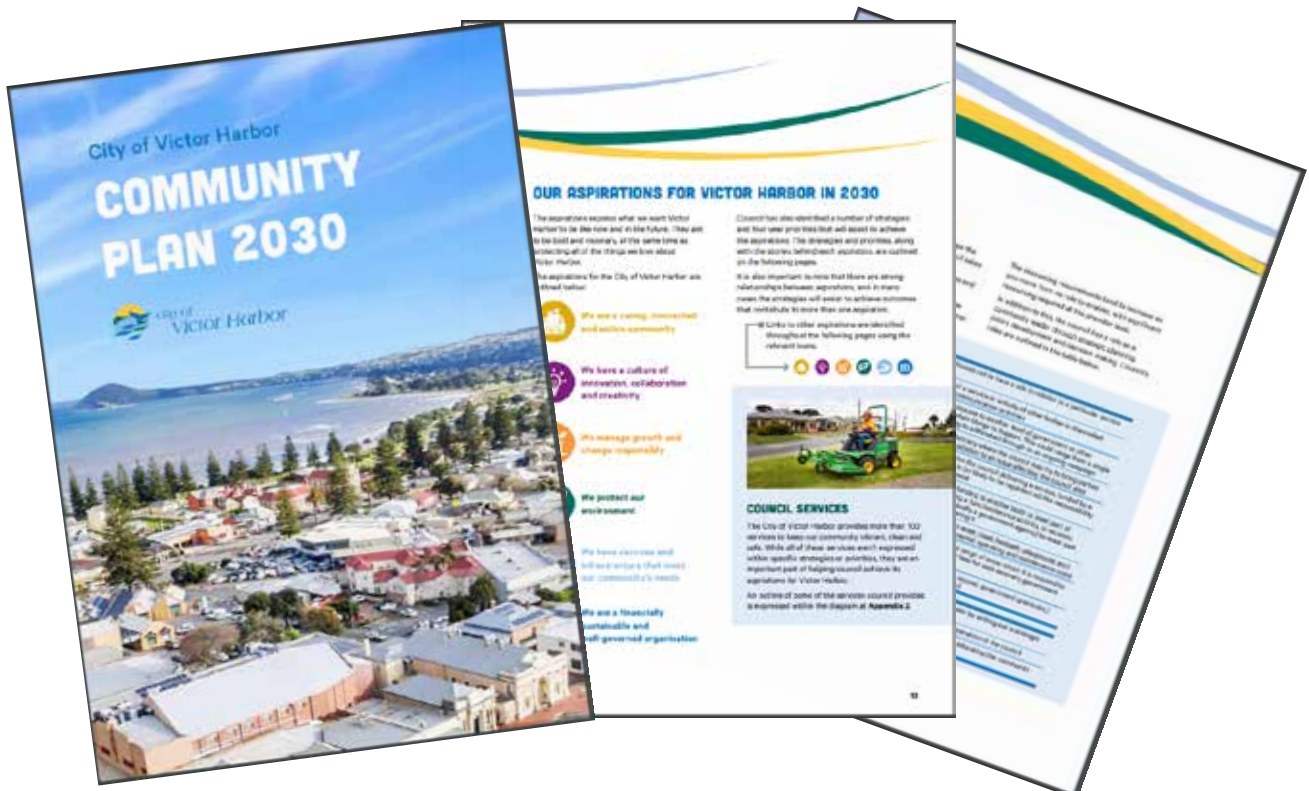
There is no doubt that Victor Harbor's future is bright and brimming with opportunity. Set in a stunning natural environment, our city offers an enviable lifestyle with access to services and facilities, great schools, and a passionate and driven community who want to see Victor Harbor be the best it can be.

This plan will help us protect the things we most value about Victor Harbor as our city forges forward through current challenges and comes out flourishing on the other side.

It recognises that while Victor Harbor will grow, there are measures we can put in place that will protect the highly valued environment, town character and unique identity of our coastal mecca.

Woven deeply through the aspirations is the importance of developing an economy that provides the opportunity for businesses and the broader community to prosper. Investment in infrastructure, an environment that encourages innovation and promotes creativity, as well as sound planning processes will help us achieve this.

A review of the Community Plan will be undertaken in 2023/24.





ASPIRATION 1

We are a caring, connected and active community

How we will achieve our aspiration

- Encourage initiatives that facilitate social interaction and connection with the community
- Provide safe, welcoming and accessible places
- Provide a variety of open space and recreation opportunities
- Improve the health and well-being of our community
- Support a vibrant community culture



ASPIRATION 2

We have a culture of innovation, collaboration and creativity

How we will achieve our aspiration

- Cultivate art and culture in our community
- Encourage, support and promote innovation and entrepreneurship
- Establish and maintain strategic regional, state and national relationships
- Expand opportunities for the community to access and use digital technology



ASPIRATION 3

We manage growth and change responsibly

How we will achieve our aspiration

- Support diversification and resilience within the local economy
- Preserve and celebrate Victor Harbor's rich and diverse history
- Promote and support local business development and employment opportunities
- Plan for sustainable development, residential amenity and security of prime agricultural land



ASPIRATION 4

We protect our environment

How we will achieve our aspiration

- Adapt to the impacts of climate change
- Provide for sustainable waste management
- Enhance the health and biodiversity of our natural environment
- Create a more sustainable, energy efficient urban environment
- Educate the community to enhance awareness of environmental issues



ASPIRATION 5

We have services and infrastructure that meet our community's needs

How we will achieve our aspiration

- Facilitate access to health, education and community services
- Provide key community infrastructure
- Maintain and renew Council's assets in a sustainable way
- Advocate for improved local and regional transport networks
- Facilitate capacity to deal with emergencies



ASPIRATION 6

We are a financially sustainable and well-governed organisation

How we will achieve our aspiration

- Engage and involve our community in decision making
- Introduce and continue productivity and efficiency measures
- Manage Council's finances and resources sustainably
- Provide a safe work environment that attracts, develops and retains staff in order to deliver high quality customer service



2022/23^o *In Review*



Points of Interest

46.16%

of enrolled voters returned their ballots in the Local Government Elections



18 536

Council meetings where resolutions were made



4,500

trees, bushes and plants planted across 46 sites

24,000

customer service enquiries received



on track, on budget

for our Corporate Systems Implementation Project



960

events and group sessions held at the Victor Harbor Library



footpaths installed

at Hindmarsh Road, Harvey Avenue, Ozone Street, Swain Road and Bay Road

134

kilometres of unsealed road graded



9,490

passenger trips provided through Southern Communities Transport Scheme



recognition

as SA's 2023 Top Tourism Town



22

new citizens welcomed to Victor Harbor



3,620

hectares of parks, gardens, cemeteries and other open spaces maintained

Major Projects

The icons underneath each project or initiative illustrate the strategic aspirations that the particular activity is helping Council to achieve. These six aspirations are derived from our Community Plan 2030.

Victor Harbor Mainstreet Precinct Upgrade - Stage Four (Completed)



Stage Four of the City of Victor Harbor's Mainstreet Precinct Upgrade commenced in June 2022 and included a significant overhaul of ageing underground services along with sweeping streetscape upgrades.

The \$8.8 million project aimed to reinvigorate the tourism hub of Victor Harbor's town centre.

Despite a delayed start, wet weather and a number of construction hurdles, the project was completed a month ahead of schedule in November 2022. An opening celebration 'Street Party' event was held in December to acknowledge the achievement.

The project focused on improved pedestrian usability, street greening and enhancing the overall appearance. The design saw the widening of footpaths, increased alfresco dining opportunities, public seating, public art, along with more street trees and garden beds.

Council secured \$3.3 million through the SA Government's Local Government Infrastructure Program to assist with the delivery of the project.

Project governance for the upgrade consisted of:

- **Project Team** (comprising Principal Representative, Project Manager, and Superintendent)
- **Project Board** (comprising Director Environment and Infrastructure, Director Community and Development, Manager Infrastructure, and Strategic Policy Planner)



Visitor Centre Renovations (Completed)



In 2020, the City of Victor Harbor made the decision to enhance the way it delivers visitor services by consolidating the Visitor Centre (VC) and SA Whale Centre. This change now sees both the VC and SA Whale Centre operating from one location – the historic Railway Goods Shed on Railway Terrace.

This change to visitor services is allowing for a greater investment into marketing Victor Harbor as a desirable holiday destination online, while still facilitating exceptional face-to-face visitor services.

As part of this consolidation, significant development was required on the existing Railway Goods Shed on Railway Terrace to ensure it could offer a modern and interpretive experience that caters to the needs of our 1.2 million annual visitors.

The re-purposing of the building was supported by substantial investments from Council and grant funding from the Federal Government.

While Council was expecting to have the redevelopment project completed in 2021, unforeseen complexities meant the project took longer than initially anticipated. Among the challenges presented by this historic building were the discovery of termite damage and a previously unknown perched water table below the building that required significant re-engineering to accommodate a new lift shaft. Other difficulties included supply of building materials and Covid-19 related absences across all stakeholders.

The newly renovated Visitor Centre was officially opened in December 2022, with great numbers of tourists utilising the building over the peak summer holiday period.



Major Projects

Development of a Master Plan for The Bluff (completed)



The Bluff, also referred to as Kongkengguwarr or Longkewar by our First Nations people, is a much loved and iconic Victor Harbor landmark. It has significant environmental, economic, heritage and cultural value.

In recognition of this, the City of Victor Harbor, in collaboration with landscape architecture and urban design firm Hatch, has developed a 20-year master plan that sets out a shared vision for this iconic place.

The master plan provides us with a tool that will help us protect the things that our community most values about The Bluff at the same time as identifying opportunities to enhance this very special place in a way that reflects the shared community vision.

Throughout 2022/23 the project team completed extensive community consultation through which the views, stories and opinions of many were heard.

Through these conversations, some clear themes emerged that really supported the idea of limiting development and implementing a number of enhancements that are sympathetic to the natural environment.

Things like making trails safer, providing more seating, defined spaces to take in the views and contemplate, looking at opportunities to share cultural stories and narrative, and re-wilding areas were just some of the common ideas and themes that were explored and noted during the consultation process.

Council adopted The Bluff Master Plan at the June 2023 Ordinary Council meeting.

The City of Victor Harbor will now commence work in 2023/24 to implement some of the actions outlined within The Bluff Master Plan.



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

Regional Community, Sport and Recreation Precinct (ongoing)



The City of Victor Harbor is planning for a Regional Community, Sport and Recreation Precinct (The Precinct) that aims to be a hub for sport, recreation, connection and community.

Over the years, significant planning has been undertaken to explore options for improved sport and recreation facilities in Victor Harbor to help meet the needs of our growing and diversifying community.

In 2022, the project was reignited with a broader community focus. While sport remains the key focus, a more holistic approach is required to make The Precinct sustainable, and align with best practice funding guidelines for large scale infrastructure.

To assist guide the project, the Council is working to a set of guiding principles that align with the South Australian Government's sports and recreation infrastructure to assist in securing grant funding:

- **Community benefit** – ensuring the Precinct is utilised by the widest range of future users
- **Budget impact** – a concept within a realistic budget that allows for long term affordability
- **Partnership potential** – an opportunity to determine if there is public / private interest
- **Future proofing** – a Precinct designed to meet the immediate, growing and long-term needs
- **External funding alignment** – meets funding criteria
- **Environmental sustainability** – with a focus on energy and resource efficiency
- **Timeframe** – delivering the facility within a reasonable timeframe
- **Facility location and access** – centering around being welcoming and inclusive for all
- **Economic return on investment** – ensuring social and economic return for our community

Community engagement was undertaken during March and April 2022 to seek community and stakeholder input into three potential site options for The Precinct, and understand potential uses for The Precinct.

Community and stakeholder feedback, along with other investigations and analysis, indicated a strong preference for Lot 202 to be the preferred site for the Precinct. This was subsequently adopted by Council at the Special Meeting held on 30 May 2022 and the project then progressed to concept development in 2022/23.

Further community consultation was undertaken on a draft concept plan, and Council Members spent significant effort workshopping possibilities.

It has been identified that The Precinct should:

- Be multi-purpose, accessible to all, intergenerational
- Provide a facility that is fit-for-purpose and caters for a range of sports and recreation activities - particularly those that are in demand such as basketball and gymnastics
- Focus on both community and sport programs and activities
- Be future-proofed
- Consider other Precinct related factors (e.g. environmental and cultural sensitivities)

This project will continue to progress in 2023/24.



Major Projects

Development of a 'Reflect' Reconciliation Action Plan (completed)



For some time, the City of Victor Harbor has been working towards true reconciliation with First Nations peoples.

The Council's first Reconciliation Action Plan (RAP) was launched in early 2023, following extensive consultation and development during 2022.

Based around the core pillars of relationships, respect and opportunities, the 'Reflect' RAP outlines actions for the Council to take in order to enhance relationships with First Nations peoples and create genuine change. It will guide Council to sustainably and strategically take meaningful action to advance reconciliation.

Council has already commenced implementing some actions within the RAP, and this will continue over the next twelve months.

The next stage of this process will see the development of an 'Innovate' plan to be actioned over two years (2024 - 2025).

This project is governed by the Reconciliation Action Plan Working Group. The Working Group includes three cultural advisors (Mark Koolmatrjie, Cedric Varcoe and Kyla McHughes) and Council staff representing all departments across the organisation.

Ngopun yuntulun-ambi namawi peranbun paldi.
Walking together for our shared future.



Corporate Systems Implementation Project (ongoing)



The City of Victor Harbor is in the process of replacing its current corporate systems to help achieve cost savings, process efficiencies and a superior customer experience.

The current corporate system has been in use for more than 20 years and no longer meets the needs of the organisation.

It is the corporate software system that Council uses to manage its day-to-day business activities such as finance, human resources, payroll, procurement, compliance, property and rates, records management, customer request and asset management.

A significant amount of scoping and planning work was undertaken during 2020/21 financial year to inform the future direction of the project. This included a comprehensive review of the current system against the needs of the organisation now and into the future, an audit of the current technology structure and the creation of a project team for the implementation of the new corporate system.

On Monday, 12 July 2021, Council committed to undertake a full review and replacement of the current corporate system. The focus of the Corporate Systems Implementation Project is the reengineering of the Council's corporate systems with an emphasis on leveraging technology to become more customer and information centric to effectively deliver on the 2030 Community Plan.

In 2022/23, Council staff configured various modules of the new system ahead of the release of the first phase on 1 July 2023.

Goals connected to this project include:

- Improving the customer experience by reducing response times, better information and efficient streamlined eServices
- Establishing a 'single source of truth'
- Improving efficiency, productivity, compliance and risk management
- Providing mobility, flexibility and an integrated solution
- Increasing organisational capacity
- A modern technological solution to support the achievement of Council's Community Plan strategic goals and aspirations

This project is Council's most significant information technology project to-date, and its largest operational change.

The Project Executive Committee (PEC), chaired by the Manager Technology and Transformation, underpins the project governance. The role of the PEC is to function as champions of the corporate system implementation project in leading the change within Council and ensuring the Transformation Team are on track and meeting milestones towards successful completion.



Major Projects

2022 Local Government Elections (completed)



The 2022 Local Government Elections were delivered as a collaboration between the Electoral Commission of South Australia, the Local Government Association of South Australia, and individual councils.

For planning purposes, the project was broken down into four key phases:

- **Enrolment** - Encouraging voter enrolment amongst the community, particularly businesses and non-resident ratepayers who may otherwise not be on the voters roll
- **Nominations** - Promoting community members to nominate for a position on Council, and providing information to ensure compliant campaigning from candidates. In 2022, a particular focus was given to promoting diversity
- **Voting** - Supporting the Electoral Commission’s efforts to ensure everyone has an opportunity to vote for who they would like to see on Council
- **Induction** - Providing training and resources to enable the new Council to fulfil their duties

In 2022, the voters roll increased across South Australia to 1,243,661 from 1,208,858 in 2018.

State-wide voting participation also increased above the 2018 figure of 389,215 ballots received (32.94%), with 429,617 ballots received (34.54%) in 2022.

In the City of Victor Harbor, 46.16% of enrolled voters returned their ballot papers, which was above the state average.

The Mayor and Councillors made a declaration of office at an inaugural Council meeting held on Wednesday, 23 November 2022 at the City of Victor Harbor Civic Centre (1 Bay Road, Victor Harbor).



Destination Brand Roll-out (ongoing)



The unveiling of a new destination brand has been the launching pad to strengthen Victor Harbor's position as the vibrant, creative heart of the Fleurieu Peninsula.

Drawing on the positioning statement of 'Feel It Calling', the brand aims to create a renewed impression of Victor Harbor as a place of choice to live, work, invest and visit. The brand draws on the gravitational pull that draws people to Victor Harbor — whether its to create a home, set up a business or holiday. Victor Harbor's magnetism will translate differently for each and every person.

It also highlights there is a unique duality to Victor Harbor. We are a regional city, but have retained a close-knit community feel. We have a world-class, spectacular coastline, yet our rural landscape is equally appealing and breathtaking. We are a favoured coastal holiday destination, and at the same time service the southern Fleurieu Peninsula as a thriving, service hub. Our new brand capitalises on this.

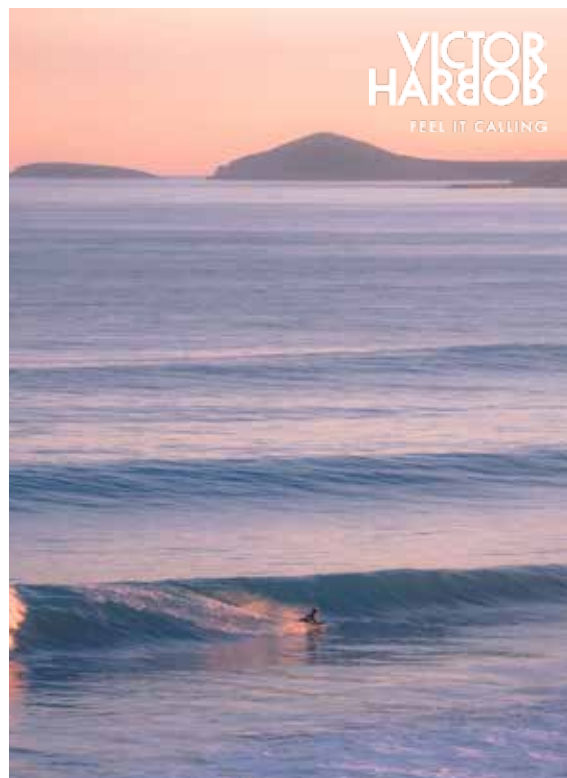
Victor Harbor is an established place. However, outsiders are often persuaded by historical impressions of a sleepy, seaside town. The brand aims to change these outdated perceptions, and promote a true reflection of an incredibly vibrant and special place. We want people to know what Victor Harbor is actually like, not what people think it is like.

Our business community is innovative. Our tourism offering is dynamic (whether it's rejuvenation or adventure you're looking for, we've got it!). Our schools are brimming with students as more families see the appeal of our area. And our people are connected, proud and our City's biggest advocates.

The new brand acknowledges that Victor Harbor has changed. Not in a way that loses our sense of place, but in a way that draws curiosity and celebrates the character that is highly valued.

There is an abundance of opportunity in Victor Harbor's future, and Council's planning aims to capture this. What we deliver for our community and how we operate aligns with the values of this brand, and our broader vision for Victor Harbor to remain a place of choice to live, work, invest and visit.

The brand development was a collaboration between Council staff and Business Victor Harbor. Ongoing implementation initiatives are governed by Council's City Activation Team, with participation from businesses across the City of Victor Harbor.



Major Festivals and Events



Events and festivals provide significant benefits for the local community and visitors alike. Events can connect communities, create opportunities for social inclusion, improve wellbeing and a sense of pride in one's 'hometown'. They support local business, employment, and the local economy. Festivals and events are essential for creating a connected, engaged and thriving community.

Council's primary role is to attract and facilitate major events, and support the facilitation and growth of events that contribute to social and economic outcomes for the community.

Currently, the City of Victor Harbor invests an average of \$300,000 annually in the development of events, with the annual event calendar contributing approximately \$5.8 million in additional expenditure into the local economy.

Over the past five years, the City of Victor Harbor with State Government funding support has undertaken significant upgrades to city spaces and venues. These investments are important enablers for festivals and events to occur in the City of Victor Harbor.

During 2022/23 there were a number of major festivals and events held in the Council area.

Live Arts @ Newland

Monthly throughout 2022/23

SALA Festival

1 - 31 August 2022

Illuminate Adelaide 'Harbor Lights'

26 August - 11 September 2022

Coastrek

2 September 2022

Rock 'N' Roll Festival

18 September 2022

Beauty and the Beast (SCCAS)

14 - 29 October 2022

SA Viking Festival

5 - 6 November 2022

One Electric Day

5 November 2022

Heysen 105 Ultra Marathon

22 October 2022

RSL Remembrance Day Service

11 November 2022

Schoolies Festival

25 - 27 November 2022

Victor Harbor Half Marathon

4 December 2022

Victor Harbor Street Party

2 December 2022

Rotary Christmas Pageant and Carols

10 December 2022

Victor Harbor Harness Racing

27 December 2022

New Year's Eve Fireworks

31 December 2022

Summer Sands Sessions

8 - 29 January 2023

Rotary Art Show

14 - 21 January 2023

Tour Down Under - Stage 2

19 January 2023

Australia Day Celebrations

26 January 2023

Coast to Coast Tuna Tournament

11-12 February 2023

Fringe in Victor Harbor

18 - 28 February 2023

Elton John/ABBA Tribute

25 February 2023

Artisan Market

Regularly throughout 2022/23

Writers Week

4-9 March 2023

Sid James Victor Harbor Triathlon

11 March 2023

Red Hot Summer Tour

11 March 2023

Freaky Friday (Zest Theatre Group)

17 March 2023

British Classics Tour

7 May 2023

RSL ANZAC Day Dawn Service

25 April 2023

WhaleFest

26 May - 25 June 2023

Granite Island Run

28 May 2023

Beachside Markets

Second and fourth Sunday of the month

Reconciliation Week

27 May - 3 June 2023

Ramindjeri Welcoming of the Whales

10 June 2023

Victor Harbor Farmers Market

Every Saturday morning

Events at the forefront

In 2023, Council adopted a strategic approach to planning and delivering quality events in the City of Victor Harbor.

The City of Victor Harbor's 'Culture Strategy – Festivals and Events' outlines a range of goals for the next five years, including building capacity for event planning, creating and activating places through the delivery of events, and increasing participation in the local events calendar. This plan is all about working with and supporting the community.

The wealth of potential sits in the hands of event organisers, industry, and the local community.

It builds upon the work that is already underway to grow major events, and sees Council transition to a role where it can facilitate events rather than manage them. Environmentally friendly events and winter events have also been given consideration within the Strategy.

Our Communications

To engage stakeholders and share useful or important information, the Council produces a wide range of communications throughout the year.

Website

The City of Victor Harbor website is a central source of information relating to Council's major projects, services, consultations, initiatives, news and events. The website is updated on a regular basis to ensure the community has quick access to essential information.

Social Media

Social media is a valuable tool for the Council to engage in two-way communication with the community. It is a popular platform for locals (our Community Satisfaction Surveys suggest one in five people prefer this method of communication), and it is also a cost-effective and efficient way for Council to publish timely information.

The City of Victor Harbor now manages profiles across Facebook, Instagram, YouTube and LinkedIn. This includes pages for the Council, Victor Harbor Library, SA Whale Centre, Visit Victor Harbor, Coral Street Art Space and Brand Victor Harbor.

In 2022/23, Council's primary Facebook page reached 163,422 people and attracted 9,684 likes/reactions.

Victor Viewpoint

Victor Viewpoint is the Council's monthly email newsletter, sent directly to nearly 2,500 subscribers on the tenth day of each month.

The newsletter contains information relating to Council's major projects, consultations, grant opportunities, initiatives, news and events.

In 2022/23, Victor Viewpoint had an average open rate of 61%, and average click rate of 14%.

An incentive campaign was run from 1 January - 30 June 2023 to encourage new subscribers. At the conclusion of the campaign, two lucky subscribers (randomly drawn) won a gift card worth \$250.

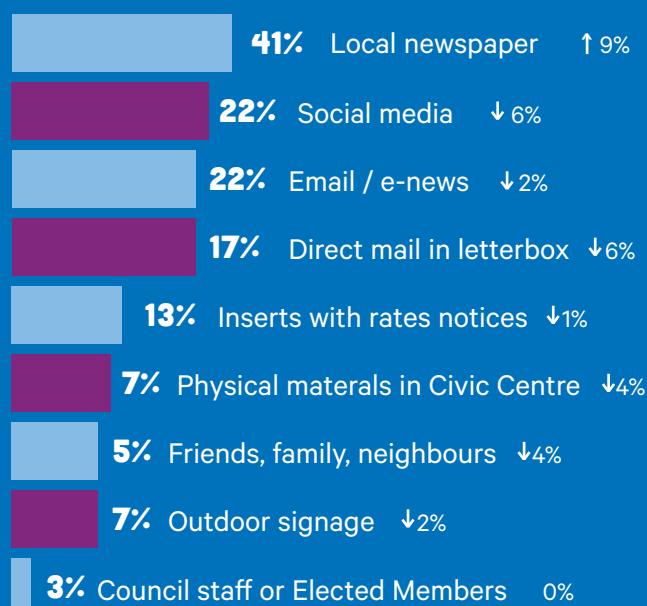
Communications Tools

Other communication tools used by the Council to share information with the community include:

- Signage
- Civic Centre displays
- Inserts in rates notices
- Media releases
- Advertisements (print, radio and digital)
- Public notices
- Direct letters and emails
- Public meetings and listening posts
- Fact sheets and conversation kits

How our community receives Council news

Based on 2023 Community Satisfaction Survey





website

victor.sa.gov.au

313,488

page views
in 2022/23

89,929

users
in 2022/23

Most visited pages on the website:

Bluff Boat Ramp Camera

Pay Rates

Employment

Cemetery Search

Library

Waste and Recycling Management



social

City of
Victor Harbor

163,422

Facebook reach
↑ 95.4%

9,684

Facebook reactions
↑ 43%

230

Facebook posts
↑ 12.7%

8,500

Instagram reach
↑ 119.1%

1,003

LinkedIn followers
↑ 51.1%

1,935

Instagram followers
↑ 119.1%



35

public notices in
local papers
(4,000 circulation)



12

editions of
Victor Viewpoint
(2,495 reach)

Community Satisfaction Survey, website and social media statistics refer to the period 1 July 2022 - 30 June 2023. Trend data refers to the period 1 July 2021 - 30 June 2022. Social media statistics only includes organic data (not paid advertising).

Media Coverage

Over many years, the Council has developed strong relationships with local journalists, publishers and media outlets to ensure important community information can be shared through these channels.

Local print, radio and digital media all provide a valuable service to the community, and are highly valued by residents in the Victor Harbor area. Our Community Satisfaction Surveys suggest one in three residents receive Council news through local newspapers (The Times/ Fleurieu Sun).

Media coverage can have a significant impact on the Council's reputation, and so it is important for the organisation to keep abreast of coverage relating to Council matters and proactively pitch positive news stories where possible. Media enquiries are generally handled by the Council's Communications Team, with the Mayor and Chief Executive Officer as principal spokespeople.

In addition to local media, the Council liaised with a range of Adelaide-based media outlets throughout 2022/23, including ABC, Channel 7 and InDaily, to provide commentary on local matters.

112

written enquiries received*

42

media releases distributed

Schoolies Festival



Encounter Youth's Schoolies Festival has been held successfully for more than two decades, and consistently gains media attention each year.

There are a number of stakeholders involved in the planning of the Schoolies Festival, including SAPOL, CFS, SA Ambulance, St Johns, government agencies, accommodation providers and Council.

The 2022 Schoolies Festival was especially newsworthy given the complexities around Covid-safe practices and social distancing during the event.

The Festival was covered by ABC, Channel 7, Channel 9, Channel 10, The Advertiser, InDaily and more.

Other local events to receive media attention in 2022/23 included the Tour Down Under, Illuminate Adelaide, Winter Whale Fest, and New Year's Eve.

Mainstreet Precinct Upgrade



Stage Four of the Victor Harbor Mainstreet Precinct Upgrade gained significant media attention in 2022/23 as it is one of the largest capital works projects being undertaken by Council in many years.

The project was regularly highlighted by The Times, Fleurieu Sun, Happy FM and Fleurieu FM.

As well as being covered by local media, the project featured on Channel 7, noting concern from businesses about how works would impact trading.

*Only includes formal written media enquiries received by Council's Communications Team (does not include scheduled interviews and direct correspondence to Council's primary spokespeople).

Top Tourism Town Award



Victor Harbor was the 'talk of the town', so to say, after winning the Tourism Industry Council of South Australia's (TiCSA) Top Tourism Town and People's Choice Award for 2023.

The Chief Executive Officer for TiCSA, Shaun de Bruyn, said the award was a recognition of how well Victor Harbor is promoted as a destination.

Both regional and Adelaide-based media outlets were keen to promote Victor Harbor's success and highlight many of the key attractions and activities that can be enjoyed in the region.

The Top Tourism Town Awards were covered by ABC, Channel 7, Channel 9, Channel 10, The Advertiser, Glam Adelaide, InDaily, The Times, Fleurieu Sun, Happy FM and Fleurieu FM.

Council Elections



The Council Elections were a major headline across South Australia throughout the second half of 2022. Media outlets covered the elections throughout every phase, including nominating, campaigning, voting, announcement of results and inductions.

The Local Government Association of South Australia, Electoral Commission of South Australia, and individual councils, worked collaboratively to promote the Council Elections through media.

'Voter fatigue' was a prominent topic of discussion, highlighting the possibility that some citizens can lose interest when a federal and state election is held in the same year as local government elections.

Concerns relating to voting irregularities were also a common topic in the lead up to counting day.

Council Member Disclosure Returns



Many councils across South Australia were subject to media attention following an announcement that nearly 50 Council Members would lose their positions due to not lodging their disclosure returns on time for the 2022 Council Elections.

Under legislation, Council Members are required to lodge two disclosure returns.

The matter was resolved when the Local Government (Casual Vacancies) Amendment Bill 2023 passed through the Legislative Council of State Parliament.

Engaging our Community

Community engagement is a fundamental part of Council's planning and delivery of services, land-use planning, major capital projects and works, and understanding the priorities of our local community.

The City of Victor Harbor takes pride in our community consultation. We recognise that effective community engagement delivers genuine benefits by ensuring our community are properly consulted with and listened to when they inform us on their views, needs and concerns. It enables people to share their views and actively contribute to shaping their community.

In addition to our formal committees, advisory and working groups, Council takes a proactive approach to consulting and engaging with our community stakeholders including residents, ratepayers, businesses, customers, community groups, Traditional Owners and visitors.

Community engagement for Council is about gaining information from the community to contribute to its decision making. The City of Victor Harbor is committed to open, accountable and responsive decision making achieved by effective communication and consultation between Council and the community.

Key projects that set a direction or define a position of Council, have a high level of community interest, or decisions that have significant financial implication are considered by Council to adopt a community consultation plan and commence public consultation.

We communicate opportunities to engage with our community through a variety of channels, including the monthly Victor Viewpoint e-newsletter, social media, media releases, advertising, public notices, radio interviews and then engage participants through our Your Say Victor Harbor website, face to face opportunities and hard copy feedback forms.

Our promise

The City of Victor Harbor's Public Consultation Policy outlines our commitment to community engagement and the principles for conducting engagement.

Council is committed to five principles that underpin our approach to community engagement:

- **Community Participation.** We are committed to including, informing and involving our community in local decision making from project planning through to delivery
- **Open and Accountable.** We will provide clear and easy to understand information that will inform our community and encourage meaningful engagement
- **Accessibility.** Our community will be able to access information in a variety of ways
- **Careful Planning and Evaluation.** We will carefully plan community engagement activities and evaluate all feedback to meet the needs of our community
- **Closing the Loop.** We will inform our community of our decisions and outline how feedback was considered

Our Process

The City of Victor Harbor's engagement approach involves a five step process:

- **Plan.** Develop a Communications and Engagement Plan to maximise opportunities for people to provide input through a simple, easy-to-use process
- **Prepare and Promote.** Prepare for community engagement by developing quality information and communication materials
- **Engage.** Facilitate and deliver the community engagement process
- **Report.** Prepare a report for Council consideration on the outcomes and findings
- **Close the Loop.** Promote the findings and the next steps by making reports and information on final decisions available to the community

2022/23 Public Consultations

To ensure Council work best serves the needs and interests of the community, the City of Victor Harbor carries out various public consultations each year.

The City of Victor Harbor Public Consultation Policy draws on the International Association for Public Participation's engagement spectrum to ensure that we meet our obligation under the Local Government Act 1999. Council also has a responsibility to consult with community members under other relevant Acts (e.g. Planning Development and Infrastructure Act).

During 2022/23, the City of Victor Harbor undertook broad community consultation on the following:

- Culture Strategy - Festivals and Events 2022-27
- Sport, Recreation and Open Space Strategy
- The Bluff Master Plan
- Regional Community, Sport and Recreation Precinct
- Proposed Licence - Wohlers Properties Pty Ltd
- Community Land Revocation - Hindmarsh Road
- Draft Biodiversity and Natural Assets Management Plan
- Community Land Revocation - Adelaide Road
- By-law Review
- Code of Practice for Access to Meetings and Documents
- Victor Harbor Investment Attraction Strategy
- Encounter Bay Recreation Ground - Camping
- Back Valley Tennis Club - Lease Renewal
- 2023/24 Annual Business Plan and Budget

2023 Liveability Census

For the first time in 2023, the City of Victor Harbor registered as a partner in the 2023 Australian Liveability Census.

The Australian Liveability Census provides a unique opportunity for communities to have their say on issues that matter to most in their local neighbourhoods. Whether it's more shops, parking, access to green spaces, or improving public safety, resident voices can help guide decision making and contribute to national research regarding liveability.

The 2023 Australian Liveability Census was open from 26 March to 30 June 2023.

As a census partner, the City of Victor Harbor was required to collect at least 200 survey responses to inform reporting. Our Council exceeded this target, achieving just under 300 responses.

An analysis report, containing all the data received from local residents, will be provided to the Council in late 2023. The data will provide a picture of the elements of liveability that our community most value and how we are tracking in these areas compared to the rest of Australia. This will provide us with valuable information as we commence a review into our Urban Growth Management Strategy and Community Plan.





Our Performance



Community Satisfaction

The results from the City of Victor Harbor’s 2023 Community Satisfaction Survey indicate how the Council is performing from the community’s perspective. The survey looks at Council services and facilities and seeks community feedback in terms of both importance of the service and associated satisfaction levels. The results of the survey help inform future planning by identifying issues of high priority for the City of Victor Harbor community.

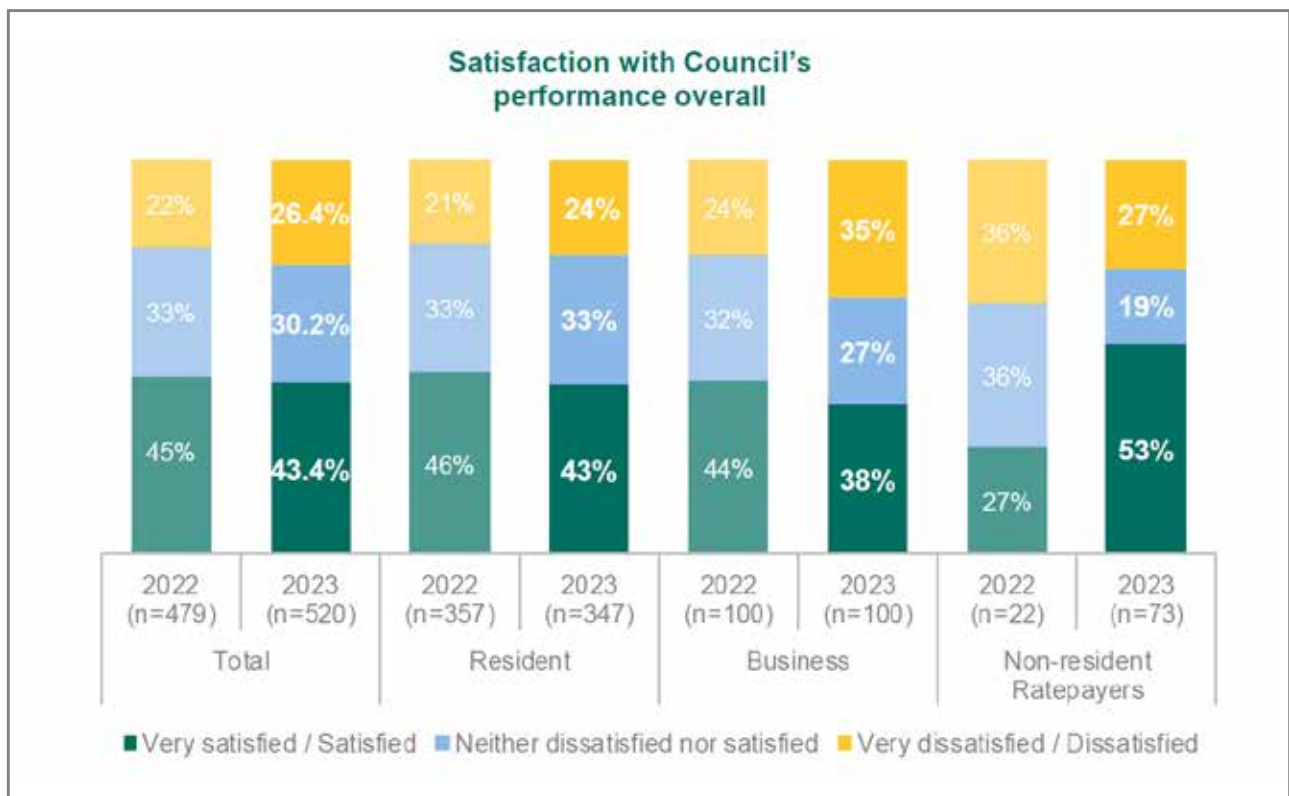
The survey was undertaken throughout March and April 2023 by market research company, newfocus to help the Council understand more about community perceptions in relation to its service delivery and future priorities. It is the second consecutive year that the Council has undertaken this survey, with the results providing a foundation for future benchmarking and tracking of Council’s performance.

Overall Satisfaction

The views and experiences of 352 residents, 100 businesses and 81 non-resident ratepayers were captured through a mix of random telephone interviews and online surveys.

Overall, satisfaction with the City of Victor Harbor’s performance remained on par with results from 2022 with a marginal decline of 2% for those who were satisfied or very satisfied.

In terms of each of the sample groups, non-resident ratepayers were seen to be the most satisfied with Council services with increases across the majority of service areas. Most notably was a 21% increase in satisfaction with waste management and recycling services, and a 15% decrease in satisfaction with public and environmental health services.



Community Satisfaction

Satisfaction levels within the resident sample remained relatively steady with a 6% drop in satisfaction for recreation opportunities such as sporting facilities, walking trails and bike paths.

Customer Service

Customer service was identified as an area where major improvements can be made, with declines across all related performance measures in the 2023 survey. The results are reflective of circumstances faced by the Council over the months prior to the survey which resulted in limited staff resources. In response to this, changes were made to the customer service charter allowing for longer timeframes to respond to customers.

Of those surveyed, 47% stated having contact with Council in the last 12 months (compared to 52% in 2022). Business contact increased by 3%, whereas resident contact decreased significantly (51% in 2022 to 42% in 2023). Fifty four percent of non resident ratepayers had some form of contact with Council.

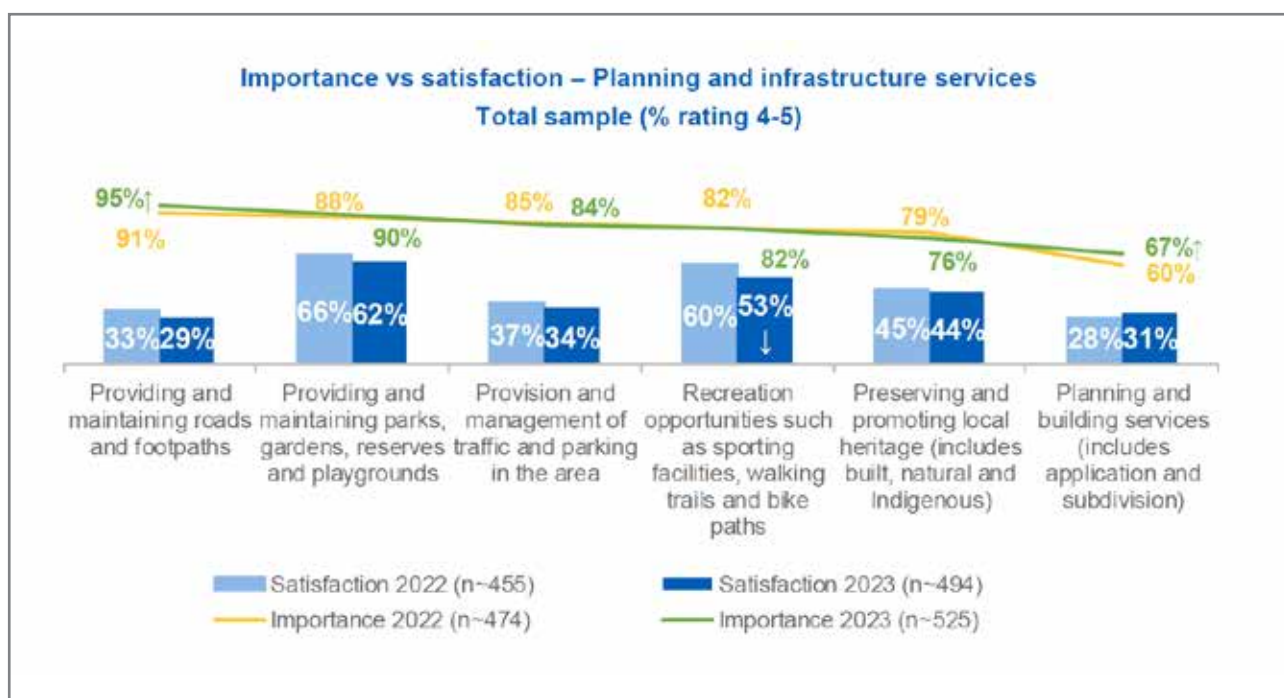
Of those who had contact with Council, 57% were satisfied with the customer service overall, a considerable decrease from 72% in 2022.

Planning and Infrastructure Services

Providing and maintaining roads and footpaths is considered the second most important service delivered by Council, behind waste and recycling management, however it achieved the lowest satisfaction rating at 29%.

There was a statistically significant increase in the perception of importance for maintaining roads and footpaths as well as planning and building services in 2023. Satisfaction relating to recreation opportunities decreased by 7%.

The importance of road and footpath maintenance was also highlighted in an open-ended question that asked for specific areas Council should focus on to improve its performance where the most common responses related to roads and footpaths.



Areas For Improvement

Other suggested areas for improvement included financial management (perception that more efficiency with finances is required), community engagement (increase engagement through more planning meetings) and rubbish management (collection frequency, extra hard waste days and better waste management).

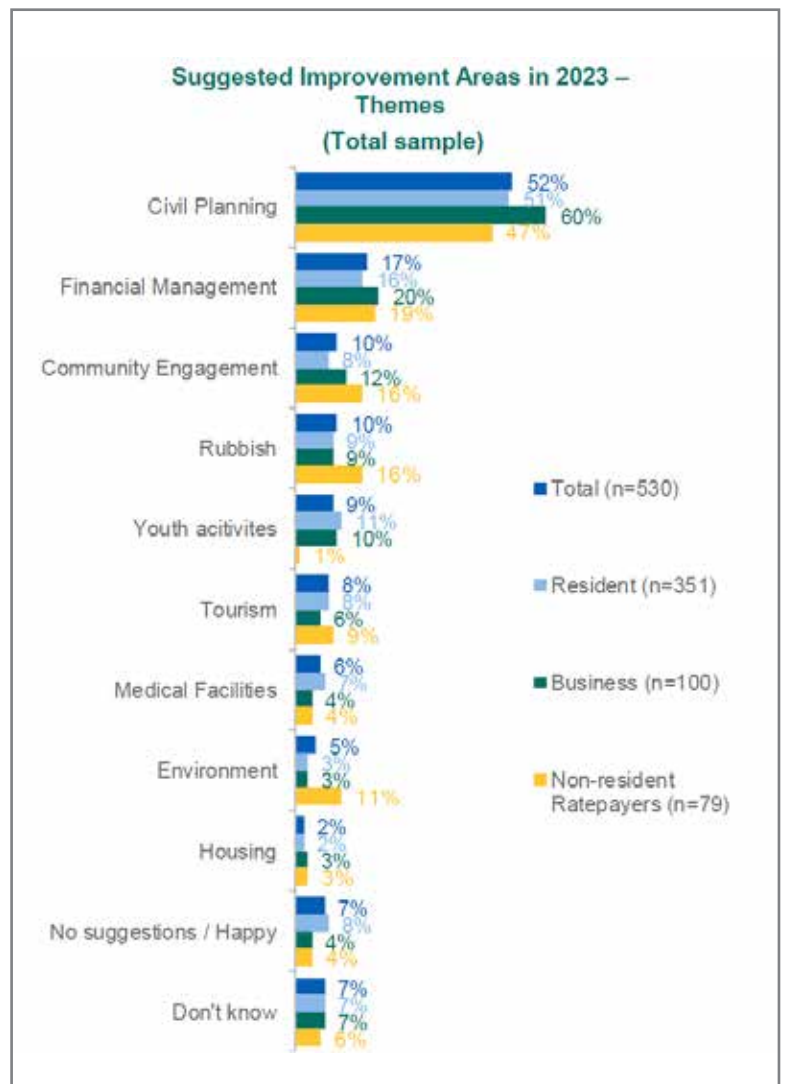
While relatively consistent with suggestion areas for improvement, businesses had greater emphasis on civil planning (28% stating repair roads, 14% improve streetscaping) and financial management overall. This is unsurprising given this cohort's lower satisfaction ratings relating to infrastructure services and Council acting in a financially responsible manner.

Service areas where Council performed best included the Victor Harbor Library, open space provision and maintenance, and waste management and recycling services.

Project Priorities

The survey also demonstrated that the community's top major project priority is the Regional Community, Sport and Recreation Precinct, with 67% providing an importance rating of 4 (out of 5).

The McKinlay Street car park was perceived as the second most important major project priority with an importance rating of 59%, up 2% from 2022.



Community Satisfaction

Continuous Improvement

Both the 2022 and 2023 Community Satisfaction Surveys show that our community places a high level of importance on all of the services delivered by Council. However, it is the core functions relating to how we manage roads, rates and rubbish that are considered to be most important.

While there are a number of positives to take away from the survey results, it is clear that Council has some work to do in order to achieve better results in the future.

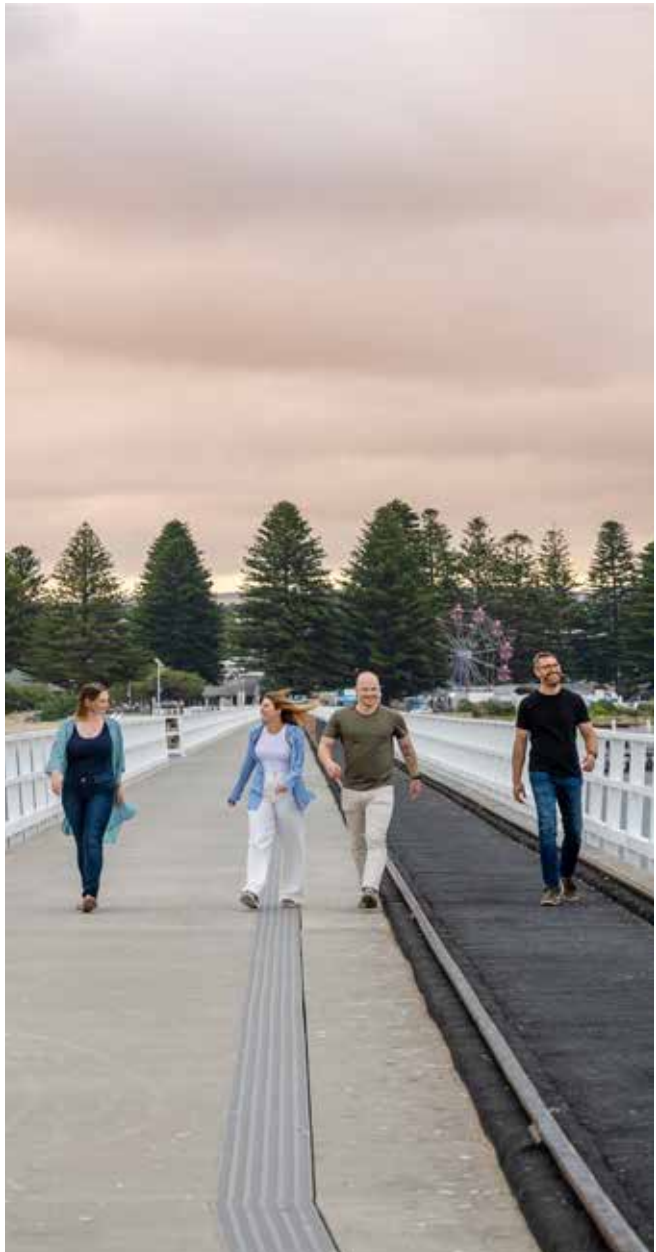
Undertaking this type of survey removes any assumptions from our planning and provides an evidence-based foundation to inform service delivery and project programming.

An action plan is being prepared by Council staff in collaboration with Council Members, and will be finalised in August 2023. The action plan will consider how to practically implement the findings from the surveys, and work towards improving satisfaction levels in the future.

Progress towards achieving the outcomes of this action plan will be reported back to the community.

The City of Victor Harbor would like to sincerely thank everyone who took the time to participate in the satisfaction survey. The information Council has gathered is highly valuable.

