

His Worship the Mayor
Councillors
CITY OF MARION



**NOTICE OF
GENERAL COUNCIL MEETING**

Notice is hereby given pursuant to the provisions under Section 83 of the Local Government Act 1999 that a General Council meeting will be held

Tuesday 11 October 2016

Commencing at 6.30 p.m.

In the Council Chamber

Council Administration Centre

245 Sturt Road, Sturt

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Council Chamber is via the main entrance to the Administration building on Sturt Road, Sturt.

A handwritten signature in blue ink, appearing to read "Adrian Skull", is written over a faint, circular official stamp.

Adrian Skull
CHIEF EXECUTIVE OFFICER

7 October 2016

**CITY OF MARION
GENERAL COUNCIL AGENDA
FOR MEETING TO BE HELD ON
TUESDAY 11 OCTOBER 2016
COMMENCING AT 6.30PM**



1. OPEN MEETING

2. KAURNA ACKNOWLEDGEMENT

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. DISCLOSURE

All persons in attendance are advised that the audio of this General Council meeting will be recorded and will be made available on the City of Marion website.

4. ELECTED MEMBER'S DECLARATION OF INTEREST (if any)

5. CONFIRMATION OF MINUTES

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6. COMMUNICATIONS

Nil

7. DEPUTATIONS

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Mrs Nadine Tapley
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8. PETITIONS

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10. WORKSHOP / PRESENTATION ITEMS

10.1 5 Minute Presentation on Youth opportunities within the City of Marion Young Citizen of the Year, Charlotte Rayner	
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11. ADJOURNED ITEMS

Nil

12. CORPORATE REPORTS FOR DECISION

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17. CONFIDENTIAL ITEM

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18. LATE ITEMS

19. OTHER BUSINESS

20. MEETING CLOSURE

Council shall conclude on or before 9.30pm unless there is a specific motion adopted at the meeting to continue beyond that time.

**MINUTES OF THE GENERAL COUNCIL MEETING
HELD AT ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 27 SEPTEMBER 2016**



PRESENT

His Worship the Mayor Kris Hanna

Councillors

Coastal Ward
Ian Crossland

Mullawirra Ward
Jerome Appleby
Jason Veliskou

Southern Hills
Janet Byram
Nick Westwood (from 6.35pm)

Warracowie Ward
Bruce Hull
Nathan Prior

Warriparinga Ward
Luke Hutchinson
Raelene Telfer

Woodlands Ward
Tim Pfeiffer
Nick Kerry

In Attendance
Mr Adrian Skull
Mr Ray Barnwell
Ms Abby Dickson
Mr Mathew Allen
Ms Kate McKenzie
Ms Jaimie Thwaites

CEO
Acting General Manager Corporate Services
General Manager City Development
Acting General Manager Operations
Manager Corporate Governance
Unit Manager Governance & Records

COMMENCEMENT

The meeting commenced at 6.30pm.

KAURNA ACKNOWLEDGEMENT

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

DISCLOSURE

All persons in attendance are advised that the audio of this General Council meeting will be recorded and will be made available on the City of Marion website.

ELECTED MEMBER'S DECLARATION OF INTEREST

The Chair asked if any Member wished to disclose an interest in relation to any item being considered at the meeting.

The following declarations were made:

- Councillor Crossland – declared a perceived conflict of interest in the item 'Sturt Police Station' (GC270916M01) as he is employed by the South Australian Police Force.

CONFIRMATION OF MINUTES

6.31pm Moved Councillor Telfer, Seconded Councillor Byram that the minutes of the General Council Meeting held on 23 August 2016 taken as read and confirmed.

Carried Unanimously

DEPUTATIONS

Nil

PETITIONS

Nil

COMMITTEE RECOMMENDATIONS

6.32pm Confirmation of the Minutes for the People and Culture Committee Meeting held on 6 September 2016
Report Reference: GC270916R01

Moved Councillor Crossland, Seconded Councillor Byram that Council:

1. Receives and notes the minutes of the People and Culture Committee meeting of 6 September 2016 (Appendix 1).
2. Note that separate reports will be brought to Council for consideration of any recommendations from the People and Culture Committee.

Carried Unanimously

6.32pm Confirmation of the Minutes for the Infrastructure Committee Meeting held on 6 September 2016
Report Reference: GC270916R02

Moved Councillor Crossland, Seconded Councillor Byram that Council:

1. Receives and notes the minutes of the Infrastructure Committee meeting of 6 September 2016 (Appendix 1).

Carried Unanimously

WORKSHOP / PRESENTATION ITEMS

Nil

ADJOURNED ITEMS

Nil

CORPORATE REPORTS FOR DECISION

6.33pm 2016-19 Business Plan Report Reference: GC270916R03

6.35pm Councillor Westwood entered the meeting

6.37pm Councillor Hull left the meeting

6.39pm Councillor Hull re-entered the meeting

Moved Councillor Telfer, Seconded Councillor Pfeiffer that Council:

1. Revises and adopts the 2016-2019 Business Plan as provided in Appendix 1 inclusive of the following changes:

Liveable

Revise the Marion Historic Village Transformation goal: (remove this heading)

2016/17	2017/18	2018/19
Draft Plan Wording		
Better manage traffic on George Street and Dwyer Road	Traffic controls on Diagonal Road and Crew Street	Commence delivery of remaining elements of the Streetscape Masterplan
Proposed Wording		
Better manage traffic in Marion and Oaklands Park	Commence delivery of priority elements of the Streetscape Masterplan	Continue delivery of priority elements of the Streetscape Masterplan

Revise the wording on the asset optimization program goal to read:

2016/17	2017/18 -18/19
Draft Plan Wording	
Deliver an asset optimization program to ensure assets deliver services in a sustainable and valuable way to meet community needs	
Proposed Wording	
Review under-utilised council reserves and facilities to ensure community use is optimised	Continue implementation of priorities from the review of reserves and facilities

Revise the wording on the service review goal to read:

2016/17	2017/18	2018/19
Draft Plan Wording		
Undertake reviews on all services to ensure they continue to provide maximum value to our community, now and into the future		
Proposed Wording		
Undertake an evaluation and review of at least 9 council services to ensure they continue to provide maximum value to our community, now and into the future	Undertake an evaluation and review of at least a further 12 council services to ensure they continue to provide maximum value to our community, now and into the future	Undertake an evaluation and review of at least a further 12 council services to ensure they continue to provide maximum value to our community, now and into the future

Valuing Nature

Add the following initiative to 'A healthy and climate resilient urban environment'

- Advocate for residents across our city on toxic contamination mitigation measures

Our council of Excellence

Add a statement regarding the review of the LGA membership

- E.g. after the sentence...To maximize community value we place strong emphasis on working with partners and collaborators across the city and region.*We are committed to ongoing improvement in this area and as such will continually review our involvement and membership with partner bodies such as the Local Government Association.*

2. Notes the final 2016-2019 Business Plan will be published and communicated through a variety of forums including a small number of hard copy publications; the City of Marion's website, and social media forums.

Carried

6.40pm Glenthorne Farm

Report Reference: GC270916R04

A copy of the Glenthorne Farm Community Vision 2015 is attached as Appendix 1 to these minutes.

Moved Councillor Byram, Seconded Councillor Crossland that Council:

1. Notes report SCM130916R01 and reaffirms its strong support for Glenthorne Farm to be preserved for future generations as a site for revegetation, open space, heritage interpretation, and related public uses consistent with the Friends of Glenthorne vision document.

2. Advises the State Government and the University of Adelaide Government that the City of Marion maintains its strong support for the future of Glenthorne Farm to be consistent with the Land Management Agreement and Deed of Agreement between the State Government and the University of Adelaide in relation to the site being preserved for revegetation, open space, heritage interpretation and related public uses.
3. Notes that Mayor Hanna has sought a briefing for Elected Members from the University of Adelaide regarding its plans for the future of Glenthorne.
4. Requires a community engagement strategy to be drafted, for Council's consideration, to ensure that the community's aspirations for the property are actively promoted.

Carried

6.48pm Service Review Framework and Program 2016/17
Report Reference: GC270916R05

Moved Councillor Telfer, Seconded Councillor Hutchinson that Council:

1. Adopts the Service Review Framework and associated supporting documents provided in Appendix 1.
2. Adopts the Service Review Program 2016/17 provided in Appendix 2.
3. Notes that all identified services have been reviewed at a Stage 1 level in accordance with the Service Review Framework by 30 June 2016 as planned.
4. Notes a further report will be brought to Council in 2017 to adopt the Service Review Program for 2017/18 and 2018/19.

Carried Unanimously

7.00pm Recreation Plaza Oaklands Park Stage 2
Report Reference: GC270916R06

Moved Councillor Hull, Seconded Councillor Prior that Council:

1. Endorses Option 2 concept design for Stage 2 Recreation Plaza.
2. As Option 2 is endorsed, when the priority of items on the Unfunded Initiatives list is next reviewed, Council considers the allocation of the required funds of \$306,000 to progress this option.
3. Notes the additional annual operating, maintenance and renewal costs of \$23,442 for option 2 to be incorporated into the Long Term Financial Plan from 2017/18.

Carried

7.21pm Review of Playspace Strategy
Report Reference: GC270916R07

Moved Councillor Telfer, Seconded Councillor Crossland that Council:

1. Affirms in principle support for the playspace framework which incorporates:
 - a. Policy (including hierarchy)
 - b. Service Levels
 - c. Prioritised Works List
 - d. Project Methodology (including Community Engagement Approach).
2. Refer the matter for further discussion at a future forum to progress the policy, discuss spatial layout of hierarchy and budget implications over the life of the long term financial plan.
3. Endorse the removal of the 11 additional playspaces listed in this report.