Further details about the City of Victor Harbor's Community Satisfaction Survey, including an Analysis Report, can be found at victor.sa.gov.au/communitysurvey.



Performance Against Our Strategic Plans

Measuring Our Performance Against The Community Plan 2030

The Community Plan 2030 is the City of Victor Harbor's guiding strategic document, outlining the community's aspirations for the future.

The Community Plan 2030 centres around six aspirations, outlined on **page 60-61**, that express what we want Victor Harbor to be like now and into the future. They aim to be bold and visionary, at the same time as protecting the essence of Victor Harbor. The City of Victor Harbor uses a number of methods to measure our progress towards achieving the aspirations within our Community Plan 2030.

Key Planned Activities

Each year Council identifies a number of Key Planned Activities that set out what we will focus on in the coming year to help achieve the aspirations set out in the Community Plan 2030. These Key Planned Activities are generally identified as part of annual business planning processes.

In 2022/23, Council identified 13 Key Planned Activities. The project names and their status as at 30 June 2023 is listed (right). An overview of all of these activities including more information about their status is provided from **page 86-111**.

As well as undertaking the identified Key Planned Activities, there are a number of other projects and ongoing activities that help Council work towards its aspirations. These activities also ensure that legislative requirements are met and respond to community expectations. A selection of these activities is also highlighted over the following pages.

Completed Key Planned Activities

A number of Key Planned Activities were completed in 2022/23.

- Mainstreet Precinct Upgrade Stage 4
- Waitpinga/Range Road Upgrade
- Footpath Replacement Program
- Bluff Boat Ramp Channel Markers
- Bluff Boat Ramp Toilets
- Local Government Elections.

Ongoing Key Planned Activities

Some projects are intended to be carried out in stages, or over multiple years, due to their size and nature. Other projects have been delayed due to contractor unavailability and unforeseen circumstances.

- Investigator Car Park Toilets
- Active Wellbeing Program
- Regional Community, Sport and Recreation Precinct Design
- Mainstreet Precinct Activation and Business Revitalisation
- Arts and Culture Centre Design – Stage 1
- Corporate Systems Replacement
- Horse Tram Stables Project.



ASPIRATION 1

We are a caring, connected and active community

Strategic Context

Victor Harbor is well known for its welcoming, friendly and family focussed community. Council's planning recognises this and outlines strategies to ensure that this continues in the future. In addition to the caring nature of our community, people also often comment that they feel safe in Victor Harbor and that it is a great place for children to grow up.

There is a strong volunteer culture within the City of Victor Harbor. One in four people in the local government area volunteer in some capacity, and the Council is fortunate to have a team of around 400 volunteers assisting with the delivery of services, programs and initiatives.

The high level of volunteerism results in a healthy number of thriving community groups, clubs and organisations, all of which provide important opportunities for people to feel valued and included.

Sport and recreation is deeply embedded within our community, and encourages a healthy and active lifestyle as well as important social connections. Access to open spaces is a key part of our lifestyle.

Ongoing Activities

Community services for aged, families, youth and disadvantaged people; Accessibility; Community and charitable donations; Community grants; Supported residential facilities licensing; Volunteer support and assistance; Halls and community buildings; Festivals and events; Parking enforcement and control; Abandoned vehicles; Vermin eradication; Dog and cat control; Livestock impounding; Litter inspection and enforcement; Immunisation; Health and preventative services; Sharps/need collection service; Street furnishing and sweeping.

Challenges

- **Elderly community:** With a median age of 60 years, the City of Victor Harbor has one of Australia's oldest populations and the Council must cater services to this demographic.
- **Utilising open spaces:** As a regional coastal city, the City of Victor Harbor is fortunate to have plenty of open space, however the Council must balance the need to develop with the importance of conserving natural assets.
- **Volunteering:** Many of Council's programs and initiatives depend on the support of dedicated volunteers, however volunteer numbers have decreased in recent years as a result of Covid-19.





2022/23 Key Planned Activities

Active Wellbeing Program Establishment
Outcome: To continue in 2023/24
Description: This program reflects a growing need to promote and facilitate active wellbeing in our community to benefit both physical and mental wellbeing. The aim of the program is to support and increase participation in passive and active recreation opportunities across our region.
Commentary: Planning for the Active Wellbeing Program is underway, with the goal to develop and establish active wellbeing opportunities within the local community. External grant funding has been received for this project.
Initiatives undertaken in 2022/23 include:
<ul style="list-style-type: none"> Working with Curtin University to develop a GeriFit Program in the Library (A total of 24 classes took place throughout May, June and July 2023. That's two 45 minute classes per week, with participants encouraged to attend as many as possible) An audit of outdoor fitness equipment Supporting the Winter Whale Festival with activities including yoga sessions Working with schools to develop active wellbeing sessions for children Developing a program for activating outdoor spaces Providing yoga in the Library for community

Regional Community, Sport and Recreation Precinct Design
Outcome: To continue in 2023/24
Description: Progressing our Regional Community, Sport and Recreation Precinct with the development of concept designs and business case.
Commentary: Planning for the Regional Community, Sport and Recreation Precinct continued throughout 2022/23 with community consultation and ongoing stakeholder engagement.
Broad community consultation was undertaken throughout January and February 2023 on a draft concept and preliminary costings for the project. Investigations were undertaken in relation to funding, operations and management models along with economic impact analysis.
Following this due diligence, and after considering community and stakeholder feedback, three concept options were explored (including updated cost estimates) for further consideration by Council Members.
In July, Council will be presented with a report recommending to proceed with a 'Design and Construct' process to the open market, and seeking endorsement to submit an expression of interest for funding through the Australian Government's Regional Growth Fund.



ASPIRATION 1

We are a caring, connected and active community

Other Highlights and Activities

Local youth making a difference in community



Over the past year, the City of Victor Harbor's Youth Development Program has been highly active in fostering the growth and empowerment of young people in the community. The program has encompassed a diverse range of initiatives and events that have positively impacted the lives of local youth.

In Youth Week, the 'Skate Daze' event activated the local skate park, giving an opportunity for young people to skate with local pros from Daily Grind.

Throughout the year, Southern Environment Action met fortnightly to discuss environmental issues in the community. They brainstormed solutions around various topics, and took action where practical.

Fleurieu Vivid Youth is a volunteer-run program that facilitates programs and events for young people who are interested in arts and theatre, providing them with a practical activity to participate in.

Community Youth Support is an early intervention program to support young people are experiencing risk factors through diengagement with school or community. Through this program, Council assisted young people to navigate challenges and identify goals to support re-engagement.

Celebrating 25 years of the Caring Neighbourhood Program



For a quarter of a century, the Caring Neighbourhood Program has offered an inclusive and supportive environment to those who are aged over 65 and feeling isolated or disconnected.

A special anniversary celebration event was held on Friday, 21 October 2022 with around 90 clients and volunteers present.

The initiative first began in 1994 as a pilot program based in Willunga. In 1997, the program as we now know it was extended to the wider Fleurieu Peninsula. The core values of the program have always been to develop a sense of community, companionship and friendship.

The current aim of the program is to provide goal focused social opportunities to build on people's strengths through community based, meaningful activity.

Currently, the City of Victor Harbor co-funds the Caring Neighbourhood Program with Commonwealth Home Support funding.



Supporting families on the Fleurieu Peninsula



Fleurieu Families provided support to 119 families over the course of the year through its Outreach Case Management Parenting Support Program.

The Outreach Parenting Support Program provides case management for parents either in the home, or if preferred, in our office or a community setting. Fleurieu Families can assist with behaviour management strategies for children, child development, accessing disability supports, improved family functioning and assist in building confidence and skills in parenting.

The number of participating families in 2022/23 was an increase of over double the number of families from the previous year and subsequently, this service has become a primary focus for Fleurieu Families.

Fleurieu Families also delivered a range of free training sessions and courses to educate local families/parents/children and offer support.

This includes two eight-week 'Circle of Security' workshops, aimed to help parents enjoy a fulfilling relationship with their child. It also includes two, two-day 'Love Bites' courses which were well received. The intention now is to offer the Love Bites course to all schools across the Fleurieu in 2023/24.

Victor Harbor Disability Expo



More than 100 community members attended the Victor Harbor Disability Expo on Tuesday, 23 May 2023 at McCracken Convention Centre.

The City of Victor Harbor hosted the event in collaboration with Plan Partners, bringing together a wide range of disability service providers from across the Fleurieu Peninsula.

A number of guest speakers joined the event, sharing their insights as well as answering questions. Guest speakers and presenters included: Kudos, Councillor Angela Schiller, Hon Emily Bourke MLC, Mission Australia (LAC), Plan Partners and SA Care.

Guests were able to explore stalls, chat with local service providers and gather information about disability services at your own pace. Entry was free.

Further work was undertaken in the disability access and inclusion space throughout the year, including the continued implementation of the Council's Disability Access and Inclusion Plan 2020-24.

One of the responsibilities of local government is to ensure that all members of our community have the right to be included, participate, have access to services and products and are able to be included in decision making. This is regardless of ability.



ASPIRATION 1

We are a caring, connected and active community

Other Highlights and Activities

Connecting through the art of ageing



Over the past year, Council has embarked on an inspiring journey of discovery through our regional 'Connecting through the Art of Ageing' project. This exciting initiative has been supported by an Age Friendly SA grant from the Office for Ageing Well, SA Health. Our sincere gratitude also goes to the vibrant communities of City of Victor Harbor, Alexandrina Council, and District Council of Yankalilla for their active participation in this project.

Throughout this endeavor, we set out to explore the diverse perspectives on life and ageing within our local communities. Together, we engaged in captivating conversation workshops, intergenerational events and activities, and conducted a community survey to gather ideas. These efforts helped us discover the beautiful tapestry of common threads that weave us together, fostering stronger connections among us and within our communities.

As the project continues in 2023/24, Council will delve into the profound wisdom of our local Ramindjeri and Ngarrindjeri community. These perspectives on life and ageing will undoubtedly add a unique and enriching dimension to our understanding of the human experience.

Getting locals around town



The Southern Communities Transport Scheme (SCOTS) continues to be a popular service in the local community.

SCOTS involves the coordination of local transport and volunteers as a cost effective means of improving access to services and opportunities for people living in the local area. The scheme assists people of all ages who are transport disadvantaged.

There are two main services, Medi Ride and the Community Shopping Bus. Commercial operators are utilised for local transport where possible.

2022/23 was a busy year for SCOTS, with:

- Nearly 9,500 one way trips provided, including 2,770 local trips and 6,711 trips to Adelaide (an average of 36.5 per day)
- More than 300,000 kilometres travelled
- 8,465 hours contributed by volunteer drivers to make it all happen
- 2,300 active clients registered in the SCOTS database



Walk, talk and support on The Man Walk

Social isolation is becoming an increasingly major risk to men's physical and mental wellbeing, with approximately 1 in 4 Australian men at risk of social isolation. The physical and mental health benefits of regular physical activity are well known, and the Man Walk provides a supportive environment for regular physical activity for men.

The initiative commenced in Victor Harbor in October 2022, with local men invited to meet at the Causeway Cafe every Thursday from 8am.

Proactive support for community members experiencing homelessness

While not a primary service provider in terms of housing, Council serves the community in a number of ways with regard to homelessness and related issues, including:

- **Reference group participation.** Council is represented on the Southern Fleurieu Housing Round Table, contributing \$2,000 per year.
- **Support services.** A number of Council programs directly support vulnerable people across all demographics, particularly through the Caring Neighbourhood, Fleurieu Families and Youth Development programs.
- **Advocacy.** Council, both directly and through its advisory committees and other local representative bodies, advocates at state and federal levels with various agencies, ministers and other government representatives as opportunities arise.
- **Information provision.** Council provides information to the community about emergency food relief, plus churches and other groups who can support people in financial stress.

Advance Care Directive Planning

An Advance Care Directive (ACD) enables you to make some decisions about your future if you were to become seriously ill and unable to communicate your preferences.

The City of Victor Harbor, Alexandrina Council and District Council of Yankalilla, are working together with the Fleurieu Advance Care Directive (ACD) Reference Group to develop a community service that will equip people with the information they need to complete their own Advance Care Directive.

The project, continuing in 2023/24, will see trained volunteers supporting community members to prepare Advance Care Directives.

An Advance Care Directive makes it easy for others to know what your wishes are if you are unable to make these decisions yourself. It can also give you peace of mind to know that your wishes are known and will be respected, if others need to make decisions for you.

This initiative is supported by Office for Ageing Well and Health Services Programs, SA Health.

Looking Ahead To 2023/24

Significant projects planned for next financial year include:

- **Establishing the 'Drive the Future' program** for local young people
- **Growing the Active Wellbeing Program**
- **Implementing the Culture Strategy - Festivals and Events**



ASPIRATION 2

We have a culture of innovation, collaboration and creativity

Strategic Context

To see our community prosper and flourish, there is a need to embrace new ideas and technology to create opportunities. What we heard during the development of our Community Plan 2030 is that our community would like support to access and use technology.

There is potential to use the creativity within Victor Harbor to enhance our city's vibrancy at the same time as expanding our local economy.

The Council understands the importance of providing the right conditions for individuals and the community to prosper, and recognises the importance of collaboration with all levels of government, regional bodies, private sector and the wider community to achieve this.

Art in all forms has the capacity to enrich people's lives and contribute to creating a strong, healthy and connected community.

Council often hears from the community that residents would like more opportunities to participate in and appreciate art in Victor Harbor.

The increasing emergence of arts and cultural activity in Victor Harbor has provided important social and economic benefits to the city. There is an opportunity to develop this further.

Ongoing Activities

Library; Arts and cultural program; Coral Street Art Space; Victa Cinema; Future Arts and Culture Centre; Public art and monuments; Citizenship; Representative appointments; Local and regional partnerships.

Challenges

- **Diversity:** Ensuring the Council delivers a range of cultural opportunities that meet the needs and interests of Victor Harbor's diverse community. This includes age, gender and cultural diversity.
- **Access and inclusion:** Striving for innovation and creativity while retaining a strong focus on access and inclusion to ensure all members of our community can thrive.
- **Protecting history:** While there is a strong desire to embrace innovation and technology, it is important to retain and protect the historical elements of Victor Harbor, which are part of what makes our town so special.





2022/23 Key Planned Activities

Arts and Culture Centre Design - Stage 1
Outcome: To continue in 2023/24
Description: Preparation of detailed technical design and specification documentation for Stage 1 of the proposed Arts and Culture Centre, comprising the Victa Cinema component. The design will reflect existing concept design aspirations and achieve DDA and building code compliance.
Commentary: ARM Architecture has been working with its multi-disciplinary team of consultants on the detailed technical design and specification documentation for stage 1 of the Arts and Culture Centre. Refinement to design continues based on advice from the engineers to reduce the impact on the existing building structure and based on Heritage SA's advice to ensure heritage fabric is retained. On 30 March 2023, a determination was made by the South Australian Heritage Board, that the Cinema meets the criteria and was recommended for formal state heritage listing. The City of Victor Harbor provided feedback on the listing during the consultation period, which stated the City's support of the listing and detailed the aspirations it had for the building. This listing and a design update were workshopped with Council in March 2023. In June 2023, investigations were undertaken to determine the structural integrity of the existing footings underneath the Cinema. The report has now been received, and the engineers are completing their design on this basis. It is anticipated that the engineers will complete their work in August 2023, and the final detailed design will be ready to present to Council in September 2023.

Mainstreet Precinct Activation and Business Revitalisation Grant Scheme
Outcome: To continue in 2023/24
Description: Encouraging increased foot traffic and activity in Victor Harbor's Mainstreet Precinct through a range of innovative activation activities.
Commentary: The Mainstreet Precinct Business Revitalisation Grant Program was released in July 2022 and closed in August 2022. The program received applications that exceeded the allocated budget, and Council resolved to add \$35,000 to ensure the traders that applied through the program for eligible activities were supported. On 30 June 2023, most projects were completed, acquitted and grant amounts paid in full. Three projects are approaching completion, and staff are working with the applicants to ensure their projects are completed in time to meet the requirements of the grant program. Four grant recipients did not proceed with their grant activity or sold the business therefore were not paid any grant funds.





ASPIRATION 2

We have a culture of innovation, collaboration and creativity

Other Highlights and Activities

Mayor's Short Story Competition

Each year the Mayor's Short Story Competition showcases the talents of young local writers from across the region. It is an initiative delivered by the three Fleurieu councils – Alexandrina Council, District Council of Yankalilla and City of Victor Harbor.

The 2022 competition saw 356 entries from the City of Victor Harbor. Jack Cook (Investigator College) was the overall winner for the City of Victor Harbor.

Citizenship Ceremonies



Australian citizenship is a privilege offering enormous rewards. The City of Victor Harbor conducts citizenship ceremonies on behalf of the Federal Government for local residents. The Council's role to welcome new citizens is one we highly value.

Citizenship ceremonies are special events that fulfil requirements under Australian citizenship law. The ceremonies are undertaken by the Mayor and generally held in the Council Chambers with the exception of Australia Day where the ceremony takes place as apart of the community celebration event.

In 2022/23, a total of 22 new citizens were welcomed to Victor Harbor from a range of countries including Philippines, Malaysia, United Kingdom, New Zealand, Greece, Nepal, Zimbabwe, South Africa, and India.

Public Safety Vehicle Initiative



In 2023, Council's Public Safety Team dropped by Victor Harbor Primary School to talk about pet ownership, parking and a range of other matters.

The visit was an opportunity to change public perceptions of inspectors, and demonstrate their role in keeping the Victor Harbor community safe and vibrant.

The audience was very engaged with the content - particularly when Scruffy the dog made an appearance to talk about dog registrations!

Students were then tasked with drawing images that depict what public safety means to them.

Council's team thought the illustrations were so great, that they decided to decorate our public safety vehicle with them!

The public safety vehicle is driven throughout Victor Harbor every day, and is also what we use to pick up lost dogs.

This initiative is one part of the Council's ongoing activities to educate all members of our community about how they can keep our city safe, clean and vibrant.



Bay Road Muwerang Mosaic



What was once a plain, grey balustrade has now been beautified with a stunning public art piece by artists Mike Tye and Cedric Varcoe. The permanent installation has been created over several years with the help of passionate, hard-working local volunteers. Volunteers attended weekly workshops (offering thousands of hours of work) to assist with the delicate tasks of tile cutting and tile placement.

The 36 metre long mosaic was installed in late June 2023 by Matt Turley, covering the entire length of a balustrade between Bay Road and the Inman River.

It now stands as a visual representation of the Ramindjeri and Ngarrindjeri connection to the Inman River (Muwerang). As well as acknowledging our Traditional Owners, the mosaic demonstrates what can be achieved when our community works together.

The City of Victor Harbor would also like to acknowledge and remember Kerry Pomery, our colleague and friend, who contributed significantly to this project during her time working for the Council.

A formal opening ceremony is planned for 2023/24 to celebrate completion of the project.

To view the Muwerang Mosaic, it is recommended that you park at Barker Reserve (corner Bay Road and George Main Road). The mosaic is a 50m walk along Bay Road from Barker Reserve.

Growth of Coral Street Art Space



Coral Street Art Space (Tumbi Tjil-urmi Yiti) is a project of the City of Victor Harbor and serves as a growing cultural hub on the Fleurieu Peninsula.

In 2022, Council endorsed the installation of a permanent, ongoing First Nations exhibition space at Coral Street Art Space. Since then, significant work has been underway to get the exciting new exhibition space up and running. This re-designed gallery offers room for our Ramindjeri and Ngarrindjeri community to exhibit individual work and run workshops.

The Art Space depends heavily on support of volunteers, which has presented a challenge in recent years due to volunteer numbers dropping during Covid-19. Work has been underway to increase volunteer numbers, and it is expected that the Art Space will expand its opening hours in 2023/24 to reflect this renewed interest.

Looking Ahead To 2023/24

Significant projects planned for next financial year include:

- **Simplifying Council grant processes**
- **Celebrating the 100th anniversary of the Victoria Cinema**
- **Continuing detailed designs for the future Arts and Culture Centre**
- **Citizenship Ceremonies** planned for July 2023 and January 2024 (Australia Day)



ASPIRATION 3

We manage growth and change responsibly

Strategic Context

Statistics continually demonstrate that Victor Harbor and its surrounds are growing at a steady rate. This growth will have implications for the provision of services and infrastructure, as well as how we protect our environment, heritage, lifestyle and sense of community. All of which are highly valued and integral to our city's appeal.

Population growth in neighbouring councils will also impact on the City of Victor Harbor which has firmly established itself as the service centre for the region. Appropriate planning will assist to maintain this position, at the same time as preserving the attributes of our city that we most value.

The Victor Harbor economy is heavily reliant upon the income derived from tourism. This income is largely seasonal, providing a challenge for some local businesses to manage revenue fluctuations. There is potential for this sector of the economy to be developed, as well as opportunities to see the growth in other sectors such as aged care, agriculture, building and construction and manufacturing.

Ongoing Activities

Economic development; Horse Drawn Tram; Visitor Information Centre and South Australian Whale Centre; Destination marketing; History recording and preservation; Local history collection; Building assessment and inspection; Development assessment; Land use planning.

Challenges

- **Population growth:** Planning effectively for increases to population.
- **Switching to digital:** Adopting online methods for marketing and communication to meet the modern needs of tourists and visitors.
- **Seasonal tourism:** As a coastal destination, the City of Victor Harbor's population can double during the summer months, placing significant demand/strain on Council services and infrastructure.
- **Planning:** Continuing the transition to the new Planning, Development and Infrastructure Act, and staying abreast of evolving legislation.





2022/23 Key Planned Activities

Mainstreet Precinct Upgrade Stage Four

Outcome: Complete

Description: Construction works for Stage 4 which includes the southern end of Ocean Street and Albert Place.

Commentary: Stage Four of the City of Victor Harbor’s Mainstreet Precinct Upgrade commenced in June 2022 and included a significant overhaul of ageing underground services along with sweeping streetscape upgrades. The \$8.8 million project was co-funded by the City of Victor Harbor and Government of South Australia’s Local Government Infrastructure Partnership Program.

Project was complete on time and within budget. It is currently under the defect’s liability period. Grant funding has been received and final grant reconciliation reporting is being finalised as a part of Council’s End of Financial Year processes.

The project involved significant collaboration with Mainstreet Traders, building owners and other stakeholders. A comprehensive engagement and assistance program successfully minimised disruption in the Precinct and supported Traders through the works period.



Horse Tram Stables Project

Outcome: To continue in 2023/24

Description: Completion of the new stables and visitor centre complex, which will ultimately host VIP experiences and capitalise on the Horse Tram’s attraction for tourists.

Commentary: The VIP building has been delivered to site and the stables construction has commenced. Remaining work includes completion of stable construction, access to VIP building, final plumbing and electrical, plus paving/concrete in stable, between building and footpaths.

Works will continue in 2023/24.





ASPIRATION 3

We manage growth and change responsibly

Other Highlights and Activities

Top Tourism Town Award



Victor Harbor won two awards at the Tourism Industry Council of SA 2023 Top Tourism Awards.

Victor Harbor was named Top Tourism Town, as well as being crowned the People's Choice winner.

The SA Top Tourism Town Awards recognise towns that offer amazing experiences and are committed to encouraging and developing tourism in their region.

These awards are reward for a significant amount of work that has occurred as a collaboration between Council and our local chamber of commerce, Business Victor Harbor, to develop a new destination brand for Victor Harbor that showcases our position as the vibrant, creative heart of the Fleurieu Peninsula. This includes a new tourism website, visitvictorharbor.com, which was launched in November 2022.

Our new brand centres around the positioning statement of 'Feel It Calling', drawing on the gravitational pull that draws people to Victor Harbor, but also creating a sense of excitement about what Victor Harbor has to offer.

This change is a result of a significant level of investment in Victor Harbor, not only by Council but by all levels of government. We have a brand new Causeway, revitalised Mainstreet and Railway Precincts, as well as our new Visitor Centre. We have also developed a great program of vibrant events.

Annual Business Survey

Each year, local businesses are encouraged to take part in the annual Victor Harbor Business Survey. The survey is a collaboration between the City of Victor Harbor and Business Victor Harbor, and seeks to provide a clearer understanding of the challenges and opportunities that face our business community.

The key findings from the 2022 Victor Harbor Business Survey have been released, showing that many local traders are re-building optimism about driving their business's future.

Businesses who completed the survey were from a range of industries, including construction, retailing, tourism, hospitality, health services and more.

Business owners were asked a series of questions relating to challenges, opportunities, and forecasts for their business. They also shared their opinions on a range of aspects relating to operating a business in Victor Harbor.

Most notably, 96 out of the 102 businesses surveyed indicated that they were 'very optimistic', 'optimistic' or 'neutral' about the future of their business in the region. Rising utility costs, price pressure from customers and rising wages were noted as major constraints for business growth.



Victa Cinema Heritage Listing

In November 2022, the City of Victor Harbor received formal advice that the Victa Cinema building, 37-41 Ocean Street Victor Harbor, had been nominated for inclusion on the State Heritage Register.

The cinema is an early, outstanding example of interwar streamlined architecture articulating many of the key attributes of the style such as clean, parallel lines, contrasting bands of dissimilar materials, and horizontal emphasis with vertical relief. The cinema is also the only remaining intact picture theatre purpose-built by Ozone Theatres Limited, an innovative and influential family owned exhibition company which grew to be the largest in South Australia in the first half of the twentieth century.

Council is proud of the Victa Cinema and the role it plays in enhancing the cultural, social and economic fabric of Victor Harbor.

Victor Harbor Investment Attraction Strategy

Work is well underway on an Investment Attraction Strategy for Victor Harbor. This document will play an essential part in identifying likely investment, targets, impediments and pathways for business and workforce attraction to grow the City's employment base and further economic opportunities.

The draft Strategy was developed in collaboration between Council, Business Victor Harbor and key stakeholders. The Strategy aims to:

- Identify the commercial investment opportunities that will support the sustainable growth and development of the Victor Harbor economy and how can this investment be enabled
- Identify the target sectors Victor Harbor should focus on attracting and/or fostering the growth of and why
- Determine the roles of the City of Victor Harbor in delivering this Strategy

It is expected that the Strategy will be finalised and endorsed in late 2023.

A Street Party To Remember



Victor Harbor's town centre was alive on Friday, 5 December 2022 as Council celebrated the re-opening of Ocean Street and Albert Place (following completion of the Mainstreet Precinct Stage Four update) with some festive cheer.

Hundreds of people turned up to enjoy live music, grab a bite to eat and pluck a bargain from local businesses. Even Father Christmas dropped by to collect last minute gift ideas and admire our newest public artwork! Other highlights included a smoking ceremony by Cedric Varcoe, the endless supply of handmade treasures at the Artisan Markets, and a bodybuilder singlehandedly pulling the Horse Tram.

Looking Ahead To 2023/24

Significant projects planned for next financial year include:

- Significant review of the **Urban Growth Management Strategy** and **Community Plan**
- Continuing our partnership with **Business Victor Harbor**, the local chamber of commerce
- Continued roll-out of the **Victor Harbor destination brand**



ASPIRATION 4

We protect our environment

Strategic Context

The City of Victor Harbor Council area is home to many wonderful assets such as Rosetta Head (The Bluff), Granite Island and the Little Penguin colony, Hindmarsh Falls, Glacier Rock, Inman and Hindmarsh Rivers. The natural environment, including the coastal and marine areas, rivers, natural vegetation, clean air and mild climate are all identified as things that make Victor Harbor a great place to live.

Our planning aims to preserve all of the things we value about our environment, at the same time as putting measures in place to address the challenges that face us in the future. Urban growth will place pressure on the natural environment, as well as the general landscape and built form character.

Our changing climate will result in warmer and drier conditions, more frequent extreme weather events, and higher sea levels. A better understanding of both climate variability and climate change will mean the community can better manage the adverse impacts and take advantage of any opportunities that arise.

Ongoing Activities

Animal, pest and plant control; Coastal protection; Environmental management; Foreshore maintenance; Climate adaptation planning; Tree planting and maintenance; Waste management.

Challenges

- **Climate change:** Coping with more intense and more frequent storm events, leading to increased coastal erosion and damage to assets.
- **Lobbying for support:** Climate change is an issue facing all Australians, and Council requires State and Federal Government support to make a real impact.

2022/23 Key Planned Activities

Bluff Boat Ramp Channel Markers

Outcome: Complete

Description: The replacement of missing channel markers leading into the boat ramp.

Commentary: Increased visitation to the Bluff Boat Ramp and heightened storm surges had resulted in more frequent damage to existing channel markers.

Replacement of 12 damaged markers was undertaken in late 2022, providing a safer environment for the boating community ahead of the peak summer period, while also reducing long-term maintenance costs for Council.

The project was completed on time and within budget.

The design, construction and replacement of the 12 channel markers has been supported by funding received from Primary Industries and Regional Development. The grant funding has been acquitted.





Other Highlights and Activities

New summer waste kerbside collection



Over the 2022/23 peak summer period (mid December to late January), the City of Victor Harbor and Fleurieu Regional Waste Authority altered kerbside waste collection services to encourage greater recycling efforts in the community.

The change saw general waste collection occurring fortnightly (previously weekly) while co-mingled recycling and green organics collection occurred weekly (previously fortnightly).

The program achieved its objectives of reducing waste to landfill and increasing the amount of material recycled. The City of Victor Harbor reduced its waste to landfill by 23% compared to last summer.

Transitioning to a hybrid fleet

To kick-start the transition to an environmentally-friendly fleet, the Council has replaced three Toyota Aurion petrol vehicles with three Toyota RAV4 hybrid vehicles.

The vehicles were delivered in January 2023 and are now being utilised by staff on a day-to-day basis as pool vehicles.

These vehicles will save Council approximately \$12,600 over five years, and about 18 tonnes of carbon emissions over the same period.

Collaborating for our environment



The Council supports a number of different volunteer groups who help to look after our local environment. The work of these volunteer groups is highly valued and helps keep Victor Harbor looking great.

Victor Harbor CoastCare is one of these groups, with 44 members volunteering hundreds of hours to protect and maintain our stunning coast. The Council offers an advisory and support role to the group who in the past year have undertaken projects at The Bluff, Franklin Parade, The Esplanade, Causeway, Bridge Point gardens, Hindmarsh River estuary area and around the Kings Beach viewing platform.

The Friends of Nangawooka Reserve also work closely with Council staff to align priorities and ensure the most effective work is carried out on our local gardens. The group has around 10 volunteers offering time and skills every Monday, equating to around 1,200 volunteer hours over the year.

The Friends of the Hindmarsh River Estuary Group is another local body who has more recently established a group of volunteers to conduct gardening activities around and along the Hindmarsh River. It is estimated that this group spends around 500 hours volunteering per year, provided by around 10 persons.



ASPIRATION 4

We protect our environment

Other Highlights and Activities

Fleurieu Youth Climate Summit



The City of Victor Harbor's second ever Youth Climate Summit was held at the Encounter Bay Football Club on Tuesday, 30 May 2023.

The event saw 60 students from five schools across the Fleurieu Peninsula in attendance. Students witnessed a traditional Ngarrindjeri Smoking Ceremony and heard from a range of insightful guest speakers (Department of Energy and Mining, Fleurieu Regional Waste Authority, Seeds for Snapper, Youth Leaders and Council staff).

In the afternoon, students participated in a facilitated brainstorming workshop in groups to further explore their own ideas and achievable climate actions.

Sustainable Homes Webinar Series

A range of councils across South Australia, including the City of Victor Harbor, participated in a series of free community webinars presented by energy experts from Renew.

The free webinars were held throughout 2023 on Tuesday or Thursday nights between 6:30 - 8pm. The webinars were an opportunity for the community to learn about a wide range of sustainability topics.

New Fire Danger Rating System

From 1 September 2022, Australians were introduced to a simplified, action-oriented Fire Danger Rating System. Council assisted the CFS with implementing the new system by promoting awareness and educating the community through available communications channels.

Each year, Council plays an important role in helping to prepare the community for Fire Danger Season, and ensuring property owners have taken the necessary steps to avoid the spread of fire on their land. With dry and hot conditions forecast for the 2023/24 summer period at this stage, the City of Victor Harbor will continue its educational campaign in the lead up to the next Fire Danger Season.

Victor Harbor Sport, Recreation and Open Space Strategy

In 2022/23, significant consultation and work was undertaken to develop a Sport, Recreation and Open Space Strategy for Victor Harbor.

The strategy, adopted on 24 July 2023, aims to assist Council plan for, maintain and activate its open spaces and recreation facilities through several high, medium, and low priority recommendations.

The strategy has been prepared based on what we heard from community through various consultations along with other investigations, including a needs analysis and audits of 142 open spaces across the council area.

It outlines a vision for open spaces and recreation facilities in Victor Harbor and set of guiding principles that will help achieve this vision.



Sow. Grow. Eat. Repeat!



Sow. Grow. Eat. Repeat! (SGER) was a program developed by the Victor Harbor Library and supported by an Innovation Grant from the Libraries Board of South Australia with additional funding provided by the Friends of the Victor Harbor Library.

The program aimed to encourage sustainable food and lifestyle practices in the community through a series of educational events and programs over a three month period in Spring 2022. This was achieved as the program was well received and far reaching with overwhelming attendance and positive feedback from our community.

A seed library was installed, which happened to be the first seed library in a Fleurieu Peninsula public library. The Library also added a Grow Free Trolley along with a new collection of materials and resources to assist our community to grow and continue to action sustainable practices.

In partnership with the Food Embassy as our key educational provider, the Library also partnered with a number of other workshop providers, Council, local community groups and individuals to offer a wide range of experiences, all related to SGER.

Since the initial 3-month program the Library has run a number of SGER themed workshops and events on a monthly basis. This, along with the ongoing resources such as the Grow Free Trolley, Seed Library and borrowable resources have proven to be a very popular inclusion to the Library's offerings.

Climate Agenda 2030

Over the past twelve months Council has continued prioritising climate action and committed resources towards our Climate Agenda 2030.

Our emissions and utility tracking subscription with Trellis has put Council in a position to understand our baseline carbon footprint and monitor our sustainability journey while optimising financial outcomes.

Council has invested in LED lighting upgrades to seven public amenities and one carpark, reducing our emissions, electricity use and maintenance costs. We embarked on a 12-month Coastal Monitoring Program that informs a prioritised schedule of key tasks. This monitoring is crucial for decision making, planning, budgeting and optimising external funding opportunities to put our coastline and community in the best position to manage our changing coastline.

Council continues its contribution to the Resilient Hills and Coasts (RH&C) program; a regional approach to strengthen resilience of our communities, economies and natural built environments in a changing climate. One of the highlights from this year's RH&C was the delivery of free community webinars from industry experts on electric vehicles, solar, batteries and sustainable building and renovations, which aligned with our own community education programs.

Looking Ahead To 2023/24

Significant projects planned for next financial year include:

- **Coastal protection works** along Franklin Parade and The Esplanade
- **Finalising a Biodiversity and Natural Assets Management Plan**
- **Climate Agenda 2030** continued implementation
- **Implementing The Bluff Master Plan**



ASPIRATION 5

We have services and infrastructure that meet our community's needs

Strategic Context

Our community considers infrastructure such as roads, footpaths, walking trails, bike paths and playgrounds important for quality of life. Access to health and community services is also highly important to the community. The average age of people in Victor Harbor is 60 years, with children aged 0-14 making up 13% of the population, while 39% are aged over 65. The type and level of services, infrastructure and housing required to support our ageing population is a key component of our planning. This is balanced against the needs of young families who are being drawn to the area through increasing capital investments in the four local schools.

Council owns and maintains a large range of assets including buildings, bridges, roads and open spaces. Management of existing and new assets can be increasingly challenging for Council. For example, cost shifting for services and new legislative provisions from Federal and State governments to local government impacts on the Council's ability to provide services and facilities.

Council has long been advocating for improved transport networks, particularly enhancing the Victor Harbor to Adelaide Road. This section of road is highly important to the local Victor Harbor economy, as a major commuter, tourist and freight route.

Ongoing Activities

Disaster management; Community transport; Bus shelters; Construction and maintenance of bridges; Construction and maintenance of car parks; Construction and maintenance of footpaths and bicycle infrastructure; Construction and maintenance of roadway infrastructure; Traffic control and statutory signage; Septic tank approval and inspection; Private works; Street and public lighting; Street signage; Drainage infrastructure and stormwater management; Cemeteries; Playgrounds; Parks, gardens and reserves; Sport and recreation facilities; Boat ramps; Public conveniences.

Challenges

- **Covid-19:** Adapting service levels appropriately in response to a rapidly changing environment.
- **Impacts of construction:** Recognising and mitigating the impact that major construction works can have on nearby residents, ratepayers and businesses.
- **Heritage assets:** Navigating the complexities and restrictions that can emerge when working on treasured heritage buildings and assets.
- **Material and contractor shortages:** Managing the impact of supply chain issues and contractor shortages on major capital projects.



2022/23 Key Planned Activities



Bluff Boat Ramp Toilets

Outcome: Complete

Description: Construction of a new public ablution block to service the Bluff Boat Ramp area.

Commentary: Construction of the Bluff Boat Ramp Toilets was complete in March 2023.

The toilet block features two cubicles, including one with disability access.

As part of the project, a new disability access park and ramp was installed in the parking bay just before the boat ramp exit, and a range of landscaping works were undertaken at Bert Puxley Reserve surrounding the toilet block.

This project was supported by grant funding achieved through the Department of Primary Industries and Regions.



Footpath Replacement Program

Outcome: Complete

Description: Four priority network footpaths were identified for maintenance and/or upgrade.

Commentary: Footpaths along Ozone Street, Harvey Avenue, Bay Road and Swain Road have been successfully upgraded, providing for a more pedestrian-friendly environment.

This Footpath Replacement Program project has been completed on time and within allocated budget.

Waitpinga/ Range Road Upgrade

Outcome: Complete

Description: Significant maintenance to major arterial roads.

Commentary: The significant upgrade to Waitpinga/ Range Road is fully grant funded and will be complete in July following the completion of additional patching work to expend the full value of the grant funding received for this project.

Works included the installation of new guardrails, shoulder widening, spray seal, kerbing and stormwater pit. Vegetation trimming works have also been undertaken.

Investigator Car Park Toilets

Outcome: Complete

Description: Designs for the Investigator Car Park public toilet facilities.

Commentary: Detailed design for the Investigator Car Park Toilets is complete and construction has been included within the 2023/24 endorsed capital budget.



ASPIRATION 5

We have services and infrastructure that meet our community's needs

Other Highlights and Activities

Annual Reseal Program



Roads are one of the Council's most important assets. Ongoing maintenance is essential to enable a reliable road network and ensure the needs of our growing community are met.

The Council undertakes an Annual Reseal Program each year in addition to other major capital works.

In 2023, the City of Victor Harbor focused on replacing wearing surfaces, repairing potholes and upgrading from spray seal to asphalt on certain roads within the Council area.

Potholes and road damage were increasingly common throughout 2022/23 as major storms were experienced.

Some locations where work was undertaken include:

- Seaview Road, Victor Harbor
- Armstrong Road, Victor Harbor
- Agnes Gillespie/ Sinclair Street, Hayborough
- Waterport Road, Hindmarsh Valley
- Range Road, Waitpinga

Stormwater Outlet Replacement



Storm events have significantly damaged the Yandra Terrace stormwater outlet in Hayborough. The area surrounding the outlet faced substantial erosion in 2022, culminating in the collapse of a retaining wall and the undermining of the stormwater outlet pipe.

While the City of Victor Harbor has undertaken emergency works to backfill erosion and install temporary safeguards following recent storms, a more permanent solution is required to future-proof the stormwater infrastructure.

Works to replace the stormwater outlet are complex due to the site being positioned within a vulnerable dune system, beneath the SteamRanger railway and at a high energy point of the coast.

In consultation with Council, the contractor engaged to undertake this project will identify and protect areas of dune vegetation that should not be disturbed, and an independent geotechnical consultant is providing advice throughout the project.

Scoping and preparation works were undertaken in 2022/23, with the full replacement expected to take place in 2023/24.



Urban Stormwater Master Plan



The topography of the wider Victor Harbor area is characterised by the Inman and Hindmarsh rivers, and surrounding steep areas that meet flat low-lying land along the coastline. This type of topography is prone to stormwater drainage issues, including ponding at low points within catchments experienced frequently during and following rain events, and sheeting flows through steep areas.

Council is continuing the development of an Urban Stormwater Master Plan to guide Council's decision making processes to better manage flood risk, water quality, stormwater detention/retention and development in the area.

As at 30 June 2023, the project is on hold until the Attorney General's flood hazard mapping data is released, which will be incorporated into the Stormwater Master Plan.

Digital Parking Technology Introduced

Council has introduced digital technologies that will enhance the experience for car park users and reduce demand on Council resources. The change has seen Council moving away from old ticketing machines and adopting a digital ticket purchasing system.

The rollout and shift from cash focused environment will create sustainability for our infrastructure and enable more effective compliance monitoring.

Three Gullies Road Improvements

In 2023, the City of Victor Harbor upgraded a stretch of Three Gullies Road in Encounter Bay, from Battye Road to adjacent Mayflower Court.

Three Gullies Road had a number of degraded areas and potholes, and much of the spray sealed surface had reached the end of its useful life. The aim of this project was to improve safety along an important route that connects some of Victor Harbor's popular tourism areas and is used by local residents, visitors and commercial vehicles.

The section of road upgraded as part of this project is around 490 metres in length and includes a steep gradient.

Improvements that were completed as part of the upgrade included:

- Bitumen works, including deep lift patches to areas requiring reconstruction
- Spray seal works
- Safety upgrades to guard railing, including rail adjustments and end terminals

Road construction works commenced in mid February 2023 and were completed by May 2023.

The project was funded by the SA Government's Special Local Roads Program.

Looking Ahead To 2023/24

Significant projects planned for next financial year include:

- Continuing to progress the **Regional Community, Sport and Recreation Precinct**
- **Jagger Road** upgrade
- Construction of a new **Junior Scooter Park** within the Victor Harbor Oval Complex



ASPIRATION 6

We are a financially sustainable and well-governed organisation

Strategic Context

Victor Harbor has a community that is passionate about being involved in shaping the City's future. People embrace the opportunity to be a part of Council's decision making, and expect transparent and accountable government.

There is an expectation that the community will receive a high level of customer service, and that the council will continue its program of service reviews to identify efficiencies in operations.

To deliver the community's aspirations, the Council must ensure it is a financially sustainable, well-governed organisation. Innovative future planning and leadership is critical to sustainable outcomes and efficient operations.

Ongoing Activities

Administration and finance; Advocate on behalf of the community; Asset management; Civic functions; Community information; Contract administration; Council elections; Council news and information; Human resources activities; Investment; Industrial relations; local data and statistical collection; Local governance; Local services contact; Maintainer of civic and community records; Policy and by-law management; Amusement and market licensor; Property leases and rentals; Provision and maintenance of plant & equipment resources; Rate levying and collection; Risk management; Statutory fees and charges; Strategic planning; Training facilitator and provider; Work health safety.

Challenges

- **Economic challenges:** Incorporating the impact of rising costs and significant inflation in budget planning processes.
- **Human resourcing:** At the beginning of 2022/23, Council was operating with as little as 60% normal staffing levels on some days due to illness and other uncontrollable/unforeseen factors.
- **Emerging technology:** Ensuring that Council's systems provide value for money and efficiency, while also taking advantage of emerging technologies.
- **Communication:** Using effective and efficient means to communicate between stakeholders, and explain complex local government matters in a digestible format.





2022/23 Key Planned Activities

Corporate Systems Replacement
Outcome: To continue in 2023/24
Description: Council's software system has been in use for 20 years and no longer meets the organisation's needs. This project looks at internal processes and opportunities to enhance the systems for efficiency savings and increased customer engagement.
Commentary: In 2022/23, Council staff configured various modules of the new system ahead of release one. Following successful migration of organisational data, testing indicated that release one of TechnologyOne's OneCouncil, the new corporate software system, was ready for the 'go-live' on Saturday, 1 July 2023. Release one included eight key modules: <ul style="list-style-type: none"> • Enterprise Financial and Expenditure Management • Human Resources and Payroll • Supply Chain Management (Procurement) • Enterprise Asset Management (including spatial) • Enterprise Content Management (Records) part one • Property and Rating – Request Management • Corporate Performance Management (Budgeting) • Access Management The remainder of the modules will be part of release two. The Transformation Team and SMEs (Subject Matter Experts) were commended by TechnologyOne for managing the project and rollout so successfully.

Local Government Elections
Outcome: Complete
Description: Facilitating the 2022 Local Government Election by coordinating voter enrolment, nominations to be on Council, voting and induction of a new Council.
Commentary: The Local Government Elections were carried out in November 2022 in collaboration between councils, the Electoral Commission of South Australia and the Local Government Association of South Australia. In the City of Victor Harbor, 46.16% of enrolled voters returned their ballot papers. A voter turnout of 46% was achieved with the election of Mayor Moira Jenkins and Councillors Brayden Mann, Stewart Burns, Michael Quinton, Marilyn Henderson, David Kemp, Angela Schiller, Carlos Quaremba, Carol Schofield and Nick McKenzie. The City of Victor Harbor's Mayor and Council Members were officially sworn in at a ceremony held on Wednesday, 23 November 2022. A comprehensive induction program continues to be rolled out to ensure Council Members are equipped with the tools and knowledge to carry out their roles.



ASPIRATION 6

We are a financially sustainable and well-governed organisation

Other Highlights and Activities

Local Government Reform

Over the last few years, South Australia's system of local government has been under review. A high degree of oversight, transparency and accountability is to be expected as councils are responsible for \$22 billion worth of public assets and infrastructure and have a combined annual budget of \$2 billion to provide local services and facilities that are part of everyday life. This is an enormous responsibility - and not one that can be taken lightly.

The Statutes Amendment (Local Government Review) Act 2021 passed Parliament and received the Governor's assent on 17 June 2021.

The Act amends a range of laws related to local government in South Australia including:

- Local Government Act 1999
- Local Government (Elections) Act 1999
- City of Adelaide Act 1998

The major reforms in the Amendment Act are based on ideas submitted during the Local Government Reform Program consultation.

Some key reforms include:

- a new conduct management framework for council members
- an expansion of expert, independent advice to councils on a range of critical financial and governance matters
- a modern approach to public consultation
- a range of improvements to regulation to reduce councils' costs

The roll-out of the Act has been staggered. Council Members and Council staff were kept abreast of implementation and relevant provisions throughout 2022/23.

Organisational Culture Survey



The City of Victor Harbor, with support from the University of South Australia, has been undertaking organisation-wide culture surveys since 2021 to understand potential areas for improvement. A further survey was undertaken in 2023.

Results from all surveys have been relatively positive, and the recent pulse survey indicated that there has been some small improvements in areas identified in the original survey for improvement.

Further culture surveys will be undertaken in 2023/24 to continue monitoring areas for improvement.

Community Satisfaction Survey

A Community Satisfaction Survey was undertaken throughout March and April 2023 by market research company, newfocus. It is the second consecutive year that the Council has undertaken this survey, with the results providing a foundation for future benchmarking and tracking of Council's performance.

Overall, satisfaction with the City of Victor Harbor's performance remained on par with results from 2022 with a marginal decline of 2% for those who were satisfied or very satisfied.



Budget Planning



The annual financial planning process is carried out over several months and includes:

- Business planning undertaken by Council staff in relation to budget requirements, new initiatives and emerging expenditure trends
- Development of the capital budget based on Asset Management Plans, emerging areas of concern and community feedback
- Development of the draft operating budget based on the continuation of current services
- Preparation of operating budget proposals that represent either new services or activities, or an increase to current service levels
- Preparation of the Annual Business Plan incorporating the budget, key planned activities, significant projects and the rating policy

Currently, councils across South Australia are experiencing a range of unique challenges that are impacting ability to deliver capital projects and works in progress. These challenges include rapid and significant increases in capital costs (ranging from 50% to 100% on initial cost estimates), lengthy delays in supply of materials and lack of available contractors. This significant cost increase placed pressure on budgets for all councils and significantly impacted budget deliberations.

Silver Award for 2021/22 Annual Report

The Community Plan 2030 identifies improving reporting to the public on Council's performance as a priority. To assist in this process the City of Victor Harbor has been entering its Annual Report in the Australasian Reporting Awards for several years, using the feedback to enhance this document.

The Council was thrilled to receive a Bronze Award for both the 2019/20 and 2020/21 Annual Reports. Further improvements were made to the 2021/22 Annual Report based on feedback received from the judging panel, resulting in a silver award.

By-law Review

By-laws are local laws designed for the good rule and governance of the Council area and for the convenience, comfort and safety of the community.

Section 246 of the Local Government Act 1999 allows Council to make by-laws. The Council currently has seven by-laws which are due to expire on 1 January 2024. To ensure new by-laws are in place when the current ones expire, a review was undertaken in accordance with the Local Government Act 1999.

After workshopping with Council Members, community consultation was undertaken on draft by-laws in May 2023. The final by-laws were endorsed by Council in July 2023.

Looking Ahead To 2023/24

Significant projects planned for next financial year include:

- **Representation Review**
- **Long Term Financial Plan and Asset Management Plan review**
- **Workforce Plan implementation**
- **Continuation of the Corporate Systems Replacement Project**
- **Implementing actions** in response to what we heard through Community Satisfaction Surveys

A scenic photograph of a rural landscape at sunset. The sky is a mix of purple, pink, and orange. In the foreground, a calm river reflects the sky and the silhouettes of trees. A large, prominent tree stands on the right bank, its reflection clearly visible in the water. The background is filled with a dense line of trees on a gentle slope.

Corporate Reporting

Reporting Requirements

Annual Reporting

The City of Victor Harbor, like all councils and subsidiaries, produces an Annual Report each year. The report is a reflection of the financial year.

Section 131 of the Local Government Act 1999 (the Act), requires a Council to produce an Annual Report, and Schedule 4 of the Act sets out the information to be included. Schedule 4 prescribes in detail a Council's obligations to provide certain material and to report on other matters in its Annual Report.

At various sections, the Act also contains other prescribed reporting requirements as part of a Council's Annual Report. Further requirements are also noted in the Local Nuisance and Litter Control Act 2017.

While some requirements prescribed in the Local Government Act 1999 are outlined on the following pages (Corporate Reporting - **page 112 - 124**), others are noted throughout the Annual Report.

The following outlines some of the key topics that must be referred to as per the legislative reporting requirements:

- Annual Report of subsidiaries of the Council (attached)
- Audited Financial Statements (page 130)
- Auditor's remuneration (page 121)
- Council Member allowances (page 27)
- Council Member gifts (page 121)
- Council Member interstate and international travel (page 27)
- Council Member training and development (page 28)
- Confidentiality provisions (page 114-115)
- Credit card expenditure (page 121)
- Decision making structure of the Council (page 54-58)
- Employee interstate and international travel costs (page 121)
- Employee gifts (page 121)
- Equal employment opportunity (page 45)
- Freedom of Information applications (page 114)
- Information regarding the Council's Auditor (page 121)
- Legal costs (page 121)
- National Competition Policy (page 120)
- Registers and Codes of Conduct or Practice (page 118-119)
- Representation Quota (page 20)
- Reviews of Decisions (page 114)
- Senior Executive Officers (page 34-37)
- Strategic management plans and performance (page 59-61, 78-107)

Transparency

Freedom of Information

Information Statement

Council publishes an updated Freedom of Information Statement on its website annually in accordance with the requirements of Section 9(1a) of the Freedom of Information Act 1991. The purpose of the Information Statement is to assist members of the public to identify the functions and decision-making processes of Council, detail the type of information held by Council and how it can be accessed.

The statement is available on Council's website.

Freedom of Information Applications

Council received nine applications under the Freedom of Information Act 1991 from 1 July 2022 to 30 June 2023. The outcomes of the nine applications received under the Freedom of Information Act are as follows:

Full Release	1
Partial Release	4
<ul style="list-style-type: none">The reason for partial release related to documents affecting person affairs.	
Refused Access	1
<ul style="list-style-type: none">The reason for refusing access related to documents relating to personal details on an individual and is an exempt document under section 20(1) of the FOI Act.	
Withdrawn or Closed	3
Total number of applications	9

Review of Council Decisions

Council's Internal Review of a Council Decision Procedure is available online at victor.sa.gov.au or can be viewed at the Civic Centre (1 Bay Road, Victor Harbor). In 2022/23 no applications were received under Section 270 of the Local Government Act to review a Council decision.

Items Considered in Confidence

All Council and Committee meetings are open for the public to observe. On occasion, Council may order that the public be excluded from the meeting pursuant to Section 90 of the Local Government Act 1999, to enable a matter to be considered in confidence.

During 2022/23 the City of Victor Harbor convened 12 Ordinary Council meetings and six Special Council meetings at which a total of 290 items were considered (not including deputations).

The public was excluded from Council meetings for 24 agenda items. Eleven of these items have since been released from confidence either in full or in part.

Grounds upon which the public can be excluded from the meeting include:

- (a) Personal affairs
- (b) Commercial advantage
- (c) Trade secret
- (d) Commercial information (not a trade secret)
- (e) Security / safety
- (f) Maintenance of law
- (g) Breach of law
- (h) Legal advice
- (i) Litigation
- (j) Minister of the Crown
- (k) Tenders for supply of goods or services
- (m) Development Code Amendment
- (n) Freedom of Information Act 1991
- (o) Relating to a proposed award recipient before the presentation of the award

Items Considered in Confidence

Date	Subject	Confidential order clause
5/07/2022	2023 SANTOS Tour Down Under Stage Hosting	Section 90 (2) and (3)(d)
25/07/2022	Local Government Association Mandatory Training Standards for Council Members	Section 90 (2) and (3)(j)
25/07/2022	CEO Performance Review Committee Minutes	Section 90 (2) and (3)(d)
25/07/2022	Legal Matter - Infrastructure	Section 90 (2) and (3)(h)
25/07/2022	Review of Confidential Orders	Section 90 (2) and (3)(g)
22/08/2022	Granite Island Visitor Experience Master Plan Feedback	Section 90 (2) and (3)(d)
22/08/2022	Commercial Shop Lease - Early Termination	Section 90 (2) and (3)(a)
22/08/2022	CEO Performance Review - Change of Timeframe	Section 90 (2) and (3)(a)
5/09/2022	Memorandum of Understanding - Adelaide Road Hayborough	Section 90 (2) and (3)(d)
5/09/2022	Horse Tram Stables and VIP Experience Update	Section 90 (2) and (3)(b)
12/12/2022	2023 Australia Day Awards	Section 90(2) and (3)(o)
23/01/2023	Proposed new lease - Shop 4, 37-41 Ocean Street Victor Harbor	Section 90 (2) and (3)(b)
23/01/2023	Land acquisition and Open Space Grant Program 2022/23	Section 90 (2) and (3)(b)
27/02/2023	Request to Minister	Section 90(2) and (3) (d), (h) and (i)
27/03/2023	Southern Communities Transport Scheme Advisory Committee and Disability Access and Inclusion Advisory Committee - Appointment of Community Representatives	Section 90(2) and (3)(a)
27/03/2023	Major Event Funding: 2024 Tour Down Under Expression of Interest	Section 90(2) and 90(3) (j)
27/03/2023	Unsolicited Proposal - Stage 1 Assessment	Section 90 (2) and (3)(b)
27/03/2023	Response to Motion on Notice - Undercroft Disability Car Parking, Victor Central Shopping Centre	Section 90(2) and (3)(h)
27/03/2023	Victor Harbor Horse Tram Authority - Finalising Stables and VIP Experience Project	Section 90(2) and (3)(k)
27/03/2023	CEO Performance Review Committee - 16 March 2023	Section 90(3) and (3)(d)
24/04/2023	Proposed new lease - Shop 3, 37-41 Ocean Street Victor Harbor	Section 90(2) and (3)(d)
26/06/2023	Fleurieu Regional Aquatic Centre Authority - Loan Borrowings to Support Grant for Solar Supply and Installation	Section 90(2) and (3)(b)
26/06/2023	Land Acquisition and Open Space Grant Program 2022/23	Section 90(2) and (3)(b)
28/06/2023	Legal Matter - Infrastructure	Section 90(2) and (3) (h) and (i)

Local Nuisance and Litter Control

During 2022/23, Council's Development and Public Safety Team investigated 107 customer requests relating to the Local Nuisance and Litter Control Act 2016.

This is compared to 252 in 2021/22 and 112 in 2020/21.

A snapshot of the requests received is provided below:

- Smoke, odours, environmental pollution and construction noise - 12
- Unsightly premises or insanitary conditions - 22
- Other noise, dust, dumped items, rubbish, pests and vermin – 73

No expiations were issued or prosecutions commenced under the Local Nuisance and Litter Control Act due to all matters being resolved through education with staff.

Three abatement notices were issued which were also resolved with education provided to the community. No civil penalties were negotiated under the Act.

Council officers continued to focus on engagement and education both proactively and in response to customer requests to achieve desired outcomes for the community.

Nuisance and litter control is part of a wide range of services provided by the Council's Public Safety Team.

The Public Safety Team plays a significant role in ensuring the safety, cleanliness and vibrancy of the local community. This includes through compliance, by-law enforcement, dog and cat management, outdoor and parking enforcement.

Overall, the Public Safety Team actioned 587 customer requests within the 2022/23 financial year.



Community Land

Council is required under the Local Government Act 1999 to prepare and implement Community Land Management Plans for community land owned or under its care, control and management that falls under the following criteria:

- The land falls within the ambit of section 194(1)(b) or (c) of the Act; or
- The land is or is to be occupied under a lease or licence; or
- The land has been, or is to be, specially modified or adapted for the benefit or enjoyment of the community.

Council adopted its initial Community Land Management Plans in December 2004, with Council properties added and removed from the Community Land Register accordingly.

Community Land Management Plans identify the purpose and objectives of the land held for community use and provides consistency and transparency to the maintenance and management of community land to ensure the future needs of the community are considered.

During 2022/23 the Community Land Register was amended as outlined in the table (right).

No land was excluded from community land status at acquisition in 2022/23.

No amendments to existing classifications of community land were made in 2022/23.

Community land acquired

Assess No.	Certificate of Title	Lot	Plan	Community Land Management Plan	Description
A14576	CT 6277/202	516	DP130880	Open Space	Reserve along the Hindmarsh River – Land gifted by Developer as part of a land division.
A14635	CT 6283/407	Lot 51	DP131554	Open Space	Reserve to prevent vehicle access between Tern Lane and Beverley Grove – Land gifted by Developer as part of a land division.



Council Documents

Registers and Codes

The following registers and codes are required to be kept by Council under the Local Government Act 1999 and other relevant legislation:

Registers

- Delegations Register
- Register of Community Land
- Parking Control Register
- Register of Dogs
- Register of Public Streets and Roads
- Register of Employees' Salaries and Wages and Benefits
- Register of Council Members' Interests (Returns)
- Register of Interests (Officers)
- Register of Council Member Allowances and Benefits
- Register of Land Management Agreements
- Register of Development Applications
- Register of Fees and Charges
- Register of By-Laws
- Confidential Items Register
- Register of Building Upgrade Agreements

Codes

- Behavioural Management Standards (known as Code of Conduct for Council Members prior to 17 November 2022)
- Code of Conduct for Employees
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures

Documents available for public inspection

The following documents are made available for public inspection at the Council office or on Council's website, www.victor.sa.gov.au

- Notice and agenda for meetings of Council and Council committees
- Minutes of meetings of the Council or Council committees
- Documents and reports to the Council or Council committee (except any confidential items made under Section 90 of the Local Government Act 1999)
- Recommendations adopted by resolution of the Council
- Strategic Management Plans, including Community Plan, Asset Management Plans and Long Term Financial Plans, Annual Business Plan and Budget
- Audited Financial Statements
- Annual Report
- Extracts from Council's assessment book
- List of fees and charges
- Management Plans for Community Land
- Procedures for the review of Council decisions and any report under Section 270(8)
- Terms of Reference for Council Committees
- Charters for subsidiaries established by the council
- Council by-laws

- Representation options papers and reports on Council's boundaries
- Agenda and Minutes of Council's Development Assessment Panel (reasonable access provided in accordance with the Development Act)
- Documents relating to approved development (within the Development Regulations and to relevant consents and/or copyright obligations)
- Rates Policy Summary (refer to Council's Annual Business Plan)

Council Policy Documents

The following policies have been adopted by Council, and are available for viewing at the Council office or online at Council's website:

www.victor.sa.gov.au

- Accredited Professionals Notification
- Agribusiness and Rural Affairs
- Art Curatorial and Preservation
- Asset Accounting
- Asset Management
- Behavioural Standards for Council Members
- Budget Framework
- Car Parking Fund
- Caretaker
- Civic Centre Venue Hire
- Code of Conduct for Employees
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures
- Community and Sporting Leases, Licenses and Financial Assistance
- Community Grants
- Complaints Handling
- Council Member Allowance and Benefits
- Council Member Access to Information
- Council Member Records Management
- Council Member Training and Development
- Cross Over and Crossing Place
- Debt Recovery
- Disposal of Land and Other Assets
- Donations
- Emergency Management
- Enforcement
- External Grant Funding
- Festivals and Events
- Flag Management
- Footpaths
- Fraud, Corruption, Misconduct and Maladministration Prevention
- Freedom of Information Statement
- Graffiti Management
- Guidelines and General Approval for the Placement or Affixation of Election Signs
- Internal Control
- Internal Review of Council Decision Procedure
- Kerbside Waste Collection
- Light Fleet, Plant and Heavy Vehicles Changeover/ Replacement
- Live Streaming and Recording of Council Meetings
- Media, Communications and Social Media
- Mobile Food Vendor Permit
- Model Behavioural Management
- Order Making
- Outdoor Dining and Street Traders Permit
- Parks and Street Furniture Donation and Memorial Plaque
- Policy and Procedure Framework
- Privacy
- Procurement
- Prudential Management
- Public Art
- Public Consultation
- Public Interest Disclosure
- Records Management
- Request for Service
- Risk Management
- Road and Place Naming
- Rural Property Addressing – Road Signage Management
- Safe Environment
- Serious Incident Response
- Signage Management
- Street Permit
- Supplementary Elections
- Sustainability
- Treasury Management
- Tree Management
- Unsolicited Proposal
- Volunteer
- WHS Contractor Management

Financial Reporting

Procurement

Competitive Tendering

In compliance with Section 49 of the Local Government Act 1999 the Council has a Procurement Policy which it refers to when acquiring goods and services. This policy is reviewed at least every three years with the last review undertaken in August 2023.

The Procurement Policy ensures that the acquisition of goods and services are underpinned by the following principles:

- Encouragement of open and effective competition
- Obtaining value for money
- Probity, ethical behaviour, fair dealing and professional integrity
- Accountability, transparency and reporting
- Encouragement of the development of a competitive local business and industry and South Australian/Australian made
- Environmental protection and sustainable procurement

When Council is purchasing goods or services where the estimated level of expenditure is between \$10,000 and \$150,000 formal quotations are obtained, and where the estimated level of expenditure exceeds \$150,000 the Council will call for formal tenders.

National Competition Policy

The National Competition Policy seeks to remove competitive advantages and disadvantages that arise solely through the ownership differences between public sector and private sector organisations.

There are no significant business activities with an annual gross operating income greater than \$2 million to disclose, or that are considered significant to Council's core business activities. Council is party to the following regional subsidiaries established under Section 43 of the Local Government Act 1999:

- **Fleurieu Regional Waste Authority** established to provide waste and recycling services for the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council.
- **Southern and Hills Local Government Association** established to advocate and lobby on behalf of the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mount Barker District Council, City of Victor Harbor and District Council of Yankalilla.
- **Fleurieu Regional Aquatic Centre Authority** established by the City of Victor Harbor and Alexandrina Council to provide facilities and services at the Aquatic Centre.

In 2022/23 the City of Victor Harbor operated the following business activities that are not considered 'significant' under the National Competition Policy principles:

- Horse Drawn Tram
- SA Whale Centre
- Victor Harbor Visitor Information Centre
- Victa Cinema
- Coral Street Art Space

The Council's current by-laws were gazetted on 25 August 2016, and new by-laws (coming into effect in December 2023) were endorsed in July 2023.

Consideration was given to the principles of the National Competition Policy during this process.

Council was satisfied that the benefits to the community relating to the effective management of activities prescribed in the by-laws, outweigh the potential restrictions on competition or costs posed by a by-law.

City of Victor Harbor by-laws include By-law 1: Permits and Penalties; By-law 2: Moveable Signs; By-law 3: Roads; By-law 4: Local Government Land; By-law 5: Dogs; By-law 6: Cats; and, By-law 7: Foreshore.

Council has a competitive neutrality complaint procedure in place. No competitive neutrality complaints were received during the reporting period.

Credit Cards

Credit card purchases are subject to Council's Procurement Policy requirements and made in accordance with financial purchasing delegations. A tax invoice or receipt is required to substantiate each purchase. All purchases are reconciled and processed in line with internal financial controls, and subject to further review by Council's independent Auditors.

In 2022/23 purchases totaling \$133,190 were made via credit card. This is compared to \$87,595 in 2021/22.

Legal Fees

The total expenditure for legal fees during 2022/23 was \$68,996. This is compared to \$110,700 in 2021/22.

A breakdown of this expenditure by activity area is provided below.

Activity Area	Expense
Building Control	\$333
Dog Control	\$441
Economic Development	Nil
Cultural Services	\$450
Human Services	Nil
Organisational	\$26,935
Property & GIS	\$17,260
Rates and Administration	Nil
Town Planning	\$23,577
Total Expenditure	\$68,996

Travel Expenses

The Mayor and Chief Executive Officer travelled to Canberra to attend the National General Assembly in June 2023 at a cost of \$2,350 per person. This was funded in whole by the Council.

No other interstate or international travel was undertaken (and funded in whole or in part by the Council) by Council Members or Council staff during 2022/23.

Gifts

No gifts above the value of \$50 were provided to Council Members during 2022/23 and funded in whole or in part by the Council.

Gifts above the value of \$50 provided to employees of the Council during 2022/23 and funded in whole or in part by the Council included:

- 1 x 20 Years' Service in the Industry Award and City of Victor Harbor Award (\$150 gift card)
- 1 x 20 Years' City of Victor Harbor Award (\$150 gift card)

Council Auditors

Section 128 of the Local Government Act 1999 requires all councils to appoint an auditor.

In August 2020, following a competitive tendering process and upon recommendation of the Council's Audit Committee, Dean Newberry was appointed as Council's Auditor for a period of three (3) years, with an option to extend for a further two years subject to certain terms.

In 2022/23 Dean Newberry received the following remuneration from the City of Victor Harbor for their services:

- \$16,400 – Auditing Services
- \$1,070 – Travel expenses
- \$156 – Cost reimbursement



2022/23 ***Financials***

Where Council Rates Were Spent

The City of Victor Harbor relies on income from rates to provide essential services that meet the needs of the community and supports the local economy. Grants received are minimal as funding calculations are based on census population data (collected in winter) which doesn't account for the significant increase in population in the summer months. The following infographic outlines how Council allocated every dollar of your Council rates in 2022/23 to help Victor Harbor remain a place of choice to live, work, visit and invest.



Key Financial Results

Operating Result

\$1.2 million deficit

2022/23 Operating Result

2022/23 - \$1.2 million deficit
2021/22 - \$1.1 million surplus
2020/21 - \$2 million deficit
2019/20 - \$0.35 million surplus

Total Capital Spend

\$14.2 million

2022/23 Total Capital Spend

2022/23 \$14.2 million

2021/22 \$9.3 million

2020/21 \$10.5 million

2019/20 \$11.3 million

Total Operating Spend

\$35.3 million

2022/23 Total Operating Spend

2022/23 \$35.3 million

2021/22 \$30.1 million

2020/21 \$31.9 million

2019/20 \$28.5 million

Total Income

\$34 million

2022/23 Total Income

2022/23 \$34 million

2021/22 \$31.2 million

2020/21 \$29.9 million

2019/20 \$28.9 million

Income Breakdown

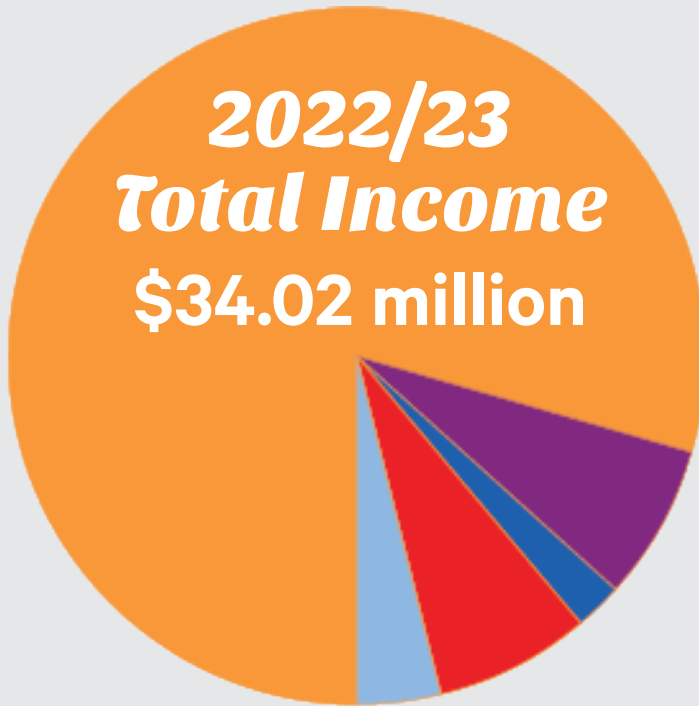
Council rates are the main source of funding for the activities undertaken by the Council. In the 2022/23 financial year, rates represented 77% of total income compared with 79% in 2021/22.

The Council supplements rate revenue with grants and user charges in order to provide services, facilities and projects for the community.

Income from all sources to fund the services and programs provided by the Council in 2022/23 was \$34.02 million, which is a 9% increase from 2021/22.

Income Type	2022/23	2021/22
Rates	\$26.21 million	\$24.79 million
User Pay Charges	\$3.02 million	\$2.26 million
Statutory Charges	\$0.63 million	\$0.71 million
Operating Grants and Partnerships	\$3.22 million	\$2.28 million
Other Revenues	\$0.94 million	\$1.16 million
Total Income	\$34.02 million	\$31.2 million

**2022/23
Total Income
\$34.02 million**



■	Rates (\$26.21 million)
■	User Pay Charges (\$3.02 million)
■	Operating Grants and Partnerships (\$3.22 million)
■	Other Revenues (\$0.94 million)
■	Statutory Charges (\$0.63 million)

Operating Expenditure Breakdown

The Council's budget has two components, operating and capital.

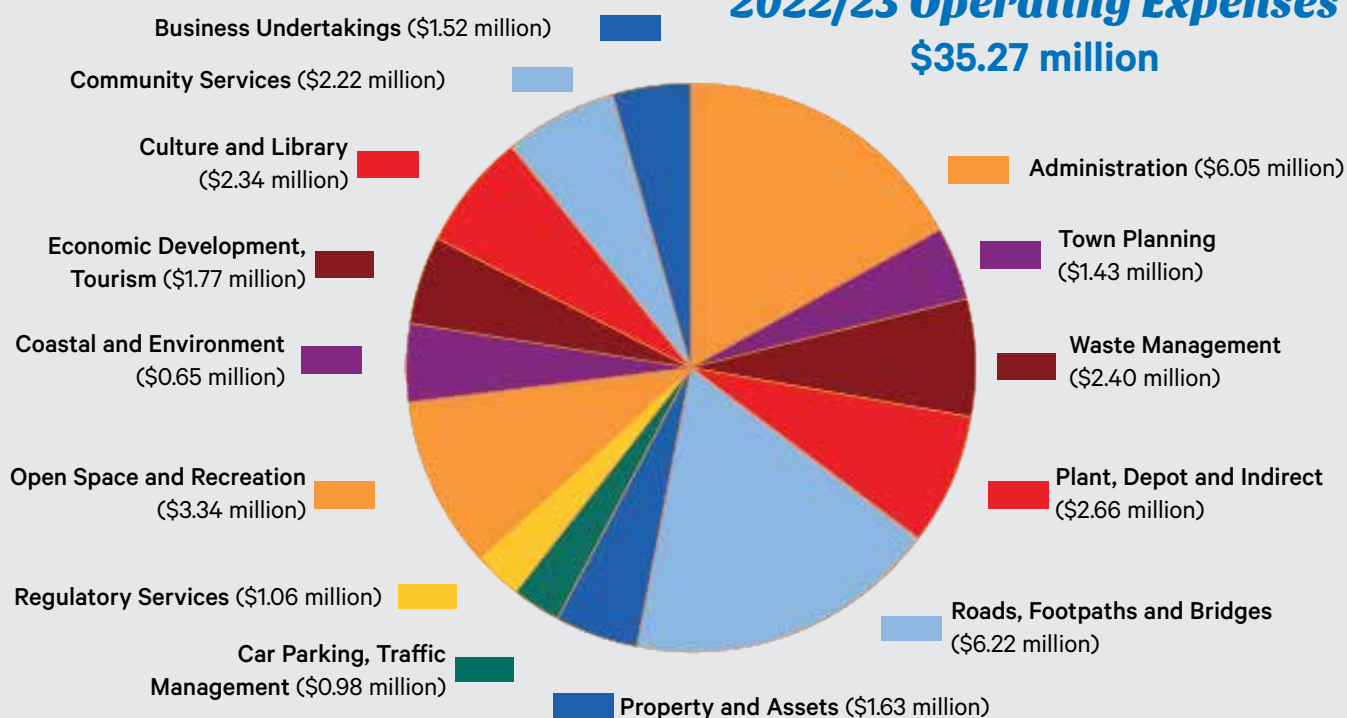
The operating budget funds the operation of Council. It relates to the amount of money the Council expects to spend each year for ongoing operational expenses. Council rates are set according to the operating budget.

Operating expenses are typically funded by Council's revenue. In 2022/23, operating expenses totalled \$35.27 million and were funded by income of \$34.02 million. This resulted in a **\$1.2 million deficit**, which is slightly higher than the original budgeted deficit of \$1.1 million.

In 2022/23, the largest expense area was **roads, footpaths and bridges**, with \$6.22 million totalling 17.64% of all operating expenses. The second largest expense area was **administration**.

Expense Area	2022/23	2021/22
Administration	\$6.05 million	\$4.04 million
Town Planning	\$1.43 million	\$1.25 million
Waste Management	\$2.40 million	\$1.89 million
Plant, Depot and Indirect	\$2.66 million	\$2.44 million
Roads, Footpaths and Bridges	\$6.22 million	\$4.91 million
Property and Assets	\$1.63 million	\$1.87 million
Car Parking, Traffic Management	\$0.98 million	\$0.82 million
Regulatory Services	\$1.06 million	\$1.18 million
Open Space and Recreation	\$3.34 million	\$3.05 million
Coastal and Environment	\$1.65 million	\$1.75 million
Economic Development, Tourism	\$1.77 million	\$1.49 million
Culture and Library	\$2.34 million	\$2.39 million
Community Services	\$2.22 million	\$2.08 million
Business Undertakings	\$1.52 million	\$0.92 million
Total Expenses	\$35.27 million	\$30.08 million

2022/23 Operating Expenses \$35.27 million



Capital Expenditure Breakdown

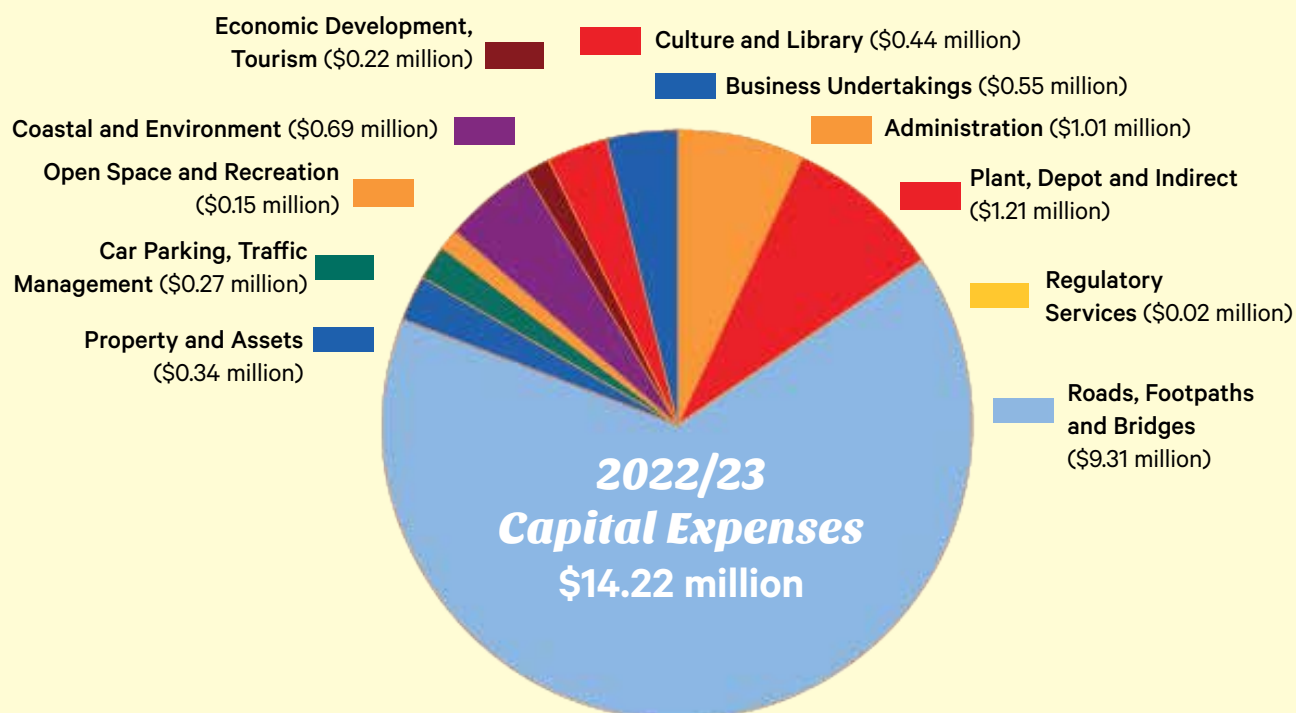
Council's capital expenses outline where the City of Victor Harbor has invested in infrastructure for the council area. Expenses that are considered 'capital expenses' include the construction of facilities, improvements to existing facilities, and the purchase and installation of major equipment.

Council's capital expenditure is informed by the draft capital works program which sets out the capital projects it intends to carry out over a 10 year period.

Capital expenditure is typically funded through grants, sale of replaced assets, reserves and loans.

In 2022/23, the largest expense area was **roads, footpaths and bridges** with \$9.31 million, totalling 65% of all capital expenditure. The second largest expense areas was **plant, depot and indirect**.

Expense Area	2022/23	2021/22
Administration	\$1.01 million	\$0.29 million
Plant, Depot and Indirect	\$1.21 million	\$0.68 million
Roads, Footpaths and Bridges	\$9.31 million	\$3.64 million
Property and Assets	\$0.34 million	\$2.45 million
Car Parking, Traffic Management	\$0.27 million	\$0.42 million
Regulatory Services	\$0.02 million	Nil
Open Space and Recreation	\$0.15 million	\$0.27 million
Coastal and Environment	\$0.69 million	\$0.11 million
Economic Development, Tourism	\$0.22 million	\$0.65 million
Culture and Library	\$0.44 million	\$0.11 million
Business Undertakings	\$0.55 million	\$0.70 million
Total Expenses	\$14.22 million	\$9.33 million



Key Financial Indicators

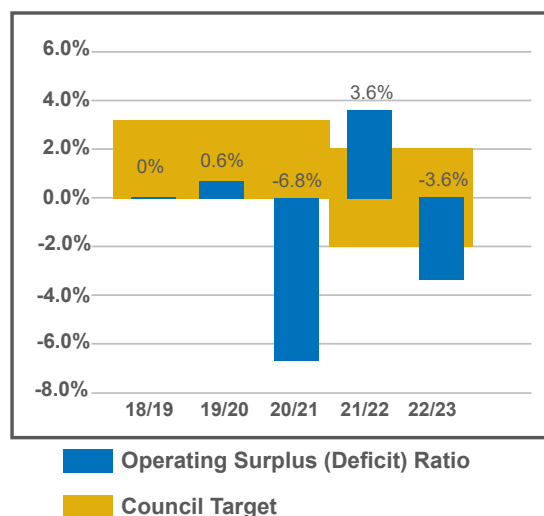
Achieving and maintaining financial sustainability is a key ongoing objective for the City of Victor Harbor.

Financial indicators identify emerging trends and comparative information about Council's financial sustainability. Although indicators provide an assessment of financial performance and sustainability, they need to be interpreted in the context of Council's operating environment.

The following section provides an overview of the Council's performance against the three key financial indicators for the last five years. Results, trends and commentary are provided in the following section.

Operating Surplus (Deficit) Ratio

This ratio expresses the operating surplus (\$) as a percentage of total operating revenue. A positive ratio indicates that all operating expenses are being fully funded by operating revenue and current ratepayers are meeting the costs of the services that they are using. Council has had positive ratios since 2011/12, however the identification of asbestos contaminated materials by the Fleurieu Regional Waste Authority in 2020/21 required the recognition of a liability for remediation works equating to close to \$3.5 million and resulting in a deficit ratio of 6.8% for that year.



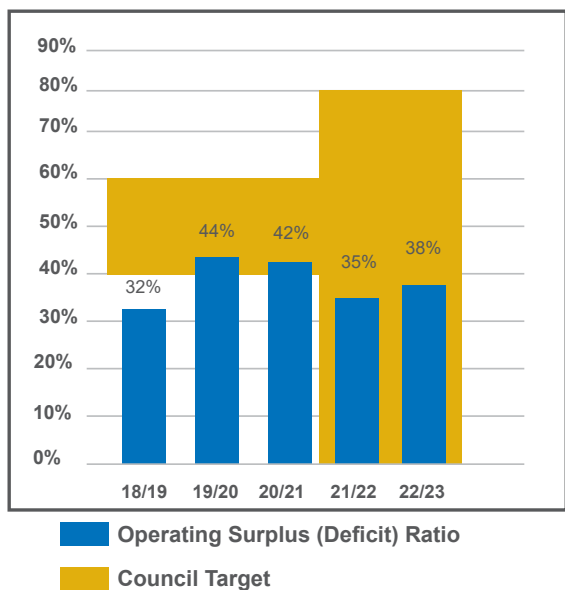
An Operating Surplus (Deficit) Ratio of -3.6% has been achieved in 2022/23. The deficit relates to costs associated with the Corporate Systems Project which are unable to be capitalised due to the required accounting treatment. This is above Council's target range of -2% to 2% as identified in the 2021/22 to 2031/32 Long Term Financial Plan.

The original 2022/23 budget forecast a deficit of \$1.1 million with an Operating Surplus (Deficit) Ratio of -3.4%.

Net Financial Liabilities Ratio

This ratio expresses total liabilities less financial assets as a percentage of total operating revenue. The ratio indicates whether Council can meet its financial liabilities for the year from operating revenue. A higher ratio may indicate higher levels of debt whilst a lower ratio indicates stronger capacity to meet financial obligations.

Council's Net Financial Liability Ratio has been stable in recent years with an average ratio of 38% over the past five years.



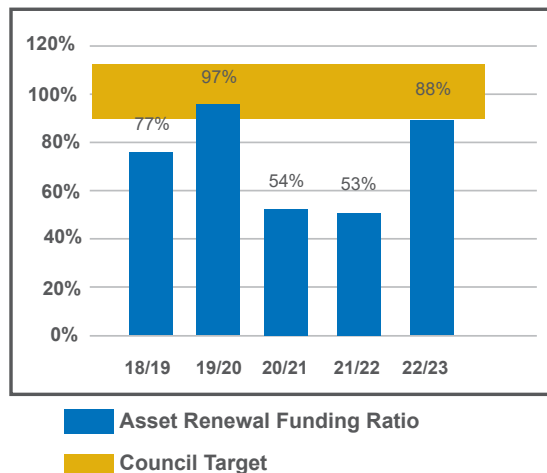
A Net Financial Liabilities Ratio of 38% in 2022/23 falls well inside Council's maximum of 80% as identified in the 2021/22 to 2031/32 Long Term Financial Plan.

Asset Renewal Funding Ratio

This ratio is based on expenditure on capital renewal (replacement) as a percentage of planned projects detailed in Council's Asset Management Plans. The ratio indicates whether assets are being renewed in line with Asset Management Plans, with a ratio of 100% indicating that Council is fully funding infrastructure requirements.

Whilst Council intends to fully budget for works required in the Asset Management Plans, the target range of 90% to 110% has been set to achieve an approximate 100% rolling average over a three year period. This allows for changing priorities and delays in completion of projects.

In recent years, completion of a number of projects was hampered by Covid-19 restrictions, contractor availability and material supply shortages.



Expenditure on completed capital renewal projects in 2022/23 was 88%, slightly below Council's target range for the reporting period (90% to 110% as identified in the 2021/22 to 2031/32 Long Term Financial Plan).



2022/23 *Financial Statements*



City of Victor Harbor

Financial Statements 2023

General Purpose Financial Statements for the year ended 30 June 2023

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General Purpose Financial Statements
for the year ended 30 June 2023

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



Victoria MacKirdy
Chief Executive Officer

8/11/2023



Moira Jenkins
Mayor

8/11/2023

General Purpose Financial Statements

for the year ended 30 June 2023

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 2023.

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 4 "primary" financial statements:

- 1. A Statement of Comprehensive Income**
A summary of Council's financial performance for the year, listing all income and expenses.
- 2. A Balance Sheet**
A 30 June snapshot of Council's financial position including its assets and liabilities.
- 3. A Statement of Changes in Equity**
The overall change for the year (in dollars) of Council's "net wealth".
- 4. A 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 4 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) Council Members, 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 Victor Harbor

Financial Statements 2023

Statement of Comprehensive Income for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Income			
Rates	2a	26,208	24,788
Statutory charges	2b	630	710
User charges	2c	3,015	2,259
Grants, subsidies and contributions - capital	2g	534	-
Grants, subsidies and contributions - operating	2g	2,687	2,283
Investment income	2d	85	42
Reimbursements	2e	767	821
Other income	2f	95	122
Net gain - equity accounted council businesses	19(a)	-	177
Total income		34,021	31,202
Expenses			
Employee costs	3a	10,680	9,859
Materials, contracts and other expenses	3b	14,729	12,072
Depreciation, amortisation and impairment	3c	8,975	7,524
Finance costs	3d	470	289
Net loss - equity accounted council businesses	19(a)	408	339
Total expenses		35,262	30,083
Operating surplus / (deficit)		(1,241)	1,119
Physical resources received free of charge	2h	3,542	370
Asset disposal and fair value adjustments	4	(1,079)	(1,138)
Amounts received specifically for new or upgraded assets	2g	3,826	1,828
Net surplus / (deficit)		5,048	2,179
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	16	56,943
Share of other comprehensive income - equity accounted council businesses	19(a)	6,113	(3)
Total amounts which will not be reclassified subsequently to operating result		6,129	56,940
Total other comprehensive income		6,129	56,940
Total comprehensive income		11,177	59,119

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

City of Victor Harbor

Financial Statements 2023

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	2,094	2,110
Trade and other receivables	5b	1,685	1,914
Inventories	5c	306	291
Total current assets		<u>4,085</u>	<u>4,315</u>
Non-current assets			
Trade and other receivables	6a	391	183
Equity accounted investments in council businesses	6b	12,322	6,609
Other non-current assets	6c	5,159	4,504
Infrastructure, property, plant and equipment	7	369,120	362,401
Total non-current assets		<u>386,992</u>	<u>373,697</u>
TOTAL ASSETS		<u>391,077</u>	<u>378,012</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8a	3,363	5,343
Borrowings	8b	640	623
Provisions	8c	2,328	2,204
Total current liabilities		<u>6,331</u>	<u>8,170</u>
Non-current liabilities			
Borrowings	8b	10,613	6,836
Provisions	8c	189	238
Total non-current liabilities		<u>10,802</u>	<u>7,074</u>
TOTAL LIABILITIES		<u>17,133</u>	<u>15,244</u>
Net assets		<u>373,944</u>	<u>362,768</u>
EQUITY			
Accumulated surplus		75,284	69,602
Asset revaluation reserves	9a	297,863	291,733
Other reserves	9b	797	1,433
Total equity		<u>373,944</u>	<u>362,768</u>

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

City of Victor Harbor

Financial Statements 2023

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2023					
Balance at the end of previous reporting period		69,602	291,733	1,433	362,766
Adjustments (correction of prior period errors)	24	-	(1)	-	(1)
Net surplus / (deficit) for year	24	5,048	-	-	5,048
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	10	-	10
Share of OCI - equity accounted council businesses		(2)	6,121	-	6,119
Other comprehensive income		(2)	6,131	-	6,129
Total comprehensive income		5,046	6,131	-	11,177
Transfers between reserves		636	-	(636)	-
Balance at the end of period		75,284	297,863	797	373,944
2022					
Balance at the end of previous reporting period		67,536	234,791	939	303,266
Adjustments (correction of prior period errors)	24	2	(1)	-	1
Net surplus / (deficit) for year	24	2,179	-	-	2,179
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	56,943	-	56,943
Share of OCI - equity accounted council businesses		(3)	-	-	(3)
Other equity adjustments - equity accounted council businesses	19(a)	449	-	-	449
Other Movements (Asset register adjustment)		(67)	-	-	(67)
Other comprehensive income		379	56,943	-	57,322
Total comprehensive income		2,558	56,943	-	59,501
Transfers between reserves		(494)	-	494	-
Balance at the end of period		69,602	291,733	1,433	362,768

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

City of Victor Harbor

Financial Statements 2023

Statement of Cash Flows

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Rates receipts		26,021	25,102
Statutory charges		630	710
User charges		3,195	1,905
Grants, subsidies and contributions		3,027	1,084
Investment receipts		85	42
Reimbursements		836	878
Other receipts		204	1,844
<u>Payments</u>			
Payments to employees		(10,659)	(9,836)
Payments for materials, contracts and other expenses		(17,016)	(11,327)
Finance payments		(417)	(320)
Net cash provided by (or used in) operating activities	11b	<u>5,906</u>	<u>10,082</u>
Cash flows from investing activities			
<u>Receipts</u>			
Grants utilised for capital purposes		534	-
Amounts received specifically for new or upgraded assets		3,168	2,467
Sale of replaced assets		277	248
Repayments of loans by community groups		33	27
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(5,023)	(3,574)
Expenditure on new/upgraded assets		(8,475)	(6,257)
Loans made to community groups		(244)	-
Net cash provided (or used in) investing activities		<u>(9,730)</u>	<u>(7,091)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from loans		4,416	5,000
Proceeds from bonds and deposits		14	-
<u>Payments</u>			
Repayments of loans		(603)	(7,542)
Repayment of Finance Lease Liabilities		(19)	(84)
Repayment of bonds and deposits		-	(118)
Net cash provided by (or used in) financing activities		<u>3,808</u>	<u>(2,744)</u>
Net increase (decrease) in cash held		<u>(16)</u>	<u>247</u>
plus: cash & cash equivalents at beginning of period		2,110	1,863
Cash and cash equivalents held at end of period	11a	<u>2,094</u>	<u>2,110</u>

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

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

Contents of the Notes accompanying the General Purpose Financial Statements

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

Note 1. Summary of Significant Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

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

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).

1.4 Estimates and assumptions

Whilst COVID-19 continues to impact Council operations it is not expected to have a significant financial impact on Council operations in 2023/24 above amounts taken into account during the development of the budget assuming that no harsher restrictions are put in place by the government. Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

(2) The local government reporting entity

The City of Victor Harbor is incorporated under the *South Australian Local Government Act 1999* and has its principal place of business at 1 Bay Road, Victor Harbor. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

1. Victor Harbor Horse Tram Authority (100% Ownership Interest / 100% Voting Power)

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

City of Victor Harbor

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

Note 1. Summary of Significant Accounting Policies (continued)

(3) Income recognition

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

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

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

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

Year	Cash Payment Received	Annual Allocation	Difference
2018/19	\$600,773	\$604,611	(\$3,838)
2019/20	\$651,756	\$614,595	\$37,161
2020/21	\$608,696	\$630,632	(\$21,936)
2021/22	\$1,029,822	\$655,978	\$373,844
2022/23	\$1,062,884	\$721,871	\$341,013

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

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

Construction contracts

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

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

(4) Cash, cash equivalents and other financial instruments

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

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

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

(5) Inventories

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

(6) Infrastructure, property, plant and equipment

6.1 Initial recognition

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

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

6.2 Materiality

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

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

Software	\$50,000
Buildings - new construction/extensions	\$10,000
Roads, Drainage & Other Infrastructure	\$10,000
Plant & Machinery	\$5,000
Minor Plant & Tools	\$1,000
Reserve Furniture & Equipment	\$1,000
Office Furniture & Equipment	\$1,000

6.3 Subsequent recognition

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

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

Note 1. Summary of Significant Accounting Policies (continued)

6.4 Depreciation of non-current assets

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

Depreciation methods, useful lives and residual values of classes of assets are reviewed on a four-year cycle or by exception when required.

Major depreciation periods for each class of asset are listed 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 Impairment

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

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

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

6.6 Borrowing costs

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)**(7) Payables****7.1 Goods & Services**

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

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

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

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

(9) Employee benefits**9.1 Salaries, Wages & Compensated Absences**

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

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

Weighted avg. discount rate 2022/23 = 4.10% (2021/22, 3.31%)

Weighted avg. settlement period 2022/23 = 5 years (2021/22, 5 years)

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. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

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

Note 1. Summary of Significant Accounting Policies (continued)

(10) Leases

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

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, as follows:

- Property - 2 to 16 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

ii) Lease Liabilities

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

iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(11) Equity accounted Council businesses

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

(12) GST implications

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

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

(13) New accounting standards and UIG interpretations

The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- *AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*

Effective for NFP annual reporting periods beginning on or after 1 January 2025 for public sector

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

(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 Victor Harbor

Financial Statements 2023

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

Note 2. Income

\$ '000	2023	2022
(a) Rates		
General rates		
General rates	25,963	24,575
Less: mandatory rebates	(252)	(254)
Less: discretionary rebates, remissions and write-offs	(39)	(40)
Total general rates	25,672	24,281
Other rates (including service charges)		
Landscape levy	454	409
Total other rates (including service charges)	454	409
Other charges		
Penalties for late payment	73	63
Legal and other costs recovered	9	35
Total other charges	82	98
Total rates	26,208	24,788
(b) Statutory charges		
Development Act & Town Planning Fees	349	429
Health and septic tank inspection fees	23	32
Animal registration fees and fines	173	145
Parking fines / expiation fees	28	26
Search Fees	52	61
Other Statutory Charges	5	17
Total statutory charges	630	710
(c) User charges		
Cemetery/crematoria fees	148	163
Parking fees	126	103
Caravan Park	274	258
Community Transport	131	102
Recreation Centre	70	82
Tourism Marketing & Sales	873	744
Other Leases, Hire & Rentals	257	346
Other User Charges	104	31
Horse Drawn Tram (Note 19)	1,032	430
Total user charges	3,015	2,259

City of Victor Harbor

Financial Statements 2023

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

Note 2. Income (continued)

\$ '000	2023	2022
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(d) Investment income

Interest on investments		
- Local Government Finance Authority	65	30
- Loans to community groups	20	12
Total investment income	85	42

(e) Reimbursements

Private works	5	5
Community Assistance Program Contributions	527	566
Employee Reimbursements	3	4
Utilities, Insurance and Cleaning	73	72
Other Reimbursements	159	174
Total reimbursements	767	821

(f) Other income

Sundry	25	48
Donations and Contributions	18	74
Insurance Claims	52	-
Total other income	95	122

(g) Grants, subsidies and contributions

Amounts received specifically for new or upgraded assets	3,826	1,828
Total	3,826	1,828

Other grants, subsidies and contributions - capital

Untied - Local roads and community	534	-
Total Other grants, subsidies and contributions - capital	534	-

Other grants, subsidies and contributions

Untied - Financial Assistance Grants	144	452
Roads to Recovery & LRCI Program	611	274
Other Grants, Subsidies and Contributions	1,151	980
Individually significant item - additional Grants Commission payment (refer below)	781	577
Total other grants, subsidies and contributions	2,687	2,283

Total grants, subsidies and contributions	7,047	4,111
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The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	2,731	1,938
State Government	4,118	2,149
Other	198	24
Total	7,047	4,111

City of Victor Harbor

Financial Statements 2023

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

Note 2. Income (continued)

\$ '000	2023	2022
(ii) Individually significant items		
Grant Commission (Financial Assistance Grant) recognised as income	781	577

Grant Commission

The Grant Commission item was a prepayment of part of Council's 2023/24 Grant Commission (FAG) Grant.

(h) Physical resources received free of charge

Roads, bridges and footpaths	3,542	370
Total physical resources received free of charge	3,542	370

Note 3. Expenses

\$ '000	Notes	2023	2022
(a) Employee costs			
Salaries and wages		7,940	7,335
Employee leave expense		1,530	1,490
Superannuation - defined contribution plan contributions	18	929	811
Superannuation - defined benefit plan contributions	18	105	111
Workers' compensation insurance		231	240
Other employee related costs		332	260
Less: capitalised and distributed costs		(387)	(388)
Total operating employee costs		10,680	9,859
Total number of employees (full time equivalent at end of reporting period)		118	112

City of Victor Harbor

Financial Statements 2023

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

Note 3. Expenses (continued)

\$ '000	2023	2022
(b) Materials, contracts and other expenses		
(i) Prescribed expenses		
Auditor's remuneration		
- Auditing the financial reports	18	17
Elected members' expenses	196	191
Election expenses	110	6
Operating lease rentals - non-cancellable leases		
- Minimum lease payments	85	79
Subtotal - prescribed expenses	409	293
(ii) Other materials, contracts and expenses		
Contractors	2,925	2,477
Legal expenses	45	111
Levies Paid to Government - Landscape Levy	454	409
Levies - other	37	21
Professional services	810	546
Materials	867	682
Energy, Fuel and Water	978	824
Insurances	607	551
Waste and Cleaning Services	2,451	2,273
Information and Communications	1,462	935
Donations and Contributions	622	337
Regional Board Contributions	579	544
Horse Drawn Tram (Note 19)	1,319	709
Sundry	1,164	1,360
Subtotal - Other material, contracts and expenses	14,320	11,779
Total materials, contracts and other expenses	14,729	12,072
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	1,246	1,245
Infrastructure		
- Sealed roads	3,184	2,290
- Unsealed roads	485	457
- Stormwater drainage	553	531
- Kerbing	630	314
- Footpaths	479	361
- Bridges	306	305
- Open Space	799	708
- Carparks & Traffic	361	277
- Other Infrastructure	178	179
Right-of-use assets	17	86
Plant and equipment	619	647
Furniture and fittings	85	86
Goodwill (Victa Cinema)	33	38
Subtotal	8,975	7,524
Total depreciation, amortisation and impairment	8,975	7,524

City of Victor Harbor

Financial Statements 2023

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

Note 3. Expenses (continued)

\$ '000	2023	2022
(d) Finance costs		
Interest on loans	462	279
Charges on Operating Finance Leases	8	10
Total finance costs	470	289

Note 4. Asset disposal and fair value adjustments

\$ '000	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	277	246
Less: carrying amount of assets sold	(1,356)	(1,364)
Gain (loss) on disposal	(1,079)	(1,138)
Net gain (loss) on disposal or revaluation of assets	(1,079)	(1,138)

City of Victor Harbor

Financial Statements 2023

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

Note 5. Current assets

\$ '000	2023	2022
(a) Cash and cash equivalent assets		
Cash on hand and at bank	373	594
Deposits at call	1,721	1,516
Total cash and cash equivalent assets	2,094	2,110
(b) Trade and other receivables		
Rates - general and other	613	442
Council rates postponement scheme	218	202
Accrued revenues	336	402
Debtors - general	98	101
State Government Programs & Reimbursements	232	572
GST recoupment	2	-
Prepayments	155	167
Loans to community organisations	31	28
Subtotal	1,685	1,914
Total trade and other receivables	1,685	1,914
(c) Inventories		
Stores and materials	267	271
Trading stock	39	20
Total inventories	306	291

City of Victor Harbor

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

Note 6. Non-current assets

\$ '000	2023	2022
(a) Trade and other receivables		
Receivables		
Loans to community organisations	391	183
Total receivables	391	183
Total financial assets	391	183
(b) Equity accounted investments in council businesses		
Fleurieu Regional Aquatic Centre Authority	19(a) 14,977	9,124
Fleurieu Regional Waste Authority	19i (2,655)	(2,515)
Total equity accounted investments in Council businesses	12,322	6,609
(c) Other non-current assets		
Other		
Capital work in progress	5,159	4,504
Total other	5,159	4,504
Total other non-current assets	5,159	4,504

Disclosure

Intangible Assets

During the 2020/21 financial year, Council purchased the Victa Cinema including the land, building, furniture and fittings, plant and equipment and the business itself. The purchase of the business is represented as Goodwill within the statements and whilst classification as an intangible asset would normally see reporting in Note 6 - it continues to be included in Note (7a) for ease of presentation to users of the Financial Statements to adequately disclose the purchase, impairment and future amortisation.