Amendment:

Moved Councillor Byram, Seconded Councillor Westwood that Council:

1. Affirms in principle support for the playspace framework which incorporates:
 - a. Policy (including hierarchy)
 - b. Service Levels
 - c. Prioritised Works List
 - d. Project Methodology (including Community Engagement Approach).
2. Refer the matter for further discussion at a future forum to progress the policy, discuss spatial layout of hierarchy and budget implications over the life of the long term financial plan.
3. Endorse the removal of the 11 additional playspaces listed in this report.
4. Start an investigation into a suitable site for a neighbourhood play space in Hallett Cove Heights.

The amendment was **Carried**

7.36pm Councillor Veliskou left the meeting

7.38pm Councillor Veliskou re-entered the meeting

The motion as amended was **Carried**

7.44pm Streetscape Project - Application of Priority Scoring System to Identified Streets
Report Reference: GC270916R08

Moved Councillor Veliskou, Seconded Councillor Pfeiffer that Council:

1. Notes the application of the scoring criteria to identified streets.

2. Notes a report will be presented to Council in December 2016 detailing a proposed streetscape program of works.
3. Endorses the following streetscape demonstration projects to progress in 2016/17:
 - 1) Ramrod Avenue, Hallett Cove
 - 2) Charles Street, Ascot Park.

Carried

7.55pm Neighbourhood Centre Marketing Plan
Report Reference: GC270916R09

7.56pm Councillor Pfeiffer left the meeting
7.58pm Councillor Prior left the meeting
7.59pm Councillor Prior and Pfeiffer re-entered the meeting

Moved Councillor Telfer, Seconded Councillor Veliskou that Council:

1. Adopts the 2016-2019 Neighbourhood Centres Marketing Plan - (attached as *Appendix A*).

Carried Unanimously

8.00pm Gap Year for School Leavers
Report Reference: GC270916R10

8.00pm Councillor Kerry left the meeting

Moved Councillor Hutchinson, Seconded Councillor Crossland that Council:

1. Endorses the funding of two 'Gap Year' students for the 2017 calendar year, at a cost of \$78,174 (\$39,087 for the 16/17 and 17/18 financial years), sourced from local high schools.

Carried Unanimously

8.01pm Innovative Solar Option for Administration Building & Cove Civic Centre
Report Reference: GC270916R11

8.01pm Councillor Kerry re-entered the meeting

Moved Councillor Prior, Seconded Councillor Byram that Council:

1. Notes the 'Marion City Council Solar Innovation Options' report prepared by The Energy Project (Appendix 1);
2. Approves the inclusion of option 1 - 'An additional 50kW of solar on the Cove Civic Centre' in the procurement process approved at the 14 June 2016 Council meeting.

8.07pm Councillor Appleby left the meeting
8.09pm Councillor Appleby re-entered the meeting

Amendment:

Moved Councillor Veliskou, Seconded Councillor Crossland that:

1. Council notes the 'Marion City Council Solar Innovation Options' report prepared by The Energy Project (Appendix 1);
2. Council approves the inclusion of option 1 – 'An additional 50kW of solar on the Cove Civic Centre' in the procurement process approved at the 14 June 2016 Council meeting.
3. Options 2 and 3 be considered as part of the report on solar energy efficiency on Council owned building to come to Council later this year in 2016.

The amendment was **Carried**
The motion as amended was **Carried**

8.25pm City of Marion Public Health Planning – Progress Report 1 July 2014 – 30 June 2016
Report Reference: GC270916R12

Moved Councillor Byram, Seconded Councillor Telfer that Council:

1. Endorses the City of Marion Progress Report on Public Health Planning for submission to the Chief Public Health Officer and forwarding to the Minister for Health (Appendix 2).

Carried Unanimously

8.38pm Limited Club Licence Application – Vietnam Veterans' Federation
Report Reference: GC270916R13

Moved Councillor Hull, Seconded Councillor Prior that Council:

1. Provides the Liquor and Gambling Commissioner with a summary of the concerns residents have raised during the council public notification process.
2. Endorses the submission contained in Appendix 4 which recommends that Council advise the Liquor and Gambling Commissioner and the applicant that Council has concerns regarding the impact of the proposed Limited Club Licence on the amenity of nearby residential properties, but supports the licence in principle, subject to the recommended conditions.

Carried Unanimously

8.42pm Moved Councillor Telfer, Seconded Councillor Prior that the items 'Procurement and Contract Management Policy', 'Final Community Engagement Policy' and 'Final Climate Change Policy' be moved en bloc.

Carried

Procurement and Contract Management Policy
Report Reference: GC270916R14

Moved Councillor Telfer, Seconded Councillor Prior that Council:

1. Endorses the Procurement and Contractor Management Policy (Appendix 1).

Carried

Final Community Engagement Policy
Report Reference: GC270916R15

Moved Councillor Telfer, Seconded Councillor Prior that Council:

1. Endorses the final Community Engagement Policy as provided in Appendix 1.

Carried

Final Climate Change Policy
Report Reference: GC270916R16

Moved Councillor Telfer, Seconded Councillor Prior that Council:

1. Endorses the final Climate Change Policy as provided in Appendix 1.

Carried

8.44pm Cove Tigers Netball Club and Hallett Cove Netball Club (Amendment to previous resolution)
Report Reference: GC270916R17

Moved Councillor Byram, Seconded Councillor Crossland that Council:

1. Amends the resolution of 24 May 2016 that states:

Endorses the allocation of up to \$65,000 from the Asset Sustainability Reserve - Community Facilities Partnership Program (CFPP) towards the resurfacing of the netball courts at the Cove Sports and Community Club subject to the Club securing \$25,000 from the Office for Recreation and Sport grant funding program.

to the following new resolution:

Endorses the allocation of up to \$65,000 from the Asset Sustainability Reserve - Community Facilities Partnership Program (CFPP) towards the resurfacing of the netball courts at the Cove Sports and Community Club subject to the Club securing \$25,000 additional funding.

Carried Unanimously

8.47pm Clovelly Park Netball Court Redevelopment (Amendment to previous resolution)
Report Reference: GC270916R18

Item withdrawn.

8.47pm Review of Confidential Order – Signatures Café - GC260416F01
Report Reference: GC270916R19

Moved Councillor Westwood, Seconded Councillor Pfeiffer that Council:

1. In accordance with Section 91(7) and (9) of the *Local Government Act 1999* orders that the report *Signatures Café, GC260416F01*, the minutes arising from this report and any other information distributed at the meeting having been considered in confidence under Section 90(2) and (3)(d) of the Act be kept confidential and not available for public inspection on the basis that it relates to proposed commercial arrangements which could reasonably be expected to prejudice the commercial position of the person who supplies the information, or to confer a commercial advantage to a third party, and the release would, on balance, be contrary to the public interest.

This order is to remain in force until such time as it is reviewed, at which time a further order of confidentiality may be made.

2. Reviews the confidentiality order at the General Council meeting in December 2016.

Carried Unanimously

8.48pm Independent Member - Finance and Audit Committee
Report Reference: GC270916R20

Moved Councillor Telfer, Seconded Councillor Hull that Council:

1. Offers Mr Greg Connor a further 3 year appointment to the Finance and Audit Committee until November 2019.

Carried Unanimously

8.50pm Nominations for Local Government Association (LGA) Board Members & Deputy Board Members representing Metropolitan Local Government Group
Report Reference: GC270916R21

Moved Councillor Hutchinson, Seconded Councillor Pfeiffer that Council:

1. Notes the Report *Nominations for LGA President and Board Members and Deputy Board Members representing the Metropolitan Local Government Group*.

Carried Unanimously

8.52pm Election for Representative Members of the Local Government Finance Association (LGFA) Board of Trustees
Report Reference: GC270916R22

Moved Councillor Hull, Seconded Councillor Appleby that:

1. The Mayor writes to all for the candidates for the LGFA Board and the LGA Board seeking their view on the following City of Mitcham motion to the LGFA General meeting:

'That the Local Government Finance Authority investigates whether it is appropriate for a non-Local Government Association member to access the Local Government Finance Authority services.'

2. The responses received be tabled at the 11 October 2016 General Council meeting.

Councillor Hutchinson declared a perceived conflict of interest in the item as the motion put forward and debate now referred to the LGA Membership and he is an LGA nominated representative on the Grants Commission Board. Councillor Hutchinson left the meeting

9.05pm Councillor Hutchinson left the meeting

Carried

9.12pm Councillor Hutchinson re-entered the meeting

9.12pm Assessing CEO Overall Performance 2015-2016
Report Reference: GC270916R23

Moved Councillor Telfer, Seconded Councillor Hull that Council:

1. Endorses the 360-degree outcomes be used for conversation (with the CEO) about his performance in conjunction with the KPI results.
2. Confirms that the KPI's results are to be used to assess the CEO performance for 2015/16.
3. Confirms that the Elected Member feedback from the 360-degree outcomes be used for assessing KPI 12 (as shown in Appendix 1), Elected Member Feedback.

Carried Unanimously

CORPORATE REPORTS FOR INFORMATION / NOTING

9.14pm Moved Councillor Telfer, Seconded Councillor Kerry that the reports 'Finance Report – August 2016' and 'WHS Report – August 2016' be moved en bloc.

9.16pm Councillor Byram left the meeting

Carried Unanimously

Finance Report – August 2016
Report Reference: GC270916R24

Moved Councillor Telfer, Seconded Councillor Kerry that Council:

1. Receives the report "Finance Report – August 2016".

Carried Unanimously

WHS Report – August 2016
Report Reference: GC270916R25

Moved Councillor Telfer, Seconded Councillor Kerry that Council:

1. Notes the report and statistical data contained therein.

Carried Unanimously

9.19pm COMMUNICATIONS – HIS WORSHIP THE MAYOR

Report on Mayoral Activities for August to September 2016

Date	Event	Comment
19 August 2016	Australian Refugee Association Oration and Reception	Attended
20 August 2016	Refugee Advocacy Service of SA – Winter Cocktail Fundraiser	Attended
21 August 2016	Official Opening of Marion Church of Christ playground	Officially opened playground
22 August 2016	Hallett Cove Business Association Networking Event	Attended
25 August 2016	Marion Historic Village Display Group AGM	Attended
25 August 2016	Clovelly Park Memorial Community Centre AGM	Attended
27 August 2016	Sturt Marion Soccer Quiz Night	Quiz Master
28 August 2016	RSL Marion Sub Branch AGM	Attended as guest speaker
28 August 2016	Jervois Street Reserve Official Opening	Officially Opened Park
28 August 2016	Hallett Cove Beach Tennis Club Open Day	Attended
30 August 2016	Met with Hallett Cove Little Athletics Vice President	Attended meeting
31 August 2016	Met with President – Cove Football Club	Attended
4 September 2016	Reserve Street Reserve Opening	Officially opened Dog Park
5 September 2016	Sheidow Park School Moon Lantern Festival	Attended and gave speech
16 September 2016	Patritti Wines – Gambol in Grenache celebration	Attended and opened first bottle
18 September 2016	Marion RSL Bowling Club – Opening of 2016/17 Pennant Season	Roll of the first bowl and officially declared season open.
21 September 2016	Met with CEO Netball SA	Attended
21 September 2016	Edwardstown Lions Club – Citizenship Ceremony	Conducted ceremony
22 September 2016	Coast FM Radio Segment	Attended
In addition, the Mayor has met with residents, MP's, Political candidates and also with the CEO and Council staff regarding various issues.		

Moved Councillor Hutchinson, Seconded Councillor Crossland that the report by the Mayor be received.

Carried Unanimously

COMMUNICATION – DEPUTY MAYOR

Report on Deputy Mayoral Activities for August to September 2016

Date	Event	Comment
19 August 2016	Gallery M – Tribute to Ian Wilding	Gallery M held a tribute in memory of one of its longest serving and active members, Mr Ian Wilding. Attended to pay respects to the significant contribution Mr Ian Wilding has made to The Red House Group, Gallery M and the whole artistic community within and outside the Marion Council area.
28 August 2016	Official Opening – Jervois Street Reserve	Attended the official opening of the newly created reserve in Jervois Street.
1 September 2016	Meeting with Chair of Infrastructure regarding Joint Committee meeting in September.	Met with Chair of Infrastructure at City Services in relation to the format and content of the Joint Committee meeting on 6 th September.
4 September 2016	Official Opening - Reserve Street Dog Park.	Attended the official opening of the Reserve Street Reserve Dog park.
7 September 2016	Glengowrie Neighbourhood Watch AGM	Attended 2016 AGM
7 September 2016	Morphettville Neighbourhood Watch AGM	Attended 2016 AGM
In addition, the Deputy Mayor has met with residents, various groups and Council staff regarding various issues.		

Moved Councillor Hutchinson, Seconded Councillor Crossland that the report by the Deputy Mayor be received.

Carried Unanimously

COMMUNICATION – CEO AND EXECUTIVE REPORTS

Report on CEO and Executive Activities for August to September 2016

Date	Activity	Attended by
18 August 2016	Met with Renewal SA & CIC	Adrian Skull, Tony Lines
23 August 2016	Sturt River - River post York Civil works	Tony Lines

	and prior to Gateway South's works	
24 August 2016	Council Solutions ICT Communication Project meeting	Adrian Skull, Vincent Mifsud
24 August 2016	Boundary Reform Timeline meeting	Abby Dickson
26 August 2016	General Manager SA Aquatic Centre – Adam Luscombe	Adrian Skull
26 August 2016	Bowls SA – Mark Easton, CEO	Adrian Skull
28 August 2016	Jervois Street Reserve Official Opening	Adrian Skull Abby Dickson
29 August 2016	Australian Library and Information Association (ALIA) National 2016 Conference	Tony Lines
30 August 2016	Ageing Well State Forum	Adrian Skull
31 August 2016	Meeting between Flinders University, City of Mitcham and City of Marion	Abby Dickson
31 August 2016	Council Solutions – Regional Forward Procurement Plan Steering Committee (RFPP) meeting	Vincent Mifsud
1 September 2016	SRWRA Site Tour and Discussion	Adrian Skull
2 September 2016	Reclaimed Water	Tony Lines
5 September 2016	KPMG re Corporate Performance Reporting internal audit	Vincent Mifsud
6 September 2016	Meetings with Christian Reynolds, Managing Director, ZF Lemforder Australia Pty Ltd	Vincent Mifsud
7 September 2016	Meeting with NRM re Glenthorne Farm	John Valentine Rebecca Neumann Adrian Skull
7 September 2016	Regional Planning Board Metropolitan Local Government Group workshop	Abby Dickson
8 September 2016	Twilight Story Time - CCC	Tony Lines
14 September 2016	Metropolitan Local Government Group meeting	Adrian Skull
15 September 2016	Renewal SA – Urban Renewal Bus Tour	Adrian Skull Tony Lines
16 September 2016	TAFE Site Tour – Tonsley	Adrian Skull

Moved Councillor Hutchinson, Seconded Councillor Crossland that the report by the CEO and Executive be received.

Carried Unanimously

COMMUNICATION – ELECTED MEMBERS

Councillor Raelene Telfer
File No.9.33.3.33

Date	Events attended	Comment
8/9/16	Mitchell Park Sports & Community	Redevelopment case
12/9/16	Cosgrove Hall AGM	Searched for new Chair and new Treasurer
14/9/16	Community Expo	Westfield Marion
16/9/16	Renewal SA Bus Tour	Tonsley Built form project demonstrated
19/9/16	Junction Interviewing Programmes	Sarah Harding
20/9/16	People and Culture discussion	Mayor Hanna meeting
24/9/16	Dover Gardens Tennis Club	Club Managers demonstrated needs at Tarnham Rd
27/9/16	Browse-in Book Clubs	Cove Civic Centre display of 2017 books

9.19pm Councillor Byram re-entered the meeting

MATTERS RAISED BY MEMBERS

Questions with Notice

9.19pm Elected Members Nominated Postal / Residential Address
Report Reference: GC270916Q01

QUESTION:

Can staff provide advice as to how many Elected Members who may have a nominated postal address/ residential address that is outside the City of Marion?

COMMENTS: Jaimie Thwaites, Unit Manager Governance and Records

Currently there are no nominated postal or residential addresses for Elected Members that are outside the City of Marion.

9.19pm Fraud Prevention
Report Reference: GC270916Q02

QUESTION:

"What measures are in place to prevent Marion Council being defrauded like Brisbane City Council was recently?"

COMMENTS: Mayor Hanna

In August 2016 it was reported that Brisbane City Council was recently defrauded of over \$450,000 when the Council accepted the advice from a significant service provider that the service provider's bank account details had changed, so that 9 payments were sent to the new bank account. The trouble is, the advice came from a scammer, and the money was paid into the scammer's bank account.

COMMENTS: Ray Barnwell, Acting General Manager Corporate Services

As part of Council's broader internal control processes, financial internal controls are designed to assist the Council in addressing the risk of fraud and error in addition to improving reliability of financial reporting and compliance with laws, regulations and policies. Although internal controls will not remove all financial risk they are a means of managing risk and reducing the likelihood and consequence of adverse events such as the one noted above.

Managing all organisational risks on a day-to-day basis forms the first line of defence for the Council. Management achieves this by establishing an appropriate internal control environment including relevant financial internal controls.

With reference to the specific risk identified above Council currently has a procedure in place whereby any changes to bank details for Suppliers can only be made when they are detailed on the Supplier's invoice. Supplier bank details are not updated from email or other written notification.

As per our existing Internal Financial Control processes (GEI-ITE-0007) which are audited by Council's external auditor as part of the end of year processes, the Financial Co-ordinator also reviews changes to Supplier's bank account details via a weekly report to ensure that the account numbers have been entered correctly. This Control includes scrutiny over the supporting documentation i.e. must be updated from a copy of the Supplier's invoice.

Another measure in place is the internal audit function which is charged with the responsibility to perform an objective assessment on the performance of control activities and business processes. Although an internal audit function is not a mandatory requirement for councils the absence of such a function may increase the consequence of control failure.

Finally, the Audit Committee and external auditors also provide independent and objective feedback and assessment of the internal controls including policies and procedures in place in relation to the financial reporting processes of Council thereby adding an additional measure in managing such risk.

Motions with Notice

9.20pm Sturt Police Station

Report Reference: GC270916M01

Councillor Crossland declared a perceived conflicted of interest in the item as he is employed by the South Australian Police force and left the meeting

9.20pm Councillor Crossland left the meeting

9.20pm Councillor Kerry left the meeting

Moved Councillor Hull, Seconded Councillor Prior that:

1. The City of Marion vigorously objects to the reduction of "front counter" hours at the Sturt Police Station by writing to the Police Minister and all local State MP's indicating that this regional Police HQ should remain open 24 hours daily.

9.22pm Councillor Kerry re-entered the meeting

Carried

9.30pm Councillor Crossland re-entered the meeting.

Destination Playspace
Report Reference: GC270916M02

This item was not considered

Questions without Notice

Nil

Motions without Notice

Nil

CONFIDENTIAL ITEM

Administration Building and City Services Surplus Land
Report Reference: GC270916F01

This item was not considered

CLOSURE - Meeting Declared Closed at 9.30pm.

CONFIRMED THIS 11 OCTOBER 2016

.....
CHAIRPERSON

Appendix 1 – The Glenthorne Farm Community Vision 2015

Glenthorne Farm Community Vision 2015



Glenthorne Farm Community Vision

"Adelaide's parks and wide-open spaces are essential to our unique lifestyle and the ambience of our city. The creation of The Greater Mount Lofty Parklands as the 'second generation' of parklands surrounding metropolitan Adelaide continues Colonel Light's founding vision of parklands surrounding the City of Adelaide. The Greater Mount Lofty Parklands will protect the natural and cultural values of the Mount Lofty Ranges while providing areas of open space for public recreation, enjoyment and education." **Hon. John Olsen MP Premier of South Australia March 11, 2001**

"Parks and other areas of public open space provide local destinations for people to walk and cycle to and be active in; provide exposure to nature which can be restorative and provide positive mental health benefits; and places for social interaction which is critical for creating and maintaining community cohesion and building social capital. For children and young families, parks provide a place to meet and for children to participate in physical and social play. The provision of public open spaces is thus a key factor in promoting active living and providing important physical, psychological and social health benefits for individuals and the community." **Heart Foundation – Healthy by Design.**

The Community's Vision for Glenthorne Farm

Page 24

The Community has a rich vision for Glenthorne Farm.