City of Victor Harbor

Financial Statements 2023

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

Note 7. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

\$ '000	Fair Value Level	as at 30/06/22				Amount movements during the reporting period				as at 30/06/23			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions - Non Depreciable	Asset Additions - Depreciable	Disposals	Depreciation @month (rate 3%)	Revaluation increases to (Fair Value)	At Fair Value	At Cost	Accumulated Depreciation
Land - community	3	49,401	2,330	-	51,731	-	-	-	-	-	51,731	-	51,731
Land - other	2	15,210	866	-	16,086	-	-	-	-	-	15,230	856	16,086
Buildings and other structures	3	64,830	94	(16,950)	35,034	175	89	(3)	(1,238)	-	54,984	257	37,067
Buildings and other structures Infrastructure	2	401	-	(367)	34	-	-	-	(0)	-	401	-	26
- Sealed roads	3	141,927	-	(45,517)	96,310	1,034	1,486	(367)	(3,184)	-	143,837	-	94,279
- Unsealed roads	3	12,927	-	(3,959)	8,968	-	193	(64)	(405)	-	12,960	-	8,969
- Stormwater drainage	3	59,732	464	(16,457)	43,749	3,361	38	(71)	(553)	10	59,732	3,810	46,536
- Kerbing	3	50,427	-	(11,950)	38,437	1,005	120	(303)	(630)	-	51,399	-	38,828
- Footpaths	3	18,065	-	(5,944)	12,921	977	1,467	(319)	(479)	-	20,925	-	14,576
- Bridges	3	26,878	-	(5,411)	21,467	-	25	(5)	(306)	-	26,878	19	21,182
- Open Space	3	15,657	5,028	(6,304)	14,381	2,164	110	(70)	(799)	-	15,657	7,123	15,734
- Carparks & Traffic	3	13,033	-	(2,089)	10,943	3,178	77	(103)	(361)	-	16,114	-	13,742
- Other Infrastructure	3	-	5,794	(1,953)	3,841	-	-	-	(179)	-	3,795	(2,032)	3,763
Right-of-use assets	3	491	-	(265)	233	-	-	-	(17)	-	283	-	216
Plant and equipment	3	(1)	10,425	(5,441)	4,983	176	1,362	(263)	(619)	-	9,519	(3,856)	5,663
Furniture and fittings	3	-	2,205	(1,535)	670	9	28	(1)	(95)	-	2,239	(1,616)	621
Artworks	3	354	-	-	354	-	-	-	-	-	354	-	354
Goodwill (Vida Chem #)	3	-	290	(131)	159	-	-	-	(33)	-	290	(164)	126
Total infrastructure, property, plant and equipment		460,212	27,506	(125,317)	362,401	12,017	5,023	(1,356)	(6,975)	10	470,485	29,508	369,120
Comparatives		369,911	34,769	(100,145)	304,535	6,287	3,574	(1,364)	(7,524)	56,943	460,212	27,506	362,401

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

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

Valuation of Infrastructure, Property, Plant & Equipment

Valuation of assets

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

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

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Intangible Assets - Goodwill relates to the purchase of the Victa Cinema business. Whilst Goodwill is not classified as Infrastructure, Property, Plant and Equipment, it has been included in Note (7a) for ease of presentation to users of the Financial Statements and to adequately disclose the purchase, impairment and future amortisation of the Goodwill.

Information on valuations

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

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

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

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

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

Transfers between fair value hierarchy levels

In the course of revaluing (name the asset classes), the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

Other information

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

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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

depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

The following non financial assets of Council are being utilised at other than their highest and best use:
For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1991. Other types of restrictions also exist.

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

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

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below. Other adjustments for found or re-measured assets not included below have been processed against the revelation reserve as shown in Note 7 and do not represent a formal revaluation of these asset classes.

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.

Software	\$50,000
Buildings	\$10,000
Roads, Drainage and other infrastructure	\$10,000
Plant and Machinery	\$5,000
Reserve Furniture and Equipment	\$1,000
Office Furniture and Equipment	\$1,000
Minor Plant and Loose Tools	\$1,000

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 a greater or lesser amount:

Buildings and Other Structures	10 to 100 years
Sealed Roads - surface	12 to 30 years
Sealed Roads - pavement base	60 to 70 years
Sealed Roads - pavement subbase	180 to 210 years
Unsealed Roads	20 to 45 years
Kerbing	70 to 210 years
Footpaths	30 to 50 years
Bridges	80 to 100 years
Traffic Devices	20 to 70 years
Stormwater Drainage	80 to 120 years
Open Space Furniture and Playgrounds	5 to 40 years
Plant and Machinery	2 to 20 years
Office Furniture and Library	5 to 10 years
Artworks	indefinite

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

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

Asset Revaluations

Land & Land Improvements

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2020
- Valuer: Public Private Property

The next scheduled revaluation of these assets is to be undertaken in 2023/24

Buildings

- Basis of valuation: Fair Value / Market Value / At Cost
- Date of valuation: 1 July 2020
- Valuer: Public Private Property

The next scheduled revaluation of these assets is to be undertaken in 2023/24

Infrastructure

Car Parks and Traffic Devices

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2022
- Valuer: Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in 2025/26

Open Space

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2018
- Valuer: Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in 2023/24

Roads, Kerbs and Footpaths

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2022
- Valuer: Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in 2025/26

Stormwater

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2020
- Valuer: Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in 2024/25

Bridges

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2020
- Valuer: City of Victor Harbor

The next scheduled revaluation of these assets is to be undertaken in 2023/24

Other Infrastructure

These assets are recognised at cost

Plant & Equipment

These assets are recognised at cost.

Furniture & Fittings

Artworks

- Basis of valuation: Fair Value
- Date of Valuation: 1 July 2019
- Valuer: Theodore Bruce Auctions

The next scheduled revaluation of these assets is to be undertaken in 2024/25

All other assets are recognised at cost.

City of Victor Harbor

Financial Statements 2023

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

Note 8. Liabilities

\$ '000	2023 Current	2023 Non Current	2022 Current	2022 Non Current
(a) Trade and other payables				
Goods and services	2,559	–	4,427	–
Payments received in advance	433	–	452	–
Accrued expenses - employee entitlements	179	–	126	–
Accrued expenses - finance costs	83	–	30	–
Accrued expenses - other	85	–	298	–
Deposits, retentions and bonds	24	–	10	–
<u>Total trade and other payables</u>	<u>3,363</u>	<u>–</u>	<u>5,343</u>	<u>–</u>

(b) Borrowings

Loans	625	10,397	603	6,606
Lease liabilities	15	216	20	230
<u>Total Borrowings</u>	<u>640</u>	<u>10,613</u>	<u>623</u>	<u>6,836</u>

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

(c) Provisions

Long Service Leave	1,051	73	989	115
Annual Leave	1,267	–	1,205	–
Landfill Depot Remediation Liability	10	116	10	123
<u>Total provisions</u>	<u>2,328</u>	<u>189</u>	<u>2,204</u>	<u>238</u>

City of Victor Harbor

Financial Statements 2023

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

Note 9. Reserves

\$ '000	as at 30/06/22	Increments (Decrements)	Transfers	as at 30/06/23
	Opening Balance			Closing Balance
(a) Asset revaluation reserve				
Land - community	47,698	-	-	47,698
Land - other	1,432	-	-	1,432
Buildings and other structures	34,105	-	-	34,105
Infrastructure				
- Sealed roads	99,224	-	-	99,224
- Unsealed roads	4,792	-	-	4,792
- Stormwater drainage	28,909	10	-	28,919
- Kerbing	29,828	-	-	29,828
- Footpaths	7,655	-	-	7,655
- Bridges	19,595	-	-	19,595
- Open Space	10,115	-	-	10,115
- Carparks & Traffic	6,667	-	-	6,667
- Other Infrastructure	1,536	-	-	1,536
Artworks	177	-	-	177
JV's / associates - other comprehensive income	-	6,121	-	6,121
Total other assets	-	6,121	-	6,121
Total asset revaluation reserve	291,733	6,131	-	297,864
Comparatives	234,790	56,943	-	291,733

\$ '000	as at 30/06/22	Tfrs to Reserve	Tfrs from Reserve	as at 30/06/23
	Opening Balance			Closing Balance
(b) Other reserves				
Car Park Development	2	-	-	2
Developers Contributions	279	8	(1)	286
Economic Development	337	8	(172)	173
Open Space	143	4	-	147
Renewable Energy	32	1	(1)	32
SCOTS Bequest	56	2	-	58
Major Unspent Grants	584	12	(497)	99
Total other reserves	1,433	35	(671)	797
Comparatives	939	811	(317)	1,433

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

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) and adjustments for found or re-measured assets.

Other Reserves

Car Park Development

Developer Contributions are used for planning, design and construction of car parking facilities within the prescribed area.

Developers Contributions

Developer contributions are used for the construction of footpaths, drainage and other infrastructure.

Economic Development

From commercial/industrial rates and used for economic development initiatives including tourism.

Renewable Energy

Contributions from solar programs participants and contractors and used for renewable energy initiatives.

Open Space

Monies held from creation of sub-divisions to be utilised for future open space projects.

SCOTS Bequest

Monies held from the a estate bequest to be utilised for the Southern Communities Transport Scheme.

Note 10. Assets subject to restrictions

Council does not hold any assets subject to restrictions

City of Victor Harbor

Financial Statements 2023

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

Note 11. Reconciliation to Statement of Cash Flows

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

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

Total cash and equivalent assets	5	2,094	2,110
Balances per Statement of Cash Flows		2,094	2,110

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

Net surplus/(deficit)		5,048	2,179
Non-cash items in income statements			
Depreciation, amortisation and impairment		8,975	7,524
Equity movements in equity accounted investments (increase)/decrease		408	162
Non-cash asset acquisitions		(3,542)	(370)
Grants for capital acquisitions treated as investing activity		(4,360)	(1,828)
Net (gain)/loss on disposals		1,079	1,138
Other (WIP expensed from prior years)		-	197
Asset register disposal adjustment		-	62
		<u>7,608</u>	<u>9,064</u>
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		232	(508)
Net (increase)/decrease in inventories		(15)	45
Net increase/(decrease) in trade and other payables		(1,994)	1,971
Net increase/(decrease) in other provisions		75	(178)
Net increase/(decrease) in other liabilities		-	(318)
Net cash provided by (or used in) operations		<u>5,906</u>	<u>10,082</u>

(c) Non-cash financing and investing activities

Acquisition of assets by means of:

Physical resources received free of charge	2h	3,542	370
Amounts recognised in income statement		<u>3,542</u>	<u>370</u>
Total non-cash financing and investing activities		<u>3,542</u>	<u>370</u>

(d) Financing arrangements

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

Corporate credit cards	60	60
LGFA cash advance debenture facility	13,344	13,874

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

City of Victor Harbor

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

Note 12(a). Functions

	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).						TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	2023	2022	2023	2022	2023	2022	2023	2022
\$ '000								
Functions/Activities								
Business Undertakings	2,214	1,461	3,129	1,733	(915)	(272)	15,710	9,547
Community Services	1,822	1,841	2,887	2,836	(1,085)	(995)	8,807	8,804
Culture	335	180	1,828	1,707	(1,293)	(1,527)	480	512
Economic Development	111	87	1,001	1,490	(890)	(1,403)	—	—
Environment	49	211	4,823	4,352	(4,774)	(4,141)	—	—
Recreation	179	168	3,641	3,385	(3,462)	(3,217)	46,535	43,750
Regulatory Services	590	661	2,488	2,422	(1,898)	(1,761)	28,056	27,196
Transport & Communication	1,163	286	6,345	4,908	(5,182)	(4,622)	—	—
Plant Hire & Depot/Indirect	48	73	2,661	2,435	(2,613)	(2,362)	223	235
Unclassified Activities	184	252	1,067	1,049	(883)	(797)	81,443	81,417
Council Administration	200	195	5,592	3,766	(5,392)	(3,571)	15,457	15,830
Revenue	27,126	25,787	—	—	27,126	25,787	—	—
Total Functions/Activities	34,021	31,202	35,262	30,083	(1,241)	1,119	2,687	2,283
							391,077	378,012

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

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

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

Business undertakings

Caravan Parks, Victa Cinema, Private Works, Horse Drawn Tram and Whale Centre.

Community services

Crime Prevention, Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Health Services, Community Support, Senior Citizens Facilities, Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Cemeteries, Public Conveniences, Car Parking and Star Club.

Culture

Library Services, Town Hall and Other Cultural Services.

Economic development

Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

Environment

Waste Services, Coastal Protection, Environment Projects, Stormwater Drainage, Natural Resource Management, Street Cleaning, Street Lighting and Streetscaping.

Recreation

Parks and Gardens, Indoor and Outdoor Sporting Facilities.

Regulatory services

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

Transport

Bridges, Community Bus Service, Footpaths and Kerbing, Roads – sealed and unsealed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

Plant hire and depot

Plant and Machinery, Depot and Indirect Works.

Unclassified activities

Other Property, Loans and Interest.

Council administration

Governance, Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose and Rates Administration.

Revenue

General Rates, Separate Rates, LG Grants Commission.

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

Note 13. Financial instruments

Recognised financial instruments

Bank, deposits at call, short term deposits

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 1.05% and 4.30% (2022: 0.30% and 1.05%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 5.76% (2022: 5.05%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - fees and other charges

Accounting policy:

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

Terms and conditions:

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

Carrying amount:

Approximates fair value (after deduction of any allowance).

Receivables - other levels of government

Accounting policy:

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

Terms and conditions:

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

Carrying amount:

Approximates fair value.

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

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:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable half yearly for fixed rate loans and periodically within the term for variable (Cash Advance Debenture) borrowing; interest is charged at fixed rates between 3.25% and 5.80% (2022: 3.25% and 6.75%), and variable rates between 2.05% and 5.55% (2022: 1.30% and 2.05%).

Carrying Amount:

Approximates fair value.

Liabilities - leases

Accounting Policy:

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

City of Victor Harbor

Financial Statements 2023

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

Note 13. Financial instruments (continued)

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2023					
Financial assets					
Cash and cash equivalents	2,094	–	–	2,094	2,094
Receivables	1,549	–	–	1,549	1,530
Other financial assets	–	248	271	519	391
Total financial assets	3,643	248	271	4,162	4,015
Financial liabilities					
Payables	2,930	–	–	2,930	2,930
Current borrowings	1,127	–	–	1,127	625
Non-current borrowings	–	8,508	3,005	11,513	10,397
Lease liabilities	22	110	153	285	230
Total financial liabilities	4,079	8,618	3,158	15,855	14,182
Total financial assets and liabilities	7,722	8,866	3,429	20,017	18,197
2022					
Financial assets					
Cash and cash equivalents	2,110	–	–	2,110	2,110
Receivables	1,758	–	–	1,758	1,747
Other financial assets	–	119	112	231	183
Total financial assets	3,868	119	112	4,099	4,040
Financial liabilities					
Payables	4,891	–	–	4,891	4,891
Current borrowings	853	–	–	853	603
Non-current borrowings	–	3,831	3,847	7,678	6,606
Lease liabilities	28	88	196	312	250
Total financial liabilities	5,772	3,919	4,043	13,734	12,350
Total financial assets and liabilities	9,640	4,038	4,155	17,833	16,390

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

\$ '000	2023		2022	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	3.61%	11,253	3.61%	7,459
		11,253		7,459

Net fair value

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

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

Note 13. Financial instruments (continued)

Risk exposures

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

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

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

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

Note 14. Capital Expenditure Commitments

\$ '000	2023	2022
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	–	278
Infrastructure	120	5,927
Plant and equipment	490	1,450
	610	7,655
These expenditures are payable:		
Not later than one year	610	7,164
Later than one year and not later than 5 years	–	491
	610	7,655

City of Victor Harbor

Financial Statements 2023

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

Note 15. Financial indicators

	Indicator 2023	Indicators 2022	Indicators 2021
Financial Indicators overview			
<i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i>			
1. Operating Surplus Ratio			
Operating surplus			
Total operating income	(3.6)%	3.6%	(6.8)%
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	38%	35%	42%
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i>			
Adjusted Operating Surplus Ratio			
Operating surplus			
Total operating income	(4.7)%	2.4%	(6.7)%
Adjustments to Ratios			
<i>In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i>			
Adjusted Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	38%	36%	42%
3. Asset Renewal Funding Ratio			
Asset renewals			
Infrastructure and Asset Management Plan required expenditure	88%	53%	54%
<i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i>			

City of Victor Harbor

Financial Statements 2023

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

Note 16. Uniform presentation of finances

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

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

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

Income

Rates	26,208	24,788
Statutory charges	630	710
User charges	3,015	2,259
Grants, subsidies and contributions - capital	534	-
Grants, subsidies and contributions - operating	2,687	2,283
Investment income	85	42
Reimbursements	767	821
Other income	95	122
Net gain - equity accounted council businesses	-	177
Total Income	34,021	31,202

Expenses

Employee costs	10,680	9,859
Materials, contracts and other expenses	14,729	12,072
Depreciation, amortisation and impairment	8,975	7,524
Finance costs	470	289
Net loss - equity accounted council businesses	408	339
Total Expenses	35,262	30,083

Operating surplus / (deficit)

	(1,241)	1,119
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Adjusted Operating surplus / (deficit)

	(1,241)	1,119
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Net outlays on existing assets

Capital expenditure on renewal and replacement of existing assets	(5,023)	(3,574)
Add back depreciation, amortisation and impairment	8,975	7,524
Add back proceeds from sale of replaced assets	277	246
	4,229	4,196

Net outlays on new and upgraded assets

Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(8,475)	(6,257)
Add back amounts received specifically for new and upgraded assets	3,168	2,467
	(5,307)	(3,790)

Annual net impact to financing activities (surplus/(deficit))

	(2,319)	1,525
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Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Property Leases

Council continues to recognise the following Right of Use lease that has been accounted for since 1 July 2020:

The portion of land known as the Civic Centre carpark, which provides a first ten (10) year right of renewal through to 30 September 2026, and a further second right of renewal commencing 1 October 2026 expiry 30 September 2036. Annual rent is payable in monthly instalments, with an annual CPI increment. Council has valued this Right of Use Asset on the basis that the second right of renewal will be taken up.

Council formerly held a lease over the portion of the Victor Harbor Foreshore Reserve known as the Visitor Information Centre. This lease commitment ceased on the 28th of July 2022.

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:

City of Victor Harbor

Financial Statements 2023

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

Note 17. Leases (continued)

(a) Right of use assets

\$ '000	Right of Use Asset	Total
2023		
Opening balance	233	233
Depreciation charge	(17)	(17)
Balance at 30 June	216	216
2022		
Opening balance	319	319
Depreciation charge	(86)	(86)
Balance at 30 June	233	233

(b) Lease liabilities

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

\$ '000	2023	2022
Balance at 1 July	250	334
Accretion of interest	8	10
Payments	(28)	(94)
Balance at 30 June	230	250
Classified as:		
Current	14	20
Non-current	216	230

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

The Group had total cash outflows for leases of \$30,545.

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	17	86
Interest expense on lease liabilities	8	10
Total amount recognised in profit or loss	25	96

(*) Cemetery interment rights have deemed to be classified as "leases" under the Australian Accountancy Standards (AASB16). City of Victor Harbour has assessed the impact of this accounting treatment to be immaterial and as a result have elected to not apply this standard.

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

Note 17. Leases (continued)

(ii) Council as a lessor

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable).

Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

\$ '000	2023	2022
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	397	330
Later than one year and not later than 5 years	1,287	1,207
Later than 5 years	3,103	3,170
	4,787	4,707

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

Note 18. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.50% in 2022/23; 10.00% in 2021/22). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 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 Willis Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to other superannuation schemes

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

City of Victor Harbor

Financial Statements 2023

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

Note 19(a). Interests in other entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2023	2022	2023	2022
Council's share of net income				
Joint ventures	(408)	(162)	12,322	6,609
Total Council's share of net income	(408)	(162)	12,322	6,609

(i) Joint ventures, associates and joint operations

(a) Carrying amounts

\$ '000	Principal Activity	2023	2022
Fleurieu Regional Aquatic Centre Authority	Aquatic Centre	14,977	9,124
Fleurieu Regional Waste Authority	Waste Management	(2,655)	(2,515)
Total carrying amounts - joint ventures and associates		12,322	6,609

Fleurieu Regional Aquatic Centre Authority

A joint initiative between the City of Victor Harbor and Alexandrina Council, the Fleurieu Regional Aquatic Centre is owned by the Fleurieu Regional Aquatic Centre Authority (FRACA). The City of Victor Harbor and Alexandrina Council are joint owners of the FRACA owing 50% each.

Fleurieu Regional Waste Authority

Established by the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council in July 2010, this organisation is responsible for the waste management function across the Fleurieu and Kangaroo Island Council areas.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2023	2022	2023	2022	2023	2022
Fleurieu Regional Aquatic Centre Authority	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Fleurieu Regional Waste Authority	30.00%	30.00%	30.00%	30.00%	25.00%	25.00%

(c) Movement in investment in joint venture or associate

\$ '000	Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority	
	2023	2022	2023	2022
Opening Balance	9,124	9,486	(2,515)	(3,141)
Share in Operating Result	(268)	(339)	(138)	177
Share in Other Comprehensive Income	-	(3)	(2)	-
Adjustments to Equity	-	-	-	449
Asset Revaluation Movement	6,121	-	-	-
Council's equity share in the joint venture or associate	14,977	9,124	(2,655)	(2,515)

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

Note 19(a). Interests in other entities (continued)

(d) Summarised financial information of the equity accounted business

\$ '000	Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority	
	2023	2022	2023	2022
Statement of Financial Position				
Cash and Cash Equivalents	723	688	1,378	2,590
Other Current Assets	11	159	223	576
Non-Current Assets	29,332	17,590	4,268	4,536
Total assets	30,066	18,437	5,869	7,702
Current Trade and Other Payables	112	190	2,628	2,614
Current Financial Liabilities	–	–	1,339	599
Current Provisions	–	–	3,494	5,847
Non-Current Trade and Other Payables	–	–	7,220	7,179
Non-Current Provisions	–	–	37	46
Total liabilities	112	190	14,718	16,085
Net Assets	29,954	18,247	(8,849)	(8,383)
Statement of Comprehensive Income				
Other Income	3,041	2,704	11,106	10,407
Total income	3,041	2,704	11,106	10,407
Employee Costs	30	43	3,542	3,082
Materials, Contracts & Other Expenses	3,009	2,650	6,813	5,847
Depreciation, Amortisation and Impairment	537	689	889	813
Finance Costs	–	–	320	75
Total expenses	3,576	3,382	11,564	9,817
Other Revenue / Expense Items	–	–	(8)	–
Operating Result	(535)	(678)	(466)	590

City of Victor Harbor

Financial Statements 2023

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

Note 19(b). Controlled entities

Subsidiaries

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 and the accounting policy described in Note 1(c).

Name of Operation/Entity	Principal Activity and Place of Business
Victor Harbor Horse Tram Authority	Tourism Services, Victor Harbor Causeway

Interests in Subsidiary	Ownership 2023	Ownership 2022	Voting Rights 2023	Voting Rights 2022
Council's Interest in Subsidiary	100%	100%	100%	100%
Non-Controlling Interest in Subsidiary	0%	0%	0%	0%

The nature and extent of significant restrictions relating to the Subsidiary

The Victor Harbor Horse Tram Authority is a subsidiary of the City of Victor Harbor established under section 42 of the *Local Government Act 1999* to oversee the operations, business development and marketing of Victor Harbor's iconic Horse Tram service.

The Authority is subject to the direction and control of the City of Victor Harbor.

The Horse Tram Authority has 5 members - one elected member and four independent members. The independent members are appointed by the City of Victor Harbor.

The City of Victor Harbor is partially funding the Authority covering any deficit that the Authority makes.

A Board has been established to ensure that all plans, targets, structures, systems and practices required or applied to the Authority by the City of Victor Harbor are in place.

The nature of risks associated with Council's interests in the Subsidiary

All property held by the Authority is accounted for by the City of Victor Harbor. Written Down Value of Non-Current Assets of \$768,600 as at 30 June 2023.

The Annual Budget of the Authority is approved by the City of Victor Harbor.

Council intends to continue to partially fund the Authority with a service level and lease agreement under development as at 30 June 2023.

City of Victor Harbor

Financial Statements 2023

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

Note 19(b). Controlled entities (continued)

Summarised Financial Information for the Subsidiary

Summarised Financial Information for the Subsidiary

\$ '000	2023	2022
Summarised Statement of Comprehensive Income		
Revenue	1,447	845
Expenses	(1,279)	(831)
Profit for the period	168	14
Total comprehensive income	168	14
Summarised Statement of Financial Position		
Current Assets	179	99
Non Current Assets	210	163
Total assets	389	262
Current Liabilities	135	162
Non Current Liabilities	87	102
Total liabilities	222	264
Net assets	167	(2)
Summarised Statement of Cash Flows		
Cash Flows from Operating Activities	201	16
Net increase (decrease) in cash and cash equivalents	201	16

Transactions with Council

Aggregate amount of transactions with Council

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

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

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

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

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

1. Land under roads

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

At reporting date, Council controlled 392.0 km of made road surface of average width 6.5 metres.

2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds, events 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. Bank guarantees

Council does not expect to incur any loss arising from these guarantees.

4. Legal expenses

Council is the planning consent authority for its area under the Planning Development and Infrastructure Act 2016 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of one appeal against planning decisions made prior to reporting date.

Note 22. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2023, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Council is unaware of any "non adjusting events" that merit disclosure.

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

Note 23. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel (KMP) of the Council include the Elected Members, Chief Executive Officer and certain prescribed officers under section 112 of the *Local Government Act 1999*.

In 2022/23, Council paid allowances to fourteen Elected Members (2021/22 = nine Elected Members). 2022/23 was higher due to local government elections and new Elected Members commencing part way through the year. As at 30/6/2023 there were ten Elected Members

In 2022/23 there were 17 employees classified as Key Management Personnel (2021/22 = 18 employees). This year had minimal movement, with two staff leaving their position.

In all, 31 persons were paid the following total compensation:

\$ '000	2023	2022
The compensation paid to key management personnel comprises:		
Salaries, allowances & other short term benefits - Employees	2,118	2,212
Salaries, allowances & other short term benefits - Elected Members	196	183
Total	2,314	2,395

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

Planning and building application Fees	20	-
Total	20	-

Independent Auditor's Report

To the members of the City of Victor Harbor

Opinion

We have audited the accompanying financial report of the City of Victor Harbor (the Council), which comprises the statement of financial position as at 30 June 2023, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

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

Basis for Opinion

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

Council's Responsibility for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

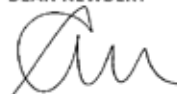
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

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

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

DEAN NEWBERY



SAMANTHA CRETEN
Director

10 November 2023

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE CITY OF VICTOR HARBOR

Opinion

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

Basis for opinion

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

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

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

The Council's Responsibility for the Internal Controls

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

Our Independence and Quality Control

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

Assurance Practitioner's Responsibilities

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

ASAE 3150 requires that we plan and 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 operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

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

Limitation on Use

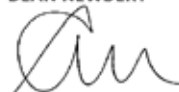
This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

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

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

DEAN NEWBERY



SAMANTHA CRETEN
Director

10 November 2023

City of Victor Harbor

Financial Statements 2023

General Purpose Financial Statements for the year ended 30 June 2023

Certification of Auditor Independence

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

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



Victoria MacKirdy
Chief Executive Officer



David Papa
Presiding Member, Audit Committee

Date: 8 November 2023

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Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the City of Victor Harbor for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, 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*.




SAMANTHA CRETEN

Director

DEAN NEWBERY

10 November 2023





Looking Ahead To 2023/24



2023/24 Budget Overview

The 2023/24 budget aims to balance the provision of essential services and projects to keep Victor Harbor moving forward, while also acknowledging current cost of living pressures.

The 2023/24 budget has no frills. It's been paired back and no new initiatives have been added to help keep the rate increase less than CPI.

The budget forecasts a capital works program worth \$10.4 million, offset by \$1.6 million of grants and other revenue, and operating expenditure of \$36 million resulting in a \$1,485,200 deficit.

The budget deficit can be attributed to the Council's corporate systems replacement project, a once-in-a-generation project that will see an overhaul of Council's software.

In recognition that this project will have an impact on generations to come, and to reduce the burden on current ratepayers, it will be funded through borrowings and paid back over a number of years to ensure intergenerational equity.

Further detail is provided at victor.sa.gov.au/abp or at the Civic Centre (1 Bay Road, Victor Harbor).

The following shows how the City of Victor Harbor plans to spend every dollar of your Council rates in 2023/24 to help keep Victor Harbor a great place to live, work, visit and invest in.



2023/24 Significant Projects

In addition to our many ongoing services and responsibilities, Council has identified a number of capital projects and strategic initiatives to be undertaken in 2023/24.

For more information and budget details, please refer to the 2023/24 Annual Business Plan online at victor.sa.gov.au/abp or view a hard copy at the Civic Centre (1 Bay Road, Victor Harbor).

Corporate Systems Replacement

The Council has embarked on a significant project that will transform its business systems to help achieve cost savings, process efficiencies and superior customer experience. In 2023/24, phase two of the software will be implemented.

Improving service delivery

In order to better understand community perceptions relating to its service delivery performance, Council has undertaken two Community Satisfaction Surveys (in 2022 and 2023). The survey looked at Council services and facilities, and sought feedback in terms of both importance of the service and associated satisfaction levels.

Now with a set of benchmarking data, an evidenced-based action plan will be developed looking at priority focus areas for improvement – services that are considered of by community to be of high importance and have room for improvement.

Advancing Council's reconciliation action

The Council's 'Reflect' Reconciliation Action Plan is the first step in a process of continued work to reflect upon what the organisation has accomplished to date and begins preparations for future reconciliation initiatives.

A visionary, evidence-based plan for Victor Harbor

Council will commence a significant review of its Urban Growth Management Strategy (UGMS).

This Strategy offers a high-level vision for Victor Harbor's future and is intended to be closely aligned with Council's Community Plan which will also be reviewed through this project.

This project will commence in 2023/24 and be delivered over two years.

Representation Review

Councils are required to review their elector representation periodically. This generally occurs every eight years, unless directed otherwise by the Electoral Commissioner. The City of Victor Harbor is required to commence a representation review in April 2024.

The review is an opportunity for Council and the community to look at the current representation composition and structure, and consider whether changes would provide greater benefit to the community of the City of Victor Harbor.

Enabling community through a simplified grant process

Council will work to streamline its grants process to make it easier for community to apply for and acquit funds.

Not only will this help encourage development of local groups and individuals, but it will allow Council to better showcase and celebrate the impressive initiatives and projects being delivered by community through the assistance of these grant programs.

Thriving families and engaged youth



There is a growing number of families and young people moving to the area.

The Council will provide activities, programs, resources and early intervention to support young people, children and families to thrive and be active within their community.

This includes:

- Providing opportunities for active wellbeing through the Active Wellbeing Officer program
- Meeting requirements of State and Federal Funding arrangements
- Facilitating youth leadership and connection opportunities

Regional Community, Sport and Recreation Precinct



The Victor Harbor Regional Community, Sport and Recreation Precinct (The Precinct) aims to provide a place for people of all ages to connect through sport, recreation or social activities.

Located at Lot 202 Armstrong Road, the project will see the delivery of a multi-purpose community facility that caters for growing indoor sport and recreation activities. Council, with input from community and relevant stakeholders, will continue to progress through planning, design, due diligence and funding stages for the proposed Precinct.

Supporting community to age well



With the second oldest population of any township in South Australia (behind Port Elliot-Goolwa), the City of Victor Harbor is committed to supporting its community to age well.

This will be achieved by facilitating events, programs and initiatives that encourage older people to remain active and stay connected with their community including:

- Social and individual support through the Caring Neighbourhood Program
- Sector support and development through the Positive Ageing Taskforce

A key component also includes access to and promotion of information and resources for community members to understand what support and programs are available to them.

Continuing collaboration between Business Victor Harbor and Council



Council will continue its partnership with Business Victor Harbor, providing a contribution to support the chamber of commerce to grow as a well-governed, peak representative body for local business.

Vibrant arts and culture program



Art in all forms has the capacity to enrich people's lives and contribute to creating a strong, healthy and connected community. The City of Victor Harbor has made a commitment to growing arts and culture, through its recently adopted Culture Strategies that focus on Arts and Heritage, and Festivals and Events.

Climate change action



In December 2019, the City of Victor Harbor joined a growing number of councils across the country to declare a climate emergency. This move aimed to recognise the serious risk that climate change poses to the Victor Harbor community and that more action needs to be taken by all levels of government



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

2023/24 Council Rates

The City of Victor Harbor's rates are made up of two components – a fixed charge and differential rate.

Fixed Charge

The fixed charge is a base amount paid by all rateable properties irrespective of their value that contributes to the delivery of services, programs and projects that support each property.

The Council adopted a fixed charge of \$479.

Differential Rate

Due to significant capital valuation growth, Council has reduced differential rates in 2023/24.

The differential rate proportion is based on whether the land is used for residential, commercial, primary production, industrial, vacant land or other purposes. It is calculated by multiplying the individual property value (which is provided to Council by the Valuer General) by the differential rate in the dollar adopted for the relevant land use category.

Land Use	Rate in the \$
Residential Base rate	0.003279
Commercial Base rate + 30%	0.004262
Industrial Base rate + 15%	0.003770
Primary Production Base rate - 10%	0.002951
Vacant Land Base rate + 50%	0.004918
Other Base rate	0.003279

How your rates are calculated:

$$\text{Fixed Charge} + \text{Differential Rate} \\ \text{Capital Value} \times \text{Rate in the \$}$$

e.g. Rates for a \$500,000 house would be \$2,118.50:

$$\$479 + \$1,639.50 \\ (500,000 \times 0.003279)$$

Council continues to use Capital Value as the basis for raising rates. This includes the land and improvements.

A ratepayer may object to the valuation referred to in their rate notice by writing served personally or by post on the Valuer-General within 60 days after the date of service of the notice.

But note:

- if you have previously received a notice or notices under the Local Government Act 1999 referring to the valuation and informing you of a 60 day objection period, the objection period is 60 days after service of the first such notice
- you may not object to the valuation if the Valuer-General has already considered an objection by you to that valuation

An objection is a formal process and there are specific legislative requirements for both you and the Valuer-General. See the back of your rate notice for more information about how to lodge a formal objection.

Notional Values

Certain properties may be eligible for a notional value, where the property is the principal place of residence of a ratepayer. Application for a notional value must be made to the Valuer General.

2023/24 Rating Policy

Business Impact Statement

Council considers the impact of rates on all businesses in the Council area including primary production. In considering the impact, Council assessed the equity of distribution of rate responsibility and the business profile within the Council area.

Differential General Rates

Council applies differential general rates based on land use categories outlined within the Local Government (General) Regulations. The differential rate takes into account the range of services Council provides, standard of the services, if there are any specific budget expenses that are unique to or benefit a specific land use, and new initiatives that target a specific sector. Land use categories, differential general rates and approximate revenue are outlined in the table below.

Fixed Charge

Council will impose a fixed charge of \$479 to all rateable properties. The fixed charge establishes a base payment for each assessable property within the Council area and recovers approximately 18% of its total rate revenue, with the remaining rate revenue funded via differential rating, based on valuation. Where two or more adjoining properties have the same owner and occupier, or where there is a single farm enterprise comprising more than one property, only one fixed charge is payable by the ratepayer.

Rates Postponement (State Seniors Card)

Rates may be postponed on a principal place of residence by Seniors Card holders who meet certain criteria. Interest is charged and the accrued debt is payable on disposal of the property.

Hardship Relief

Where a ratepayer is suffering hardship in paying rates, they are encouraged to contact our Rates Officers to discuss the matter. Council treats these enquiries confidentially.

Regional Landscape Levy

The State Government requires Council to impose a separate rate which is payable to the Hills and Fleurieu Regional Landscape Board. This is the Regional Landscape Levy (previously known as the Natural Resources Management (NRM) Levy).

The rate will be based on the capital value of all rateable properties as follows:

- \$0.00010102 cents in the dollar to raise a total of \$670,713

Rebates (Rate Capping)

Council will provide relief against what would otherwise amount to substantial change in rates payable by the ratepayer due to changes in valuation. Council will, on application, offer rate capping to general rates for the 2023/24 financial year. Rate capping will apply where the general rate amount payable exceeds the 2022/23 general rate payable by 15% for residential properties which are the owner's principal place of residence or a primary production property.

The rebate will not apply where:

- the property has been acquired by the ratepayer or has become their principal place of residence after 1 January 2022
- the increase in the general rate payable is due in whole or in part to an increase in valuation of the property attributable to improvements

Further Information

The full Rating Policy can be viewed in the 2023/24 Annual Business Plan at www.victor.sa.gov.au/abp or in hard copy at the Civic Centre.

For rating enquiries call one of our Rates Officers on 8551 0500.



Glossary



Key Terms and Acronyms

ABS - Australian Bureau of Statistics

Advocacy - campaigning on behalf of constituents to state and federal levels of government, statutory authorities and other sectors.

Asset - A facility or part of a facility that is owned and controlled by the Council.

Asset Management Plans - Developed in accordance with the Local Government Act 1999, strategies to guide management, inspection, maintenance and replacement of the Council's key assets.

Budget - Council's planned allocation of monetary resources for a financial year.

By-Law - Regulations established by the Council pursuant to the Local Government Act 1999.

CAP - Council Assessment Panel

Capital Expenditure - Expenditure made by the Council which results in the creation or improvement of an asset.

Capital Works - Any work undertaken to establish, renew, expand and upgrade Council assets.

CASPAC - City Activation and Strategic Planning Advisory Committee

CEO - Chief Executive Officer

CFS - Country Fire Service

Civic Centre - The premises where municipal offices are situated. The City of Victor Harbor's Civic Centre is also home to the Council Chambers where formal meetings of the Council are held, the Victor Harbor Library, and the customer service desk that handles requests, enquiries and payment from ratepayers and the general public.

Community - The City of Victor Harbor's community can refer to the collective group of residents, businesses, ratepayers, visitors, investors and stakeholders who have an interest in happenings in the region.

Community Plan 2030 - The Council's Strategic Management Plan which sets out the Vision and future strategic directions for the Council.

Council - The elected representatives of the Council or the City of Victor Harbor organisation as a whole.

Councillors - The elected representatives of the Council.

CSAS - Coral Street Art Space

Depreciation - Reduction in the value of an asset over time.

DEW - Department for Environment and Water

DIT - Department for Infrastructure and Transport

Council Members - The elected representatives of the Council.

Engagements - Measures the public shares, likes, comments and interactions of content posted on social media.

Enterprise Bargaining - The process of negotiation between management and employees or their representatives to reach agreement regarding terms and conditions of employment.

Environmental Sustainability - The management of resources (anything obtained from the natural environment to meet our needs, such as water, air, fossil fuels etc.) in our natural system to ensure that these are available in the long-term.

EOI - Expression of Interest

Equity - The residual interest in the assets of the Council after deductions of its liabilities. Total equity is also equal to net assets.

Expense - An outgoing payment made by the Council.

FOGO - Food Organics and Garden Organics

FOI - Freedom of Information

FRACA - Fleurieu Regional Aquatic Centre Authority

FRWA - Fleurieu Regional Waste Authority

FTE - full-time equivalent

Governance - The systems established by the Council to ensure compliance with legislative requirements.

Green Waste - Unwanted household organic materials such as food scraps, lawn clippings, prunings, animal droppings, paper towels and tissues, which can be disposed through the Council's kerbside collection service (green bin).

GST - Goods and Services Tax

Infrastructure - The basic facilities required for the functioning of the community such as parks, roads, footpaths, drainage and waste systems.

ICT - Information and Communications Technology

LGA - Local Government Association of South Australia

LGEA - Local Government Enterprise Agreement

Liabilities - A financial debt or obligations owed by the Council.

Local Government Act 1999 - Outlines the legal framework in which Local Government operates. The Act contains information on how councils are established, how elections should be run, how and when councils should meet, how rates are to be charged, how councils can spend money and what things councils can do.

Long-Term Financial Plan - Sets out the long-term financial projections for the Council's planned activities.

Mainstreet Precinct - The City of Victor Harbor's Mainstreet Precinct refers to the areas and streets surrounding Ocean Street in the town centre.

MHFA - Mental health first aid

Net Financial Liabilities - Total borrowings owed by the Council less cash held, loans made or other assets able to be readily collected.

Net Financial Liabilities Ratio - Measures the extent to which the net financial liabilities of the Council are met by its operating revenue.

Open Space - Land or areas which have been reserved for the purposes of providing formal and informal sport and recreation activities, preserving natural environments, and providing green space. Essentially, this refers to parks, reserves and gardens.

Operating Surplus/Deficit - The difference between income earned and expenditure to provide ongoing services and programs.

Operating Surplus Ratio - Measures the Council's Operating Surplus/Deficit as a percentage of rates revenue.

Ordinary Council Meetings - Formal meetings of the Council, typically held on the fourth Monday of each month in the City of Victor Harbor.

Organisation Culture - The collection of values, expectations, and practices that guide and inform the actions of all team members.

Presiding Member - A member of a panel or committee responsible for chairing meetings in accordance with Terms of Reference and legislative requirements. The Presiding Member has a deliberative vote on all matters considered by a committee or panel, and a casting vote in the event of a tied decision.

Prudential Report - A report outlining financial and governance considerations to ensure transparent management.

Public Consultation - A process that involves engaging and consulting the public or relevant stakeholders to gain their feedback, views and ideas in relation to a project, service or plan.

Railway Plaza Precinct - The City of Victor Harbor's Railway Plaza Precinct refers to the areas and streets surrounding Railway Terrace and the Cockle Train station.

RAP - Reconciliation Action Plan

Rate Capping - The Council, subject to certain conditions, may grant a rebate of rates to the principal ratepayer of a residential assessment where there is a significant increase in the rates payable as a result of a rapid change in the property value.

Rates - Council rates are a property tax and the Council's primary source of income, which enables the delivery of services and facilities for the community.

Regional Subsidiary - Formed by two or more councils to provide specified service/s or to perform a function of the councils under the Local Government Act 1999 (or another Act).

Regulatory Services - A business unit of the Council responsible primarily for the enforcement of Council By-Laws, parking and animal management.

Representation Quota - A ratio of the number of electors per Elected Member.

Representation Review - A representation review is a requirement of Section 12 of the Local Government Act 1999, and must be undertaken every eight years. The review examines the appropriate number of councillors for the Council; whether Council has wards or no wards; and if so, the appropriate ward boundary size, number of wards and appropriate number of councillors per ward; and whether the Mayor continues to be elected by the community or is appointed from within the elected members.

Revenue - The amount of money the Council receives from its activities, including from rates and services provided to the community.

SAMSOA - South Australian Municipal Officers Enterprise Agreement

S&HLGA - Southern and Hills Local Government Association

SCOTS - Southern Communities Transport Scheme

SES - State Emergency Service

SMT - Senior Management Team

Stakeholder - A person with an interest or concern in the City of Victor Harbor or Council business.

Supplementary Election - A supplementary or bi-election is held when there is more than one vacancy in the Council.

Sustainability - Sustainability refers to achieving economic, environmental, social and cultural growth without irreversibly exhausting the systems which support that growth. In practice, this means integrated decision-making which generates mutually beneficial economic, social, cultural and environmental outcomes, wherever possible.

VC - Visitor Centre

Victor Viewpoint - The Council's monthly email newsletter, sent to subscribers on the 10th day of each month.

Vision - A vision statement describes what we would like to be or what we intend to do, in broad terms. It provides a unifying statement of intent and an overarching framework, which guides strategic and operational planning and program implementation.

WHS - Work Health and Safety



city of
Victor Harbor



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VICTOR HARBOR
HORSE TRAM AUTHORITY

2022/23 Annual Report



Victor Harbor Horse Tram Authority Annual Report 2022/23

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Introduction from the Chair

During 2022/23 the Victor Harbor Horse Tram Authority (VHHTA) has had a wonderful year. The significant factors and obstacles of COVID-19 and the building of the new Causeway impeding and often halting the operation of the Tram are thankfully a distant memory.

The VHHTA team are always on point. I am continually impressed by their dedication to the horses, fitness and training programs for the horses, engagement with consumers and visitors all while together advancing the numerous projects outlined in the VHHTA Business Plan. My most heartfelt congratulations to all staff and management. The horses have never looked so polished and healthy, and again all horses received a 5-star health rating at their annual veterinary health checks. The horses are the VHHTA's major focus and key asset. Staff always ensure that they always look well-groomed and impressive. I think they must be the most adored animals in Australia.

The new Causeway has created an added focus to Victor Harbor which is evident in an increase in customer engagement and numbers of people traversing the new Causeway, enjoying the experience. The opening up of the Kiosk on the Island by the Department of Infrastructure and Transport has also enhanced visitor experience when visiting Granite Island.

The VHHTA was awarded a substantial grant from the Building Better Regions Fund, ensuring that a new Stable Complex is becoming an exciting reality. This tourist encounter will extend our service sector reach and enhance involvement by providing a focused Visitor Centre in the Complex, enabling the delivery of a first-class hands-on horse experiences. Together with the Equine Assisted Learning program, it will serve to create a better experience for visitors and extend the range of experiences that the VHHTA can offer. Not only will this facility attract a broad and varied visitor base to the Victor Harbor region but it will also serve to increase employment, provide an additional income source for the VHHTA and encourage extended holiday stays in the area.

COVID-19 severely impacted businesses across South Australia, and the Horse Tram was not immune. Our numbers overall were suppressed, and passenger seating available per trip was reduced to comply with COVID capacity restrictions. The lack of international visitors impacted as did border closures which stopped visitor numbers from all states.

A full year, post COVID has showed a very positive future for the iconic and important 'Horse Tram'. It has been impressive the way Megan and her team adjusted and pivoted during the COVID impacting period, but now without those restrictions the business is absolutely flourishing. Attention to detail and cohesive fiscal management has served to rationalise the business and allowed for inflationary cost increases. Also, internal maintenance has shaped extensive savings showing fiscal responsibility in what was, and continues to be, a difficult climate.

One of the major achievements has been the new merchandise area, which has seen a significant increase in sales, creating a substantial revenue stream for which we have Cr Carol Schofield, and our wonderful volunteers, to thank.

When visiting the tram office in the mornings it is heart-warming to see the love and care that the horses are given and how passionate the VHHTA team is. Scores of people watch the horses being ridden along the beach and in the ocean, and see the horses being treated to massages by specialist mechanical devices to enhance their overall well-being, and the horses are just 'lapping it up'. They are a majestic sight adding exponentially to the Victor Harbor experience. Observing the VHHTA staff converse with the public, and how convivially they react with all visitors, it is obvious that it is a very cohesive team that enjoy their workplace. They are greatly appreciated as the face of the business.

Regular board meetings, together with internal and external assessment, serve to formalise ideas to recognise and guide a path to make the Victor Harbor Horse Tram a remarkable and special experience. The Horse Tram helps to showcase Victor Harbor as South Australia's #1 tourist destination through the world's leading horse drawn experience, delivering historic and authentic encounters that create lasting memories.

I want to thank the Board for their commitment and passion for the Horse Tram. Each member makes a tremendous contribution and brings a wealth of expertise, knowledge and diverse skill sets to the VHHTA, and works cohesively to achieve best practice.