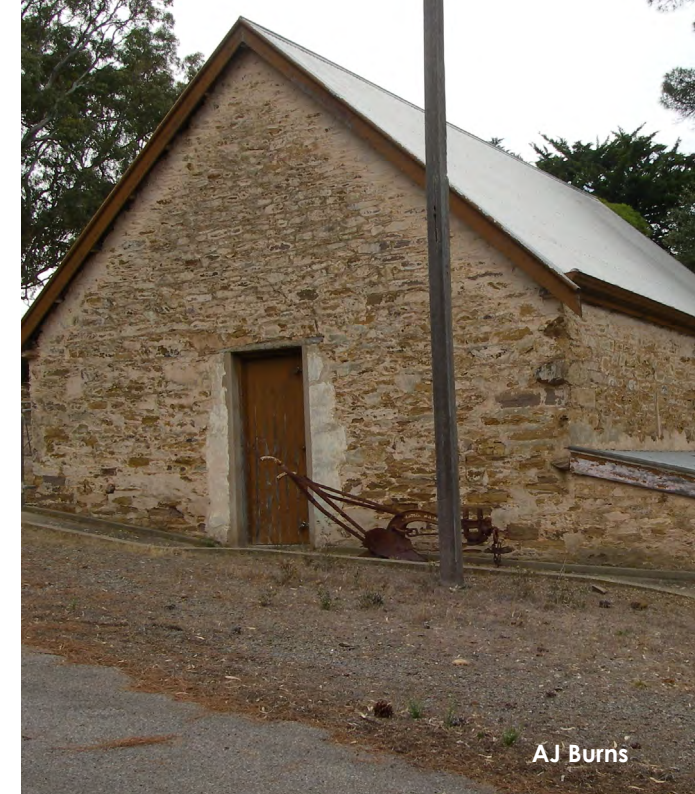
The Community has a vision of it being a popular public space to connect, a place of pride for Adelaide that has a range of uses and benefits to the Community.

There is the vision of it being an environmental exemplar where endangered woodlands and birds thrive, supported by science, contributing to research and achieved by, amongst other things, carefully planned woodland plantings.

The environmental benefits can be shared with the Community with an array of walking trails and cycling trails that are sought out not only by residents of Adelaide and South Australia but by visitors to the City and State.

The vision for the farm sees it continue to operate as a working farm with local visitors, in particular school children, seeing examples of the produce and activities of local farms. The site becomes a sought after place for school visitation from schools across Adelaide. Its educational opportunities are not limited to the environment and go beyond to include heritage, recreation and farm life.

The vision sees demand for the site from schools being so strong that it has warranted the construction of eco-friendly school camping on Majors Road that enable school groups to combine exposure to environmental and conservation initiatives, with overnights stays and camping.



AJ Burns



University of Adelaide

The very close proximity and accessibility of the farm to urban areas provides the opportunity for the precinct to become an open space that is well used by disabled people and their families and carers. It has the potential to become a leader in access to nature and open space for people with a disability.

The popularity of the farm could prove to be of economic benefit to the local Community. Traders on O'Halloran Hill experience constant traffic on weekends from visitors to the area. Other small businesses and hospitality providers begin to establish nearby, benefitting directly from the high visitation levels. The site's native plant nursery has become essential in the restoration of native flora in the local area and becomes a highly sought after provider of local plant species and advice with an emphasis on rare and difficult to propagate species.

The popularity of the precinct for visitors will expand the opportunities available for the farm. It could include community gardens, visitor centres and linkages with other surrounding open space. The Community is open to a range of different uses that are conducive to extracting maximum public value from open space. The range of potential uses is almost limitless.

The Community understands that realising this vision is a long-term undertaking. We point to the open space success stories from around the world. We also understand that maintaining this valuable open space will require the governance, support and cooperation of the current owner, the University of Adelaide, all three tiers of Government along with funding and support from the broader community.



Context

What and where is Glenthorne Farm

Glenthorne is an historic site situated 18 km south of the CBD amidst Adelaide's heavily populated southern suburbs, bordered by Majors Road to the North, Main South Road to the East, the Southern Expressway to the West and houses to the South.

Glenthorne Farm falls within the City of Marion Council area and adjoins the City of Onkaparinga, and is surrounded by the suburbs of Seaview Downs, Trott Park, Reynella and O'Halloran Hill.

Glenthorne Farm is currently owned by the University of Adelaide and the property is subject to a deed of agreement between the University, the State Government of South Australia and The Winemaker's Federation of Australia. The transfer to the University was for the site to be used for viticulture development and related research. A major purpose of the deed is to ensure that Glenthorne Farm is preserved as open space.

The 208 hectares property has ancient remnant Grey Box gums, EPBC Act classified as endangered, ephemeral water course and dams with permanent water, making it an important and viable conservation location. It is almost 3kms long from north to south and is an important physical link and wildlife corridor from hills to sea along the Field River, to adjacent conservation parks and the Happy Valley Reservoir. The local area is home to a large number of species of birds and frogs including endangered woodland bird species Brown Treecreeper and Black-chinned Honeyeater.

Nearby to Glenthorne Farm are a number of other major public spaces including the O'Halloran Hill Recreation Park (immediately nearby), Sturt Gorge Recreation Park, Hallett Cove Conservation Park, and the Marino Conservation Park.



University of Adelaide





University of Adelaide



Page 27 A Brief History of the Farm

Glenthorne Farm was originally settled in 1839 by Major Thomas O'Halloran, the first Police Commissioner of South Australia.

Major O'Halloran was subsequently immortalised by having the suburb of O'Halloran Hill and Majors Road named in his honour. Importantly, a number of buildings and structures from the 1850's still exist on the property to this day.

In 1878, the then owner of the O'Halloran estate, Thomas Porter, renamed the estate "Glenthorne".

The property changed hands a number of times until it was compulsorily acquired by the Commonwealth in 1913 and used by the Australian Army for training troops and horses for both world wars. Many of the 17,000 horses sent to WWI came from Glenthorne.

In 1947, the scientific research organisation CSIRO took control of the site and used it as a research station until 1998, when it considered sale options.

In 2001, the State Government provided a \$7m grant so that Glenthorne could be purchased by the University of Adelaide from the CSIRO, subject to extensive Deed of Sale conditions.

Glenthorne Farm is currently owned and operated by the University of Adelaide as an agricultural property.

Over the years the University has considered a number of options for the property. One proposal was to develop a vineyard on the site, however extensive analysis revealed this not to be a viable option.

Today, with increasing government and community recognition of the potential impacts of climate change, the University of Adelaide has identified an opportunity to establish the Woodland Recovery Initiative at Glenthorne. The Friends of Glenthorne support this initiative.



University of Adelaide

Friends of Glenthorne Farm

The Friends of Glenthorne Inc. (www.friendsofglenthorne.org.au) is a group of passionate local individuals committed to the open space, environmental and community values of the Farm. They voluntarily provide on-ground works and conduct events to raise awareness of the site to ensure it is used to benefit the community. They serve as community representatives and advocates on behalf of the Farm.

The Friends view Glenthorne Farm as a valuable community asset that both needs to be protected as open space but that can also be better utilised for environmental, recreational, educational and economic outcomes if planned carefully.



Background and purpose of the day

Based on their sense of the many opportunities for Glenthorne Farm, in May 2015 the Friends of Glenthorne conducted a Glenthorne Community Vision Day to explore what could be possible for the Farm.

Input to the day was provided by the Hon Robert Hill (who as the Federal Environment Minister helped save the property from housing in the late 1990's) and The University of Adelaide's Associate Professor David Paton who outlined his Woodland Recovery Initiative as guest speaker.

Robert Hill encouraged the Community to continue to uphold the importance of maintaining open space but that such open space should become a truly valuable and well used community asset. He made comparisons with the use of public space in Homebush in Sydney where Olympic Park includes significant tracts of open space that had to be fought for against development and with the complexities of multiple tenures. His primary messages were not to underestimate the importance of legacies and that where there is a will there is a way to maintaining open space.

David Paton provided an overview of the Woodland Recovery Initiative. The Woodland Recovery Initiative is a world-class environmental project proposed to halt the loss of animal and plant species in the Mount Lofty Ranges and help combat the effects of climate change.

The University's property known as Glenthorne, south of Adelaide, is one of the proposed focal points for the initiative, providing research and teaching facilities for scientists, technicians, teachers and managers to drive habitat reconstruction across the Mt Lofty region and save the region's wildlife from imminent extinction.

Research at Glenthorne and elsewhere across the Mt Lofty Ranges will help scientists to produce habitats that support the regions wildlife. Glenthorne will also allow urban communities (including school groups and local residents) to be engaged in this work.

Species extinction in the near future is predicted to be severe in the Mt Lofty Ranges, with 50% of woodland bird species facing regional extinction because there is not enough native vegetation to support them.

Ten species are already extinct in the Mt Lofty Ranges and a further 60 species continue to decline in number. Climate change will exacerbate these losses. The initiative aims to provide long-term environmental and social gains for the local community, the State and the nation.

The Community was invited to share their ideas around 6 key topic areas (Environmental, Economic, Recreational, History and Education, Governance and 'Out There' opportunities).

The positive focus of the Community on a future vision did have strong reference to frustration at the current state and utilisation of Glenthorne. It is an underutilised asset in every regard – from an environmental perspective, a community and public access perspective, an economic perspective and an educational and heritage perspective.

Insights from the day

The vision for Glenthorne demands a long-term approach be taken to the site and that it be secured as open-space permanently. Maintaining Glenthorne Farm as open space and advancing the use of the site will require broad community commitment for many years to come. Access to the site for education is a means of engaging communities (teachers, students and parents) across generations.