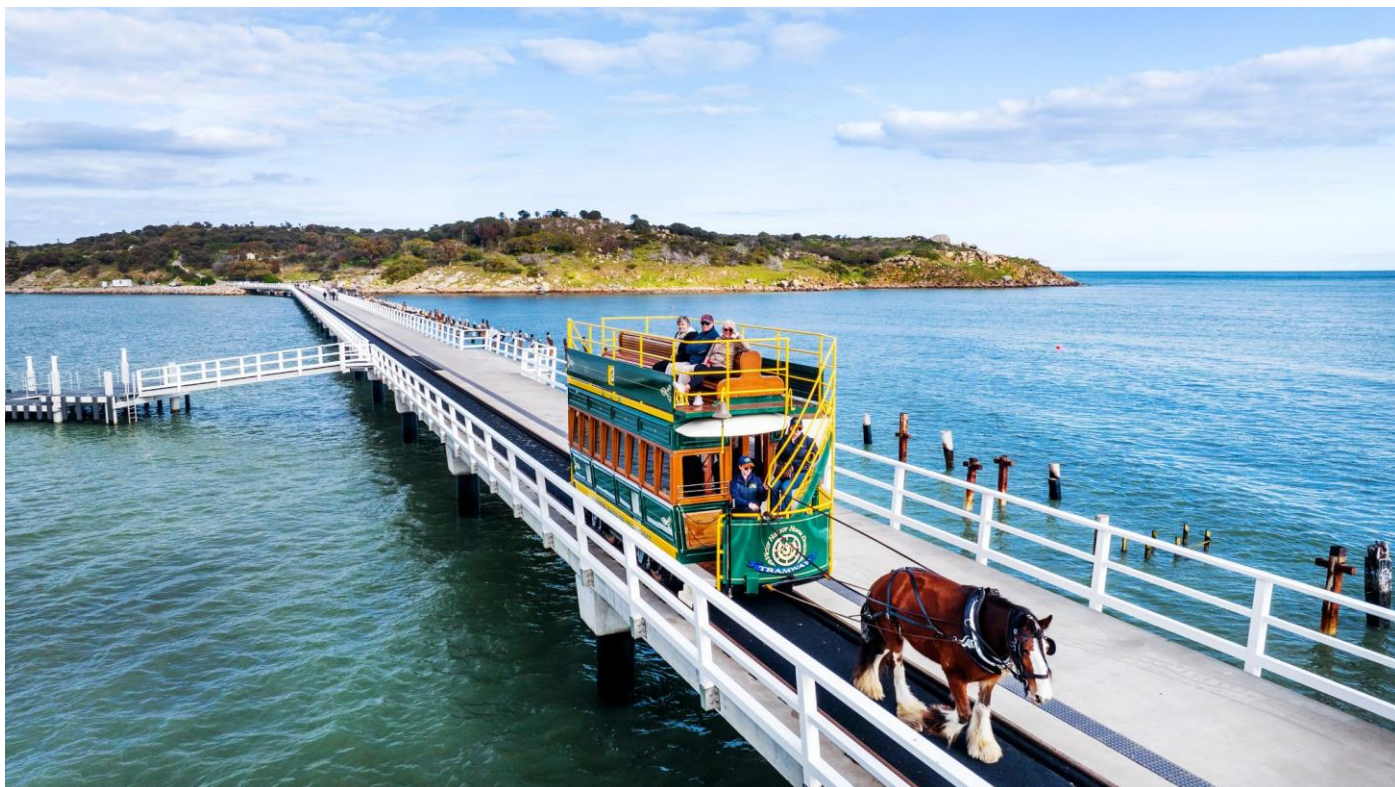
Megan Whibley, as the VHHTA General Manager, has gone above and beyond in running a very diverse and unique business, while bringing new and fresh ideas to the VHHTA. Her passion and diligence is impressive. We have a great team of people working for, and with, the VHHTA, and a happy, healthy team of horses. The future of the Victor Harbor Horse Tram Authority is looking positive, bright and exciting. Our thanks go to the whole team, but especially to the VHHTA management, Megan and Adrian, for their faultless service and attention to detail.

Yours sincerely,

Nigel. M. Catt
Dip.Ag., Grad.Dip.Sc.

Chair – Victor Harbor Horse Tram Authority





About the VHHTA

The Victor Harbor Horse Tram Authority (the VHHTA) is a subsidiary of the City of Victor Harbor (Council), established under section 42 of the *Local Government Act 1999*. The VHHTA is governed by a Charter approved by the Minister on 17 October 2018, which details its purpose, powers, functions, duties, funding, property and delegation as well as the role, function and requirements of the VHHTA Board, among other things. The Charter was gazetted on 25 October 2018.

The Horse Tram, like many other services, is subsidised by Council and provides a valuable service to the City of Victor Harbor community on behalf of ratepayers. It serves as an important and highly significant contributor to the economy of Victor Harbor. The Horse Tram is a part of what makes this city thrive.

Strategic Direction

The Victor Harbor Horse Tram's Annual Business Plan outlines the strategic direction for the Authority.

Vision Statement: To deliver historic experiences and create memories.

Mission: To showcase Victor Harbor through the world's leading horse tram experience

Goals: High quality, efficient operation with a reduced financial reliance on City of Victor Harbor.



The Board



Nigel Catt (Chair)

Nigel Catt has been in the Australian Wine Industry since 1983 in various roles such as senior winemaker for a number of large and medium wine companies, as well as owning his own vineyards, wineries and wine brands.

During this time, Nigel has produced wines in other countries, consulted to other wineries and the State Government, run Industry Supply Companies at board and management level. He owned the Middleton Winery and Vineyards, developed and built the Flying Fish Café and has been a board member for 10 years at Encounter Lutheran College. National Sales and Marketing Consultant for Radoux, a French oak barrel company that he still represents here in Australia.

Nigel has supported and developed many businesses, and mentored young business-people, here and overseas. The majority of Nigel's focus and life has been spent in the Fleurieu Peninsula, specifically Victor Harbor, where he is based with his family.



Councillor Carol Schofield AM

Councillor Carol Schofield AM is the City of Victor Harbor's Elected Member representative on the Victor Harbor Horse Tram Authority Board. Carol was Chair of the City of Victor Harbor's Horse Tram Advisory Committee before it transitioned to form the Inaugural Victor Harbor Horse Tram Authority. She brings to the Board skills in business management, event management, tourism and agribusiness.

Carol is a long-time resident of Victor Harbor and has been involved in many local organisations. She was a dairy farmer and established her own agriculture business in Inman Valley.



Rachel Kennedy

Professor Rachel Kennedy (PhD, B.Bus(Hons), GAICD) is a globally recognised expert in marketing and evidence-based growth. As a co-founder and director of the Ehrenberg-Bass Institute, she has a proven track record of successful industry engagements that profitably grow businesses and build and protect their iconic assets. She combines this with hands-on experience marketing a local tourism reliant business.

Rachel is passionate about her community in Victor Harbor where she can often be seen walking, at the beach patrolling or playing hockey with her family. She is excited to bring her skills and knowledge to our Horse Tram.



Paul Brown

Paul Brown is the former owner of an internationally recognised tourism business. He has previously been the Chair of Tourism Kangaroo Island and the Australian Tourism Export Council (ATEC) SA Branch, as well as a board member of ATEC nationally.

In addition to being a Board member of the Victor Harbor Tram Authority he is a Board member of the Summit Sport and Recreation Park (Mount Barker) and Owner/Director, Dauncey Street Investments Pty Ltd

A graduate of the Australian Institute of Company Directors course Paul has always sought to make a contribution to his industry and community, and in recent times has contributed to the Older Persons Health sector.



Natasha Hunt

Natasha Hunt has over two decades of experience working in local government and the tourism industry. Having served on the Executive Team with the District Council of Yankalilla and Alexandrina Council she brings a wealth of knowledge in the areas of governance, strategic planning, community engagement, tourism, communications, and marketing.

Natasha represented the Fleurieu Peninsula on the South Australian Tourism Commission's Industry Skills Advisory Committee and was an inaugural member of the South Australian Accredited Visitor Information Centre Network.

Natasha grew up on the Fleurieu Peninsula on her family's farm where they operate two horse-based businesses. Natasha is passionate about the Fleurieu and has volunteered in many community organisations including the Normanville New Year's Eve Pageant, Yankalilla Football and Netball Club and the Fleurieu Horse and Pony Club.

Audit and Risk Committee

In accordance with the Charter, the VHHTA established its own Audit Committee. The Committee consists of three independent members and two Board members. Between them they bring an overwhelming volume of knowledge and specialist expertise. The VHHTA is thrilled to have them sitting on the Audit Committee, and appreciative to have members of their calibre, particularly given their non-remunerative status.

The Audit Committee is in its year third of oversight, and has, through recommendations to the VHHTA, made improvements to the VHHTA's policies, procedures and risk management resources.

The VHHTA Audit Committee consult with, and receive professional advice from, an independent financial specialist with expertise in local government finance, so as to report to Council in the form required.

Audit Committee Membership

Member	Representative	Appointed	Expires
Independent Member(s)	John Morgan	23 November 2020	23 November 2024
Independent Member(s)	Kate Christ	22 February 2021	22 February 2025
Independent Member(s)	Laura Hodgson	26 July 2021	26 July 2025
VHHTA Board Member	Rachel Kennedy	23 November 2020	23 November 2024
VHHTA Board Member	Nigel Catt	26 July 2021	26 July 2025
Office Bearers			
Chairperson	John Morgan	22 February 2021	23 November 2024
Deputy Chairperson	Rachel Kennedy	22 February 2021	23 November 2024

Our Team

The VHHTA Board provides strategic direction to the General Manager who is responsible for the day to day operations of the tram service.

Under the governance of the VHHTA the General Manager has successfully managed the Horse Tram through difficult circumstances and driven it forward in its journey towards independence.

Since the appointment of the General Manager the VHHTA's reliance on Council has been substantially reduced. In addition to the General Manager, the Horse Tram is supported by a highly experienced Assistant Manager, who has twenty three years of experience in the day to day operations of the Horse Tram and invaluable WHS knowledge.

The VHHTA is also responsible for the care and welfare of the Horse Tram horses. This is the VHHTA's highest priority, and this year received approval from Council to have the VHHTA Charter altered to reflect this. The VHHTA has a very dedicated horse husbandry team to ensure this priority is successfully realised.

The VHHTA now has a maintenance team and dedicated administration staff. As the team grows, employee talents and abilities are recognised, supported and strengthened.

The VHHTA is well on the way to having a fully qualified team able to deliver an Equine Assisted Learning program (EAL). EAL is a specialist process that partners clients with horses to address clients particular personal learning goals. It is a unique approach to experiential learning, where clients are offered safe experiences with horses for the purposes of enhancing social, emotional and relationship skills building, professional skills development, promoting self-awareness, awareness of others, as well as increasing clients capacity to negotiate life's hurdles.

The VHHTA's new merchandise store is a success story that has enabled the VHHTA to attract new volunteers to support the invaluable team of existing volunteers. The new and inviting space allows the VHHTA to cater for volunteers' needs in a way that it previously was unable to.

During 2022/23, the VHHTA was supported by a team of 15 staff, ranging from casual junior staff through to an assistant manager. For the reporting period there were four permanent full time equivalent (FTE) staff members, with the remainder engaged as casual employees. The merchandise store is supported by 7 valuable volunteers.



Our Horses

Our Team of Clydesdales are such a magnificent part of the Victor Harbor Horse Tram. Our Team consists of:



Albert

Albert is our oldest and steadiest Clydesdale. Having said that, he is still young at only fourteen years of age. He really enjoys tram work and coming into the office. He has a regal attitude and performs his work with effortless elegance. Albert is a smooch with the staff and a favourite of all. Albert is now our lead horse when training junior drivers and equine youngsters, and reassures them with his soothing and Zen-like demeanour.



Murray

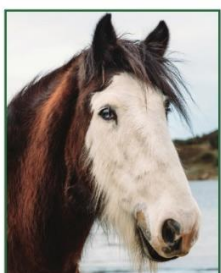
Murray is twelve years old and is that tram horse that everyone wants to drive. He always performs his best and tries to do everything right. He pulls the tram so fast, with calm forward-moving energy, and with him on the tram, it is up and back before you can believe it. Murray learns very fast, as he aims to please, and staff try hard to please Murray as well. Murray is a sensitive boy, and the staff have special soft, natural bristled brushes that they use especially for Murray so that he can enjoy his grooming experiences.

Murray competed at the Wirrina Heavy Horse Trials in May 2023 and performed amazingly well. He has encouraged the Horse Tram to enter a whole team, if possible, in 2024.



Isabella

Isabella is the princess of the team, but she is no shrinking violet. Boy can she really move a tram! She is all "I am woman, hear me roar - past". When Isabella is at rest, she is the softest, most serene being. People express honour just being in her presence. But when there is a job to do, she gets it done, and you'd better keep up. She is a brave, sensible, sweet and joyous horse. She adores being adored and knows full well that she deserves it - and more. At twelve years of age, she is wise beyond her years.



Elliot

Elliot is our slowest and calmest team member even though he is only eleven. He is our steady horse used to train new drivers and staff. He is an irreplaceable member of the team. He is quite goofy and loving, and a long-term favourite of the public. He has a large following, with people returning frequently to visit him. Staff are often asked if Elliot is working that day and are met with either excitement or disappointment depending on the answer they give. The merchandise store needs to keep a ready stock of Elliot's horseshoes, as they are always in demand. Elliot regularly has a clip as he has quite a luxurious coat, not quite conducive to our summer climate. He loves having a short coat and it looks very stylish on him as well.



Scotty

Scotty is the VHHTA's smallest working tram horse, but is still a sizeable guy at 16'3 hands high. He is a powerhouse and proving to be a reliable team member, despite his youthful age of eight. Scotty is adorable and full of cheeky character. He loves to play games with staff and his other horse team members. He enjoys time on the beach and is lovely under saddle. He is brave on the causeway and not much worries him, but he does need some encouragement to slow down and smell the roses. Staff describe Scotty as a little trooper. At nine, he is still a youngster and gets special attention to make sure he stays on track to become the tram horse he deserves to be.



Archer

Archer is an exciting new addition to the Horse Tram team. Archer is 17'3 hands high, nine years old and incredibly impressive. He has a sooty mane and a thick flaxen tail. Archer joined the Tram after spending some time in Melbourne with the VHHTA's specialist trainer there. Archer was already started in harness, so a significant portion of his training was focussed on ridden work. Archer, like Scotty, is nine years of age. He is incredibly sensible, smoochy and sensitive and has Alberts regal like presence. He adores treats, especially bananas. Archer's markings are very spectacular, with his face featuring its very own picture of a horse. He has fit in with the rest of the crew perfectly and is expected to make his tram debut in the second half of 2023.



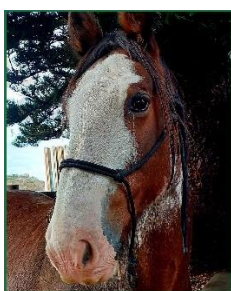
Leo

Leo is a lovely little lad. He is just a baby at three years of age but has a confidence well beyond his tender years. Leo is a black Clydesdale cross Shire, so he is a little different from our other tram horses. Shires are similarly built to Clydesdales in height and width and have similar temperaments. He is fitting in with the herd perfectly and is even in charge sometimes. He has a winning personality and is adored by staff and the tram horses. The VHHTA have started his learning early with some professional training in Melbourne, to ensure he has the best start to his career. Leo has a couple of years to go before he can do anything heavy or demanding but he is the kind of horse who enjoys learning and being with people and will enjoy his 'light duties' lifestyle. Leo has been a star at the tram office horse yard at the foreshore and is getting used to his famous lifestyle.



Finniss

Finniss and Norman are new arrivals to the Tram. They are half-brothers sharing the same sire, both 9 years old and born an hour apart. They are very close and it was preferable to keep them together. The boys are starting to settle in and get to know our other horses. Finniss has been trained in harness and cart. He was started as a two year old by his previous owner and breeder, and then has had professional retraining since the VHHTA purchased him. Finn is quite a solid boy and is very bold and forward in harness. He is a sensitive boy and the VHHTA are spending valuable time with him, building up his trust in the staff around him so that he can have a very confident start on the Tram. Since joining the Tram Team, Finn has gained some beautiful condition and his dapples are really starting to shine. He is indeed a sweetheart.



Norman

Norman, named after Normanville, was started in harness at the same time as his brother Finniss. He was also sent for professional retraining by the VHHTA to brush up his skill set. Norman is less forward in harness than his brother Finn but is more confident in himself with a calm head. Norm has started training across the Causeway, not yet pulling a Tram, but it won't be too far away. He has settled in well with the herd and although he is the smallest, he believes that he is the biggest. Norm is a big teddy bear and has a very loving personality. He tries his best to please in everything that he does and looks set to become a very valuable member of the team.

Our Volunteers

The VHHTA's team of volunteer's support and facilitate the sale of merchandise in the new and fantastic merchandise store, situated in the refurbished Tram Office building. As the VHHTA now has inviting facilities for volunteers to work from, the volunteer team is growing. This year, for the first time the volunteers enjoyed protection from the weather, consistent working conditions and access to facilities. Establishing the merchandise store has solidified the volunteers' role as an integral part of VHHTA operations.



The merchandise store has been a great trading success, generating revenue to help reduce the VHHTA's reliance on Council. In 2022/23 the merchandise store exceeded budgeted expectations creating twice the revenue predicted. The VHHTA has plans to increase volunteer participation and is looking forward to growth in this area in 2023/24, especially with the new volunteering opportunities at The Stables, involving the 'Behind the Scenes' visitor experiences.

2022/2023 Achievements

2022 VHHTA Board Workshop

On 16 August 2022, Dan Aubin of Daring Humans facilitated a workshop with the Board, General Manager, Assistant Manager and Executive Coordinator. As part of the 2022 workshop, the group enjoyed some mind focus exercises so as to produce the best results possible for the flurry of ideas and business design inspirations that was to follow. There was a keen focus on the emerging new offerings for the 'Behind the Scenes' experiences that the VHHTA will be offering. The creative planning session successfully fleshed out some solid offerings, providing focus and direction for 2022/23.



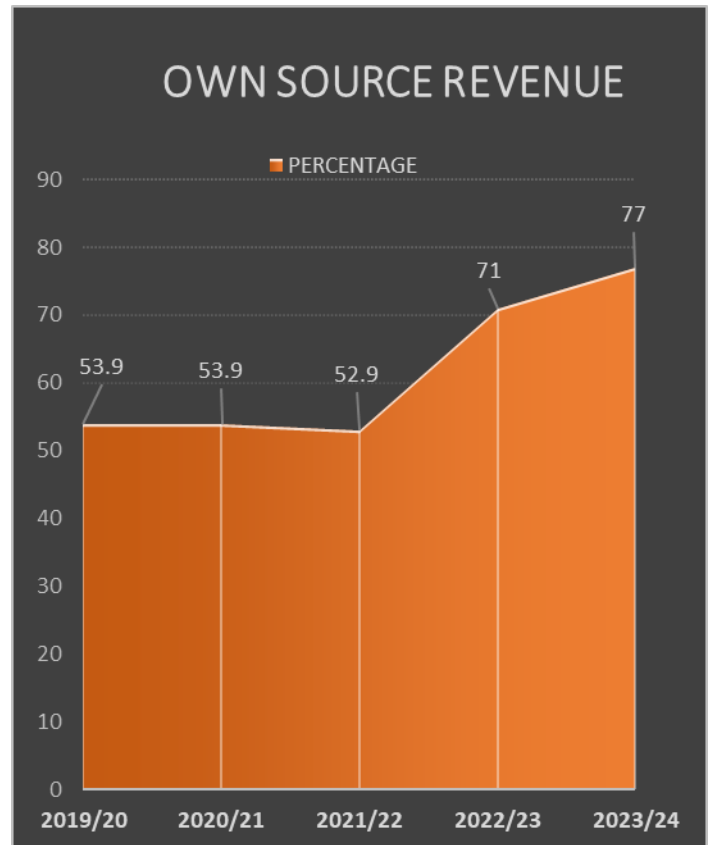
2022 VHHTA Staff Workshop

For the first time, the VHHTA asked Dan Aubin of Daring Humans to facilitate a staff workshop, similar in style as the Board workshop. The workshop was a great way to harness and capture staff ideas and inspirations.

The VHHTA team cohesively built upon Board ideas, bringing their own talents and spin to original ideas, and building entire new experiences to offer. Staff were enthusiastic to contribute and share, with everyone included, from permanent staff to casuals. At the VHHTA all staff are valued and their input and ingenuity is invaluable.

Financial Management

The VHHTA has experienced its first full year of operation since its formation in 2018. Horse Tram operations have been hampered in previous years by rail replacement on the island, the construction of the new Causeway, demolition of the old Causeway, as well as the COVID-19 pandemic. With these hinderances becoming old news, the Horse Tram and VHHTA are now steaming ahead, increasing its own source income, and reducing reliance on Council and rate payers of the City of Victor Harbor in a real way. Expert financial management has seen the Tram through the toughest of times without increasing its reliance on Council and is now making the most out of unrestricted operations and significantly increasing the VHHTA's self-reliance. Exciting times ahead!



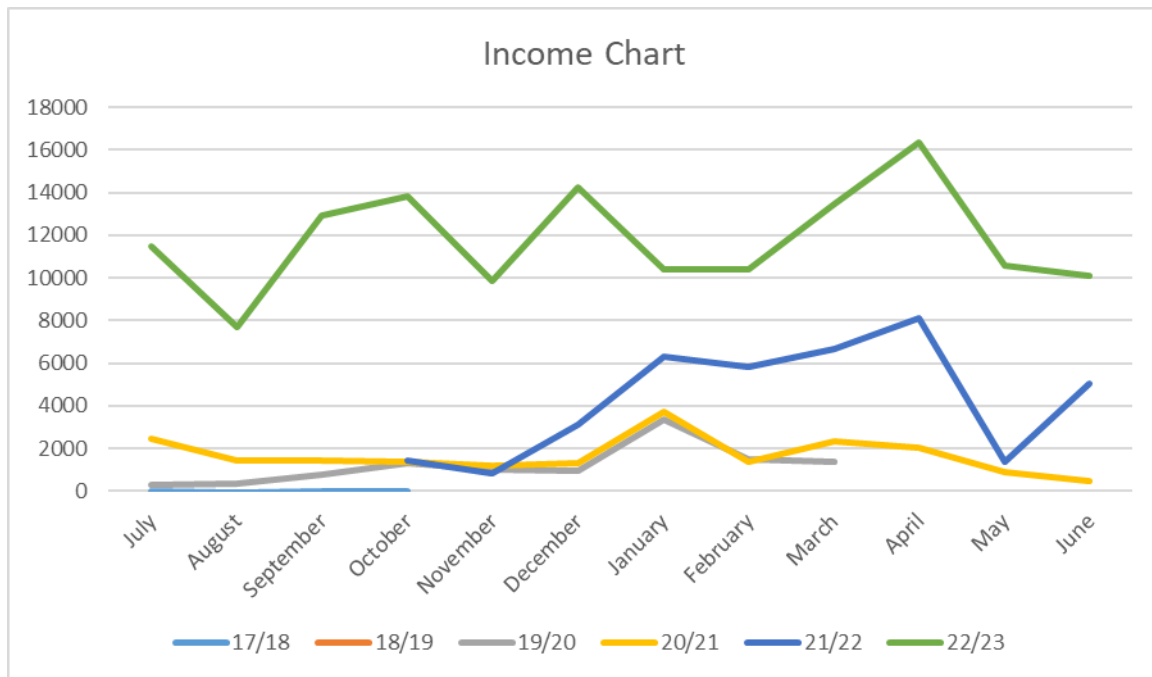
Merchandise Store

The VHHTA has had its first full year of having a fully functional, stand alone, merchandise store. The store has been abundantly successful, making twice the profits budgeted for.

The merchandise store is completely operated by a team of volunteers. The success of the VHHTA volunteer program and merchandise store would not be possible without our amazing volunteer Team Leader, Cr Carol Schofield, who has given so much of herself and her time to make it happen, and still continues to do so.



The graph below shows the growth in merchandise income, comparing financial years from 2018/19 through to the end of 2022/23. The success of the new Merchandise Store is both obvious and phenomenal, resulting in a 258% increase in turnover from 21/22



Volunteers selling memberships through the Merchandise Store have seen an astronomical increase from 71 sold last financial year to a whopping 232 in 2022/23. Since its inception improvements have been made to the store including increases to storage and shelving areas, installation of a point of sale system, and an update of the volunteer communication system and financial reporting systems. Volunteers have generously donated a total of 2,359.5 hours in 2022/23, equating to an estimate of \$82,582.50 in value for the VHHTA.

Safety First

The VHHTA realises that safety is paramount for passengers. This year the VHHTA decided to take some significant steps to enhance its services. All of the VHHTA's staff and tram operators, underwent thorough first aid training. All staff are now certified and equipped with life-saving skills to handle medical emergencies confidently.

To further boost safety measures, the VHHTA placed automated external defibrillators (AEDs) and full-sized first aid kits on every Horse Tram. Passengers can now feel safe knowing that if anything unexpected happens during their ride, the VHHTA is prepared to respond swiftly and effectively.

The VHHTA is proud to be leading the way in the region with such safety measures. The well-being of passengers is its top priority, and the VHHTA believes that being prepared for any situation is the best way to serve the community. The VHHTA has received overwhelming support from local authorities and residents, and they've encouraged the VHHTA to keep up the good work.



The VHHTA firmly believes that combining the traditional Horse Drawn Tram experience with modern safety practices is the key to creating a memorable and secure adventure for everyone. With its staff now trained in life-saving skills and its Trams equipped with defibrillators and first aid kits, the VHHTA is confident that it's offering the best possible experience for its passengers.

It's the VHHTA's way of showing its commitment to the community and making sure that Victor Harbor remains a caring and responsible tourist destination. The VHHTA is thrilled to be offering safer Horse Drawn Tram rides, and it can't wait to welcome even more visitors safely on board!

Creative Tram Themed Horse Float Wrap

The VHHTA has delighted residents and visitors alike with an innovative addition to their fleet - a creatively wrapped horse float that pays tribute to the iconic horse trams.

The VHHTA has transformed their new horse float into a charming replica of a Horse Tram, making the daily transportation of their Clydesdale horses a delightful spectacle.

The horse float wrap features a local artist's rendition of a Horse Tram, complete with detailed wood panelling, ornate trimmings, and the VHHTA's signature green and gold palette. The wrap showcases cartoonish illustrations of passengers enjoying the Horse Drawn Tram experience, capturing the nostalgic charm of the local icon.



The Horse Trams are the heart and soul of Victor Harbor's history, and the VHHTA wanted to share that magic with everyone who encounters the new horse float. The wrap is a moving advertisement for Victor Harbor and the Horse Tram, and adds a touch of fun to the daily routine of transporting the Clydesdales to and from work.

While the float is parked at the Horse Tram office, residents and visitors are seen taking selfies with the float and sharing the joy with friends and family, and on social media.

The VHHTA's passion for preserving history and providing unique experiences to visitors shines through in this imaginative project. The delightful tram themed horse float creates a fun addition to the city's cultural landscape, celebrating the iconic Horse Drawn Trams and their enduring place in Victor Harbor's heart.



Clydesdales Training Underway

The VHHTA's dedication to training new Clydesdales for the special task of powering the Victor Harbor Horse Tram is at the heart of keeping the amazing icon alive. The training process begins with carefully selected young Clydesdales, each chosen for their temperament, strength, and willingness to learn. The next step was to build a strong bond between the horses and staff. Staff care for, groom, feed, and simply spend time with the new Clydesdales, earning their trust and affection.

Currently the VHHTA is training Leo, Archer, Finniss and Norman. All are now trained to harness and cart. Leo is still too young for regular work, but Archer, Finniss and Norman are nine years of age and ready to start tram life. As these Clydesdales grow more confident in their abilities, they will be ready for the next stage: integration into the actual tram service.



Archer in training for the Horse Tram

The VHHTA has a keen focus on training these amazing horses so that it is able to bolster the current team. The VHHTA has a goal to have several horses trained and operational before the 2023 summer school holidays with the remaining trained by the end of the 2023/24 financial year. The benefits of expanding the horse team, from five working horses to eight, are many, and are critically necessary improvements moving forward. Having eight working horses will mean that, for the first time, the Victor Harbor Horse Tram will be able to implement a spelling regime, enabling the horses to have a meaningful break from tram duties.

Currently in the off season the horses work one morning or one afternoon every two and a half days. In the busy season, which lasts for approximately four weeks, the horses work four out of five days. The horses are not overworked, however, much like with humans, horses still require periods of significant rest and time to just enjoy being a horse. A spelling regime will ensure that the horses get the genuine rest breaks that they deserve.

A larger horse team also means that the VHHTA can soon, for the first time, look forward to running three trams during busy periods in late 2023/early 2024. Operating with three trams shortens turnaround times, increases revenue and also increases the number of tram runs possible in a day. This increase in speed and tram journeys is not possible with our current team, as it increases the workload beyond what we can ask our horses to comfortably perform. A larger tram team will mean more horse changes are possible in a single day, enabling a three-tram operation to occur safely and sustainably. Wait times for passengers will be reduced on both platforms and three trams will come closer to servicing visitor demand at peak times, increasing the VHHTA's own source revenue.



Norman and his brother Finnis

The expanded horse team will also provide untold benefits for the VHHTA's Behind the Scenes Experiences and EAL program. With the VHHTA's previous team, a peak season tram day would have left only three horses available for visitors at The Stables.

The new team will mean that at any given time, even in busy periods, The Stables, the new 'Behind the Scenes' facility, is able to offer five well rested horses for visitors to share experiences with. A larger team also means that any illness or injury of a horse team member will not place an undue burden upon remaining horses. The benefits of the team expanding are undeniable, and the VHHTA is excited to have sourced such talented, trainable and highly recommended horses, and for a very reasonable outlay. 2023/24 will be exciting indeed!

Causeway Permit and Access Management

The VHHTA secured a twelve month contract from the Department of Infrastructure and Transport, (DIT), to manage access to the Granite Island Causeway. Vehicles may only use the Causeway for approved reasons and with a valid permit.



Permits state clearly the rules and procedures for using the Causeway and permit holders agree in writing to abide by these, displaying hazard lights, travelling at no more than 10km's and not entering when there are other vehicles, including the Horse Tram, on the bridge.

Access to the Causeway is controlled by a boom gate, to which approved permit holders have boom gate access cards. The VHHTA is responsible for screening potential users, issuing and reissuing permits, tracking and deactivating obsolete cards, and educating Causeway users. The VHHTA is perfectly situated to oversee and manage user access, and to observe and ensure compliance with the rules of access.

One of the key advantages of this contract is the VHHTA's increased self-reliance in generating revenue. By taking on the responsibility of boom gate access management, the VHHTA gains a valuable source of income, reducing its reliance on Council funding. This financial independence enables the VHHTA to continue investing in its own operations, ensuring the ongoing maintenance and improvement of the Horse Drawn Tram experiences. The VHHTA has completed one full year of boom gate management and is embarking on a renewed 12 month contract.

Inaugural South Australian Heavy Horse Festival

In a showcase of equine excellence, Clydesdales and other heavy horse breeds competed at the inaugural South Australian Heavy Horse festival at Wirrina in May 2023. The VHHTA entered the competition with Murray, a twelve year old, bay Horse Tram gelding.

In order to compete at the two-day event Murray received competition specific training which paid off. On the first day in the led class, Murray's regal presentation earned him a deserving second place, really catching the judge's eye. Then with precision and unity, Murray and handler Brittany secured first place in the long reining event.

The second day consisted of a combined dressage and cross-country event, and a great performance landed Murray and his rider in fifth place amongst a competitive field. The VHHTA is very proud of the effort that Murray and Brittany made, and we are excited to showcase even more Clydesdales at the next South Australian Heavy Horse Festival.

The VHHTA's presence at the inaugural event put a spotlight on VHHTA's dedication to their tram horses' well-being. Murray's outstanding condition underlines the VHHTA's commitment to their animals' care. This success at Wirrina was a great advertisement for the Horse Tram and promoted the VHHTA's interest in community involvement and support for local events.



Murray and handler, Brittany

Animal Communicator



At the VHHTA we constantly wish our magnificent Clydesdales could talk – so we decided to have an animal communicator come in and listen to our horses and let us know what they are thinking. The results were helpful and at times amusing. The most pleasing thing was that all the horses indicated that they enjoyed being tram horses and enjoyed the work.

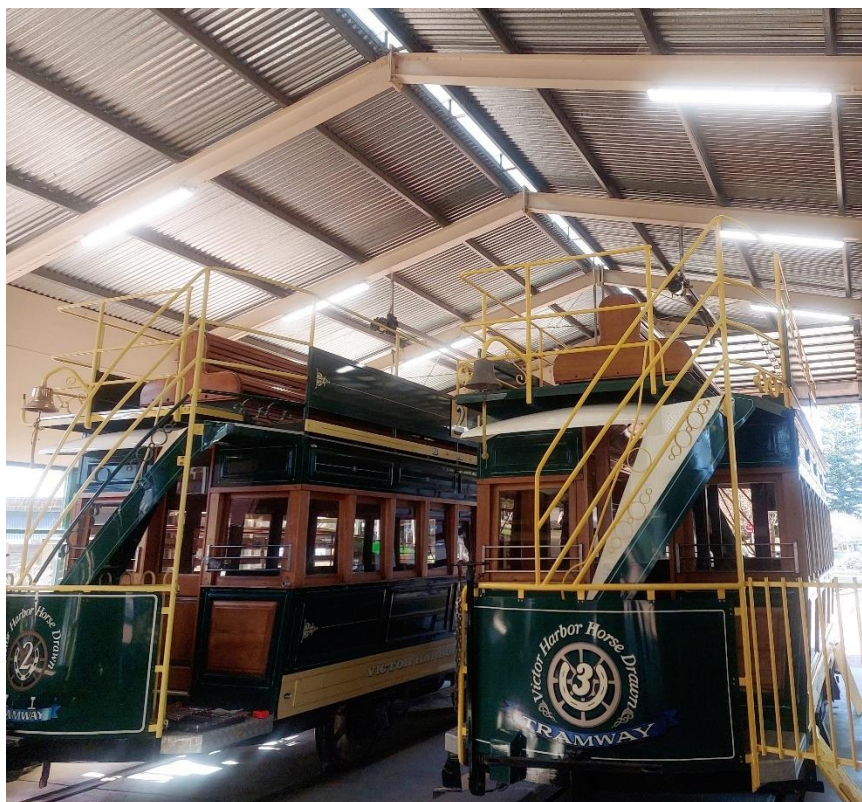


Animal Communication
with Dagmar

Barn Upgrade

The VHHTA has completed a lighting upgrade in the Barn where the Horse Trams are stored. This Barn is a Council-owned asset, and we've undertaken this improvement project to replace the old fluorescent lighting with new LED fixtures. The previous fluorescent globes were very old. Some had missing light covers and presented a danger, and the light covers that were present created dust traps and were difficult to maintain, making the space less safe and efficient.

The transition to LED lighting not only provides superior brightness, enhancing the Barn's lighting quality, but also ensures compliance with Workplace Health and Safety (WHS) standards. This upgrade reduces energy consumption, lowers maintenance costs, and modernizes the facility, aligning it with current lighting technology.



The VHHTA remains committed to not only maintaining Council assets in its care, but to improving them.

Southern Expressway Billboard Advertisement and Survey

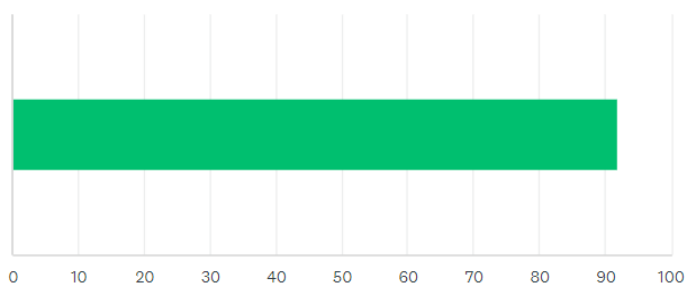
The VHHTA ran a successful advertising campaign right before the September 2022 school holiday break. An advertisement was placed on the Southern Expressway, and ran for two weeks. The VHHTA was able to utilise a still shot from drone footage captured by Duncan McKenzie, to advertise the beauty of Granite Island, ocean, new Causeway and the iconic Horse Tram. The VHHTA received glowing feedback regarding the advert.



To engage with the community and gather public feedback on the billboard advertisement, the VHHTA ran an online survey. VHHTA staff put together a well-crafted online survey that included a mix of multiple-choice questions and open-ended prompts. The questions were designed to gauge various aspects of the public's reaction, such as the overall appeal, effectiveness and reach of the advertisement. Survey participants would access the survey by way of QR codes displayed on trams and on tram platforms. With the advent of QR codes used for COVID safe check-ins, and people's familiarity with the technology, the VHHTA saw an excellent opportunity to reach a broad audience and to collect and collate the public's reactions and opinions about their advertisement. The survey also requested feedback regarding passenger experiences and Horse Tram travel.

Responses were glowing. The advert was well received with no negative feedback. Participants that saw the advert reported really liking it and said that it made them want to visit the tram. Some reported being reminded about the Tram and a few said that they learned about the Tram's existence from the advertisement. All in all, it was a successful advert for both the Horse Tram and the City of Victor Harbor.

Survey participants reported having enjoyed their tram ride to and from Granite Island. There was a lot of great feedback about the fantastic condition of the Clydesdales, the cleanliness of the trams, what a great experience they had enjoyed, and expressing amazement and appreciation that kids ride for free with an adult. The most overwhelming feedback the VHHTA received was glowing praise for our staff, their friendliness, knowledge and skilled and efficient customer service as well as the love and empathy staff display for the horses.



Participants rated their experience on average at 92%.

The VHHTA Junior Program

The junior program is moving ahead in leaps and bounds. This year all of our current juniors graduated from operating as Horse Tram driver assistants to Horse Tram Drivers. It has been a real joy to watch these juniors grow into their roles, acquire skills and confidence, and make the transition into drivers. The juniors are always accompanied and supported by experienced staff, who assist to continue junior's growth and knowledge. With the coming expansion of VHHTA offerings, (at the new stable complex), and the graduation of the VHHTA's current juniors into drivers, the VHHTA expects to soon be in a position to recruit a new crop of juniors. How exciting!

Enhanced Clydesdales' Well-being and Tram Experience with Innovative Equissage Therapy



Scotty having an Equissage

The VHHTA has taken a giant leap forward in ensuring the well-being of the working Clydesdale horses while enhancing the passenger experience on the iconic Horse Tram to and from Granite Island. The VHHTA has recently invested in cutting-edge Equissage therapy, a groundbreaking approach to equine wellness, to ensure their Clydesdales are not only fit and healthy but also provide a relaxing and enjoyable journey for passengers.

Equissage therapy, renowned for its therapeutic benefits in equine care, has been seamlessly integrated into the VHHTA's daily routine. The Clydesdales, known for their strength and gentle demeanour, now receive regular Equissage sessions, providing a myriad of advantages. This unique therapy aids in muscle relaxation, improved blood circulation, and enhanced muscle conditioning. The VHHTA is committed to the well-being of our equine companions and are dedicated to responsible and compassionate horse care.

We are thrilled to introduce Equissage therapy to our Clydesdale team. Our horses are an integral part of the Granite Island Horse Tram experience, and it is the VHHTA's responsibility to ensure their health and happiness. Equissage therapy not only benefits our Clydesdales' physical well-being but also contributes to a calm and enjoyable journey for our passengers.

The Equissage therapy sessions have proven to be a hit with the Clydesdales, who seem to relish the soothing massage and gentle vibrations.

The Loss of Jay Jay

Jay Jay had been owned by Council since he was a yearling. A purebred Clydesdale, he was selected as a future tram prospect by Council. Jay Jay was broken to harness as a five year old and performed Tram duties until he was twelve. Since the formation of the VHHTA Jay Jay had experienced good health and had received outstanding health assessments at his annual veterinary check-ups. Jay Jay had, however, made it clear to staff that he did not enjoy performing Tram duties, and the decision to retire Jay Jay from Tram work was made.

Jay Jay was retained as a member of the team to take on a prominent role in the up and coming 'Behind the Scenes Experiences' that the VHHTA will be offering in 2023/24. Jay Jay would have been performing harness demonstrations and spending time with visitors, all things that Jay enjoyed. Sadly, Jay Jay's health took a sudden and unexpected turn for the worst in early March 2023 and the VHHTA, following veterinary advice, made an end of life decision for Jay Jay.

VHHTA staff had noted that Jay Jay was off his food a little and had a slight swelling in his sheath area on Wednesday, 1 March 2023. Veterinary assistance was sought and during that week a local vet attended three times, examining Jay Jay and organising bloodwork and testing. Jay Jay was also started on antibiotics and anti-inflammatories. Results returned indicated renal changes.

On Tuesday, (7 March 2023), in consultation with the local vet, Jay Jay was admitted to Roseworthy Large Animal Vet Hospital. Jay Jay stayed in hospital for several days and received the best of medical care and attention. Despite all medical assistance available, Jay Jay failed to respond to treatment. The VHHTA were advised that kidney issues in horses are very hard to treat as there are limited drugs and treatment options available for the species. Due to his worsening condition, and grave prognosis provided during consultation with hospital equine specialist veterinarians, the decision was made to humanely euthanise Jay Jay on Friday, 10 March 2023.

The loss of Jay Jay was very sudden and impactful on VHHTA staff as the Horse Tram team have an extremely close connection to all their horses and were devastated by the loss of Jay Jay. The VHHTA actively encouraged staff members to seek support through the Employee Assistance Program to assist them at this sad time.

The veterinary bills and expenses for Jay Jay's medical treatment have been paid out of the VHHTA's 'Maintenance of horses' budget line.



Beautiful Jay

Jay Jay was the gentle giant of the Horse Tram team and will be remembered for his soft and sweet nature. He was a bold, brave and sensitive soul and is sorely missed by all staff and herd buddies..



Jay Jay and Friends

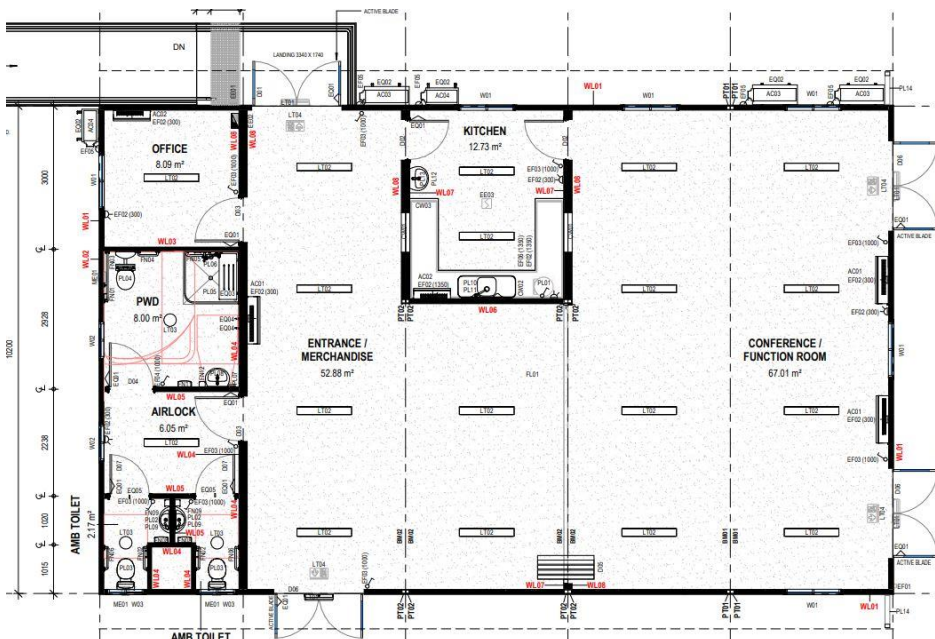
Successful Grant Application

The Authority applied for a grant through the Building Better Regions program to match the funds for building the Stable Complex on the land at Canton Place. The success of this grant was announced in October 2021, and the VHHTA will receive \$203,000 in grant funding. With the project coming to completion the funds will be gratefully received, having helped with the staging of this project and develop the 'Behind the Scenes' offering. The VHHTA cannot thank the Building Better Regions Grant program enough for this substantial financial support to turn this project into a reality, and in turn building the Fleurieu Peninsula into a better region.



Stable Complex Progress

The Stable Complex project is in its final stages, with a completed build expected by September 2023. The Stable component of the project is expected to be built on-site while the Visitor Centre, for the 'Behind the Scenes' Experience' is being fabricated off site, and then delivered and installed in three sections, forming the one large building.

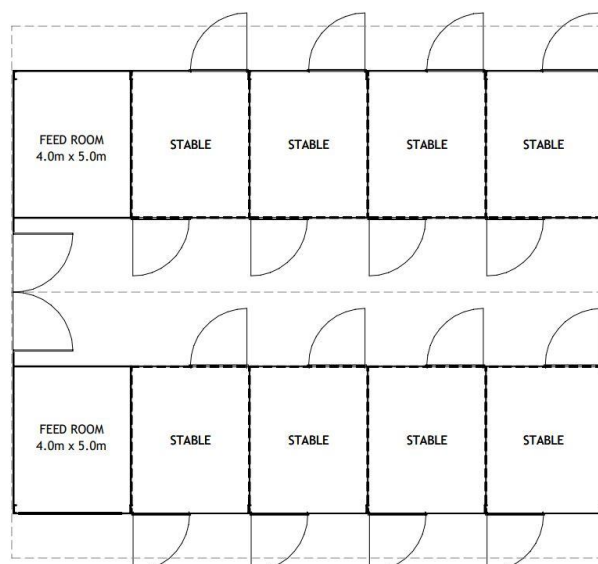


The Visitor Centre includes three bathrooms, a large kitchen for catering purposes, an office and an expansive floor area for functions, conferences, EAL and entertaining visitor groups. The space itself offers the opportunity for another income stream, from the hire of the facility.

The main floor area will host a second merchandise store, given the success of the first merchandise store that the VHHTA opened this year.

The stable hosts 8 large, Clydesdale sized stalls and two feed/storage rooms, equal in size to the stalls. This is intentional so that these rooms may be converted into horse stalls should the VHHTA have the need to in future.


The stable boasts a five metre wide by twenty-two-metre-long raceway, down the centre of the stable, offering the fabulous opportunity to host experiences, such as high teas and birthday parties in this space, with the inclusion of the horses in their stalls for horse appropriate events.



The Development of the ‘Behind the Scenes’ Experience Packages

The VHHTA Board, management and staff have continued to develop and hone ‘Behind the Scenes’ experiences that will provide, up close and personal, opportunities to experience a side of the Horse Tram operations that has not previously been accessible to the public. As well as responding to demand from visitors and locals to get closer to our majestic Clydesdales, it creates the opportunity to diversify the operation into additional experiences which will allow higher margins, better returns and greater employment opportunities. These packages are really coming together.

The new service will:

- Provide insights into existing operations and the history of the Tram service which dates back to 1894;
 - Offer a range of experiences including equine training, educational information, and hands-on demonstrations;
 - Showcase the magnificent Clydesdales from the Horse Drawn Tram and introduce visitors to their home (stables and paddocks);
 - Offer unique experiences for a range of audiences including:
 - Up close and personal exclusive experiences
 - High Teas
 - Horse ‘Meet and Greet’s’
 - Tourist groups
 - School groups
 - Senior groups
- 
- Make it possible to market additional value add opportunities e.g., pony birthday parties, small group experiences, conference facilities for hire, and equine facility rental;
 - Facilitate additional merchandise sales; and
 - Allow for pre-bookings online for individuals and for coach tour groups, overcoming a limitation with the existing service (where weather makes pre-bookings problematic).

Staff Training for Exciting, New Offering



The VHHTA is well on the way to having a fully qualified team able to deliver an Equine Assisted Learning program (EAL) and timed to coincide with the completion of the Stable Complex and Visitor Centre at Canton Place. EAL is a specialist process of experiential learning for diverse clients addressing particular learning goals. The EAL includes personal development experiences for children and adults, or team and corporate development goals for professionals.

EAL may include psychosocial skills building, developing life skills and healthy relationship building. In the professional development setting, an EAL program will be focussed around developing organisational, business- and work-related skills such as working effectively in teams, leadership skills, and communication skills.

Certified EAL practitioners' partner with horses to offer 'equine experiences' to clients, in order to explore and address the learning needs and goals identified. In addition to offering EAL programs to a wide audience, the VHHTA is excited to also work with the local community to support mental health and relationships in the Fleurieu region.

The creation of our EAL program has produced, not just ongoing employment at the Victor Harbor Horse Tram, but careers for some of the highly skilled horse people in the team.

Key Performance Results against 2020/23 Annual Business Plan

In 2019-20 the business plan was focused around operational set-up, change and staff development.

2023-2024 is about key project development:

Priority 1: Finance & Operational growth

Priority 2: The Stables Project / Behind the Scenes Experiences

Priority 3: Communication Strategy

Priority 4: Office & Shop Renovation Planning

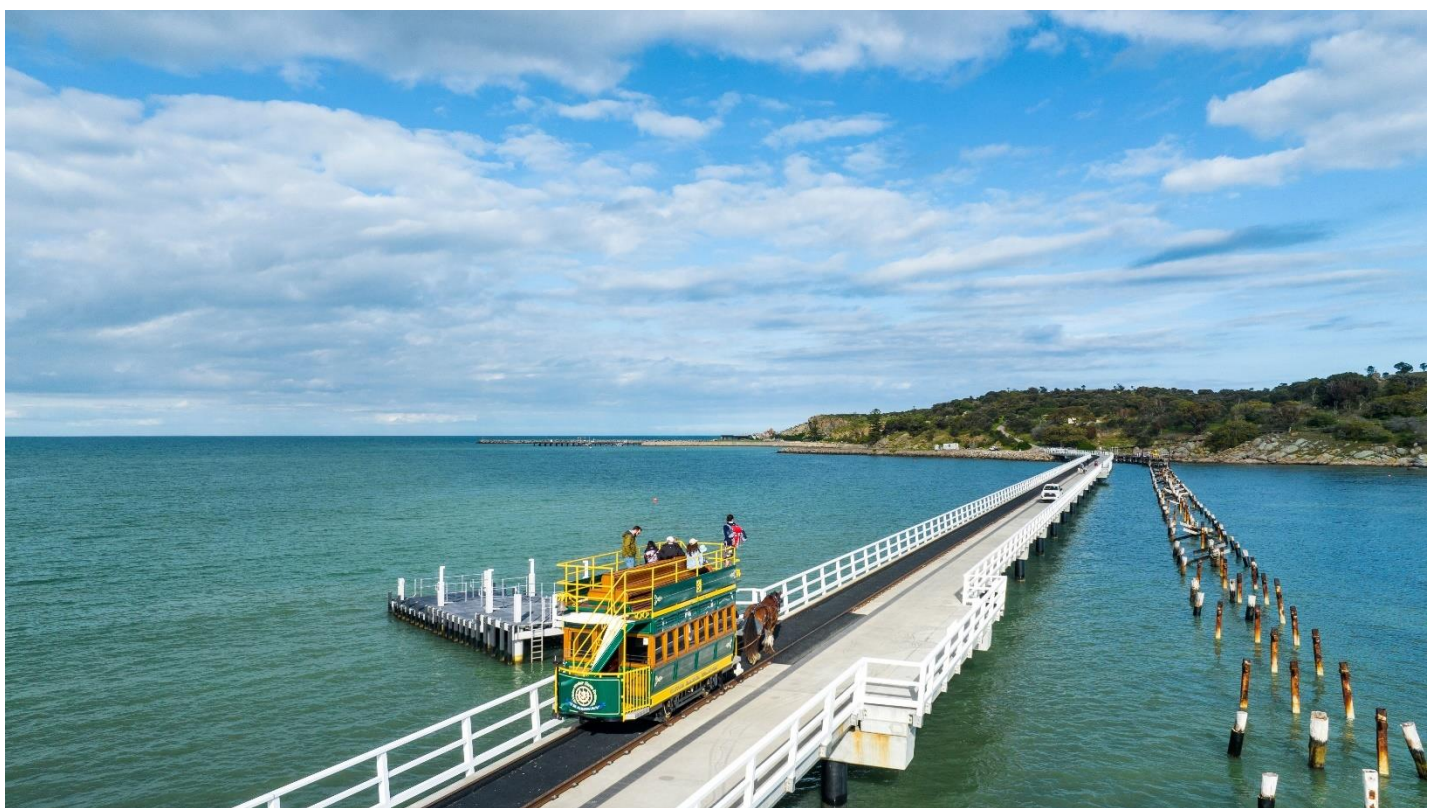
The following pages outline objectives under each of these four key areas and corresponding actions the VHHTA plans to take over the period of the business plan in relation to achievements of these objectives.