Public access is seen as a fundamental requirement for the site. Community engagement will require ongoing public access and involvement with the site to ensure it becomes a highly valued community icon in Southern Adelaide.

Environmental outcomes remain a primary purpose of the site. Public access and use of the site must occur in a way that complements the site's environmental outcomes.

We must learn from understanding the ingredients of success from highly used, popular open space precincts around Australia (National Arboretum, Olympic Park, the Domain, Centennial Parklands) and the world (Central Park, Golden Gate Park, One Tree Hill Domain, Cornwall Park) to identify critical success factors for Glenthorne.

Many such popular parks started with public open space, with environmental conservation as a primary purpose and with a range of other attractions and initiatives spinning off from this primary purpose.

As current custodian of the site, the relationship with the University of Adelaide is vital. Its cooperation in advancing these long-term aspirations for the Farm is essential. It is understood that it is not reasonable to expect the University to unilaterally devote the resources necessary to achieving these long-term goals, but it needs to share and actively participate in their achievement.

It is the hope of the local community that it can work constructively with the University to progress a number of initiatives and to work with the University to seek to involve other parties that share the community's visions and that can contribute to bringing it to life.

This is expressed in considering alternate approaches to the governance of the site with increased involvement from the community and from parties that could contribute resources to support developments.



Priority areas to progress

In the short term (next 6 months before the end of 2015)

Find ways to work with the University to immediately progress:

- Environmental outcomes through increased space devoted to new plantings (coordinated David Paton)
- Permission for increased access for local school groups
- Permission for increased public access to raise awareness and explore opportunities for increased community involvement in the site.

In the medium term (next 12-18 month before the end of 2016)

- Look for opportunities to add walking trails and cycling trails without interfering with the current working farm and while protecting environmentally sensitive areas
- Explore partnerships with a view to undertaking long-term master-planning for Glenthorne that provides a detailed and compelling vision, along with the option of considering nearby open space sites.

More details on each of the six focus areas follows.



Environment

Outcomes sought	What would this look like?	Key ingredients	Action/Change required
The restoration and conservation of native woodlands and bird species, particularly endangered species, that provide opportunities for research and is a demonstration site for excellence in the environmental management of urban open space	<p>Glenthorne as part of a range of woodlands across Southern Adelaide</p> <p>Extensive revegetation of native species</p> <p>Site used for environmental research</p> <p>Stormwater harvesting and capture</p> <p>Interpretative education regarding environmental initiatives</p> <p>A range of sustainable gardens including community gardens</p> <p>Wildlife recovery area</p>	<p>Landscape design setting aside areas dedicated to environmental outcomes, demonstration sites and public access</p> <p>Research Plan and Strategy for the site and related spaces</p> <p>Requires a long-term view to enable landscape development</p> <p>Linkage with nearby open space</p> <p>Focusing on the characteristics of each region within the site and planning to maximise environmental outcomes specific to each.</p> <p>Incorporating existing plans such as the City of Marion's "Great Southern Urban Forest" plan.</p>	<p>Enabled by the current deed</p> <p>Short term:</p> <p>Permission for increased acreage to be set aside for environment purposes</p> <p>Explore ways of getting a master-plan developed for site (and if possible, for other nearby open space areas)</p> <p>Medium Term</p> <p>Partnership between the University and other parties (City Council, DEWNR) to explore opportunities for landscape design or master-planning for Glenthorne and for nearby open space</p> <p>Long term:</p> <p>May require different governance arrangements</p>





Recreation

Outcomes sought	What would this look like?	Key ingredients	Action/Change required
Community recreational areas that are a showcase for high quality design of walking and bike trails and nature play that complement environmental outcomes and that is regularly used by local residents and sought out by visitors to Adelaide	Extensive walking trails Separate bike paths that link with the Southern Expressway veloway Sporting fields Horse riding trails Picnic and playground areas Dog park	Master planning and landscape design setting aside areas for recreational use that are integrated with environmental sites Multiple access points and related car parking Linkages with nearby bike, walking and horse riding trails	Enabled by the current deed Short term: Permission for Increased opportunities for public access Explore opportunities for bike and walking trails with DEWNR and City of Marion
Focus on incorporating disabled access and activities	Nature play areas specifically designed for children Areas for birdwatching including platforms and bird hides Camping areas or 'glamping' facilities		Medium Term Partnership between the University and other parties (City Council, DEWNR, NRM) to explore opportunities for landscape design or master-planning for Glenthorne and for nearby open space



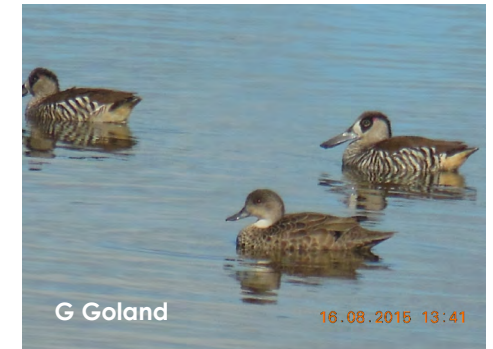
Education and History

Outcomes sought	What would this look like?	Key ingredients	Action/Change required
<p>Glenthorne Farm is a sought after site for schools and universities integrating nature education with history, science and recreation.</p> <p>Glenthorne Farm is recognised and protected for its heritage value.</p>	<p>Regular school excursion visits</p> <p>Part of a History trail</p> <p>Opportunity for school camp grounds on site or nearby (like Arbury Park)</p> <p>Working farm available for education purposes</p> <p>Opportunity for the University(s) to make links with future students</p> <p>Showcase gardens and food production</p>	<p>Public access</p> <p>Engagement with local schools</p> <p>Consult with children to understand their vision of the site</p>	<p>Short term:</p> <p>Seek permission for increased access by local schools</p> <p>If schools had access tomorrow the Farm could be used to augment local history programs, science and water studies as well as combine nature play and outdoor activities.</p> <p>Long term:</p> <p>Larger scale school program that can also serve as a promotional program for the University of Adelaide and other universities.</p>



Economic

Outcomes sought	What would this look like?	Key ingredients	Action/Change required
<p>Glenthorne contributes to the local and state economy by attracting visitors and activity to the Southern Suburbs</p> <p>Glenthorne is increasingly self funding to the point that its ongoing improvement requires limited external funding</p> <p>The property should become a major tourist destination.</p>	<p>A precinct for festivals and events (outdoor opera, Womad, Tour Down Under village area)</p> <p>Nursery and Wildlife Recovery centre aligned with environmental outcomes</p> <p>Recreational attractions and education provide opportunities for additional economic activities such as visitor centres, camping nearby</p> <p>Opportunity for closer linkages with business on the Eastern side of Main South Road</p> <p>Natural burial ground</p> <p>Use of road side areas for billboards to generate continuous, long term revenue.</p> <p>A working farm as a demonstration/ education and visitor attraction as well as continuous revenue generation from farm activities</p> <p>Regular outdoor farmer's or produce market</p> <p>A venue for wedding ceremonies.</p>	<p>Expanding the use of the property through advancing environment outcomes, recreation outcomes and education outcomes.</p> <p>Expansion of the uses of the property is a pre-requisite to most economic opportunities.</p>	<p>Economic benefits will likely follow from other changes, in particular from the space becoming publicly accessible, driving increased visitation. Increased visitation will generate economic opportunity.</p>



Governance

Outcomes sought	What would this look like?	Key ingredients	Action/Change required
Glenthorne is governed in a way that reflects broad community interest in the development of a valuable, long-term community asset	<p>Involvement of all three tiers of government</p> <p>Creation of a Trust to manage on behalf of the owners</p> <p>Long-term arrangements that enshrines the farm as open public space</p>	<p>Involvement from community leaders that represent a range of community interests:</p> <ul style="list-style-type: none"> • Ex politicians • Industry & Commerce • Community • University/Research • Schools • Indigenous groups • Heart Foundation • Disability sector • Friends 	<p>Short Term:</p> <p>Discuss opportunities for alternate governance models with the University and State Government</p> <p>Canvas for leaders in Adelaide with an interest in developing and maintaining Glenthorne as a community asset.</p>



Other Community Uses

Outcomes sought	What would this look like?	Key ingredients	Action/Change required
Glenthorne becomes recognised for its appeal to a wide range of community interests and needs – a true asset of the community	<p>Glenthorne is an exemplar for disability access to open space</p> <p>Area for scout and guide groups</p> <p>Areas for natural burials (both people and pets) and outdoor chapels</p> <p>Area available for use by the RSPCA, Animal Welfare League and others for animal recovery and husbandry</p> <p>Rent-a-patch and sponsored gardens spaces</p>	<p>Improved Public access</p> <p>Involvement of community groups in governance</p> <p>Advancement of the primary purposes will be a pre-requisite for most other initiatives</p> <p>Involvement of a broader range of community groups</p>	<p>Short Term</p> <p>Discussions with representatives from the disability sector on opportunities related to use and development of open space</p> <p>Medium Term:</p> <p>Incorporate opportunities for disability access into master-planning</p> <p>Include the range of possible uses into master-planning.</p>



University of Adelaide



Comment: The Heritage of Glenthorne Farm.

There is very good potential for Glenthorne to be developed as a tourist destination. It is a unique feature in the Adelaide region and the heritage listed structures built by Major O'Halloran provide a magnificent opportunity to develop a tourism hub to interpret a complex part of settler history and the story of colonisation in South Australia.

The Major O'Halloran Period:

Major Thomas Shuldham O'Halloran was a man of considerable influence during the founding of the colony in South Australia. He and his family arrived at Port Adelaide in 1838 and by early 1839 Major O'Halloran had been gazetted as both a Justice of Peace and sworn in as a Magistrate. In 1840 he was appointed the first Police Commissioner under Governor Gawler and from this time he also held various positions on the South Australian Legislative Council. See Walshe and Smith 2006, pp. 187;

http://www.flinders.edu.au/ehl/fms/archaeology_files/research/HFZCHP/PDF/VoS%20Ch%2011%20Glenthorne.pdf for more historical detail or see the "Glenthorne Estate by the Field River" report referenced at <http://www.friendsofglenthorne.org.au/visionday>

By 1840 Major O'Halloran and his family had taken up residence in their new home, 'Lizard Lodge' at O'Halloran Hill. Within the first year he 'established wells and a lime kiln, mown and stacked the 'kangaroo hay', ploughed the first acre and fenced in two acres' (O'Halloran Family Papers PRG 2060 PRG 206) and by 1852 O'Halloran was exporting bottled wine to England. The structures remaining on the property to this day are highly significant remnants of this historical period.

The War Years:

During World War 1 and to 1947, Glenthorne was one of several remount depots across Australia training horses and riders for warfare. Recent research has deepened our understanding of the history of this period and the Glenthorne property provides a very appropriate setting to celebrate the enormous contribution made by horses in the Great War. It is suggested that this could be undertaken in association with the Australian Army's Museum at Keswick.

The CSIRO Period:

After 1948, Glenthorne became a CSIRO Field Station for experimental work for their Division of Biochemistry and General Nutrition. The scientific research undertaken during this period made significant contributions to scientific knowledge and to the economy of South Australia and is included in the SA Heritage Statement of Significance.

Heritage Status:

Glenthorne is listed on the South Australian Heritage Places Database (register ID 16899). Although not defined as a State Heritage Area, the entire property is referred to in the site listing on the South Australian Heritage Places Database. The Statement of Significance refers to a number of historic and heritage listed structures built by Major O'Halloran adjacent to Lizard Lodge during the 1840s and 1850s. Also included on the Statement of Significance are the two Munition Magazines, the only tangible evidence of the important period 1913-1947 when Glenthorne was purchased by the Commonwealth Government and used by the Australian Army as a remount depot.

Owners of heritage properties and structures should be aware of their responsibilities under the South Australian Heritage Places Act 1993, especially Part 7.

Recommendations for the future of Glenthorne – tourism and conservation:

At a time when the South Australian Government is seeking to develop new business ventures and to stimulate the local economy, the potential for Glenthorne to become a major tourism hub must be seriously considered. As stated in Walshe et al. (2005) 'Glenthorne continues to be under threat from ongoing environmental deterioration and lack of effective and consistent conservation and management'. In the absence of a meaningful management strategy, time is running out for the significant heritage listed structures at Glenthorne.

It is recommended that a 'Heritage Precinct' be recognised within the heritage listed property and that, ideally, a revegetation area should be developed as a buffer zone around the 'Heritage Precinct'. The 'Heritage Precinct' should include all of the heritage listed structures, the munitions buildings and the area to the north of the property where the officers' quarters were built during World War 1. The laboratories at Glenthorne provide an excellent opportunity to develop a science museum with a focus on the achievements of CSIRO in South Australia over many years.

Glenthorne does not exist in isolation. It is linked to the adjoining parks and reserves. The property forms a continuous corridor of open space from South Road (and possibly the Sturt Gorge Recreation Park) to the sea. There is great potential for a heritage walk across the Hills Face Zone to the several historic sites within the O'Halloran Hill Recreation Park, through Glenthorne and along the Field River. An important colonial past and potentially a unique and very special tourist destination of the future.

Reference: 'Glenthorne Heritage' report - <http://www.flinders.edu.au/ehl/archaeology/research-profile/current-projects/adelaide-hills-face-zone/news.cfm>

See the report "Glenthorne About Time Summary" at <http://www.friendsofglenthorne.org.au/visionday>
http://www.flinders.edu.au/ehl/fms/archaeology_files/research/HFZCHP/PDF/Glenthorne%20Heritage%20Proposal.pdf

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Acknowledgements

The Friends of Glenthorne Inc. would like to thank the following for their continued support especially those involved in the Community Vision Day (24th May 2015).

All the members of the public that attended our Vision Day

Mark Priadko (Master of Cermonies for the Vision Day and Principle writer of this report)

Hon. Robert Hill and Assoc. Prof. David C. Paton - Guest Speakers at the Vision Day

City of Marion and Natural Resources Management Board (AMLR)
for their continued support over a long period, both financial and logistical

The University of Adelaide for allowing continued access to Glenthorn Farm
and permission to use the photos in this report

Special thank you the following facilitators

Councilor Nick Westwood

Councillor Janet Bryam

SPS teacher Mel Prowse

SPS teacher Heather Grealy

Andy Raymond (NRMB)

David Speirs MP

Emma Andrew (Adviser to Corey Wingard MP)

Photos sourced from University of Adelaide website (David Paton), Google Maps
and Friends of Glenthorne (Gary Goland, Stephen Brooke, Alan Burns).

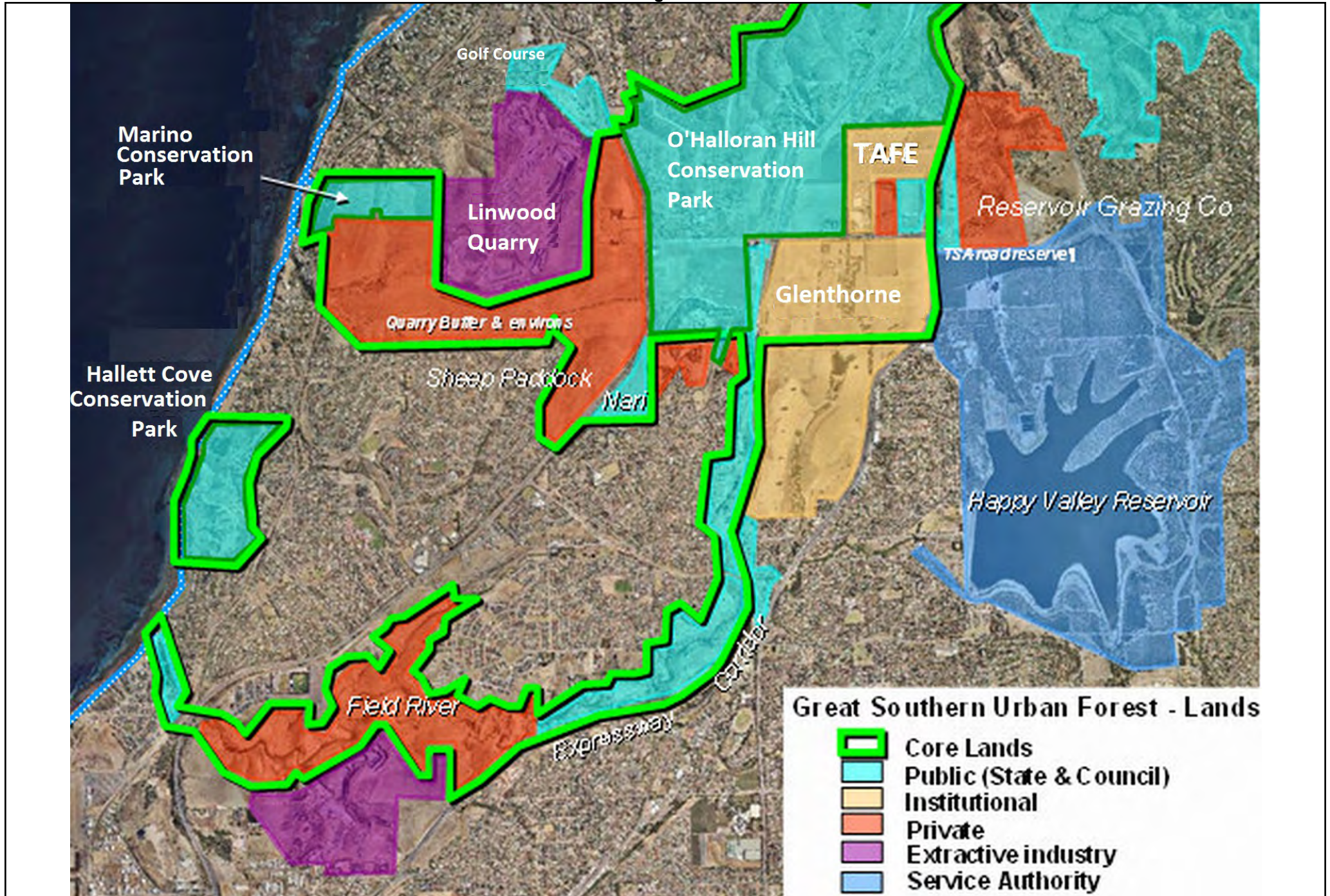
Graphic Design by Lyn Francis

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**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Jaimie Thwaites, Unit Manager Governance and Records
Corporate Manager: Kate McKenzie, Manager Corporate Governance
General Manager: Vincent Mifsud, General Manager Corporate Services
Subject: Deputation – Lapwing Street Reserve
Ref No: GC111016D01

SPEAKER:

Mrs Nadine Tapley

ORGANISATION:

N/A

COMMENTS:

Mrs Tapley has requested to provide a deputation to Council on the proposed plans for the Lapwing Street Reserve due to commence later this month.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Submitted by: Alicia Clutterham, Team Leader Open Space & Recreation
Corporate Manager: Ann Gibbons, Acting Manager Innovation and Strategy
General Manager: Abby Dickson, General Manager City Development
Subject: Petition – Removal of Lapwing Street Reserve Playspace
Reference No: GC111016P01

PETITION FROM: Ms Nadine Tapley

NO OF SIGNATORIES: 201 signatories
4 letters of support for the petition
Lapwing Street and Tigress Drive residents and neighbouring streets

DATE PETITION RECEIVED: 28 September 2016

CORRESPONDENCE:

This petition was received on 28 September 2016 lodging objection *to the proposed removal of the existing play equipment in Lapwing Street Reserve due to commence in October 2106, on a permanent basis with no consideration for its replacement with new equipment.* **Refer to Appendix 1.**

COMMENTS: Alicia Clutterham, Team Leader Open Space & Recreation

The current Playspace Strategy was endorsed by Council in 2009 (GC271009R05). The Playspace Strategy has reviewed the current provision for play throughout the City of Marion in terms of quality, quantity, location and suitability. It also provides a plan for the provision of play spaces.