Priority 1: Finance & Operational Growth

The Authority has taken strategic steps towards sustainability and growth while ensuring core business operations continue to develop.

1.1 Secure Operational and Capital budget		
Actions	Indicator	Target
Operational budget approved by Board and Council	Approvals received to date	April 2021, 22, 23, 24 Achieved
Capital Budget Approved by Board and Council	Approvals received to date	April 2021, 22, 23, 24 Achieved
Provide quarterly budget/finance reports to the City of Victor Harbor	Quarterly reporting delivered	February, May September 2023 for EOFY November 2023, February, May September 2024 for EOFY Achieved
Undertake budget reviews in line with legislative requirements	Reviews submitted to Board & Council	March, October, December 2023 Mid-Year Review Achieved
1.2 WHS Processes		
Actions	Indicator	Target
Complete Sky trust set-up to track WHS compliance	Staff trained and using	Achieved
Review WHS policies and procedures within time limits required.	No policies or procedures overdue for review	Under review

1.3 Project & Development Funds		
Actions	Indicator	Target
Secure & manage 'Stables Project' budget	Approvals received	Achieved
Secure Sponsorship	\$15,000 secured	October 2023 In progress
Review and grow merchandise Establish online store	\$10,000 income Online store	June 2023 Income Achieved Online store in progress
Budget Office Reno for Budget Bid 21/22	Received by Board & Council	Complete – Office and merch store renovated
Budget Platform improvements for Budget Bid 22/23	Received by Board & Council	Complete – New Platforms built
Review ticket pricing schedule	Board report complete	Annual – February 2023 Achieved and ticket price increase scheduled for September 2023



Drone Footage of Isabella Pulling Tram 3

Priority 2: The Stables Project / Behind the Scenes Experiences

This is an exciting development that will enhance care of the horses, WHS for staff and lead to exciting community engagement with 'Behind the Scenes' experiences. Initially the stables project was conceptualised to focus first on establishing the stables and staff facilities to meet the housing and care needs of the Clydesdales and staff. Board vision to reduce the VHHTA's reliance on Council, combined with tourism grant funding, via the Building Better Regions Fund – Infrastructure Projects Stream, has led to the development and building of the 'Behind the Scenes' experiences simultaneously and in conjunction with the stable project.

2.1 Project Planning		
Actions	Indicator	Target
Confirm Project Team	Regular meetings	Complete
Draft Project Schedule	Consultation with Board mentors	Complete July 2022
Finalise Stage 1 Project Plans	Received by Board & Council	Complete
Plan approved by Council	Approval	Complete
2.2 Project Implementation		
Actions	Indicator	Target
Secure land for Horses	Fenced and secure	Complete
Public Consultation	Feedback received	Complete – Ongoing
Approach Sponsors	5 Proposals & meetings	March 2023
2.3 Build		
Actions	Indicator	Target
Confirm build team		Complete
Commence build	February 2023	May 2023
Complete build	Horses moved in, Council Member Tour	June 2023 Build completion date revised to August 2023
2.4 Forward Planning		
Actions	Indicator	Target
Draft Behind the Scenes Experience Packages	Workshopped by Board	Achieved

Priority 3: Communication Strategy

After strategic analysis of the communication priorities in the current climate, based on the situation of the Horse Drawn Tram, it became clear that developing effective relationships and strategic partners was more important than efforts towards customer attraction.

3.1 Effective Communication		
Actions	Indicator	Target
Regular Council updates and dialogue	5 in person meetings	2021/22/23/24 Achieved
Regular staff and project team meetings	1 / fortnight	Ongoing
Partner with SA icons, as well as Visitor Experience/Tour Operators to increase Horse Tram promotions/exposure		March 2024
3.2 Strategic Partnerships		
Actions	Indicator	Target
Meet with key government and SATC Stakeholders	5 Key Meetings	Ongoing
Open Communication lines with Cause-Way Project team to ensure Horse specific needs and safety are met.	Staff Member consulted	Complete
Partner with SA icons, and local Tourist Attractions and Venues to increase Horse Tram promotions/exposure	Key Relationships developed	June 2024
3.3 Marketing		
Actions	Indicator	Target
Develop a One-page Marketing Plan based on Strategic Planning Workshop Findings	One-Page Plan in Business Plan	Achieved
Seek high-level media Opportunities & Stories	5 Media Stories	Ongoing
Consistent Social Media Content Publication	Weekly Stories	Ongoing
Full Marketing Plan through a consultant	Plan Complete	2023 In Progress

Priority 4: Office & Shop Renovation Planning

The Authority intends to improve point-of-sale/customer service experience at the tram office as well as staff facilities by renovating the current office and shop facilities. This will vastly improve the service, possible income streams and staff effectiveness, retention, WHS and wellbeing.

4.1 Office and Shop Renovation		
Actions	Indicator	Target
Create Project team	Assembled and terms of reference agreed.	Achieved
Draft three designs based on functionality and attractive enhancements	Place received by Board	Achieved
Engage professional to draw up designs based on drafts and consultation.	Engaged & work completed.	Achieved
Cost the project	Budgeted	Achieved
4.2 Merchandise		
Actions	Indicator	Target
Review current line	Review to Management	Annual – June 2022/23 Achieved
Establish online store	Store live on Website	June 2024

Looking Ahead



Elliot's Stunning Blue Eye

The VHHTA has been supporting the accreditation of staff to deliver equine assisted therapies, which are used to improve mental health and for personal and professional development. Given the mental health crisis in South Australia, and only exasperated by COVID-19, the VHHTA is moving towards offering 'Equine Assisted Learning', (EAL), delivering personal and professional development initially, and into the future 'Equine Assisted Therapy' as staff skills and training are acquired. Four staff members are currently undertaking an EAL course, and one staff member has completed her qualifications and is currently expanding her experience as a practitioner.

The training will see the five-person team, trained and qualified, implement a program to provide EAL services to our local community. EAL is a unique approach to experiential learning, where clients are offered safe experiences with horses for the purposes of personal development, social, emotional and relationship skills building, enhancing quality of life and professional skills development, (e.g., leadership skills, team building and corporate goals), with horses as assistants, co-facilitators and teachers in this process. Feedback regarding the coming program has been positive, so watch this space.

With the new Stable Complex almost complete the VHHTA is about to embark on a transformational journey. The horses and staff will have a facility appropriate for the care and welfare of these amazing animals. Very soon the VHHTA will be able to invite visitors in for Behind the Scenes Experiences, where the public can spend time with the tram horses at the stables. They will be treated to entertaining and educational talks provided by their experienced hosts, receive demonstrations of the Clydesdale's skills and horse care, as well as horsey high teas and other exciting events.

Guests will be provided with the opportunity to interact with the horses, getting to know them in their home environment, an offering that is very frequently requested by tram passengers and the broader public. The Board, with its vast array of skills, ideas and talents can at times struggle to hold back its enthusiasm and marketing ideas for this amazing, iconic, public service that the VHHTA offers.

This year new staff were successfully trained, through the VHHTA's rigorous training program, reinforcing the professional nature of the iconic service. Moving forward, the VHHTA intends to improve on staff offerings, introducing an entertaining and educational piece, to be provided to passengers during their journey on the tram.

The VHHTA's knowledgeable staff will recount the Ramindjeri and Ngarrindjeri Dreaming stories embedded in the new Causeway—an endeavor that preserves and champions the heritage of Australia's First Nations while elevating the overall visitor experience. Staff are already adept at providing a vast array of information to individual consumers. The VHHTA is looking forward to improving and polishing these skills to ensure that the information can be conveyed to a larger audience.



The VHHTA 2022/23 Herd

Looking ahead, the VHHTA is feeling very positive about the future. The groundwork laid for new opportunities and offerings is expected to yield substantial dividends in the years to come. With uninterrupted tram services, the allure of 'Behind the Scenes' experiences, the multifaceted utility of the new Stable Complex and Visitor Centre, and the community-wide benefits of the VHHTA's EAL program along with an expanded equine team, the sky is the limit.



Isabella's First Journey on the New Causeway

Financial Results

The results of the financial year 2022/23 are impressive and warrant celebration. The VHHTA ended the year with a paper figure surplus of around \$161,000. This is the first full year of operation with no interruptions re rail replacement or new causeway since the VHHTA's inception and it is a great sign of what's to come.

Please see Profit and Loss breakdown

Victor Harbor Horse Tram Authority Budget 2022/23

Income	Description	YTD 22/23	Revised 3	Variance (\$)	Variance Comments
Ticket Sales	Casual and Group bookings	809,360	756,000	(53,360)	
	Souvenir sales and donations/sponsorship	146,847	142,000	(4,847)	
Other Income	Department of Infrastructure and Transport			-	
	Behind the scenes	-	-	-	
	DIT Boom gate monitoring	39,557	40,000	443	
	Council Contribution	415,000	415,000	-	
	Interest and Other Income	36,527	4,570	(31,957)	Trade in of Triton ute
Total Income		1,447,290	1,357,570	(89,720)	

Expenses	Description	YTD 22/23	Revised 3	Variance (\$)	Comments
Employee Costs	Salaries, superannuation & workcover	698,280	720,000	21,720	
Depreciation	Depreciation for fixed assets	51,639	51,376	(262)	
Administration	Travel, stationary, printing, communication, insurance, utilities,	89,636	120,185	30,549	Vehicle costs down due to repayments through the capital plan
Maintenance	Building, tram, paddock and equipment maintenance	48,640	40,000	(8,640)	Tram maintenance
	Horse Care - feed, farrier and vet fees	113,952	75,000	(38,952)	Horse health care expenses up
Marketing	Advertising, promotions, and souvenir purchases	121,498	112,000	(9,498)	Souvenir purchase expenses up due to sales
Other Expenses	Committee, cleaning, consultants, professional services, volunteer and staff amenities	81,070	80,148	(921)	
Administration charge	Rent on Assets	5,066	14,855	9,789	Less due to ROU allocation line.
Corporate Support	IT, Finance, Records and Administration	69,134	73,000	3,866	
Total Expenses		1,278,913	1,286,565	7,652	
TOTAL BUDGET		168,378	71,005	(97,372)	



**Victor Harbor Horse Tram
Authority**
General Purpose Financial Reports
for the year ended 30 June 2023

Victor Harbor Horse Tram Authority
General Purpose Financial Reports
for the year ended 30 June 2023

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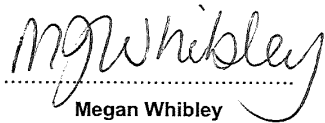
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**Victor Harbor Horse Tram Authority
Annual Financial Statements
for the year ended 30 June 2023**

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Megan Whibley
General Manager



Nigel Catt
Chairperson

Date: 28-9-2023

Victor Harbor Horse Tram Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
INCOME			
User charges	2	954	384
Other income	2	493	461
Total Income		1,447	845
EXPENSES			
Employee costs	3	733	524
Materials, contracts & other expenses	3	485	271
Depreciation, amortisation & impairment	3	51	33
Finance costs	3	9	3
Total Expenses		1,278	831
OPERATING SURPLUS / (DEFICIT)		169	14
NET SURPLUS / (DEFICIT)		169	14
transferred to Equity Statement		169	14
TOTAL COMPREHENSIVE INCOME		169	14

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

Victor Harbor Horse Tram Authority
Statement of Financial Position
as at 30 June 2023

ASSETS	Notes	2023	2022
		\$'000	\$'000
Current Assets			
Cash and cash equivalents	4	161	91
Trade & other receivables	4	18	8
Total Current Assets		<u>179</u>	<u>99</u>
Non-current Assets			
Infrastructure, property, plant & equipment	5	210	163
Total Non-current Assets		<u>210</u>	<u>163</u>
Total Assets		<u>389</u>	<u>262</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	6	63	81
Borrowings	6	33	33
Provisions	6	38	48
Total Current Liabilities		<u>134</u>	<u>162</u>
Non-current Liabilities			
Borrowings	6	54	87
Provisions	6	34	15
Total Non-current Liabilities		<u>88</u>	<u>102</u>
Total Liabilities		<u>222</u>	<u>264</u>
NET ASSETS		<u>167</u>	<u>(2)</u>
EQUITY			
Accumulated surplus		167	(2)
TOTAL EQUITY		<u>167</u>	<u>(2)</u>

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

Victor Harbor Horse Tram Authority
Statement of Changes in Equity
for the year ended 30 June 2023

	2023	Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
	Notes	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period		(2)	-	-	(2)
Net Surplus / (Deficit) for Year		169	-	-	169
Balance at end of period		167	-	-	167

	2022	Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
	Notes	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period		(16)	-	-	(16)
Net Surplus / (Deficit) for Year		14	-	-	14
Balance at end of period		(2)	-	-	(2)

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

Victor Harbor Horse Tram Authority
Statement of Cash Flows
for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		1,055	868
Other revenues		448	-
<i>Payments:</i>			
Employee costs		(707)	(517)
Materials, contracts & other expenses		(586)	(335)
Finance payments		(9)	-
Net Cash provided by (or used in) Operating Activities		<u>201</u>	<u>16</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Payments:</i>			
Expenditure on new/upgraded assets		<u>(98)</u>	<u>-</u>
Net Cash provided by (or used in) Investing Activities		<u>(98)</u>	<u>-</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Payments:</i>			
Repayment of principal portion of lease liabilities		<u>(33)</u>	<u>-</u>
Net Cash provided by (or used in) Financing Activities		<u>(33)</u>	<u>-</u>
Net Increase (Decrease) in cash held		<u>70</u>	<u>16</u>
 Cash & cash equivalents at beginning of period	4	<u>91</u>	<u>75</u>
Cash & cash equivalents at end of period	7	<u>161</u>	<u>91</u>

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

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian 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 26th September 2023.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of The City of Victor Harbor.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

Victor Harbor Horse Tram Authority operates as a subsidiary pursuant SA Local Government Act 1999 and has its principal place of business at 1 Bay Road, Victor Harbor. These consolidated financial statements include the Authorities direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

3.1 Revenue

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

In cases where there is an 'enforceable' contract with a customer with '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 Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when the Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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.

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments also form part of Note 8.

5 Infrastructure, Property, Plant & Equipment

5.1 Initial Recognition

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

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

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by 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. Examples of capitalisation thresholds applied during the year are given in Note 5. No capitalisation threshold is applied to the acquisition of land or interests in land.

5.3 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are shown in Note 5. 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.

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

5.4 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 the Authority were deprived thereof, are not subject to impairment testing.

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

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

6 Payables

6.1 Goods & Services

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

7 Provisions

7.1 Employee Benefits

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 on costs) 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 on-costs) 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.

Weighted average discount rate	1.29%
Weighted average settlement period	1.81 years

No accrual is made for sick leave as the Authority 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.

Superannuation:

The Authority makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 12.

8 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.

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 1 - Significant Accounting Policies

The Authority as a lessee

The Authority 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 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 incentives received and the estimate of costs to be incurred to restore the leased asset.

Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and equipment 3 to 10 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 5.4 - Impairment of non-financial assets above.

ii) 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 present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

9 GST Implications

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

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

10 Economic Dependence

The Authority provides horse tram services to the City of Victor Harbor and annually charges a fee to the council to fund the costs of operating the Authority. The Authority is economically dependent on the Council annually funding the cost of the Authority's operations given insufficient income is generated through other services provided to fund the costs of operating the Authority.

For the 2022/23 financial year, the Council's contributed income accounted for 28.68% (2022: 49.14%) of the total Operating income recorded by the Authority.

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	Notes	2023 \$'000	2022 \$'000
USER CHARGES			
Ticket Sales		809	348
Souvenir Sales		145	36
		<u>954</u>	<u>384</u>
OTHER INCOME			
Council Contributions		415	415
Department of Infrastructure & Transport Payments		40	41
Other		38	5
		<u>493</u>	<u>461</u>

Note 3 - EXPENSE

	Notes	2023 \$'000	2022 \$'000
EMPLOYEE COSTS			
Salaries and Wages		624	450
Employee leave expense		9	6
Superannuation - defined contribution plan contributio	12	60	41
Workers' Compensation Insurance		5	3
Other employment related costs		35	24
Total Operating Employee Costs		<u>733</u>	<u>524</u>
Total Number of Employees		8	9
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		3	3
Board expenses		15	12
Equipment Rent		-	6
Lease Expenses - short term leases	11	5	-
Subtotal - Prescribed Expenses		<u>23</u>	<u>21</u>

Note 3 - EXPENSE (con't)

		2023	2022
	Notes	\$'000	\$'000
<u>Other Materials, Contracts & Expenses</u>			
Advertising		40	4
Contractors		-	3
Insurance		35	35
Maintenance		163	72
Office Expenses		11	-
Printing & Stationery		4	1
Professional services		87	76
Souvenirs		82	-
Utilities		13	-
Vehicle Expenses		17	-
Other Expenses		10	59
Subtotal - Other Materials, Contracts & Expenses		<u>462</u>	<u>250</u>
		<u>485</u>	<u>271</u>
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant & Equipment		18	-
Right of use assets	11	33	33
		<u>51</u>	<u>33</u>
FINANCE COSTS			
Bank Fees		7	-
Interest on Leases		2	3
		<u>9</u>	<u>3</u>

Note 4 - CURRENT ASSETS

		2023	2022
	Notes	\$'000	\$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		84	91
Short Term Deposits & Bills, etc		77	-
		<u>161</u>	<u>91</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		18	8
		<u>18</u>	<u>8</u>

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

Fair Value Level	2022 \$'000				2023 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant & Equipment	-	44	-	44	-	142	(18)	124
Right of use assets	-	166	(47)	119	-	166	(80)	86
Total IPP&E	-	210	(47)	163	-	308	(98)	210
	-	166	(14)	152	-	210	(47)	163

Comparatives

2022 \$'000	Carrying Amounts Movement During the Year \$'000										2023 \$'000
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount	
		New / Upgrade	Renewals				In	Out			
44	98	-	-	(18)	-	-	-	-	-	124	
119	-	-	-	(33)	-	-	-	-	-	86	
163	98	-	-	(51)	-	-	-	-	-	210	
152	210	-	-	(47)	-	-	-	-	-	163	

Comparatives

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 5 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

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

Capitalisation thresholds used by the Authority 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 & Equipment	1,000
Other Plant & Equipment	1,000
Vehicles	1,000

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:

Plant, Furniture & Equipment

Café Equipment	5 to 8 years
Office Equipment	5 to 10 years
Vehicles and Road-making Equip	5 years
Other Plant & Equipment	5 to 10 years

Other Assets

Right-of-use assets (refer Note 11)	5 to 7 years
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Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - LIABILITIES

	Notes	2023		2022	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		36	-	81	-
Accrued expenses - employee entitlements		22	-	5	-
GST Payable		5	-	(5)	-
		<u>63</u>	<u>-</u>	<u>81</u>	<u>-</u>
BORROWINGS					
Leases Liabilities	11	33	54	33	87
		<u>33</u>	<u>54</u>	<u>33</u>	<u>87</u>

All interest bearing liabilities are secured over the future revenues of the Authority.

PROVISIONS

LSL Employee entitlements (including oncosts)		13	34	32	15
AL Employee entitlements (including oncosts)		25	-	16	-
		<u>38</u>	<u>34</u>	<u>48</u>	<u>15</u>

Movements in Provisions - 2023 year only
(current & non-current)

	Insurance Losses	Future Reinstatement	Leave & Other Provision
Opening Balance	-	-	63
Add Additional amounts recognised	-	-	22
Add (Less) Remeasurement Adjustments	-	-	(13)
Closing Balance	<u>-</u>	<u>-</u>	<u>72</u>

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2023 \$'000	2022 \$'000
Total cash & equivalent assets	4	161	91
Balances per Cash Flow Statement		<u>161</u>	<u>91</u>

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

Net Surplus (Deficit)		169	14
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		51	-
Net increase (decrease) in unpaid employee benefits		<u>9</u>	<u>7</u>
		229	21
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(10)	23
Net increase (decrease) in trade & other payables		<u>(18)</u>	<u>(28)</u>
Net Cash provided by (or used in) operations		<u>201</u>	<u>16</u>

(c) Financing Arrangements

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

Corporate Credit Cards	3	-
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Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits **Accounting Policy:** initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned

Terms & conditions: Deposits are returning fixed interest rates between 0% and 5%. Short term deposits have an average maturity of 150 days and an average interest rate of 5%.

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

Receivables - Fees & other charges

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

Terms & conditions: Unsecured, and do not bear interest. Although Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

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.

Liabilities - Finance Leases **Accounting Policy:** accounted for in accordance with AASB 16 as stated in Note 11

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	161	-	-	161	161
Receivables	18	-	-	18	18
Total	179	-	-	179	179
<u>Financial Liabilities</u>					
Payables	63	-	-	63	63
Lease Liabilities	35	55	-	90	87
Total	98	55	-	153	150

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - FINANCIAL INSTRUMENTS (con't)

2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	91	-	-	91	91
Receivables	-	-	-	8	8
Total	91	-	-	99	99
<u>Financial Liabilities</u>					
Payables	-	-	-	81	81
Total	-	-	-	81	81

Net Fair Value

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

Risk Exposures:

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any impairment. All the Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 4 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of 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 Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available standby borrowing facilities that it can access.

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

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INDICATORS

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. Detailed methods of calculation are set out in the SA Model Statements.

	2023	2022
Operating Surplus Ratio		
<u>Operating Surplus</u>	11.7%	1.7%
Total Operating Income		

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

Net Financial Liabilities Ratio		
<u>Net Financial Liabilities</u>	3%	20%
Total Operating Income		

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Adjusted Operating Surplus Ratio	11.7%	1.7%
Adjusted Net Financial Liabilities Ratio	3%	20%

Asset Renewal Funding Ratio	
<u>Outlays on Existing Assets</u>	0%
Asset Renewals - IAMP	

Net asset renewals expenditure is defined as net 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.

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis, adjusted for timing differences associated with prepaid Federal assistance Grants required to be recognised as revenue on receipt in accordance with Australian Accounting Standards.

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

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

	2023	2022
	\$'000	\$'000
Income		
<i>User charges</i>	954	384
<i>Other income</i>	493	461
	1,447	845
Expenses		
<i>Employee costs</i>	(733)	(524)
<i>Materials, contracts and other expenses</i>	(485)	(271)
<i>Depreciation, amortisation and impairment</i>	(51)	(33)
<i>Finance costs</i>	(9)	(3)
	(1,278)	(831)
Operating Surplus / (Deficit)	169	14
Net Outlays on Existing Assets		
Add back Depreciation, Amortisation and Impairment	51	33
	51	33
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(98)	-
	(98)	-
Annual Net Impact to Financing Activities	122	47

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - LEASES

The Authority as a Lessee

Right of Use Assets

The Authority has entered into a hire agreement with the City of Victor Harbor for the use of plant and equipment used in the delivery of horse tram services.

Set out below are the carrying amounts (written down value) of right of use assets recognised within Infrastructure Property, Plant & Equipment and the movements during the period:

Right of Use Assets (Carrying Value)	Building & Other Structures	Plant, Machinery & Equipment	Office Equipment	Total
At 1 July 2022	-	119	-	119
Depreciation Charge	-	(33)	-	(33)
At 30 June 2023	-	86	-	86

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

	2023
Opening Balance 1 July 2022	119
Payments	(33)
Closing Balance 30 June 2023	86
Current	33
Non Current	54

The maturity analysis of lease liabilities is included in Note 8.

The Authority had total cash outflows for leases of \$33K.

The following are amounts recognised on profit or loss:

Depreciation expense right of use assets	33
Interest expense on lease liabilities	2
Expenses relating to short term leases	5
Total amount recognised in profit and loss	40

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 – SUPERANNUATION

The Authority 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 (10.5% in 2022-23; 10% in 2021-22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2021-22) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2022. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

Victor Harbor Horse Tram Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Members of the Board, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 5 persons were paid the following total compensation:

	2023 \$	2022 \$
Salaries, allowances & other short term benefits	117	113
TOTAL	117	113

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Authority have not been included above.

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

No key management personnel or parties related to them had any transactions during the year on terms more favourable than those available to the general public.

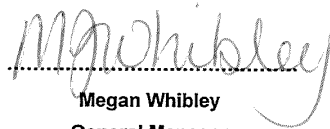
Related Party Entities	Sale of Goods & Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Victor Harbor	415	-	Provision of Horse Tram Services to local community

The Related Parties disclosed is the 100% equity owner of the Authority and are referred to as the Member Council. The member Council has 100% control and influence on the financial and operating decisions of the Authority.

Victor Harbor Horse Tram Authority
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Victor Harbor Horse Tram Authority for the year ended 30 June 2023, 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*.



Megan Whibley
General Manager



John Morgan
Audit Committee Chair

Date: 26.09.2023



Southern and Hills
Local Government
Association
Annual Report
2022/23



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Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS
REGIONAL
PRODUCT

63,519
EMPLOYED
RESIDENTS

5,539
KILOMETERS OF
LOCAL ROADS

132,206
REGIONS
POPULATION

TOURISM
Destination

Councils Total
Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry
Employment
**Health Care and
Social Assistance**



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 131,000 people as of 30th June 2022.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as S&HLGA president during 2023 as we have emerged from Covid and the 2022 Local Government elections.

This has been a year of consolidation and continuing the positive work of our key programs concerned with Transport, Public Health and Community Wellbeing and Climate Change impacts in our region. These programs and activities are all designed to drive and improve the wellbeing of our communities.

We have commenced collecting and analysing data and evidence to populate the Community Wellbeing Indicators. We are doing the same for our Climate Change impacts and tracking how we are doing against the model projections of our Regional Climate Adaptation Plan. We will persist with this exercise for some time.

I draw your attention to our key project during 2023 which was the Commonwealth funded (via the Preparing Australian Communities) "Bushfire and Biodiversity – Building balanced long term regional resilience". This project identified and showcased projects and case studies to map effective strategies and pathways to improve both bushfire resilience and biodiversity management for landholders and landscapes in our region.

The S&HLGA Board commissioned Jeff Tate Consulting to undertake a strategic review of the 2021-2025 Business Plan and the organisation. The Board is digesting the recommendations from this review and will seek to adopt and implement them during the following year.

We have continued to cement our many very valuable regional stakeholder and partner relationships, as well as maintaining and reviewing key performance and governance documents such as the Annual Key Action Plan and Annual Budget.

I also take this opportunity to thank outgoing President Mayor Keith Parkes for his leadership over the past years.

Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2022-2023 by Jen St Jack and Olivia Davies as co-ordinators of the Regional Climate Adaption Plan and associated projects.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs and nominated representatives to the S&HLGA Board.

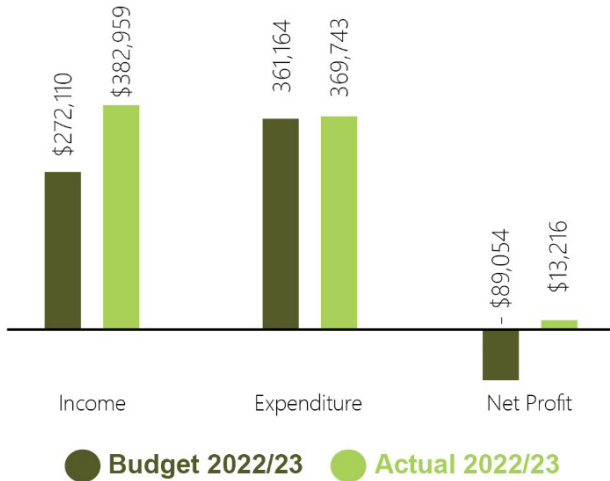
**Mayor Moira Jenkins
President**



2022/23 Dashboard

Financial Performance:

2022/23 Budget vs Actual



2022/23 Key Project:



Bushfire and Biodiversity – Building balanced long term regional resilience

The Commonwealth’s Preparing Australian Communities Program funded the ‘Bushfire and Biodiversity - Building balanced long term regional resilience’ program.

This program identified and showcased projects and case studies to map effective strategies and pathways to improve both bushfire resilience and biodiversity management for landholders and landscapes within our region.

Key Program Achievements:



Transport

- \$2.2 million funding for roads through the Special Local Roads Program
- Migration to QGIS digital mapping



Public Health

- Endorsed the new Southern and Hills LGA 2022-2027 Regional Public Health and Wellbeing Plan
- Collecting data and evidence for Community Wellbeing indicators



Climate Change Adaptation

- Collected and presented preliminary evidence of actual tracking vs model projections of Regional Climate Change impacts
- Continued implementing and monitoring the Regional Hills and Coasts 2020-2025 Regional Action Plan



Strategy and Governance

- Undertook a comprehensive strategic review of the Southern and Hills LGA (organisation) and our 2021-2025 Business Plan

ORGANISATION

S&HLGA Organisation and its Board structure,
members and office bearers

The Southern and Hills Local Government Association Board

July 2022

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken A/CEO David Waters (Nov 2022)
Alexandrina Council	Mayor Keith Parkes	CEO Nigel Morris
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopoulos
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Simon Rothwell Mayor Darryl Houston	CEO Nathan Cunningham

Council	Proxy Representative	Role
Adelaide Hills	Cr Kirsty Parkin Natalie Armstrong	Councillor
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor	Cr David Kemp	Deputy Mayor
District Council of Yankalilla		Deputy Mayor

Office Bearers 2022 – 2023

President	Mayor Keith Parkes*, Alexandrina Mayor Moira Jenkins#, City of Victor Harbor * resigned February 2023, # appointed February 2023
Deputy President	Mayor Jan-Claire Wisdom, Adelaide Hills Council

Executive Officer	Mr Graeme Martin
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Auditor	Ms Itisha Anand, Luke Bollmeyer – Accru+ Harris Orchard
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Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes (resigned Feb 2023) Mayor Moira Jenkins Mayor Jan – Claire Wisdom (via Metro/GAROC)
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Delegates to SAROC	Mayor Darryl Houston	District Council of Yankalilla
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2022 - 2023	Mayor Moira Jenkins ^H	City of Victor Harbor	Graeme Martin
2021 - 2022	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017 ^h From February 2023

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
26 August 2022	Mt Barker
21 October 2022	Yankalilla
9 December 2022	Alexandrina
24 February 2023	Kangaroo Island
28 April 2023	Adelaide Hills
23 June 2023	Alexandrina

Key Issues acted on by the Board included:

- o Updating and maintaining of the S&HLGA Website to the LGA Squiz platform
- o Finalising and implementing the new 2022-2027 S&HLGA Regional Public Health and Wellbeing Plan
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Success with grant funding and commencing the “Bushfire & Biodiversity Project- Building balanced, long term regional resilience”.
- o Strategic review of S&HLGA organisation with a focus on a mid-term review of the organisation’s Business Plan 2021 – 2025.
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Implementing the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o 8 various speakers addressed meetings of the Board over the period 2022-2023.

The Board reviewed its achievements to date via the 2022-2023 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2023-2024.

In addition the Board conducted a Strategic Review of the organisation with a focus on its 2021-2025 Business Plan and preparing for its successor plan.

At the commencement of 2022-2023 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The Table 1 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years.

	2018	2019	2020	2021	2022
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202	\$21,570
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087	\$403,357
Return on Investment	3,375%	3,385%	2,968%	2,466%	1,870%

Table 1

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs
and projects undertaken during 2022-2023

Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

	Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
1	Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
2	Resilient Hills & Coast - Climate change Adaptation	Committee member	Every 2 months	ongoing
3	Regional Economic Development Officers	Committee member	Every 2 months	ongoing
4	Regional EO Management Group	Secretarial/Administration	Every 2 months	Precedes SAROC
5	S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
6	S&HLGA Roads Works Group	Secretarial/Administration	at least 3 times per annum	ongoing
7	S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
8	SAROC	Advisor/Observer	Every 2 months	ongoing
9	SACCA	Observer	As necessary	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
20 September 2022	HDS (Aust) Pty Ltd offices
16 March 2023	On Line

Key achievements and outcomes:

- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2023 – 2024 based on the new 2030 Transport Plan critical Roads database.
- Further input into the South Coast Freight Corridor concept and SE Freeway issues.
- QGIS software licence and Roads Hierarchy Mapping support finalised

The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2023 – 2024.

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Range Road	Yankalilla	\$1,200,000	\$800,000	\$400,000	Stage 1 of 1
Spring Road	Kangaroo Island	\$2,100,000	\$1,400,000	\$700,000	Stage 1 of 3
Total		\$3,300,000	\$2,200,000	\$1,100,000	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
12 August 2022	On line
29 November 2022	On line
28 February 2023	On line
19 May 2023	Strathalbyn

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- The Ministerial endorsement and commencement of the new 2022-27 S&HLGA Regional Public Health and Wellbeing Plan.
- Commenced partnership with LGA to advance investigation into Hoarding and Squalor
- Commenced population of the regional Community Wellbeing Indicators dataset
- Partnered with LGA to modify Squiz web platform to incorporate inclusion communications



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
11 August 2022	District Council of Yankalilla
14 October 2022	Kangaroo Island Landscape Board
8 December 2022	Mt Barker District Council
30 March 2023	Adelaide Hills, Stirling
1 June 2023	Mt Barker District Council

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various “Climate Change” State Government agencies and authorities

Key achievements and outcomes:

- Successful appointment of Nature Conservation Society of SA to undertake a federally funded regional and community Resilience study – Balancing Bushfire & Biodiversity
- Successful Council & partner funding for the continuance of the Resilient Hill & Coasts project co-ordinator
- Collected and presented preliminary evidence of actual tracking v model projections of Regional Climate Change impacts
- Approved migration to stand alone Resilient Hills and Coasts website
- Rolled out a series of outreach sustainable homes webinar series



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
8 August 2022	Mount Compass
7 November 2022	Langhorne Creek
13 February 2023	City of Victor Harbor
8 May 2023	Adelaide Hills Council, Stirling

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs
- Received Key speakers and presentations on Small Business, Hydrogen opportunity, Community Wealth building, RAA EV charging network
- Developed and reviewed a list of Private, public and Policy projects

	Regional LGA Organisations EO Management Group
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The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
24 August 2022	On line
3 November 2022	Adelaide Hills
16 February 2023	Mintaro
18 April 2023	LGFA offices
27 June 2022	On Line

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support

Key achievements and outcomes:
○ Guidance and assistance with the regional road mapping exercise. Formed working task group (QGIS)
○ Assisted Legatus Group in funding and developing Regional Local Government Workforce and careers project
○ Worked with LGA to define the role and responsibility of regional organisation Executive Officers and SAROC/LGA
○ Continued to advocate on regional CWMS and Waste issues
○ Advocacy on the regional housing crisis, regional workforce development and regional mental health services



S&HLGA Advisory Group

The S&HLGA Advisory Group consists of the respective S&HLGA President and Deputy President and CEOs of the President and Deputy President Councils.

The S&HLGA Advisory Group held meetings on:

Date	Host
4 August 2022	Alexandrina
16 May 2023	City of Victor Harbor

Primary tasks and focus for this committee:

- Support the Southern & Hills LGA Executive Officer in reviewing the progress of the Southern & Hills Regional Key Action plan and Business Plan.
- To provide strategic advice to the Southern & Hills LGA and its Executive Officer.
- Provide a forum for, support and exchange of ideas around local government.
- Undertake the performance review of the Executive Officer of the Southern & Hills LGA in accordance with relevant contract requirements.
- Report back to the Southern & Hills LGA Board on projects and tasks as required.

Key achievements and outcomes:

- Developed a briefing paper for Minister for Transport visit to the region
- Revised the S&HLGA Board meeting Agenda format
- Reviewed and recommended the S&HLGA 2022-2023 Draft Budget
- Made recommendations with respect to the Jeff Tate S&HLGA Strategic Review Report



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings for S&HLGA Board meetings and collegiate support to prepare submissions on behalf of regional Councils.



MP Relationships

The EO S&HLGA met regularly with the regions State government Members of Parliament (Finniss, Mawson, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings along with the regions State government MPs

Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- LGA Building Capacity progress report
- LGA Building Capacity final report 2022-2023
- Bushfire and Biodiversity final report and acquittal.
- SAROC delegate report
- ESCOSA Council Oversight Fee structure

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council), Mayor Keith Parkes (Alexandrina Council) and Mayor Moira Jenkins (City of Victor Harbor) have represented the Southern and Hills Region at the Local Government Association State Board meetings during 2022-2023.

Resources

The continuation of the *capacity building grant from the Local Government Research and Development Scheme* has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the processes and program and project outcomes from the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, S&HLGA Regional Public Health Committee and S&HLGA 2022-2027 Regional Public Health and Wellbeing Plan, RH&C Committee Regional Action Plan, involvement with LGA and SAROC, the regional EO group, the remaining regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Jen St Jack and *Olivia Davies* have provided under contract, project oversight and co-ordination of the work program of the Resilience Hills and Coasts, S&HLGA's Climate Change Committee.

2022-2023 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2022-2023



2022-23 S&HLGA ANNUAL KEY ACTION PLAN PERFORMANCE REPORT

KEY CATEGORIES & THEMES

THE 2021-2025 S&HLGA BUSINESS PLAN





KEY STRATEGIC OBJECTIVES
1. Advocate and Assist – Provide leadership and advocacy for its member Councils on regional and state issues
2. Promote and Partner - To market & promote the Southern & Hills Local Government Association as a credible and capable advocate on behalf of its member Councils. Partner with relevant organisations and regional drivers
3. Research and Recommend - To conduct research and communicate on important or emerging issues for Councils and their communities
4. Capacity and Capability – Build the capacity of its member Councils. Provide valuable information. Explore opportunities both external and internal to build capacity and capability in our region
5. Good Governance - Provide sound financial management. Ensure compliance with all regulatory obligations. Continually review, evaluate and mitigate risks










2022-2023 Annual Key Action Plan - Key Strategic Themes












Funding & Sustainability	Natural Environment	Built Environment	Healthy Communities	Profile & Relationships
<ul style="list-style-type: none"> Have input into LG reform via the LGA Explore S&HLGA Membership via a new Peri Urban region and continually seek External Funding for projects and programs 	<ul style="list-style-type: none"> Implement Resilient Hills & Coast Climate adaptation Plan and 2020-2025 Priority Action Plan Tender & complete PAC Bushfire & Diversity Project Overabundant species (Little Corella) Strategy and Management 	<ul style="list-style-type: none"> Advocate new 2030 S&HLGA Transport Plan and SLRP applications, Advocate South Coast Freight Corridor continue development of a Regional Infrastructure Plan (with RDA) Highlight and advocate for complete regional coverage of mobileTelecommunications and/or 5G 	<ul style="list-style-type: none"> Finalise S&HLGA 2022-2027 Regional Public Health Plan 	<ul style="list-style-type: none"> Continue relationship building with Government MPs Website information & maintenance

THE 2022-2023 S&HLGA ANNUAL KEY ACTION PLAN

Role	Items & Actions
General Administration (sound financial and compliance management, Good governance)	Budget, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (capacity and capability, research and recommend)	Finalise S&HLGA 2022-2027 Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan and 2020-2025 Priority Action Plan, Tender & complete PAC Bushfire & Diversity Project, Advocate new 2030 S&HLGA Transport Plan and SLRP applications, South Coast Freight Corridor
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website information & maintenance, Peri-Urban grouping Overabundant species (Little Corella) Strategy and Management,
Opportunities (capacity and capability, promote and partner)	CWMS, Waste, Regional Infrastructure Plan, Membership and External Funding, Telecommunications and 5G

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and compliance management, Good Governance)	Budget, Board meetings, Committee meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals,	Budget		2022-23 Adopted
		Subscriptions & levies		Finalised and invoices submitted
		Audit		Completed Aug 2022
		Annual Report		Completed Sept 2022
		LGA Grants		2021-2022 Regional Capacity Grant acquitted. 2022-2023 application submitted for approval by the LGA. Received Sept 2022
		Website		Updated regularly
Projects and support (Capacity and Capability, Research and Recommend)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Final draft submitted to SA Health. Individual member Councils & Board have approved final draft
		Resilient Hills & Coast Climate adaptation Plan		Active and Regional Action 2020-2025 plan being executed
		Regional Transport Plan		2030 Plan adopted. New critical Roads database being developed. 2022-2023 SLRP funding

				approved by LGTAP. 2023-2024 SLRP applications in progress.
		Bushfire & Biodiversity		RFQ issued. Respondents evaluated and Consultant appointed. First draft of example cases studies developed
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs, Overabundant species	Peri Urban Regional Organisation Governance review		Peri-urban regional organisation yet to be investigated
		LG key issues		Continuing to work with the LGA/SAROC
		Relationship with MPs		Regularly meeting. Encouraging attendance at Board meetings
		Overabundant species(Little Corellas)		Working with Landscapes Board but slow progress. LGA awaiting pilot program results
Opportunities (Capacity and Capability, Research and Recommend, Promote and Partner)	CWMS, Regional Infrastructure Plan, External Funding, Digital Connectivity and telecommunications, Regional Business/Workstation hubs	CWMS		Committee to meet regularly. Liaise with Legatus and LGA CWMS management Committee. Workshop completed 4 Nov
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based – Bushfire & Biodiversity successfully funded
		Telecommunications		Working with RDA. Seek funding opportunities as presented
		SA Coastal Councils Alliance		Constant relationship with SACCA. Delegates nominated Feb 2023
		Regional Govt.Business Hubs		Commenced research with Alexandrina as a partner

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	EO KPIs	Agreed in June 2022. Progress report Feb 2023
	Active/Lead	Budget 2022-2023	Adopted in June 2022
	Active/Lead	Key Action 2022-2023	Adopted in June 2022
	Active/Lead	Regional Capacity grant acquittal 2021-2022	Acquited July 2022. Progress report Jan 2023
	Active/Lead	Audit 2021-2022	Commenced July 2022. Completed Sept 2022
	Active/Lead	Annual Report 2021-2022	Commenced August 2022. Completed Sept 2022
	Active/Lead	Website maintenance	Ongoing
Projects – Lead/S&HLGA Committee	Active/Lead	S&HLGA 2022-2027 Regional Public Health Plan/Committee	Ongoing meetings 12/8/22, 29/11/22,28/02/2023,19/05/2023
	Active/Lead	Resilient Hills & Coast	Ongoing meetings 11/8/22,14/10/22,8/12/22,30/03/2023,1/06/2023
	Active/Lead	S&HLGA Advisory Group	Ongoing meetings 4/8/22,16/05/2023
	Active/Lead	2030 Transport Plan/ Road Works Party	Ongoing meetings 20/9/22,16/03/2023
	Active/Influence	CWMS	Legatus Group now leading sector review. Update 24/8/22. Workshop 4 Nov, Conference 8 June 2023
Projects – Lead	Active/Lead	Bushfire and Diversity Project	Tenders issued, Consultant appointed. Commenced Aug 2022. Case studies developed
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects, key issues in conjunction with SAROC. Meeting 24/8/22,7/11/22,16/02/2023,18/04/2023, 18/04/2023
Projects - Partner	Partner/Influence	SA Coastal Councils Alliance	Maintaining relationship and support for Strategic and Business Plans
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G. Partner with RDA. Attended NBN Business satellite expo 17/8/22
	Partner/Influence	Economic Development Network Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public Transport. Meeting 8/8/22,7/11/22,13/02/2023, 8/05/2023
	Partner/Advocate	Northern Freight Bypass	Continue to advocate road upgrades with MRLGA
	Facilitator/Advocate	South Coast Freight Corridor	Finalise route. Develop Business Case. Advocate with State and Federal Govt. Seek funding. Minister attended S&HLGA Board meeting 26/8/22
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas

Category	S&HLGA Role	Item	Comment/Description
	Partner/Influence	Regional Government Business Hubs	Inform on criteria. Investigate potential. Partnering with Alexandrina
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2022-2023
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation.

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MP.....	Members of Parliament
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2022-2023

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2023

		2023	2022
	Notes	\$	\$
Income			
Subscriptions	1.8	132,680	129,423
Operating Grants	2.2	40,000	42,783
Investment Income	1.7	7,094	665
Other		203,185	115,694
		<hr/>	<hr/>
Total Income		382,959	288,565
Expenditure			
Employee Costs		157,309	150,733
Materials, Contracts and other expenses	3	206,431	218,354
Finance Charges		6,003	5,536
		<hr/>	<hr/>
Total Expenditure		369,743	374,623
		<hr/>	<hr/>
Surplus (Deficit) from Operations		13,216	(86,058)

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2023

	Notes	2023	2022
		\$	\$
Current Assets			
Investments		155,291	218,876
Debtors		8,834	0
Total Current Assets		164,125	218,876
Current Liabilities			
Accounts Payable		0	2,673
Grants in Advance		27,000	81,818
GST		(24,802)	(1,808)
PAYG Payable		10,304	5,152
Employee provisions		36,169	36,169
Rounding		(14)	(15)
Superannuation payable		1,502	0
Wages payable		5,264	(599)
Total Current Liabilities		55,423	123,390
Net Current Assets		108,702	95,486
Net Assets		108,702	95,486
 Equity			
Accumulated Surplus		108,702	95,486
Total Equity		108,702	95,486

The above Balance Sheet should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	95,486	181,544
Net Surplus / (Deficit)	13,216	(86,058)
	<hr/>	<hr/>
Balance at end of period	108,702	95,486
	<hr/>	<hr/>
Total Equity	108,702	95,486
	<hr/>	<hr/>

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	294,181	406,690
Payments	(382,893)	(382,437)
GST Paid (received)	0	(2,205)
Finance Costs	0	(5,537)
Interest Receipts	25,125	665
Net Cash Provided by (Used in) Operating Activities	(63,687)	17,176
Net increase/(decrease) in Cash Held	(63,587)	17,176
Cash at the beginning of the reporting period	218,876	201,700
Cash at the end of the reporting period	155,290	218,876

Reconciliation of Change in Net Assets to Cash from operating activities

	2023	2022
		\$
Net Surplus	13,216	(86,058)
Decrease / (Increase) in Provisions	12,517	8,063
Decrease / (Increase) in Debtors	(8,834)	0
(Decrease) / Increase in Accounts Payable	(2,673)	13,353
(Decrease) / Increase in Grants in Advance	(54,819)	81,818
Increase / (Decrease) in GST	(22,994)	0
Net Cash provided by Operating Activities	(63,587)	17,176

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	294,181	406,690
Payments	(382,893)	(382,437)
GST Paid (received)	-	(2,205)
Finance Costs	-	(5,537)
Interest Receipts	25,125	665
	(63,687)	17,176
Net Cash Provided by (Used in) Operating Activities		
	(63,587)	17,176
	218,876	201,700
Cash at the beginning of the reporting period		
	155,290	218,876
Cash at the end of the reporting period		

Reconciliation of Change in Net Assets to Cash from operating activities

	2023	2022
		\$
Net Surplus	13,216	(86,058)
Decrease / (Increase) in Provisions	12,517	8,063
Decrease / (Increase) in Debtors	(8,834)	0
(Decrease) / Increase in Accounts Payable	(2,673)	13,353
(Decrease) / Increase in Grants in Advance	(54,819)	81,818
Increase / (Decrease) in GST	(22,994)	-
Net Cash provided by Operating Activities	(63,587)	17,176

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 24 August 2023

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general-purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this note.

1.4 Rounding

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

1.5 Non-Current Assets and Non-Current Liabilities

The Association has nil non-current assets or non-current liabilities.

1.6 Employees

The Association has one employee having converted the CEO from contractor to employee in February 2019.

1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal. The Charter has since been amended in January 2022 allowing flexible subscriptions.

Constituent Council Subscription 2023	\$20,500
Constituent Council Subscription 2022	\$20,000

1.9 Income recognition

The Association recognises revenue under AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) or AASB 15 *Revenue from Contracts with Customers* (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Association expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when the Association 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 Association.

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration: The operation of the Office of the Association and its decision making forums.