Implementation of the strategy commenced in 2010. To date, 41 playgrounds have been upgraded and 13 have been removed without replacement.

Lapwing Street Reserve playspace was identified within the Playspace Strategy for removal in 2009 (GC271009R05). It has subsequently also been endorsed for removal in Council's Asset Management Plan (GC190116R06).

Commencing 7 September, the community were informed of the proposed removal through:

- A sign displayed at the site with project information, website link and contact details;
- Immediate neighbours (21) were informed via a letter box drop;
- Information was displayed on the Making Marion website with a link to make comment.

Community consultation commenced on Wednesday 7 September and closed Wednesday 28 September 2016.

Information provided to the community is provided as Appendix 2. It details background to the playspace strategy, information about the proposed removal and minor landscaping works proposed, an aerial photograph illustrating nearby playspaces and some information relating to frequently asked questions. Appendix 3 illustrates recent photographs of the equipment.

Four letters were received opposing the removal of the playground equipment during the consultation period received with the petition (Refer Appendix 1).

An independent audit in 2011 identified that play equipment was first installed in 1994. Maintenance to the equipment has occurred over the years including replacement of minor items with the latest audit identifying a swing installation in 2003.

Decisions on removals have been made in consideration of the number of play spaces in the local area, use of the play space, the provision of play spaces across the Council area and the age and condition of the equipment. Nearby playspaces in the area include the recently upgraded Linear Park/Barramundi, Olivier Terrace and Glade Crescent reserves.

Options

There are 2 options for Council's consideration:

1. Proceed with the playground removal as endorsed.
2. Reconsider the playground removal and provide a new 'local' level playspace at a capital cost of \$100,000 in line with the playspace service levels being delivered for a 'local' level playspace.

Financial Implications

The whole of life financial costs for a new 'local' level playspace with an acquisition cost of \$100,000 over the 20 year useful life is \$280,000. This includes an estimated \$1800 per annum in maintenance costs (playground only).

RECOMMENDATIONS (2):

Due Date:

That Council:

- | | |
|--|------------------------|
| 1. Proceeds with the removal of the playground equipment with minor landscaping work undertaken to be completed in October / November 2016. | November 2016 |
| 2. Authorises administration to write to the head petitioner advising of Council's decision. | 31 October 2016 |

OR

- | | |
|---|--|
| 1. Continues to provide a playspace at Lapwing Reserve, notes the whole of life costs and funds required to be added to the Long Term Financial Plan and add this play space to the list of works to be further prioritised for upgrade. | 31 October 2016
31 October 2016 |
| 2. Authorises administration to write to the head petitioner advising of Council's decision. | |

Appendix 1: Petition and Letters

Appendix 2: Community Information Package

Appendix 3: Site photographs of playground equipment

Report Reference: GC111016P01

Office
Date Petition Received:

CITY OF MARION

PETITION

TO HIS WORSHIP THE MAYOR AND COUNCILLORS OF THE CITY OF MARION

Petition Contact Person: MRS. NADINE TAPLEY
Telephone Number: MOB: 0414 876 775
Address: 12 LAPWING STREET
..... HALLETT COVE 5158
Date Petition Initiated: 18/9/2016

The petition of (identify the individuals or group, eg residents of the City of Marion)

..... LAPWING STREET AND TIGRESS DRIVE RESIDENTS
..... & NEIGHBOURING STREETS.

draws the attention of the Council (identify the circumstances of the case)

..... TO LODGING OBJECTION:

..... TO THE PROPOSED REMOVAL OF THE EXISTING PLAY EQUIPMENT IN
LAPWING STREET RESERVE DUE TO COMMENCE IN OCTOBER 2016. ON A
PERMANENT BASIS WITH NO CONSIDERATION FOR ITS REPLACEMENT WITH
NEW EQUIPMENT.

The petitioners therefore request that the Council (outline the action that the
Council should or should not take)

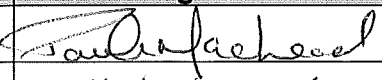
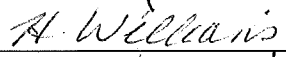
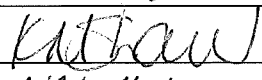








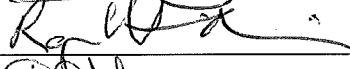

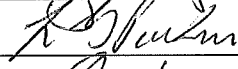
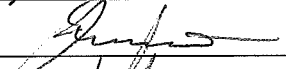


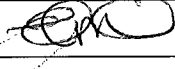
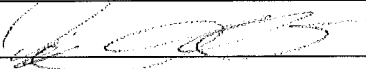
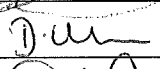


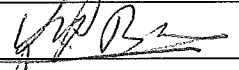
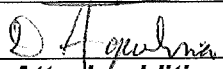
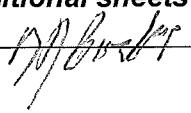
..... RETAIN THE PLAY EQUIPMENT IN ITS PRESENT LOCATION
WHERE IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL
..... CHILDREN, CARERS AND FAMILIES TO UTILISE.

Name	Address	Signature
Peter Tapley	12 LAPWING ST	P Tapley
Elaine Cutbertson	15 Lapwing St	E Cutbertson
Scott Bayne	18 Lapwing St	S Bayne
Sylvia Clark	19 Lapwing St	S Clark
Dawn Bow	21 Lapwing St	D Bow
Sue Ellen Linch	13 Lapwing St	Sue Ellen Linch
MONA EDWARDS	23 LAPWING ST	M Edwards

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Page 47

LAPWING STREET AND TIGRESS DRIVE RESIDENTS & NEIGHBOURING
STREETS.
TO LODGING OBJECTION: TO THE PROPOSED REMOVAL OF THE
EXISTING PLAY EQUIPMENT IN LAPWING STREET RESERVE DUE TO
COMMENCE IN OCTOBER 2016. ON A PERMANENT BASIS WITH NO
(Identify the details of the petition on each page)
CONSIDERATION FOR ITS REPLACEMENT WITH NEW EQUIPMENT.
RETAIN THE PLAY EQUIPMENT IN ITS PRESENT LOCATION WHERE
IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS
AND FAMILIES TO UTILISE.

Name	Address	Signature
PAULA MACLEOD	24 LAPWING ST	
Hilary Williams	29 Lapwing St	
Kristia Shaw	30 Lapwing St	
YVONNE HATTERSLEY	31 " "	
Lucy Topp	21 THIRP AVE, IT/10/20	
Sharon Hayes	15 TIGRESS	
HILTON HAYES	15 TIGRESS	
Sarah HAYES	15 TIGRESS	
Sister Hayes	15 Tigress	
Kym Robey	16 Tigress Drv	
DAVID BLANE	18 TIGRESS DRV	
Roger Hjorleifson	19 Tigress Drv	
J. Morphey	25 Tigress Drive	
L. Porsken	25 Tigress Drive	
ANDREW EMMETT	29 TIGRESS DRIVE	
CORINA VOINEA	2 TIGRESS DRIVE	
Jamila Main	4 TIGRESS DRIVE	
E. Cinc	5. Tigress Drive	
Nathan Ponter	6 Tigress Drive	
D. WILKINS	7 TIGRESS DRIVE	
D. Hou	8, TIGRESS DRIVE	
Wendy Young	2 Lapwing St	
L. Booi	4 LAPWING	
D. Aquilina	7 Lapwing	
DIANNE COLKS	12 VENNACHAR DRIVE	Attach/additional sheets if required 

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LAPWING STREET AND TIGRESS DRIVE RESIDENTS & NEIGHBOURING
STREETS. Page 48
TO LODGING OBJECTION: TO THE PROPOSED REMOVAL OF THE
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(Identify the details of the petition on each page)

CONSIDERATION FOR ITS REPLACEMENT WITH NEW EQUIPMENT.
RETAIN THE PLAY EQUIPMENT IN ITS PRESENT LOCATION WHERE
IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS
AND FAMILIES TO UTILISE.

Name	Address	Signature
M R Reidy	8 Lapwing	M Reidy
Kyle Reidy	8 Lapwing St	K Reidy
Angie BAAR	9 Lapwing Street	A Baar
John Madakis	10 Lapwing St	J Madakis
Eva Lucy	10 Lapwing St	E Lucy
Madeleine Tapley	12 Lapwing St	M Tapley
Nadine Tapley	12 Lapwing St	N Tapley
HELEN WILKINS	7 TIGRESS DRIVE	H Wilkins
Imogen Noble	5 Lapwing Street	I Noble
Kathleen Riches	32 Lapwing St	K Riches
Judy Bing	unit 8/12 Lura Street Reynolds	J Bing
Peter Bing	" " "	P Bing
Mark WILSON	23 TIGRESS DR 4/5 SE	M Wilson
Melissa Hansson	" " "	M Hansson
CARLA CRIPPS	24 Tigress Drive	C Cripps
Raymond Cripps	24 Tigress Drive	R Cripps
Keegan Purrheim	70 Chagumullin	K Purrheim
DAVID GREEN	2 Norma Ct	D Green
STEVIE HAMMOND	5 NORMA CRT	S Hammond
BRIUNY SCOTT	7 NORMA COURT	B Scott
Beata Bonyllo	8 Norma Ct	B Bonyllo
Paul Andrews	10 Norma Crt	P Andrews
Graham Purrheim	" " "	G Purrheim
Max Thomas	1 Tigress Drive	M Thomas
Kevin Stewart	16 Vennacher Drive	K Stewart

Attach additional sheets if
required K Stewart

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address and signature will be made available in the public realm. The City of Marion will record
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LAPWING STREET AND ~~PAGE 455~~ DRIVE RESIDENTS & NEIGHBOURING STREETS.