Special projects: The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2023	0	140,249	148,430	38.8%	194,640	52.6%	(54,391)
2022	0	131,295	131,295	45.5%	196,452	52.4%	(65,157)
Projects							
2023	129,849	104,680	234,529	61.2%	175,103	47.4%	86,426
2022	157,270	0	157,270	54.5%	178,171	47.6%	(20,901)
Total							
2023	129,849	244,929	382,959	100%	369,743	100%	32,035
2022	157,270	131,295	288,565	100%	374,623	100%	(86,058)

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

	2023	2022
Consultants:		
Jeanette Pope	\$0	\$13,723
URPS	\$0	\$2,443
HDS Australia Pty Ltd	\$16,533	\$33,025
Centre for Inclusive design	\$0	\$23,850
Nature Conservation Society SA	\$79,567	\$0
Jack Jensen	\$84,100	\$33,000
Penny Worland Consulting	\$	\$21,944
Jeff Tate Consulting	\$7,862	\$0
AHC	\$0	\$10,000
<hr/>		
Total	\$188,062	\$137,985
Materials and other expenses	\$18,369	\$80,369
<hr/>		
Total	\$206,431	\$218,354

4. Comparison of Budget and Actual Results

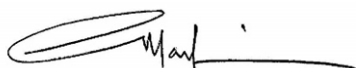
	2023		2022	
	Budget	Actual	Budget	Actual
	\$	\$	\$	\$
Revenue				
Administration	137,180	140,249	131,281	131,295
Projects	219,757	261,529	144,270	157,270
Total Revenue	356,937	401,778	275,551	288,565
Expenditure				
Administration	195,284	194,640	186,028	196,452
Projects	172,880	175,103	171,424	178,171
Total Expenditure	368,164	369,743	357,452	374,623
Surplus (Deficit)	(11,227)	32,035	(81,901)	(86,058)

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association's accounting and other records.

Dated 29 August 2023



Graeme Martin
EXECUTIVE OFFICER



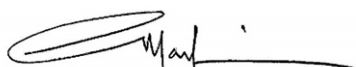
Mayor Moira Jenkins
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2023, the Association's Auditor, Accru Harris Orchard, 172 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 29 August 2023



Graeme Martin
EXECUTIVE OFFICER



Mayor Moira Jenkins
PRESIDENT

AUDITOR'S INDEPENDENCE DECLARATION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

To the Board Members of Southern & Hills Local Government Association

As lead auditor for the audit of Southern & Hills Local Government Association for the financial year ended 30 June 2023:

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



ACCRU+ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Opinion

We have audited the special purpose financial report of Southern & Hills Local Government Association (the "Association"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and director's declaration.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2023 is prepared, in all material respects, in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Accounting Standards and *Local Government Act 1999* and for such internal control as management 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, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.

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

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

We communicate with management 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.



ACCRU⁺ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

INDEPENDENT ASSURANCE REPORT

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') 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 2022 to 30 June 2023 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association 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 2022 to 30 June 2023.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the Local Government Act 1999. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

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. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Associations Responsibility for Internal Control

The Association 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 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 Responsibilities

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Information and ASAE 3150 Assurance Engagements on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the Local Government Act 1999 in relation only to the internal controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

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



ACCRU⁺ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

Fleurieu Regional Waste Authority

Annual Report

2022-23



FLEURIEU REGIONAL
WASTE AUTHORITY



FLEURIEU REGIONAL
WASTE AUTHORITY



city of
Victor Harbor



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Message

From the Independent Chairperson

I am pleased to, again, pen my Fleurieu Regional Waste Authority (FRWA) Annual Report Message, this time for the 2022-23 year.

In doing so, as a starting point, I recognise and give credit to our communities which have continued to embrace recycling and waste minimisation. This is despite the challenges and hardships faced during the year. Relatedly, FRWA, through proactive communication and analysis of community behaviours, has continued to ensure that our member Councils lead the State in the diversion of waste from landfill and the circular use of resources.

The FRWA strategic objective to increase the kerbside waste diversion rate from landfill to 70% by 2030 is now well within reach. In particular, this is due to the implementation of the Summer Recycling Program.

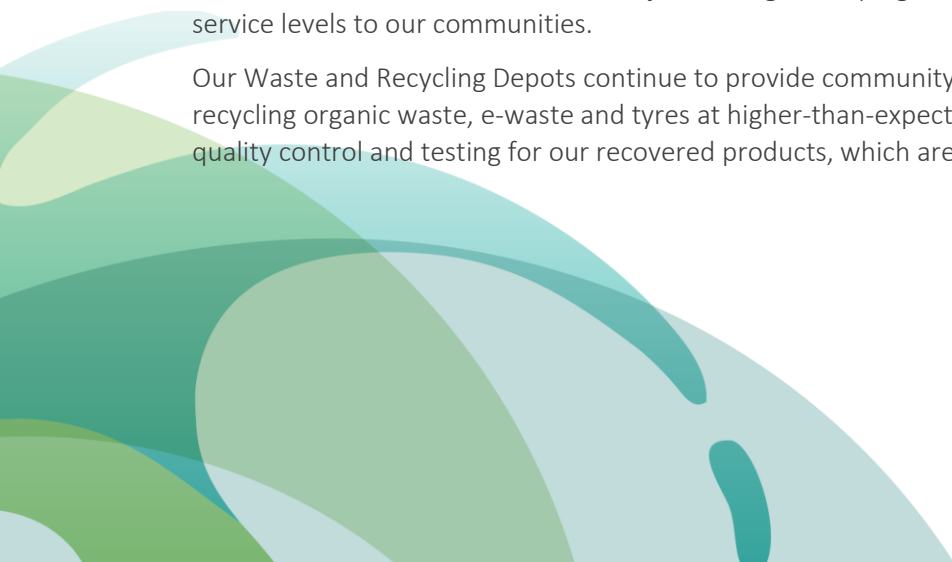
We have undertaken a wide range of research and engagement activities to determine the best way to reduce waste to landfill during the summer period. This has included a trial in the Hayborough/Chiton area, bin audits, community survey and data analysis. All of our Councils have supported the implementation of the Summer Recycling Collections program for the 2022/23 summer. The program has meant that co-mingled recycling and food/garden organics (FOGO) bins were collected weekly and general waste every fortnight.

The community embraced the Summer Program meaning that incredibly positive results were achieved in all Council areas. Across the FRWA region, general waste was reduced by 20%, FOGO increased by 61% and co-mingled recycling by 19%. Subsequently, the kerbside diversion rate increased from 57% to 68% for the summer period. On any assessment, these are outstanding results, especially for small councils such as Kangaroo Island, where the Program resulted in 64 tonnes less waste being sent off-island for disposal.

As our Councils, the communities and our customers would expect, the FRWA team has continued to seek efficiencies and service improvements. At the start of July 2023, the kerbside collection schedule changed across the Fleurieu. This change has seen FOGO and co-mingled recycling being collected in one week and general waste in the following week. This makes the kerbside collection system simpler and easier for the community and for our operational teams.

As part of this change, a collection truck is now based at the Yankalilla depot which reduces travel times and increases response times for the Yankalilla community. There are also plans to remove several bin banks which have been subject to illegal dumping. Both of these initiatives have increased service levels to our communities.

Our Waste and Recycling Depots continue to provide community circular economy outcomes through recycling organic waste, e-waste and tyres at higher-than-expected levels. We are increasing our quality control and testing for our recovered products, which are still popular with the community.



FRWA has only been able to achieve these amazing results with the dedicated support of our Councils, which listen and support the initiatives that we present to them for consideration.

During this year we have welcomed new Board Members, following the Local Government elections. We have been fortunate to maintain a diverse range of Board Members from various backgrounds and experiences. This ensures that the Authority is best placed to continue to achieve its strategic objectives.

Finally, I recognise and thank my fellow Board Members for their vision, wise counsel and support. In particular, I recognise a former Board Member, Ms Elizabeth Williams, who also worked at the Alexandrina Council. Elizabeth resigned from both positions to pursue other career opportunities. She was a Board Member and Audit Committee Member since 2018 and provided critical financial and governance advice but also other ideas to benefit the Authority's operations. We wish Elizabeth all the best with her future plans.

In closing, I recognise and thank the staff of FRWA. The waste collections drivers, site operators, waste education, customer service, finance and administration team operate our business at extremely high standards, all of which ensures that we can continue to provide critical services to the community at the levels that we do.

Thank you, all.

Michael Kelleedy

Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

A board administers FRWA in accordance with the requirements of the *Local Government Act 1999* and the Fleurieu Regional Waste Authority Charter 2021. This year, the Authority Board membership changed due to the Local Government elections held in November 2022.

We welcomed Cr Carlos Quaremba from the City of Victor Harbor, Jodie Summer from the District Council of Yankalilla and Mayor Michael Pengilly from Kangaroo Island Council. Andy Baker from Alexandrina Council also re-joined the Board.

The new board members, with the current independent members Michael Kelledy, Marion Vigot and Vicki Tomlinson, provide diverse skills and experience to lead and guide the FRWA.

The Board held six meetings during the 2022-23 financial year. Given the wide area the Authority covers, Board meetings are held in each council area during the year.

FRWA conducts its business in a complex and constantly changing regulatory and business environment. It is important that the Board review its own performance from time to time, with a view to achieving and maintaining a high level of performance in this environment.

Each Board member is expected to:

- actively seek a full appreciation of the business of the FRWA, including key business drivers, the risks facing the FRWA, applicable risk management policies and the regulatory environment in which the FRWA operates, and

- actively participate in open, honest discussion, to exercise an active discretion on all matters for decision and to bring an independent mind to bear on matters before the Board.

This year the FRWA Board agreed to complete a Self-Assessment Questionnaire as a form of self-assessment of its ongoing performance. All Board members completed the questionnaire, with the majority of responses providing positive results. The questionnaire feedback did, however, highlight two areas for improvement, being Board members knowledge of critical accounting policies and the processes in place to identify, evaluate and monitor the key risks facing the authority. These issues will now be considered and proposals made to address them moving forward.

Board Members: Andy Baker, Jodie Summer, Marion Vigot, Mayor Michael Pengilly, Vicki Tomlinson, Michael Kelledy (Independent Chairperson), Simon Grenfell (EO), Cr Carlos Quaremba (absent).



The list below details board member attendance.

Board Member	Meetings
Ms Marion Vigot (Independent Member)	6 of 6
Mrs Vicki Tomlinson (Independent Member)	6 of 6
Ms Elizabeth Williams (Alexandrina Council)	1 of 1
Mr Andy Baker (Alexandrina Council)	4 of 5
Cr Bryan Littlely (City of Victor Harbor)	0 of 1
Ms Karen Rokicinski (City of Victor Harbor)	1 of 1
Cr Carlos Quaremba (City of Victor Harbor)	2 of 4
Ms Lisa Pearson (District Council of Yankalilla)	2 of 2
Ms Jodie Summer (District Council of Yankalilla)	3 of 4
Cr Peter Denholm (Kangaroo Island Council)	2 of 2
Mayor Michael Pengilly (Kangaroo Island Council)	3 of 4

Audit & Risk Committee Report

The recent reforms to the Local Government Act 1999 (effective 17 November 2022) brought a greater emphasis on risk management, requiring councils to have an Audit and Risk Committee.

As a regional subsidiary, FRWA's Audit and Risk Committee is formed under Schedule 2 of the Act and is not bound by the reforms. However, the Board determined that a broader scope incorporating risk at the Committee and Board level is appropriate. The Board resolved to change the name from Audit Committee to Audit and Risk Committee. This broader governance focus aligns with FRWA's commitment to skills-based Committee and Board membership and is consistent with councils and subsidiaries in the region.

The Audit & Risk Committee continues to be led by Mr Peter Fairlie-Jones, with new members Mr Gus Rankine and Mrs Vicki Tomlinson joining Ms Karen Rokicinski on the committee this year. The committee reviewed all of the Authorities budget reviews and financial reports as well as the internal audit activities undertaken by Dean Newbery & Partners. The committee also provided input into the formation of the FRWA's Risk Management Framework, Policy and Register that was facilitated by the Local Government Risk Services and oversaw the review of a number of policies.

The Audit & Risk Committee held five meetings during the 2022-23 financial year. The list below details the Audit & Risk Committee Member attendance.

Audit & Risk Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	5 of 5
Ms Karen Rokicinski (City of Victor Harbor)	5 of 5
Mrs Vicki Tomlinson (Independent Member)	3 of 3
Mr Gus Rankine (Alexandrina Council)	3 of 3
Ms Elizabeth Williams (Alexandrina Council Board Member)	1 of 1

Executive Officer Report

Environmental benefit, innovation, circular economy and relationships are the guiding principles of the FRWA Strategic Plan, and we have leaned heavily on these principles over the past twelve months. Our organisation has delivered two significant projects this year, changing forever how the community thinks about and presents its kerbside material for collection.

The FRWA constituent councils delivered for its community this year by supporting the Summer Recycling Collection program. The program provided more opportunities for households to reduce the amount of waste set to landfill and recycle more by providing weekly collection of FOGO and co-mingled recycling over the summer period.

The community embraced the opportunity to recycle more material, despite the swell in population and changes to collection schedules, with 288 tonnes less waste sent to landfill than last year. The community also took advantage of recycling their food waste, with an additional 562 tonnes of organic waste collected, an increase of 61%.

The other project that FRWA instigated was the change of collections cycles for mainland councils. Our environment and community needs are ever-changing, and we need to adapt our services to match these demands. Increasing fuel costs and use of FOGO bins necessitated a change in how we collect kerbside waste. We analysed waste collection data, fuel usage and route analysis to determine a simpler and more efficient collection schedule.

FRWA proposed collecting general waste during one week with co-mingled recycling, and FOGO collected together the next week across the entire Fleurieu Peninsula. FRWA also proposed that a collection vehicle be based at the Yankalilla depot to reduce travel and response times.

The schedule changes allowed for the production of simpler, easy-to-read calendars the community has asked for. The South Australian State Government's Green Industries SA (GISA) undertook market research. Findings concluded that simple, high-quality fridge magnets are the best way to communicate waste management messages. GISA assisted with funding the production and design of the new fridge magnet calendars.

Projects were delivered successfully through teamwork, extensive communication and engagement with our community and stakeholders. Our professional and dedicated staff met with community and environmental groups, council staff and leaders, council members, drivers and site staff. We erected roadside banners and signs across the Fleurieu and Kangaroo Island and published notices in relevant publications to ensure the community was aware of the changes.

A difficult economic environment resulted in an operating deficit of \$116k compared to an \$11k budgeted surplus. The main factors behind this result were cost increases across operational areas driven by price increases and increased waste collection levels. While income increased by \$99k (0.96%), expenses increased by \$226k (2.2%) compared against budgeted levels. The main areas of additional costs were fleet maintenance, fuels and recalculated depreciation. Reduced waste disposal costs offset these costs due to increased diversion rates, resulting in reduced general waste tonnages.

This financial year is the first year the councils contributed towards the Asbestos Contaminated Material Project, with an additional provision of \$767k required to fund the remediation work fully. The additional provision resulted in a \$466K deficit overall.

Remediation of properties affected by Asbestos Contaminated Material project continued throughout the year with only a small number of properties outstanding. The budget for this project exceeded the original estimate due to increased volumes of material to be removed and reinstated and the diversity of remediation properties. Completion of all remediation activities is anticipated by the end of 2023.

Waste diversion and service improvements were made possible with support from the FRWA Board, councils, passionate community members and the dedicated and professional staff of the Authority.

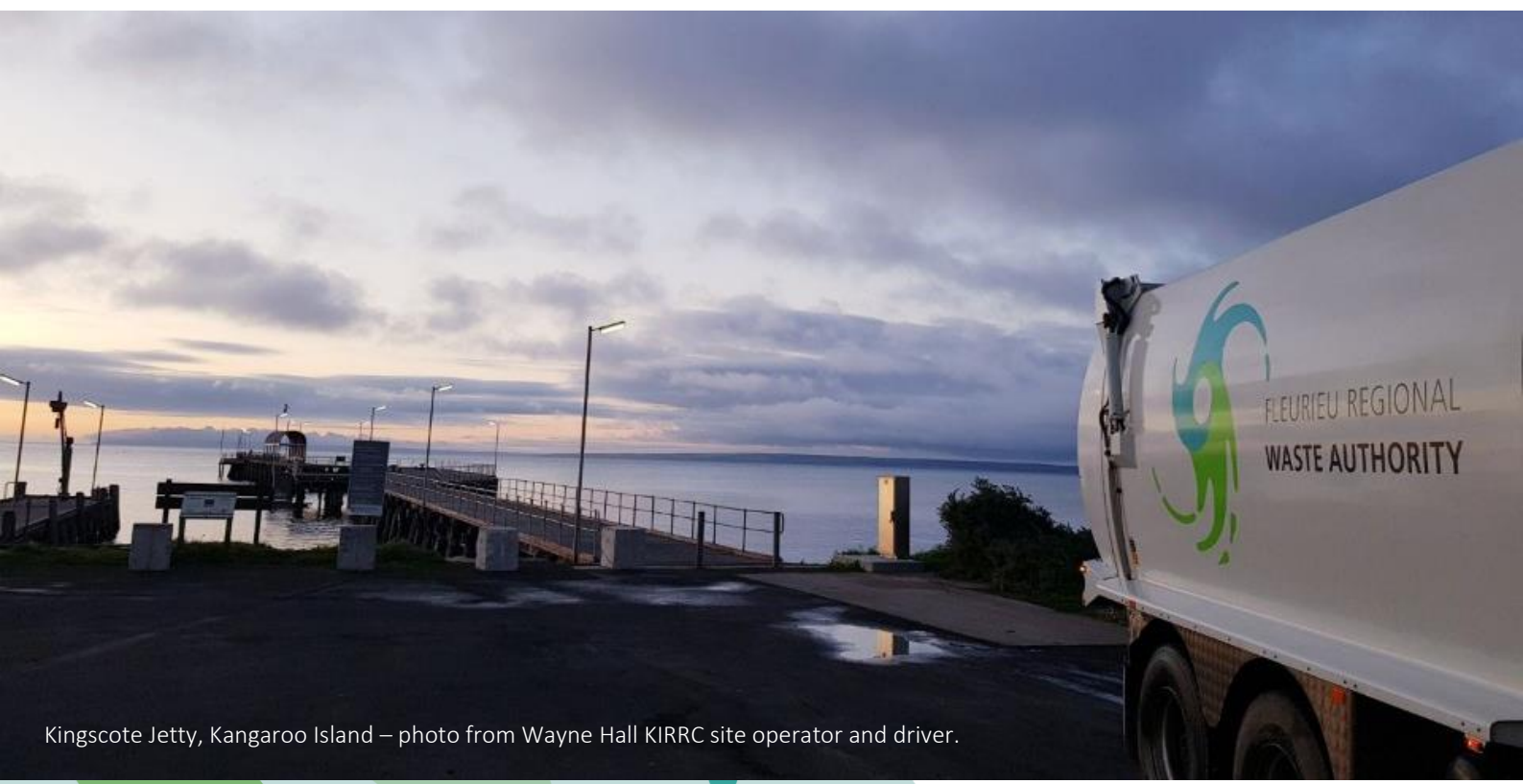
The opportunity to lead the community in reducing its environmental impact is one that FRWA is very respectful and grateful for and looks forward to continuing.

Over the past twelve months, I had the opportunity to present to all constituent councils on several occasions, and I'm encouraged by the passion for waste management demonstrated by all council members. I look forward to continuing to work with them and the Board to deliver the FRWA strategic objectives.

Simon Grenfell

Executive Officer

Fleurieu Regional Waste Authority



Kingscote Jetty, Kangaroo Island – photo from Wayne Hall KIRRC site operator and driver.

Our Services

The Fleurieu Peninsula and Kangaroo Island region cover 7,341 square kilometres with a resident population of 54,000, increasing by up to 50% in coastal areas during holiday periods.

FRWA is a fine example of local governments working together to achieve efficiencies across boundaries. We are capturing the best practices from the councils: reducing waste going to landfill, increasing recycling, and promoting a cleaner and healthier environment for today and tomorrow.

We offer a range of services to the communities we serve, including:

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public litter bin collections
- Additional waste collection services, including event bins, weekly commercial FOGO collections and exceptional circumstances bins
- Community waste education
- Customer service
- Sale of composting equipment, kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent councils.

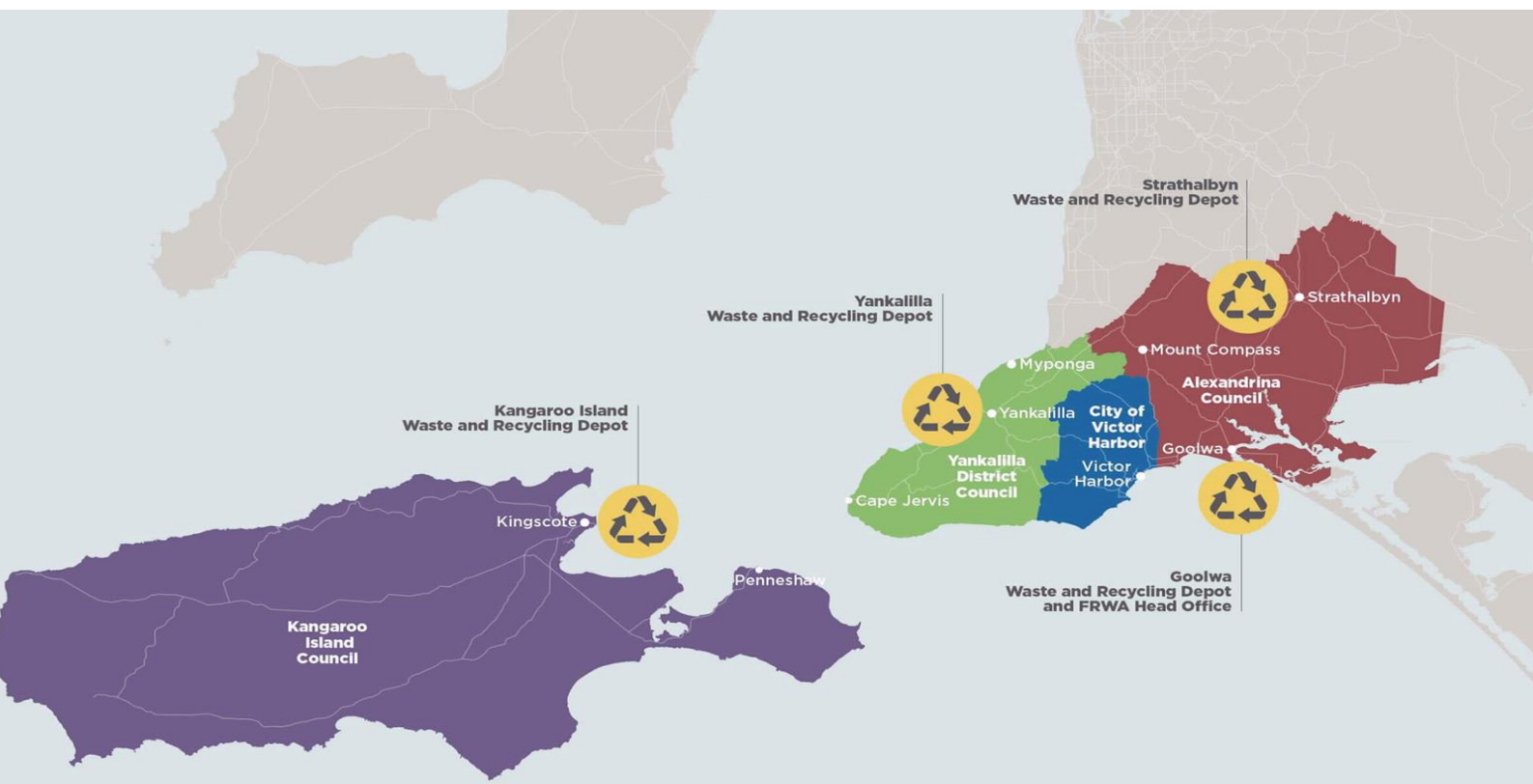


FIGURE 1 Map of FRWA Waste and Recycling Depots

Our Mission & Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council.

Mission

To provide the best practice waste and resource management services that reduce the impact of our community on the environment.

Vision

FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of.

FRWA adopted several objectives with corresponding key performance indicators to achieve FRWA's Strategic Plan and vision. Below is a summary of the Authority's progress in achieving its objectives.

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

Key performance indicators:

- Increase kerbside diversion rates from 50% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce greenhouse gas emissions of FRWA by 30% by 2030.

Objective 2: Advocate and facilitate a local circular economy

Key performance indicators:

- Value of recovered materials is increased by 10% by 2025
- Reduce freight kilometres by 5% by 2025
- Constituent councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors

Key performance indicators:

- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase range of services provided to customers by 20% by 2025
- Increase range of services provided to constituent councils by 2025

Objective 4: Provide efficient and effective regional subsidiary

Key performance indicators:

- Reduce the cost of kerbside collection per property by 5% by 2025, excluding CPI and solid waste levy
- Reduce the cost to councils of waste transfer station operations by 10% by 2025, excluding CPI and solid waste levy.

Our Performance

The Fleurieu Regional Waste Authority measures performance against the key performance indicators in the Strategic Plan and Business Plan.

FRWA continues to develop performance measurements to ensure the achievement of objectives. The table below is a qualitative description of our performance against KPIs.

Indicator	Target	2022-23 Budget	2022-23 Actual
Operating Surplus Ratio	0% to 1%		
- Including ACM Borrowings		3.4%	-4.1%
- Excluding ACM Borrowings		0.1%	-8.5%
Net Financial Liabilities Ratio	30% to 50%		
- Including ACM Borrowings		119%	119%
- Excluding ACM Borrowings		82%	81%
Asset Renewal Funding Ratio	80% to 100%	100%	100%
Own Source Revenue Ratio	23% to 28%	31%	32%

The following is a qualitative and quantitative report on the achievements of the Strategic Plan KPIs.

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

One of FRWA's main performance indicators is kerbside waste diversion rate. The rate has increased from 50% in 2018-19 to 62% in 2022-23 due to the introduction of a fortnightly waste collection and the Summer Recycling program. Waste sent to landfill from kerbside collections has reduced by 31% since 2015/16.

The kerbside bin audit undertaken in December 2021 found that organic waste makes up 32% of waste in the blue (general waste) bin, a reduction of 12% from the 2017 bin audit. The kerbside bin audit also found that contamination of the recycling bin is 10%. These results demonstrate that the performance of our waste management system is improving.

To reduce travel times, FRWA introduced a new collection schedule with FOGO and co-mingled recycling collected in the same week, with general waste collected the following week. This reduces travel time, increases average tipping weight, and reduces overall fuel use and greenhouse gas emissions. An analysis of fuel used by FRWA between 2019-20 and 2022-23 found fuel use reduced by 15,881 litres (3.3%). This is equivalent to 42.56 tonnes of CO₂.

Objective 2: Advocate and facilitate a local circular economy

The value of recovered materials has increased since 2020. Changes include processes to recover high-value metals and landscape rock from council projects and producing high-quality wood chips from tree logs. These changes have increased revenue at the waste and recycling depots. FRWA has also increased the amount of cardboard recycled through the Goolwa Waste and Recycling Depot by separately collecting and transporting 26.9 tonnes of cardboard to the Southern Materials Recycling Facility.

FRWA made operational changes to facilitate a reduction of freight kilometres by 5% by 2025 from 2020. In 2020-21, FRWA changed the location for co-mingled recycling processing from Edinburgh to Seaford Downs. The relocation reduced the travel distance from 114km to 50.6km for 5,500 tonnes of material. FRWA staff continue to analyse our freight movements and have recently changed operations at the transfer stations, which has seen payloads increase by an average of 12%. FRWA kerbside collection vehicles are now depositing most kerbside waste at the Goolwa Waste and Recycling Depot for transport to the disposal site. These actions have increased payloads and reduced travel time and fuel use across our operations.

FRWA is also part of the Business Victor Harbor Circular Economy working group. Business Victor Harbor hosted a Circular Economy Forum sponsored by Green Industries SA, featuring keynote speaker, economist and circular economy expert Michael Schuman.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors.

FRWA continues to improve services for residents by removing 15 bin banks (from a regional total of 113) in the Alexandrina Council and DC Yankalilla over the past two years. The implementation of roadside collection benefited over 200 rural properties and reduced bin banks by 12%.

We continue to extend the range of services provided to our customers with the introduction of the following waste collection services:

- Weekly food waste collection service for businesses
- On-demand collection of kerbside waste
- Caravan park collection service

Our Waste and Recycling Depots now sell rubber bin latches for lids and accept paint as part of the Paintback Scheme that recycles unwanted paint.

Objective 4: Provide efficient and effective regional subsidiary

FRWA strives to provide effective and efficient services. Detailed analysis of the cost of kerbside collection per property is still to be undertaken. Increased income at the Waste and Recycling Depots means that Alexandrina Council no longer contributes to the operations of the Goolwa and Strathalbyn Waste and Recycling Depots. The cost to the District Council of Yankalilla has halved compared to the budgeted amount in 2019-20. The cost of the Kangaroo Island Resource Recovery Centre has increased due to the structure of fees and charges, which the KI Council are currently considering.

Kerbside Collection Services

FRWA has a fleet of 13 collection vehicles and provides a fortnightly collection of waste, recycling and food organics garden organics (FOGO) to over 32,000 properties.

FRWA and constituent councils have invested in systems and services to meet the communities' objective of reducing waste sent to landfill. Since June 2016, the amount of waste sent to landfill has decreased to 9,350 tonnes from 13,530 tonnes (31%). This has resulted in reduced greenhouse gas emissions and payable solid waste levies.

Amounts of FOGO recycled have tripled from 3,100 tonnes to 9,800 tonnes, with material processed locally to provide employment and economic prosperity for the region.

Achieving a kerbside waste diversion rate of 62% is an outstanding achievement for the region.

FRWA continues to focus on transport and logistics efficiencies to reduce fuel usage. An analysis of fuel used by FRWA between 2019-

20 and 2022-23 found fuel use reduced by 15,881 litres (3.3%). This is due to rescheduling of kerbside collection runs and in-house transport efficiencies.

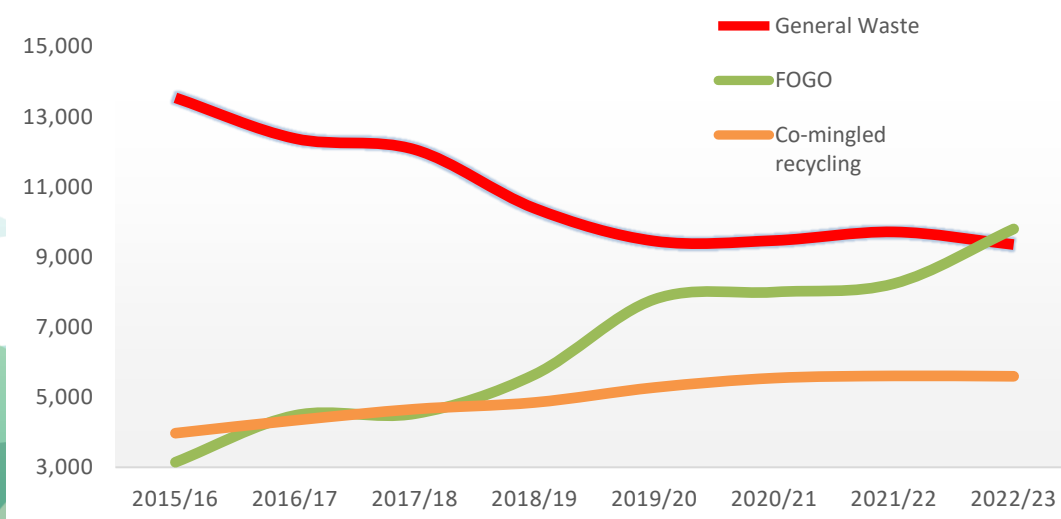
During this period, all waste tonnages increased by 11%.

This year, to improve customer outcomes and increase efficiencies, we changed the collection schedule to collect all recyclable material in one week, with general waste the next week.

It is expected that this will reduce travel times and increase average tipping weights and reduce costs.

We have also based a truck at the District Council of Yankalilla Depot to reduce travel times and increase response times to missed collections. The change will also allow the removal of several bin banks while providing roadside collections for more properties.

FRWA - Kerbside Waste 2015-16 to 2022-23 (tonnes)



Waste by numbers

Kerbside collections

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION from landfill
Kangaroo Island	836t -8%	+29% 516t	515t -3%	+3% 55%
Victor Harbor	2598t -8%	+20% 3220t	1642t -1%	+4% 65%
Yankalilla	1167t -5%	+11% 964t	620t -5%	+3% 58%
Alexandrina	4751t -0.2%	+19.2% 5096t	+2.2% 2818t	+2% 62%
Total (tonnes)	9351t -4%	+19% 9795t	5595t -0.2%	+3% 62%

Kerbside waste statistics from July 2022 to June 2023 compared to the same period last year.

31% reduction in kerbside general waste since 2015/16

312% increase in kerbside FOGO since 2015/16

58,000 paying customers at mainland Waste and Recycling Depots

1,986,571 bins collected

8670m³ of mulch produced



Waste and Recycling Depots

The FRWA Waste and Recycling Depots (WRD) continue to provide an important service to the community.

All waste and recycling depots reported a more stable year this year, with customer numbers increasing between 3% and 9%. The popularity of our mulch products continues to be strong.

To further improve our management, we have installed a point of sale terminal at the Yankalilla Depot, which can be used with our CCTV infrastructure to ensure our staff are protected and resolve customer disputes.

In conjunction with the KI Council, we also plan to upgrade of the KI Resource Recovery Centre office in late 2023.

WRD waste to landfill reduced by 30%, which is just above volumes received in 2020/21.

We received delivery of a new Volvo prime-movers to facilitate our in-house waste transport. The new Euro-6-compliant unit has significantly reduced fuel usage and service costs.



Waste Education and Projects

Asking the community to change when they put their bins out for collection required extensive and effective communication.

Engagement, communication and project planning for the Summer Recycling Collection Program and the kerbside waste collection change have been the primary focus of waste education activities this year.

The planning required to deliver these projects successfully has been significant.

We engaged with community groups, council members and staff, retirement villages, schools and businesses about the changes.

We erected roadside banners and corflute signs, published articles in council newsletters, newspapers and community papers, posted articles across social media and activated the My Local Services App for councils.

These activities resulted in the community smoothly transitioning to new kerbside waste collection cycles.



With support from Alexandrina Council, FRWA delivered 100 green bins, kitchen caddies, compost bags and education materials to households on Hindmarsh Island. FRWA also undertook targeted communications through local publications and social media.



FRWA rebranded some of our collection trucks with images that connect our activities with the core values of our community. The “Love where we live” mantra featuring pictures of our pristine environment demonstrates that FRWA holds the same core values as our community. The images are of iconic environments from across the Fleurieu and Kangaroo Island.



FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements



Fleurieu Regional Waste Authority
General Purpose Financial Reports
for the year ended 30 June 2023

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**Fleurieu Regional Waste Authority
Annual Financial Statements
for the year ended 30 June 2023**

CERTIFICATION OF FINANCIAL STATEMENTS



We have been authorised by the Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.

A handwritten signature in blue ink, appearing to read 'SAG', written over a horizontal dotted line.

**Simon Grenfell
EXECUTIVE OFFICER**

A handwritten signature in blue ink, appearing to read 'MJK', written over a horizontal dotted line.

**Michael Kelliedy
CHAIR OF THE BOARD**

Date: 20 September 2023

Fleurieu Regional Waste Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
INCOME			
User charges	2	11,083	10,329
Grants, subsidies and contributions - Operating	2	(3)	68
Investment income	2	2	-
Reimbursements	2	14	2
Other income	2	10	6
Total Income		<u>11,106</u>	<u>10,405</u>
EXPENSES			
Employee costs	3	3,542	3,081
Materials, contracts & other expenses	3	6,813	5,847
Depreciation, amortisation & impairment	3	889	812
Finance costs	3	320	75
Total Expenses		<u>11,564</u>	<u>9,815</u>
OPERATING SURPLUS / (DEFICIT)		<u>(458)</u>	<u>590</u>
Asset disposal & fair value adjustments	4	(8)	-
NET SURPLUS / (DEFICIT)		<u>(466)</u>	<u>590</u>
transferred to Equity Statement		-	-
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>(466)</u>	<u>590</u>

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

Fleurieu Regional Waste Authority
Statement of Financial Position
as at 30 June 2023

ASSETS	Notes	2023 \$'000	2022 \$'000
Current Assets			
Cash and cash equivalents	5	1,378	2,590
Trade & other receivables	5	158	260
Inventories	5	65	70
Total Current Assets		1,601	2,920
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,268	4,536
Total Non-current Assets		4,268	4,536
Total Assets		5,869	7,456
LIABILITIES			
Current Liabilities			
Trade & other payables	7	2,628	2,368
Borrowings	7	1,339	599
Provisions	7	3,494	5,647
Total Current Liabilities		7,461	8,614
Non-current Liabilities			
Borrowings	7	7,220	7,179
Provisions	7	37	46
Total Non-current Liabilities		7,257	7,225
Total Liabilities		14,718	15,839
NET ASSETS		(8,849)	(8,383)
EQUITY			
Accumulated surplus		(8,849)	(8,383)
TOTAL EQUITY		(8,849)	(8,383)

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

Fleurieu Regional Waste Authority

Statement of Changes in Equity

for the year ended 30 June 2023

		Acc'd Surplus	Other Reserves	TOTAL EQUITY
	Notes	\$'000	\$'000	\$'000
2023				
Balance at end of previous reporting period		(8,383)	-	(8,383)
Net Surplus / (Deficit) for Year		(466)		(466)
Balance at end of period		(8,849)	-	(8,849)
2022				
Balance at end of previous reporting period		(8,973)	-	(8,973)
Net Surplus / (Deficit) for Year		590		590
Balance at end of period		(8,383)	-	(8,383)

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

Fleurieu Regional Waste Authority
Statement of Cash Flows
for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		10,557	10,889
Investment receipts		2	-
Grants utilised for operating purposes		(3)	69
Reimbursements		14	2
Other revenues		51	6
<i>Payments:</i>			
Employee costs		(3,559)	(3,131)
Materials, contracts & other expenses		(8,119)	(10,358)
Finance payments		(307)	(29)
Net Cash provided by (or used in) Operating Activities		(1,364)	(2,552)
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Sale of replaced assets		90	-
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(280)	(609)
Expenditure on new/upgraded assets		(439)	(412)
Net Cash provided by (or used in) Investing Activities		(629)	(1,021)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		1,380	5,588
<i>Payments:</i>			
Repayments of borrowings		(599)	(810)
Net Cash provided by (or used in) Financing Activities		781	4,778
Net Increase (Decrease) in cash held		(1,212)	1,205
 Cash & cash equivalents at beginning of period	8	2,590	1,385
Cash & cash equivalents at end of period	8	1,378	2,590

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian 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 20 September 2023.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa, South Australia. These consolidated financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

3.1 Revenue

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

In cases where there is an 'enforceable' contract with a customer with '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 Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when the Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Council Contributions

Revenue from Council contributions is recognised as the services are performed over the financial year.

Waste Disposal Operations

Revenue from waste disposal operations is recognised at the point in time the service is provided to the customer.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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.

4.2 Other Financial Instruments

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments also form part of Note 9.

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by 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. Examples of capitalisation thresholds applied during the year are given in Note 6. 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 6.

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 the Authority, best reflects the consumption of the service potential embodied in those assets.

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

Major depreciation periods for each class of asset are shown in Note 6. 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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

6.5 Impairment

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

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

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

7.3 Contract Liabilities

Contract liabilities represent the Authority's obligation to transfer goods and services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

8 Borrowings

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

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates and is recorded as part of "Payables". Interest free loans are initially recognised at fair value with any difference between fair value and proceeds recognised in the profit and loss. The loan is subsequently measured at amortised cost with interest being recognised using the effective interest rate method.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

9 Provisions

9.1 Employee Benefits

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 on costs) 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 on-costs) 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.

Weighted average discount rate	0.53% (2022 : 1.25%)
Weighted average settlement period	1.5 years (2022: 1.6 years)

No accrual is made for sick leave as the Authority 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.

Superannuation:

The Authority makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 12.

9.2 Provisions for reinstatement, restoration, rehabilitation.

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. The Authority's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

10 GST Implications

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

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	Notes	2023 \$'000	2022 \$'000
USER CHARGES			
Council Contributions		7,798	7,132
Waste Disposal Operations		3,285	3,197
		11,083	10,329
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		1	-
Banks & other		1	-
		2	-
REIMBURSEMENTS			
Other		14	2
		14	2
OTHER INCOME			
Sundry Income		10	6
		10	6
GRANTS, SUBSIDIES, CONTRIBUTIONS			
<i>Other grants, subsidies and contributions - Operating</i>			
Other grants, subsidies and contributions		(3)	68
		(3)	68
Sources of grants			
State government		(3)	68
		(3)	68

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

	Notes	2023 \$'000	2022 \$'000
EMPLOYEE COSTS			
Salaries and Wages		2,733	2,506
Employee leave expense		310	150
Superannuation - defined contribution plan contributions	12	280	228
Superannuation - defined benefit plan contributions	12	16	13
Workers' Compensation Insurance		137	128
Other employment related costs		66	56
Total Operating Employee Costs		3,542	3,081
Total Number of Employees		31	29
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		17	14
Bad and Doubtful Debts		(2)	5
Board members' expenses		40	36
Rental Charge		104	86
Subtotal - Prescribed Expenses		159	141
<u>Other Materials, Contracts & Expenses</u>			
Waste Disposal		2,105	2,111
Contractors		1,471	1,753
Energy		945	664
Maintenance		624	573
Provision for remediation costs	1.3,7,15	767	-
Parts, accessories & consumables		122	169
Professional services		211	67
Legal Expenses		9	2
Sundry Expenses		400	367
Subtotal - Other Materials, Contracts & Expenses		6,654	5,706
		6,813	5,847
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant, Machinery & Equipment		875	795
Office Equipment, Furn & Fittings		14	17
		889	812
FINANCE COSTS			
Interest on Loans		320	75
		320	75

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	Notes	2023	2022
		\$'000	\$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		90	-
Less: Carrying amount of assets sold		98	-
Gain (Loss) on disposal		(8)	-
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS			
		(8)	-

Note 5 - CURRENT ASSETS

	Notes	2023	2022
		\$'000	\$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		1,357	2,506
Deposits at Call		21	84
		1,378	2,590
TRADE & OTHER RECEIVABLES			
Debtors - general		157	252
GST Recoupment		-	10
Prepayments		1	2
Total		158	264
Less: Provision for expected credit losses	9	-	(4)
		158	260
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>		-	-
INVENTORIES			
Stores & Materials		65	70
		65	70
<i>Amounts included in inventories that are not expected to be received within 12 months of reporting date.</i>		0	0

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	2022 \$'000				2023 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant, Machinery & Equipment	-	8,231	(3,719)	4,512	-	8,414	(4,156)	4,258
Office Equipment, Furn & Fittings	-	59	(35)	24	-	59	(49)	10
Total IPP&E	-	8,290	(3,754)	4,536	-	8,473	(4,205)	4,268
<i>Comparatives</i>	-	7,269	(2,941)	4,328	-	8,290	(3,754)	4,536

	2022 \$'000	Carrying Amounts Movement During the Year \$'000							2023 \$'000	
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
		New / Upgrade	Renewals				In	Out		
Plant, Machinery & Equipment	4,512	439	281	(99)	(875)	-	-	-	-	4,258
Office Equipment, Furn & Fittings	24	-	-	-	(14)	-	-	-	-	10
Total IPP&E	4,536	439	281	(99)	(889)	-	-	-	-	4,268
<i>Comparatives</i>	4,328	412	609	-	(812)	-	-	-	-	4,536

This note continues on the following pages.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

Valuation of Assets

General Valuation Principles

Capitalisation thresholds used by the Authority 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 & Equipment	5,000
Other Plant & Equipment	5,000
Buildings - new construction/extensions	10,000

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:

Plant, Furniture & Equipment	3 to 20 years
Building & Other Structures	30 to 80 years

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES

	Notes	2023		2022	
		\$'000		\$'000	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		1,576	-	719	-
Payments received in advance		126	-	747	-
Accrued expenses - employee entitlements		215	-	233	-
Accrued expenses - other		680	-	669	-
GST Payable		31	-	-	-
		2,628	-	2,368	-
<i>Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.</i>		-	-	-	-
CONTRACT LIABILITIES					
Revenues received in advance					
Additional collection services		119	-	83	-
Council Contributions		-	-	746	-
		119	-	829	-
BORROWINGS					
Loans		1,339	7,220	599	7,179
		1,339	7,220	599	7,179

All interest bearing liabilities are secured over the future revenues of the Authority.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES cont.

PROVISIONS

LSL Employee entitlements (including oncosts)		227	37	217	46
Provision for rock crushing		476		384	-
Provision for remediation costs	1.3,7,15	2,791		4,978	-
Other Provisions		-		68	-
		<u>3,494</u>	<u>37</u>	<u>5,647</u>	<u>46</u>

Amounts included in provisions that are not expected to be settled within 12 months of reporting date.

37	46
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In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs was recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Remediation works commenced in July 2021 and have continued during the financial year ended 30 June 2023. The Board estimates that the remediation works will be completed in the next 12 months.

The Authority's Board approved the retention of Surplus the Authority Contributions for each constituent the Authority to fund the asbestos contaminated material remediation project, until net Equity returns to positive values.

Movements in Provisions - 2023 year only
(current & non-current)

	<i>Provision for rock crushing</i>	<i>Provision for remediatio n costs</i>	<i>Leave & Other Provision</i>
Opening Balance	384	4,978	331
Add Additional amounts recognised	92	767	1
(Less) Payments		2,954	
Unused amounts reversed			68
Closing Balance	<u>476</u>	<u>2,791</u>	<u>264</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2023 \$'000	2022 \$'000
Total cash & equivalent assets	5	<u>1,378</u>	<u>2,590</u>
Balances per Cash Flow Statement		<u>1,378</u>	<u>2,590</u>

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

Net Surplus (Deficit)		(466)	590
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		889	812
Net increase (decrease) in unpaid employee benefits		(17)	22
Change in allowances for under-recovery		(4)	4
Net (Gain) Loss on Disposals		<u>8</u>	<u>-</u>
		410	1,428
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		137	631
Net (increase) decrease in inventories		5	22
Net increase (decrease) in trade & other payables		247	54
Net increase (decrease) in other provisions		<u>(2,163)</u>	<u>(4,687)</u>
Net Cash provided by (or used in) operations		<u>(1,364)</u>	<u>(2,552)</u>

(d) Financing Arrangements

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

Corporate Credit Cards	10	10
LGFA Cash Advance Debenture facility	5,042	6,422

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned.

Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 4.30% (2022: 0.01% and 1.05%).

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

Receivables - Fees & other charges

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

Terms & conditions: Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

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

Receivables - other levels of government

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

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

Carrying amount: approximates fair value.

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.

Liabilities - Interest Bearing Borrowings

Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate.

Terms & conditions: secured over future revenues, borrowings are repayable in six-monthly instalments; interest is charged at fixed rates between 1.8% and 4.0% (2022: 1.8% and 4.8%) and cash advanced debentures require interest only at variable rates between 5.30% and 6.05% (2022: 2.05% and 2.80%).

Carrying amount: approximates fair value.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (cont.)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	1,378	-	-	1,378	1,378
Receivables	391	-	-	391	157
Total	1,769	-	-	1,769	1,535
<u>Financial Liabilities</u>					
Payables	1,847	-	-	1,847	1,733
Current Borrowings	1,534	-	-	1,534	1,339
Non-Current Borrowings	-	2,159	6,296	8,455	7,220
Total	3,381	2,159	6,296	11,836	10,292

2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	2,590	-	-	2,590	2,590
Receivables	506	-	-	506	504
Total	3,096	-	-	3,096	3,094
<u>Financial Liabilities</u>					
Payables	1,712	-	-	1,712	1,712
Current Borrowings	814	-	-	814	599
Non-Current Borrowings	-	2,951	5,735	8,686	7,179
Total	2,526	2,951	5,735	11,212	9,490

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

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Other Variable Rates	5.86	3,123	2.63	1,743
Fixed Interest Rates	3.67	5,436	3.65	6,035
		8,559		7,778

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (cont.)

Net Fair Value

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

Risk Exposures:

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

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of 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 Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

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

Expected Credit Losses (ECLs)

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

2023	ECL Rate	Gross Carrying Amount	Expected Loss
	%	\$'000	\$'000
Current	0%	95	-
Past Due 1-30 Days	0%	8	-
Past Due 31-60 Days	0%	4	-
Past Due 61+ Days		-	-
		107	-

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 9 - FINANCIAL INSTRUMENTS (cont.)

2022	ECL Rate %	Gross Carrying Amount \$'000	Expected Loss \$'000
Current	0%	75	-
Past Due 1-30 Days	0%	20	-
Past Due 31-60 Days	0%	5	-
Past Due 61+ Days	16%	19	3
		<u>119</u>	<u>3</u>

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

	2023	2022
As at 1 July	3	-
Provisions	-	3
Write off	-	-
Less reversals	(3)	-
As at 30 June 2023	<u>-</u>	<u>3</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - FINANCIAL INDICATORS

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. Detailed methods of calculation are set out in the SA Model Statements.

	2023	2022	2021
Operating Surplus Ratio			
<u>Operating Surplus</u>	-4.1%	5.7%	-107.0%
Total Operating Income			

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	119%	125%	145%
Total Operating Income			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Renewal Funding Ratio

<u>Outlays on Existing Assets</u>	100%	52%	107%
Asset Renewals - IAMP			

Net asset renewals expenditure is defined as net 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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis, adjusted for timing differences associated with prepaid Federal assistance Grants required to be recognised as revenue on receipt in accordance with Australian Accounting Standards.

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

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

	2023	2022
	\$'000	\$'000
Income		
<i>User charges</i>	11,083	10,329
<i>Grants, subsidies and contributions` - Operating</i>	(3)	68
<i>Investment income</i>	2	-
<i>Reimbursements</i>	14	2
<i>Other income</i>	10	6
	11,106	10,405
Expenses		
<i>Employee costs</i>	(3,542)	(3,081)
<i>Materials, contracts and other expenses</i>	(6,813)	(5,847)
<i>Depreciation, amortisation and impairment</i>	(889)	(812)
<i>Finance costs</i>	(320)	(75)
	(11,564)	(9,815)
Operating Surplus / (Deficit)	(458)	590
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(280)	(609)
Add back Depreciation, Amortisation and Impairment	889	812
Proceeds from Sale of Replaced Assets	90	-
	699	203
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(439)	(412)
	(439)	(412)
Annual Net Impact to Financing Activities	(198)	381

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 – SUPERANNUATION

The Authority 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 (10.5% in 2022-23; 10% in 2021-22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2021-22) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2022. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the Balance Sheet.

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Independent Board Chair, Independent Board Members, Independent Members of the Audit and Risk Committee, Executive Officer and certain prescribed officers under Section 112 of the Local Government Act 1999. In all, 8 persons (2022: 3 persons) were paid the following total compensation:

	2023	2022
	\$'000	\$'000
Salaries, allowances & other short term benefits	333	199
Post-employment benefits	29	15
Long term benefits	-	-
Termination benefits	-	-
TOTAL	362	214

Note 15 - ECONOMIC DEPENDENCE

A provision for remediation costs of \$2,791k has been recognised at 30 June 2023 (2022: \$4,977k) (refer to Notes 1.3, 3 and 7). As a result, the Authority's current liabilities exceed its current assets at 30 June 2023 by \$5,860k (2022: \$5,694k) and the Authority has a net deficiency of \$8,849k (2022: \$8,383k).

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

Bentleys SA Audit Partnership

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the accompanying financial report of the Fleurieu Regional Waste Authority, which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Fleurieu Regional Waste Authority as of 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID FRANCIS
PARTNER

Dated at Adelaide this 21st day of September 2023

Bentleys SA Audit Partnership

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the compliance of the Fleurieu Regional Waste Authority (the Authority) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2022 to 30 June 2023 are in accordance with legislative provisions.

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 legislative provisions for the period 1 July 2022 to 30 June 2023.

Limitation on 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 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.

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 internal 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.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

The Authority's Responsibility for the 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* in relation to Internal Controls, to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities are in accordance with legislative provisions.

Our 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 the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2022 to 30 June 2023. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis on the assessed risks.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID FRANCIS
PARTNER

Dated at Adelaide this 21st day of September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'MJKelledey'. The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Michael Kelledey
Chair of the Board
Fleurieu Regional Waste Authority

Date: 29 September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in blue ink, appearing to read 'S Grenfell', is written over a horizontal dotted line.

Simon Grenfell
EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: 29 September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'Peter Fairlie-Jones'. The signature is fluid and cursive, with a long horizontal stroke at the end.

.....
Peter Fairlie-Jones
Presiding Member Audit & Risk Committee
Fleurieu Regional Waste Authority

Date: 29 September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'Nigel Morris', is positioned above the printed name.

.....
Nigel Morris
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 29 August 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'Victoria MacKirdy', positioned above a horizontal dotted line.

.....
Victoria MacKirdy
CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Date: 30 August 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'Nathan Cunningham', written over a dotted line.

.....
Nathan Cunningham
CHIEF EXECUTIVE OFFICER
District Council of Yankalilla

Date: 31 August 2023

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2023

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read 'Nicki Putland', written in a cursive style.

.....
Nicki Putland
ACTING CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 4th September 2023

Bentleys SA Audit Partnership

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Bentleys SA Audit Partnership



David Francis
Partner

Dated at Adelaide this 30th August 2023

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1226 Port Elliot Road, Goolwa
Phone: (08) 8555 7405
www.frwa.com.au



22/23 Annual Report



Fleurieu Regional
Aquatic Centre
Authority





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The Fleurieu Regional Aquatic Centre Authority acknowledge the traditional custodians of the land the Centre is on, and acknowledge their connections to the land, waters and community. We pay our respect to their Elders past, present and future, and extend that respect to all Aboriginal and Torres Strait Islander peoples across Australia. The Authority will commence consultation to form an agreed acknowledgement with Aboriginal and Torres Strait Islander peoples and to inform future plans and processes.



Chairperson's Message

Reflecting on the 2022/2023 financial year, the Fleurieu Regional Aquatic Centre Authority Board has established a foundation to move forward on a number of significant and important initiatives. We have steadily emerged from the uncertainty brought by the COVID pandemic, seeing differences in centre usage and a gradual return to confidence by the public. We continue to grow our service to the community, thinking innovatively with a focus on improving accessibility and sustainability at the forefront of our future vision.

This year also saw a change in our Board composition welcoming Council Member Angela Schiller to the Board and Council Members Lou Nicholson and Stewart Burns as new Deputy Council Members. I would like to thank David Kemp for his support on the Board and Audit Committee over the last 4 years, providing valuable expertise, advice and direction.

The Authority Board has shown a strong and considered approach to the challenges facing the Authority in the past year, committed to ensuring decisions are made for the benefit of the community and centre. I acknowledge and thank the Board for their work and effort in moving our Strategic Plan forward in an ever-changing environment, while fulfilling our governance requirements and reflecting honestly on the most appropriate structure for the Authority moving forward.

We continue to work with the YMCA on delivering an improved service offering, with a new Sensory Hydrotherapy program launched in early 2023 to enable access to our hydrotherapy pool for those living with sensory challenges. This initiative was part of a collaboration between the Authority Board, YMCA, Mission Australia and Alexandrina Council. We've also continued to focus on accessibility with improvements to our assets and infrastructure, including the purchase of an electric adult change table in the hydrotherapy pool area. We will continue to improve our facilities based on community feedback and intend to implement further changes and initiatives that will ensure our centre is a place for everyone.

The YMCA continue to deliver to our community, managing site attendance of over 183,000 visitors and a return of \$3.2million in social value outcomes. Social value measures the positive impacts of attendance that contribute to health

outcomes in the lives of our residents by way of benefits such as improved mental health, increased productivity, supporting those with chronic health conditions, improvements to swim safety for people of all ages and reducing reliance on the health system. Safety is also at the forefront of their management model, with the centre scoring extremely high when assessed against the Surf Life Saving SA's Pool Safety Assessment and setting the benchmark for the state. The social benefits of a community aquatic facility have also seen a resurgence in a post COVID world, with a number of events aimed at increasing social interaction for all ages proving to be popular activities that are well attended.

While our financial position was better than expected as we close out 2022/2023, energy costs remain the Authority's greatest challenge. Moving into the new financial year, our focus on decreasing our carbon footprint, increasing our environmental sustainability while reducing energy costs will come to life. In progressing our energy efficiency project, we continue to remain vigilant and agile in our pursuit of grant funding opportunities from all levels of government.

Dean Newbery & Partners has audited the 2022-2023 Financial Statements and a complete copy of the Audited Financial Statements forms part of this report.

In closing, I am proud of the work that we as the Authority Board, Audit and Risk Management Committee and in partnership with our Constituent Councils have undertaken in recent years. Whatever the future holds, I am confident we will continue to see the Fleurieu Aquatic Centre thrive and evolve, building on its current place in the community as a place for health, wellbeing and social connection.

Steve Mathewson

Chairperson, Fleurieu Regional Aquatic Centre Authority



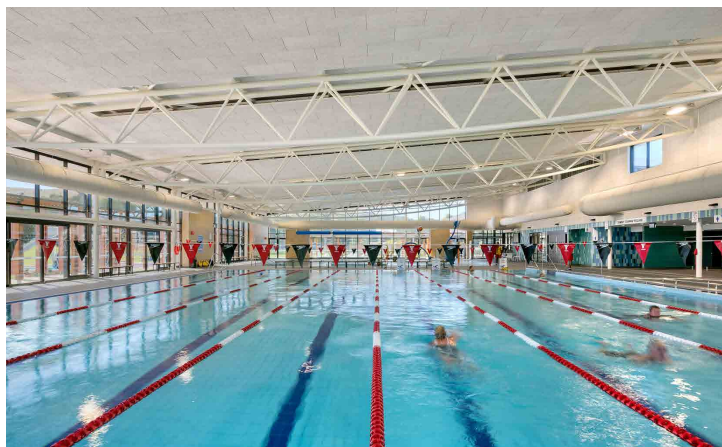
“

The YMCA continue to deliver to our community, managing site attendance of over 183,000 visitors and a return of \$3.2million in social value outcomes.

”

Who we are...

The Fleurieu Regional Aquatic Centre Authority is a regional subsidiary of City of Victor Harbor and Alexandrina Council, established to enable joint ownership and management of the Fleurieu Aquatic Centre on behalf of the two Constituent Councils.



The Centre opened to the region in 2017 after an investment of \$6.5 million from each Constituent Council, \$7.5 million from the Australian Government, \$500,000 from the South Australian Government, and a generous land donation from Beyond Today.

Located at 50 Ocean Road in Hayborough, South Australia, this premier facility provides the community with access to:

- **an 8-lane, 25-metre lap swimming pool;**
- **a multi-use hydrotherapy pool;**
- **a children's pool;**
- **a zero-depth outdoor splash park;**
- **a crèche facility;**
- **fitness facilities; and**
- **a commercial kiosk.**

Centre operations are managed by YMCA South Australia, who work closely with the Authority Executive Officer to care for and maximise the asset on behalf of the community.

The Charter was reviewed in 2021 and is the guiding document of the Authority and sets out its key responsibilities in relation to the management of the Centre.

These are to:

- manage the facilities of and services at the Aquatic Centre in accordance with the Charter and all applicable legislation;
- undertake the care, protection, management, operation and improvement of the Aquatic Centre and its associated facilities and services in an efficient, effective and sustainable manner;
- pro-actively manage the business of the Aquatic Centre in a competitive and changing environment;
- deliver effective and sustainable service provision for the Constituent Councils, customers of the Aquatic Centre and the regional communities of and surrounding the Constituent Councils;
- contribute to the education and welfare of the Constituent Councils and the wider community through the facilitation of various aquatic programs;
- foster social inclusion through the provision of a community place providing a variety of aquatic programs and associated services and facilities;
- maximise participation in and use of the aquatic programs provided at the Aquatic Centre and the facilities and services of the Aquatic Centre by users of all ages and abilities;
- undertake key strategic and policy decisions for the purpose of enhancing and developing the Aquatic Centre;
- establish and demonstrate ethical policies and standards, in accordance with the rights of customers and industry standards; and
- as far as possible, be financially self-sufficient.

More information about the Centre and the Authority is available on our website at www.fleurieuaquaticcentre.com.au.

Strategic Direction

The Authority is boldly working towards its goals to achieve its vision from a revitalized Strategic Plan 2023-2032. This is supported by the updated 3 Year Business Plan 2023-2026.

Mission

A premier aquatic facility that enhances the health and wellbeing of our regional communities.

Vision

A vibrant, contemporary and inclusive facility, embraced by our communities.

Aspirations

1. Participation and Awareness

Increase participation and awareness of the Fleurieu Aquatic Centre and its program and facilities.

2. Social Inclusion

Foster and maximise social inclusion and social activities.

3. Collaboration

Build relationships and collaborate for improved social, community, and commercial outcomes.

4. Stewardship

Provide prudent stewardship, striving for sustainability, innovation and creativity.

Planning Context

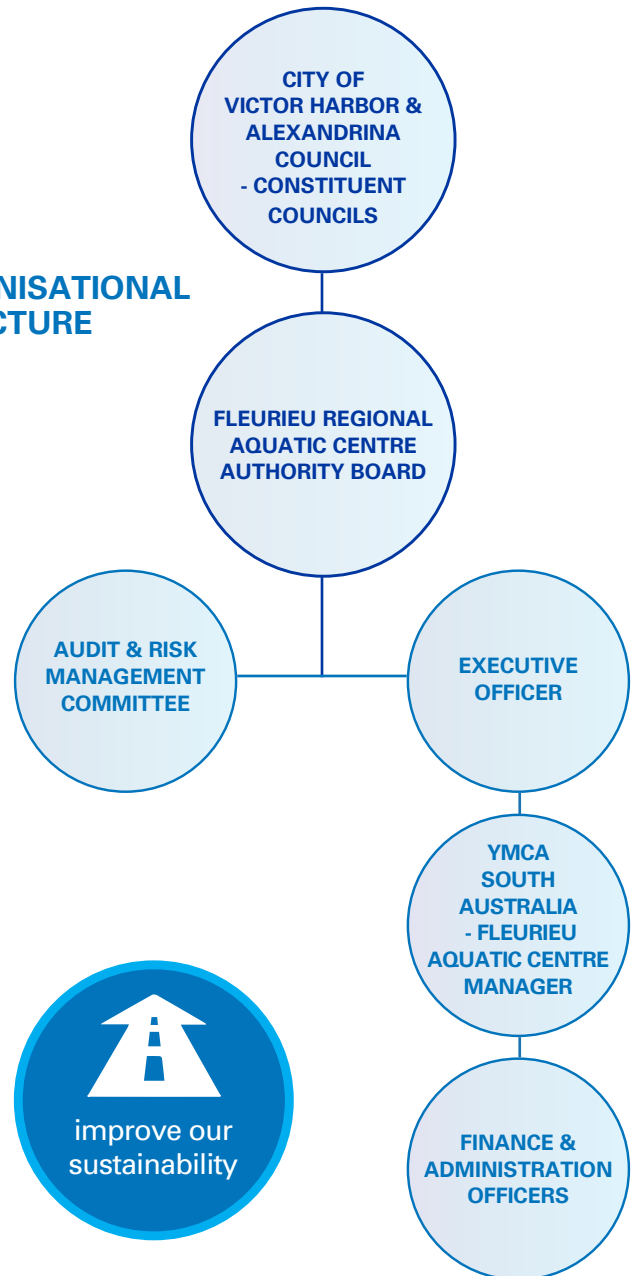
The Authority has a suite of strategic planning documents, including the Strategic Plan 2023/32 (subject to Constituent Council endorsement), Asset Management Plan 2018/2027 and Long-Term Financial Plan 2018/2027.

These strategic documents inform and are supported by the Authority 3-Year Business Plan, an annual Fleurieu Aquatic Centre Business & Marketing Plan, and annual budgets.

Organisational Structure

The Authority is a body corporate and is governed by the Local Government Act 1999 and its Charter.

THE ORGANISATIONAL STRUCTURE



Looking Ahead

The Authority undertook significant work to capture its strategic risks and formed the draft Strategic Risk Management Plan in 2023. After the completion of the Asset Revaluation in late 2022, we continue with the management of our assets by reviewing the Asset Management Plan and Long-Term Financial Plan.

Further progress has been achieved to improve our sustainability with an energy solution set to commence in early 2024.

The Authority has made a number of applications for State and Federal government grants to support this project throughout the financial year. This has been a much longed-for development by the Authority, Constituent Councils and the community, with the hope to see the rewards of any decisions implemented for the long-term future. This project will continue regardless of grant funding outcomes.

The Board

The Authority is led by a Board of Management responsible for ensuring the Authority acts in accordance with its Charter and all other relevant legislation, while providing a premier regional aquatic center to the community of behalf of its Constituent Councils.

The Board is comprised of five Members, including an elected member of each Constituent Council, and three independent Members engaged for their specialist skills and expertise. The 2022 Local Government Elections saw us welcome a new Representative from City of Victor Harbor, Angela Schiller. The Authority also engaged a new Independent Member in September 2022, Vicki Tomlinson. Both new members bring a wealth of experience and knowledge to the Board.

The Board is supported by an Executive Officer who gives effect to decisions and oversees the day to day operating functions of the the Authority and liaison with the YMCA.

In 2022/2023, the Executive Officer position was held by Andrew Baker, Victoria MacKirdy and Kellie Knight-Stacey.

During the 2022/2023 financial year the Board met 11 times at the City of Victor Harbor and Alexandrina Council offices. This included a training session and subsequent workshop to determine the current Strategic Risks of the Authority.



Steve Mathewson

Independent Chairperson Attended
11/11 meetings



Mark Easton

Independent Member
Attended 10/11 meetings



Vicki Tomlinson

Independent Member
Attended 10/10 meetings
(Commenced September 2022)



Cr Margaret Gardner

Alexandrina Council
Attended 9/11 meetings



Cr Angela Schiller

City of Victor Harbor
Attended 7/8 meetings
(Commenced December 2022)



Cr Lou Nicholson

Attended 4/8 meetings
(Deputy Council Member Representative 1/4)
(Commenced December 2022)

Audit & Risk Management Committee



The Audit & Risk Management Committee provides assurance support to the Authority Board through the review of key documents and information.

In accordance with the Terms of Reference, the Committee's key responsibilities include:

- reviewing annual financial statements to ensure that they provide a timely and fair view of the state of affairs of the Authority;
- reviewing the adequacy of Authority risk management systems;
- proposing, and providing information relevant to, a review of the Authority's strategic management plans or annual business plan;
- liaising with the Authority's external auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Authority on a regular basis.

The Audit & Risk Management Committee met eight (8) times in the 2022/2023 financial year.

Independent Chairperson



Independent Member



Authority Board Member



Constituent Council Representatives



Fleurieu Aquatic Centre

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We continue to grow our service to the community, thinking innovatively with a focus on improving accessibility and sustainability at the forefront of our future vision.

”

Competitive Neutrality

The Constituent Councils and the Authority must comply with the principles of competitive neutrality in the conduct of significant business activities. The principles of competitive neutrality do not limit the types of business activities which councils (hence the Authority) may engage in, but requires that where these business activities are significant they are provided in a manner which is competitively neutral (provided that the public benefits of doing so outweigh the costs). The Authority is obliged by its Charter to undertake a competitive neutrality assessment of its significant business activities each year. The Board reviewed the fees and charges in 2022/23 to ensure that the principles of competitive neutrality were maintained.

Fleurieu Aquatic Centre Performance

Key Achievements

Membership peaked to **1198**, Member growth increase of **4.3%** from 2021/2022.

183,036 Centre visits during the year, an increase of **4.9%** (8,544) from 2021/2022.

Ongoing management of COVID-19 safety systems.

Social Impact Highlights

YMCA in partnership with Surf Lifesaving SA and other community organisations, launched the Parnggi Yarlular Porlar (Water Ocean Kids) program, of which the Fleurieu Aquatic Centre is a proud program member.

This initiative offers an invaluable opportunity to up to 25 First Nations children aged 7-12 years across SA to participate in free swimming lessons during Terms 2 and 3, in addition to the Nippers program at Goolwa Surf Lifesaving Club. The funding for this program is from an Office of Recreation Sport and Racing Grant, a reflection of the YMCA's proactive approach to seeking resources to facilitate such transformative programs, bringing the opportunity to local children in our community.

Another standout moment of the year was the introduction of Australia's inaugural public access Sensory Hydrotherapy sessions. This is an innovative new program transforming the hydrotherapy pool into a calm dark area with visual sensory lighting, projections and music, offering an accessible, low sensory pool session, ideal for those who would benefit from a calmer environment. This program was made possible by the collaboration between the Authority, YMCA, Mission Australia and Alexandrina Council.

Aqua Babies was launched in February 2023 and is a free program to introduce infants aged 3-6 months old to the water, providing a nurturing and supportive environment for their initial aquatic experiences. Serving as a feeder into the broader swimming lesson program, Aqua Babies ensures a seamless transition into water-based activities for these young participants.

Our swimming lesson program stands as a marker of our commitment to water safety and education.



The impressive statistic of over 13,544 lessons delivered in 2022/23 underscores our dedication to imparting essential skills in the Fleurieu community. With lessons catering to a diverse age range, spanning from 6-month-old infants to adults, including those with additional support needs, we continue to offer an inclusive and welcoming space for all.

School holiday activities continue to be a key focus at the Centre, with a diverse range of offerings both in and out of the pool provided to engage with local youth. This includes Mega Splash, inflatable volleyball, slime making, slide n splash and cookie decorating.

The YMCA's dedication to community enrichment continues to embrace the social connection aspect of the Authority's vision. A number of social events were relaunched in 2022/2023 after years of Covid interruptions, including the 80's disco aqua aerobics event. Beyond being a fun and entertaining social gathering, it also served a higher purpose by raising \$395 for a local charity that runs a community pantry, providing support to families facing challenging circumstances.

Social Impact Highlights (cont)

This collaborative effort highlights the Centre’s role as a hub for both fitness and community involvement, fostering a culture of giving back.

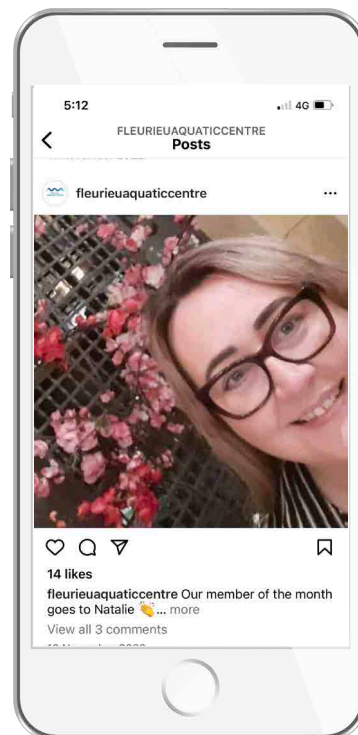
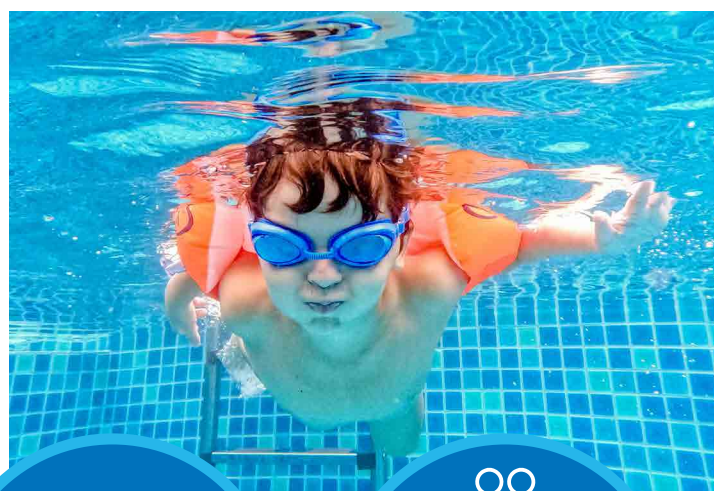
The Centre’s members remain at the heart of its accomplishments. The “Member of the Month” initiative continued throughout the year, providing a platform to celebrate the remarkable stories of individuals on their fitness journeys. These narratives are a testament to the positive impact the Centre has on its members, serving as a source of motivation and inspiration.

The Fleurieu Aquatic Centre has solidified its standing as a nurturing ground for talent and community engagement. The Great Southern Swimming Club continues to flourish with training sessions held five times a week. The club’s consistent growth, averaging 20-30 active swimmers per session, showcases the Centre’s pivotal role in honing local athletes and providing them with a platform to excel.

The YMCA demonstrated resourcefulness by repurposing unclaimed lost property, including bathing suits and goggles. These items were generously donated to a swim school in

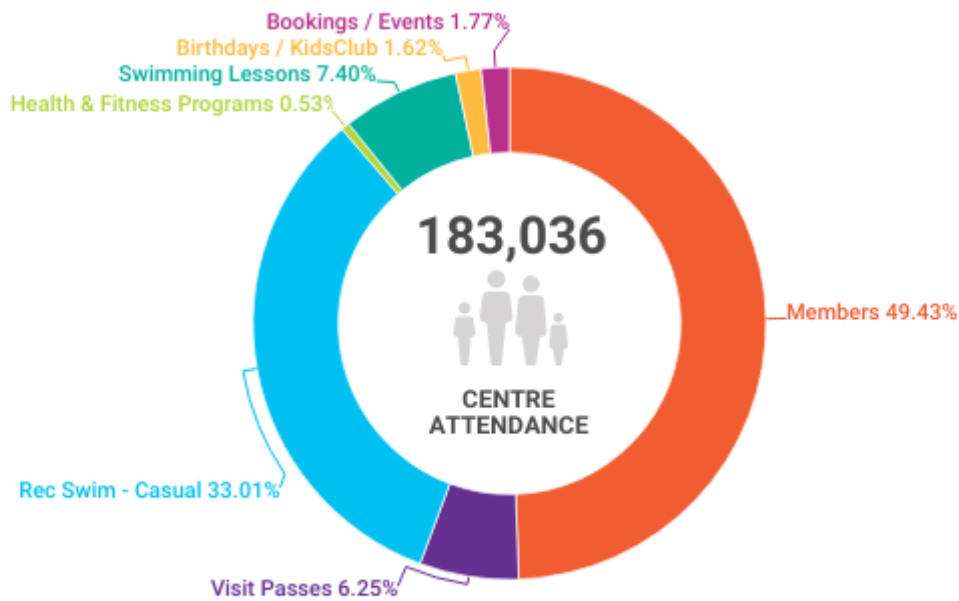
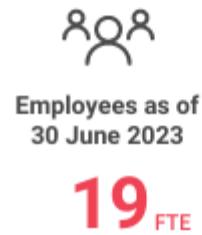
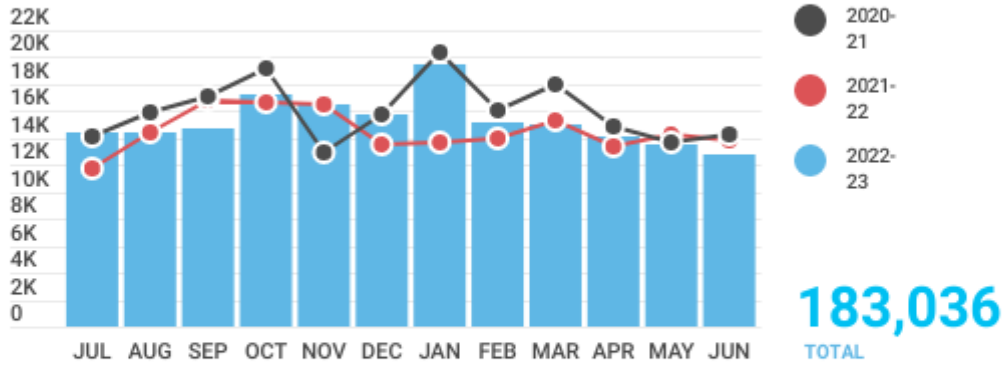
Zimbabwe, which in turn distributed them to underprivileged children, showcasing a heartwarming display of international collaboration and support.

These new initiatives and programs build on our existing partnerships with a number of community organisations such as MS Society, YWCA, Department of Education, and Community Living Australia.



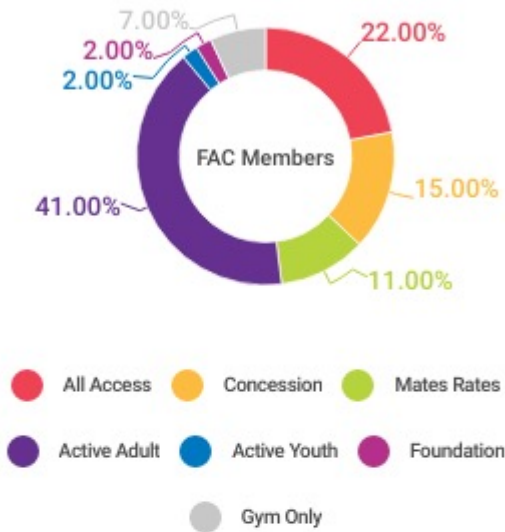
Centre Utilisation

Site Attendance

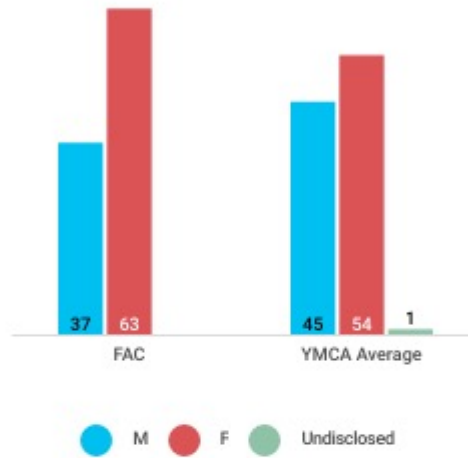


Members

MEMBERSHIP TYPE BREAKDOWN



GENDER



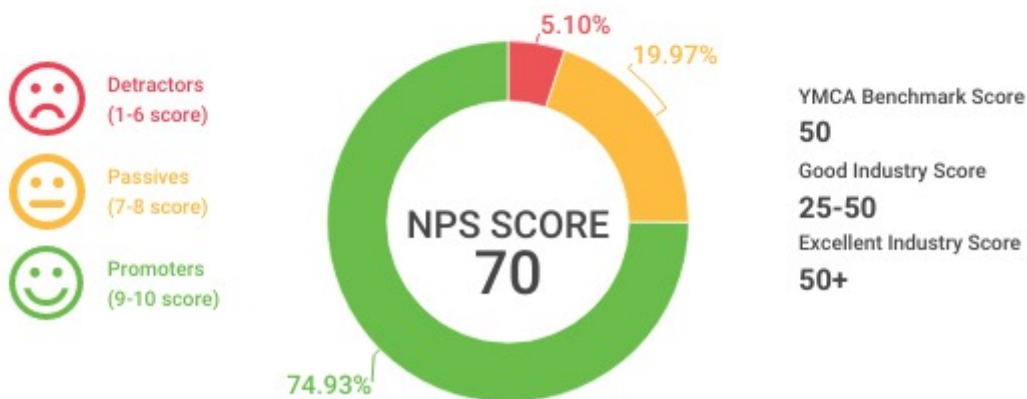
Community Feedback

The **Ask Nicely** system gathers customer feedback online via a short survey to calculate a Net Promoter Score for the Centre, with any concerns addressed by the Centre Manager. The overall score for 2022/2023 has increased to 70, from a score of 69 in 2021/2022.



COMMUNITY

NET PROMOTER SCORE



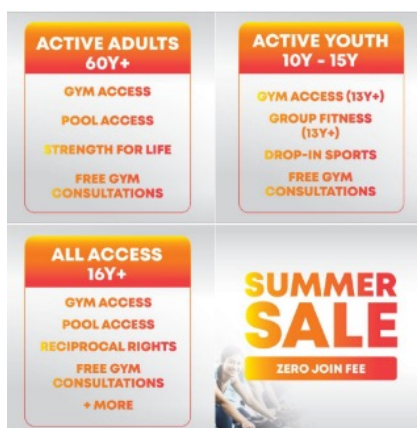
Marketing & Communication

The marketing strategy for the year 2022/23 had a clear focus on boosting Centre membership and enhancing community involvement, prioritising two key programs – swimming lessons and group fitness.

Highlighting these offerings promoted avenues for personal growth, fitness and the opportunity to reengage our close-knit community.

The following campaigns and promotions were run throughout the year using a range of media to increase reach and target specific demographic groups. Engagement is undertaken through a range of marketing activity, local newspapers, online promotions including social media, website and sharing through likeminded partners including Alexandrina and the City of Victor Harbor Councils.

- School holiday focused promotion included VacSwim, and school holiday programming for each school holiday period. This comprehensive approach led to impressive increases in attendance for recreational swimming activities and corresponding revenues.
- Showcasing transformative journeys and achievements of Centre members to capture emotional bonds forged in the Centre's welcoming environment. This included swim fundraising efforts for the Starlight Children's Foundation, and regular 'swimmer of the week' social media posts from Junior Swim lessons.
- Internal member communication via email E-Blast.
- Promotion of new programs including Sensory Hydrotherapy and Parnggi Yarluwar Porlar (Water Ocean Kids).
- Aqua Guard Workshop promotion.



“

The Fleurieu Aquatic Centre has solidified its standing as a nurturing ground for talent and community engagement.

”



**Fleurieu Regional Aquatic
Centre Authority**

General Purpose Financial Reports
for the year ended 30 June 2023

Financial Statements

Fleurieu Regional Aquatic Centre Authority
General Purpose Financial Reports
for the year ended 30 June 2023

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Fleurieu Regional Aquatic Centre Authority
Annual Financial Statements
for the year ended 30 June 2023

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Fleurieu Regional Aquatic Centre Authority to certify the financial statements in their final form.

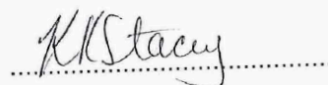
In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Steve Mathewson
CHAIR PERSON

Date: 31 October 2023



Kellie Knight-Stacey
ACTING EXECUTIVE OFFICER

Date: 25 October 2023

Fleurieu Regional Aquatic Centre Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023	2022
INCOME			
User charges	2	2,018,850	1,828,655
Grants, subsidies and contributions - Operating	2	997,658	870,883
Investment income	2	20,172	4,632
Reimbursements	2	275	-
Other income	2	4,346	-
Total Income		3,041,301	2,704,170
EXPENSES			
Employee costs	3	30,243	42,720
Materials, contracts & other expenses	3	3,009,374	2,650,148
Depreciation, amortisation & impairment	3	536,953	689,657
Total Expenses		3,576,570	3,382,525
OPERATING DEFICIT		(535,269)	(678,355)
Asset disposal	4	-	(26,976)
Amounts received specifically for new or upgraded assets	2	-	20,322
NET DEFICIT		(535,269)	(685,009)
Other Comprehensive Income			
Changes in revaluation surplus - IPP& E	8	12,241,477	-
Total Other Comprehensive Income		12,241,477	-
TOTAL COMPREHENSIVE INCOME		11,706,208	(685,009)

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

Fleurieu Regional Aquatic Centre Authority
Statement of Financial Position
as at 30 June 2023

		2023	2022
ASSETS	Notes		
Current Assets			
Cash and cash equivalents	5	723,096	687,900
Trade & other receivables	5	10,623	158,619
Total Current Assets		<u>733,719</u>	<u>846,519</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	29,332,194	17,590,407
Total Non-Current Assets		<u>29,332,194</u>	<u>17,590,407</u>
Total Assets		<u>30,065,913</u>	<u>18,436,926</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	112,241	189,462
Total Current Liabilities		<u>112,241</u>	<u>189,462</u>
Total Liabilities		<u>112,241</u>	<u>189,462</u>
NET ASSETS		<u>29,953,672</u>	<u>18,247,464</u>
EQUITY			
Accumulated deficit		(3,356,366)	(2,821,097)
Asset revaluation reserves	8	12,241,477	-
Capital contribution		21,068,561	21,068,561
TOTAL EQUITY		<u>29,953,672</u>	<u>18,247,464</u>

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

Fleurieu Regional Aquatic Centre Authority
Statement of Changes in Equity
for the year ended 30 June 2023

	Notes	Accumulated Surplus	Asset Revaluation Reserve	Capital Contributions	Total Equity
2023					
Balance at end of previous reporting period		(2,821,097)	-	21,068,561	18,247,464
Net Deficit for Year		(535,269)	-	-	(535,269)
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	12,241,477	-	12,241,477
Balance at end of period	8	(3,356,366)	12,241,477	21,068,561	29,953,672
2022					
Balance at end of previous reporting period		(2,136,088)	-	21,068,561	18,932,473
Net Deficit for Year		(685,009)	-	-	(685,009)
Balance at end of period	8	(2,821,097)	-	21,068,561	18,247,464

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

Fleurieu Regional Aquatic Centre Authority
Statement of Cash Flows
for the year ended 30 June 2023

	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		2,166,180	1,754,944
Investment receipts		18,495	4,632
Grants utilised for operating purposes*		997,658	870,883
Reimbursements		275	-
Other revenues		-	(6,688)
<i>Payments:</i>			
Employee costs		(30,243)	(45,893)
Materials, contracts & other expenses		(3,079,906)	(2,567,202)
Finance payments		-	(30,234)
Net Cash used in (provided by) Operating Activities		72,459	(19,558)
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		-	20,322
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(2,111)	(25,719)
Expenditure on new/upgraded assets		(35,152)	(36,268)
Net Cash used in Investing Activities		(37,263)	(41,665)
Net Increase / (decrease) in cash held		35,196	(61,223)
Cash & cash equivalents at beginning of period	5	687,900	749,123
Cash & cash equivalents at end of period	5	723,096	687,900

*Grants utilised for operating purposes includes Constituent Council contributions of \$996,658.

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

Fleurieu Regional Aquatic Centre Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian 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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

The Fleurieu Regional Aquatic Centre Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council and City of Victor Harbor.

The Authority was established on 6 August 2015 in accordance with Section 43 of the Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999. These financial statements have been prepared for use by the constituent Council's of the Authority.

3 Income recognition

3.1 Revenue

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

In cases where there is an 'enforceable' contract with a customer with '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 Authority expects to be entitled in a contract

In other cases, AASB 1058 applies when Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

4 Cash, Cash Equivalents and Other Financial Instruments

Cash assets include all amounts readily convertible to cash on hand at 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.

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

5.1 Initial Recognition

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

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

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 6. No capitalisation threshold is applied to

Materiality levels for capitalisation are set at:

Furniture, Fittings and Minor Equipment	\$1,000
Plant and Major Equipment	\$5,000
Buildings	\$5,000
Infrastructure	\$5,000

5.3 Subsequent Recognition

An item that qualifies for recognition as an asset shall be measured at its cost on the date of recognition. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the asset ready for use. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. The following years after asset recognition the asset will be valued at fair value according to the revaluation program as determined.

5.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Authority, 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 on a maximum five-year cycle or by exception when required.

Major depreciation periods (useful lives) for each class of asset are listed below:

Buildings & Other Structures	7 - 40 years
Furniture & Fittings	2 - 40 years
Plant & Equipment	6 - 40 years
Infrastructure	12 - 40 years

Fleurieu Regional Aquatic Centre Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

5.5 Impairment

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

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

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

6 Payables

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

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 on costs) measured in accordance with AASB 119.

No accrual is made for sick leave as Authority 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. Authority does not make payment for untaken sick leave.

8 Superannuation

The Authority makes employer superannuation contributions in respect of its employee's choice of superannuation fund. The Authority had no employees at 30 June 2023.

9 Constituent Council Contributions

The City of Victor Harbor and Alexandrina Council funded the construction of the Fleurieu Aquatic Centre facilities and purchased all plant and equipment for the Aquatic Centre. Each Council contributed 50% towards the cost of construction of the facility and purchase of the equipment. Both Councils transferred these assets to the Authority on 17 March 2017, as an equity contribution.

The Authority for 2018/19 received contributions from Constituent Councils towards net operating deficits excluding depreciation expense for the facility. The Constituent Councils during 2018/19 resolved not to cash fund depreciation expense for the Authority. As a result the Authority expects operating deficits close to the depreciation expense for future years.

10 GST Implications

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

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

11 New and amended standards and interpretations

There were no new accounting standards implemented during the financial year. There are no proposed changes in future accounting standards, interpretations or guidance statements which are expected to have a material impact on the accounting policies of the Authority in future periods as at the time of preparing the financial statements.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	2023	2022
USER CHARGES		
Fleurieu Aquatic Centre Income	<u>2,018,850</u>	<u>1,828,655</u>
	<u>2,018,850</u>	<u>1,828,655</u>
INVESTMENT INCOME		
Interest on investments:		
Local Government Finance Authority	20,154	4,541
Banks & other	<u>18</u>	<u>91</u>
	<u>20,172</u>	<u>4,632</u>
REIMBURSEMENTS		
Other	<u>275</u>	<u>-</u>
	<u>275</u>	<u>-</u>
OTHER INCOME		
Sundry	<u>4,346</u>	<u>-</u>
	<u>4,346</u>	<u>-</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
<i>Amounts received specifically for new or upgraded assets</i>	-	20,322
<i>Other grants, subsidies and contributions - Operating</i>		
Council Contribution - Alexandrina Council	498,329	435,442
Council Contribution - City of Victor Harbor	498,329	435,442
Sundry	<u>1,000</u>	<u>-</u>
	<u>997,658</u>	<u>870,883</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

	2023	2022
Notes		
EMPLOYEE COSTS		
Salaries and Wages	25,445	35,962
Employee leave expense	1,775	1,899
Superannuation - non defined benefit plan contributions	2,423	3,808
Workers' Compensation Insurance	600	600
Other employment related costs	-	451
Total Operating Employee Costs	30,243	42,720
 Total Number of Employees	 -	 -
<i>(Full time equivalent at end of reporting period)</i>		
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	5,730	5,085
Subtotal - Prescribed Expenses	5,730	5,085
<u>Other Materials, Contracts & Expenses</u>		
Contractors	109,925	109,545
Board Expenses	31,305	21,837
Administration	90,654	84,835
Fleurieu Aquatic Centre Site Expenses	611,392	435,113
Fleurieu Aquatic Centre Expenses	2,160,368	1,993,733
Subtotal - Other Materials, Contracts & Expenses	3,003,644	2,645,063
	3,009,374	2,650,148
 DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings & Other Structures	483,104	365,016
Furniture & Fittings	31,402	154,372
Plant & Equipment	22,447	73,291
Infrastructure	-	96,978
	536,953	689,657

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - ASSET DISPOSALS

	2023	2022
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	-	-
Less: Carrying amount of assets sold	-	26,976
Gain (Loss) on disposal	-	(26,976)
NET GAIN (LOSS) ON DISPOSAL	-	(26,976)

Note 5 - CURRENT ASSETS

	2023	2022
CASH & EQUIVALENT ASSETS		
Cash at Bank	113,427	96,709
Deposits at Call	609,669	591,191
	723,096	687,900
TRADE & OTHER RECEIVABLES		
Accrued Revenues	2,130	453
Debtors - general	8,493	151,477
Prepayments	-	6,689
Total	10,623	158,619

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

Fair Value Level	2022					2023				
	Fair Value	Cost	Accumulated Depreciation	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount		
2	-	-	-	-	5,605,000	-	-	5,605,000		
3	-	12,407,742	(1,930,085)	10,477,657	27,163,111	-	(3,815,369)	23,347,742		
Buildings & Other Structures	-	3,867,215	(807,378)	3,059,837	-	395,410	(168,701)	226,709		
Furniture & Fittings	-	1,216,378	(345,277)	871,101	-	254,625	(101,882)	152,743		
Plant & Equipment	-	3,694,601	(512,789)	3,181,812	-	-	-	-		
Infrastructure	-	21,185,936	(3,595,529)	17,590,407	32,768,111	650,035	(4,085,952)	29,332,194		
Total IPP&E	-	21,161,756	(2,916,703)	18,245,053	-	21,185,936	(3,595,529)	17,590,407		

Comparatives

2022	Carrying Amounts Movement During the Year										2023
	Carrying Amount	Additions		Disposals	Depreciation	Transfers		Net Revaluation	Carrying Amount		
		New / Upgrade	Renewals			In	Out				
-	-	-	-	-	-	-	-	-	5,605,000		
10,477,657	-	-	-	(483,104)	6,716,713	-	6,636,477	-	23,347,742		
3,059,837	34,063	-	-	(31,402)	-	(2,835,789)	-	-	226,709		
871,101	1,089	2,111	-	(22,447)	-	(699,112)	-	-	152,743		
3,181,812	-	-	-	-	-	(3,181,812)	-	-	-		
17,590,407	35,152	2,111	-	(536,953)	6,716,713	(6,716,713)	12,241,477	29,332,194			
18,245,053	36,268	25,721	(26,976)	(689,657)	-	-	-	17,590,407			

Comparatives

This note continues on the following pages.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

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

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

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

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

Level 3: Inputs other than quoted prices that are not based on observable market data (unobservable inputs).

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

Land

Freehold land and land over which Fleurieu Regional Aquatic Centre Authority has control is recognised. As a result of the valuation conducted, the Authority has recognised the value of the land which the Land was revalued as at 1 July 2022 by APV Valuers & Asset Management.

Buildings & Other Structures

Buildings and other structures were revalued as at 1 July 2022 by APV Valuers & Asset Management. All additions recorded after the date of the valuation are recorded at cost. The estimated decrease in depreciation expense as a result of the valuation is \$152,000.

Plant & Equipment

These assets are recognised at cost.

Furniture & Fittings

These assets are recognised at cost.

Transfers

All assets were transferred from infrastructure to buildings in line with the valuers grouping of the assets and components of furniture and fittings and plant and equipment were also transferred to buildings.

Fleurieu Regional Aquatic Centre Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 7 - LIABILITIES

	2023		2022	
	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES				
Accrued Expenses -Other	26,264	-	105,267	-
GST Payable	1,726	-	2,894	-
Good and Services	84,251	-	81,301	-
	<u>112,241</u>	<u>-</u>	<u>189,462</u>	<u>-</u>

Note 8 - RESERVES

ASSET REVALUATION RESERVE	1/7/2022	Net Increments/ (Decrements)	Transfers/ Impairments	30/6/2023
Land	-	5,605,000	-	5,605,000
Buildings & Other Structures	-	6,636,477	-	6,636,477
TOTAL	<u>-</u>	<u>12,241,477</u>	<u>-</u>	<u>12,241,477</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2023	2022
Total cash & equivalent assets	5	723,096	687,900
Balances per Cash Flow Statement		<u>723,096</u>	<u>687,900</u>

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

Net Deficit		(535,269)	(685,009)
Non-cash items in Statement of Comprehensive Income			
Depreciation, amortisation & impairment		536,953	689,657
Net increase (decrease) in unpaid employee benefits		-	(3,173)
Grants for capital acquisitions treated as Investing Activity		-	(20,322)
Net (Gain) Loss on Disposals		-	26,976
		<u>1,684</u>	<u>8,129</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		147,996	(79,779)
Net increase (decrease) in trade & other payables		(77,220)	30,591
Net Cash used in operations		<u>72,459</u>	<u>(41,059)</u>

(c) Financing Arrangements

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

Corporate Credit Cards	5,000	5,000
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The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy: Initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned.

Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 4.3% (2022: average rate 0.7%).

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

Receivables Fees & Other Charges

Accounting Policy: Carried at nominal values less any allowances for doubtful debts.

Terms & conditions: Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

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.

Liquidity Analysis

2023	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	723,096	-	-	723,096	723,096
Receivables	10,623	-	-	10,623	10,623
Total	733,719	-	-	733,719	733,719
Financial Liabilities					
Payables	85,977	-	-	85,977	85,977
Total	85,977	-	-	85,977	85,977
2022					
Financial Assets					
Cash & Equivalents	687,900	-	-	687,900	687,900
Receivables	151,930	-	-	151,930	151,930
Total	839,830	-	-	839,830	839,830
Financial Liabilities					
Payables	189,462	-	-	189,462	189,462
Total	189,462	-	-	189,462	189,462

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

Risk Exposures:

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

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

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - COMMITMENTS FOR EXPENDITURE

Service	Contractor	Period of contract	Brief description
Operational Management – Fleurieu Aquatic Centre	YMCA SA	Two year extension to 30 June 2024	Provision of aquatic centre facility management and operating services for the Fleurieu Aquatic Centre (management of all aspects of daily operations and maintenance of the facility)
External Audit Services - Fleurieu Regional Aquatic Centre Authority	Dean Newbery & Partners	One year extension to 30 June 2023	Provision of an independent audit opinion of the accounts and annual financial reports of the Authority for financial years 2019/20, 2020/21, 2021/22 and 2022/23.
Administration & Finance Services	Alexandrina Council	Agreement extended to 31 December 2023	Provision of 0.5FTE Administration Officer and 0.05FTE Finance Officer

Note 12 - YMCA Management

The Authority has engaged YMCA SA to manage the day to day running of the Fleurieu Aquatic Centre (FAC). This management encompasses the receipting of income and outgoing of expenditure of the facility. The following income and expenditure lines relate to those managed by the YMCA:

	2023	2022
FAC Income	2,019,850	1,828,656
FAC Expense	2,142,759	1,993,733
Net Result	(122,909)	(165,077)

Note 13 - OPERATING LEASES

The Authority as at 30 June 2023 had not entered into any operating leases.

Note 14 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

The Authority as at 30 June 2023 had not recognised any contingencies.

Note 15 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2023 that need to be disclosed in the financial statements.

Note 16 - ECONOMIC DEPENDENCY

Per section 5.2 of the Authority's Charter there maybe a requirement for additional financial contributions to be made by Constituent Councils if there is insufficient working capital available to meet the Authority's financial obligations. The Authority may be reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 17 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Chair, the Board and Executive Officer as prescribed officers under section 112 of the Local Government Act 1999.

In 2022/23, the Authority paid allowances to three independent Board Members.

In 2022/23, there was one employee classified as Key Management Personnel.

In all, four persons were paid the following compensation:

	2023	2022
	\$	\$
Salaries, allowances & other short term benefits - Board Members	19,979	15,573
Salaries, allowances & other short term benefits - Employees	32,518	63,506
TOTAL	52,497	79,079

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

The Authority did not receive any payments from KMPs, other than amounts paid as residents (e.g. swimming pool entry fees, etc.)

OTHER RELATED PARTIES

The following transactions occurred with other Related Parties during the financial year ended 30 June 2023:

Related Party Entity	Sale of Goods & Services (\$)	Amounts Outstanding from Related Parties (\$)	Description of Services Provided to Related Parties
Alexandrina Council	498,329	-	Contribution to Regional Aquatic Facility
City of Victor Harbor	498,329	-	

The Related Parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority.

No one Constituent Council individually has control of those policies.

DeanNewbery

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Independent Auditor's Report

To the members of the Fleurieu Regional Aquatic Centre Authority

Opinion

We have audited the accompanying financial report of the Fleurieu Regional Aquatic Centre Authority (the Authority), which comprises the statement of financial position as at 30 June 2023, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

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

Basis for Opinion

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

Authority's 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 to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless 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 Responsibilities for the Audit of the Financial Report

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

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

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

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

DEAN NEWBERY



SAMANTHA CRETEN
Director

31/10/2023

Fleurieu Regional Aquatic Centre Authority
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



.....
Victoria MacKirdy

Chief Executive Officer, City of Victor Harbor

Date: 27 October 2023

Fleurieu Regional Aquatic Centre Authority
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



.....
Nigel Morris
Chief Executive Officer, Alexandrina Council

Date: 25 October 2023

Fleurieu Regional Aquatic Centre Authority
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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




.....
Peter van der Eijk
FRACA Audit and Risk Management Committee Chairperson

Date: 25 October 2023

Fleurieu Regional Aquatic Centre Authority
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2023, the Authority's Auditor, Dean Newbery & Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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



Steve Mathewson
FRACA Board Chairperson

Date: 27 October 2023

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Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, 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*.



SAMANTHA CRETEN
Director

DEAN NEWBERY

31/10/2023

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Fleurieu Regional
Aquatic Centre

Authority