TO LODGING OBJECTION: TO THE PROPOSED REMOVAL OF THE EXISTING PLAY EQUIPMENT IN LAPWING STREET RESERVE DUE TO COMMENCE IN OCTOBER 2016. ON A PERMANENT BASIS WITH NO (Identify the details of the petition on each page) CONSIDERATION FOR IT'S REPLACEMENT WITH NEW EQUIPMENT. RETAIN THE PLAY EQUIPMENT IN IT'S PRESENT LOCATION WHERE IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS AND FAMILIES TO UTILISE.

Name	Address	Signature
Zane Treleven	11 Arachne Dr	Zane Treleven
Debbie Treleven	11 Arachne Dr	Debbie Treleven
Ashni Maharg	7 Arachne Drive	Ashni Maharg
Ashni Maharg	" " "	Ashni Maharg
RICHARD HALLIDAY	3, ARACHNE DR	RICHARD HALLIDAY
HELEN HALLIDAY	3 ARACHNE DR	HELEN HALLIDAY
Poppi Stampton	2 Arachne Dr	Poppi Stampton
PHILLIP Stampton	2 Arachne Dr	PHILLIP Stampton
Michael Collins	107 Barramundi Dr	Michael Collins
Patricia Pugsley	105 Barramundi Dr.	P. Pugsley
Lucy Pugsley	105 Barramundi Dr.	Lucy Pugsley
Ann Sinclair	99 Barramundi Dr	Ann Sinclair
Irene Arbon	97 Barramundi Drive	Irene Arbon
Allen Pens	87 Barramundi Dr	Allen Pens
Clair Irvine	83a Barramundi Dr	Clair Irvine
Allen Irvine	83a Barramundi Dr	Allen Irvine
Philippa Sheal	83 BARRAMUNDI DR	Philippa Sheal
Michael Schiulli	80 Barramundi Dr	Michael Schiulli
Darren Arthur	86 Barramundi Dr	Darren Arthur
Amanpreet Singh	88 Barramundi Dr	Amanpreet Singh
Rupinder Singh	88 Barramundi Dr	Rupinder Singh
Jarandeet Kaur	88 Barramundi Dr	Jarandeet Kaur
Roma Lloyd	92 Barramundi Dr.	Roma Lloyd
Rose Chapman	94 Barramundi Dr.	Rose Chapman
Juliet vanderMoer	96 Barramundi Drive	Juliet vanderMoer

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LAPWING STREET AND TIGRESS DRIVE RESIDENTS & NEIGHBOURING
STREETS.
TO LODGING OBJECTION: TO THE PROPOSED REMOVAL OF THE
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(Identify the details of the petition on each page)

CONSIDERATION FOR IT'S REPLACEMENT WITH NEW EQUIPMENT.

RETAIN THE PLAY EQUIPMENT IN ITS PRESENT LOCATION WHERE

IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS
AND FAMILIES TO UTILISE.

Name	Address	Signature
NICOLA DARRNEIN	79 RAGAMUFFIN DR	
HENRY DEKERS	34 VENNACHAR DR	
MIKE BROWN	52 Vennachar Dr	
MICHAEL THOMSON	28 VENNACHAR DR	
ANITA VISSER	22 VENNACHAR DR	
ANGELA STEWART	16 VENNACHAR DR	
MATTHEW HOOPER	9 Vennachar Dr	
BEARDSMAK PAIR	15 VENNACHAR DR	
BROWNYN SIMM	20 OSMANLI DR	
KAREN STACEY	30 Osmanli Dr	
DALENE GYAL	19 Osmanli Dr	
BOB HIDE	17 OSMANLI DR	
CHRIS BURKE	8 OSMANLI DR	
Stacey Thomas	12 Parsee Court	
Ann Ward	16 Parsee Crt	
Tracy Gallagher	13 Parsee Crt	
Emma Wilson	3 Parsee Crt	
Stan Olczyk	12 OSMANLI DR	
Anne Trebilcock	10 " "	
LOUISE PRINSLOO	8 OSMANLI DR	
YOUNG HAIFAU	4 OSMANLI DR	
Joséphens	2 OSMANLI DR	
Michael Haifau	4 OSMANLI DRIVE	
Rosie Broughton	14 Arachne Drive	
Sophie Treleven	11 Arachne Drive	

Attach additional sheets if
required

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LAPWING STREET AND TIGER DRIVE RESIDENTS & NEIGHBOURING STREETS.

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Name	Address	Signature
HARINDER GILL	100 BARRAMUNDI DR	
MARIE Mc LOUGHLIN	102 " "	
ROBERT L. CHABERT	" " "	
DAVID BROADWAY	10 PLANTERS DR.	
Margaret Wheeler	8 Planters Drive	
RON PLANE	18 PLANTERS DRIVE	
BILL EVANS	9 PLINTERS DRIVE	
Stephanie Baum	7 Planters Drive	
S. Beaulieu	186 PERRY MAN RD	
Joanne Ghazal	Shop 3. Barramundi Dr.	
MICHELLE WILLIAMS	76 RAGAMUFFIN DRIVE	
Sandra Mag	72 Ragamuffin Dr	
Alex Chua	73 Ragamuffin Dr.	
Bianca GRIFFITHS	28 Kiah Cres	
M. Hume	67 RAGAMUFFIN DR	
MELINDA TAYLOR	7 PARSES COURT	
Dawn WOODINGTON	65 RAGAMUFFIN DRIVE	
GIRLEY BLACKWITN	2 BRETT CR	
Jean Hazelgrove	6A Brett Cres H.C.	
M. M. G. G.	217 Sandison Rd H.C.	
Jordan Zeelic	8 Brett Cr H.C.	
Janni Carthew	10 Brett Cres	
Grace Mark	16 Brett Crescent	
MARK WHITTAKER	4 ROBINS STREET	
M. Smith	3 Rubin St.	Attach additional sheets if required M. Smith

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LAPWING STREET AND TIGRESS DRIVE RESIDENTS & NEIGHBOURING STREETS.

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RETAIN THE PLAY EQUIPMENT IN IT'S PRESENT LOCATION WHERE
IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS
AND FAMILIES TO UTILISE.

Name	Address	Signature
J. Cantlo	21 Balandra St	J. Cantlo
K. Wood	19 Balandra St	K. Wood
Julie Meyer	15 Balandra St	Julie Meyer
Ben Stockman	7 BALANDRA ST	Ben Stockman
Mick Dibben	5 BALANDRA ST H/COVE	Mick Dibben
Feras huddad	3 Balandra St H/cove	Feras huddad
ISSAM haddad	3 Balandra St H/cove	ISSAM haddad
Arthur haddad	3 Balandra St H/cove	Arthur haddad
Rima haddad	3 Balandra St H/cove	Rima haddad
David haddad	3 Balandra St H/cove	David haddad
Kim May	50 Aldersey St Melton Vale	Kim May
Miriam Dexanath	2142 Woodhouse Rd	Miriam Dexanath
Gasha Sanderson	7 Gayndah Cr Sullivan Bk	Gasha Sanderson
Rob Hosford	4 Balandra St H. Cove	Rob Hosford
Sandra Roberts	8 Balandra St H. Cove	Sandra Roberts
Roy Ennott	2 TRICHÉ CRESCENT H/COVE	Roy Ennott
Hayley McKell	3 Triche cres H. Cove	Hayley McKell
Alex Ward	5 Triche Cr H. Cove	Alex Ward
Anita Jamun-Hong	-11- -11-	Anita Jamun-Hong
Angel Margullo	7 Triche Cres "	Angel Margullo
SHIRLEY KEMP	22 BALANDRA ST	SHIRLEY KEMP
MARGOY FERGUSON	24 BALANDRA ST	MARGOY FERGUSON
Carina Foster	26 Brett Crest Hallett Cove	Carina Foster
Chris Bleckly	27 Brett Cres	Chris Bleckly
Sue Hawke	21 Brett Cres	Sue Hawke

Attach additional sheets if
required

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LAPWING STREET AND TIGRESS DRIVE RESIDENTS & NEIGHBOURING STREETS. Page 53

TO LODGING OBJECTION: TO THE PROPOSED REMOVAL OF THE EXISTING PLAY EQUIPMENT IN LAPWING STREET RESERVE DUE TO COMMENCE IN OCTOBER 2016. ON A PERMANENT BASIS WITH NO (Identify the details of the petition on each page) CONSIDERATION FOR IT'S REPLACEMENT WITH NEW EQUIPMENT.

RETAIN THE PLAY EQUIPMENT IN IT'S PRESENT LOCATION WHERE IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS AND FAMILIES TO UTILISE.

Name	Address	Signature
Paul Blaze	19 Brett Crescent	P. Blaze
M. Williams	17 Brett Cres.	M. Williams
R. Williams	17 Brett Cres	R. Williams
M. McKean	9 Brett Cres.	M. McKean
J. McClements	7 Brett Cres	J. McClements
M. Blackman	2 Brett Cres	M. Blackman
G. McCarl	6 Grecian CRT	G. McCarl
HELEN BLYTH	8 GRECIAN CRT	H. Blyth
TREVOR BLYTH	" "	T. Blyth
MARTIN GREGORY	18 GRECIAN CRT	M. Gregory
Wendy Fisher	7 Grecian crt	W. Fisher
Annie Baker	5 Grecian Court	A. Baker
NORM GALTZ	5 BRETT CRESCENT.	N. Galtz
Ben Millman	3 Brett Crescent	B. Millman
Loughnan Ky	62 Ragamuffin Dr.	L. Loughnan
JUNE BRADLEY	60 RAGAMUFFIN DR	J. Bradley
ELIZABETH HAYNA	52 RAGAMUFFIN DR	E. Hayna
Fariba Jayranlou	50 Ragamuffin Dr.	F. Jayranlou
Raylene Alpaslan	48 Ragamuffin Dr.	R. Alpaslan
Kirra Gray	6 Rubin St	K. Gray
Matthew George	38 RAGAMUFFIN DR	M. George
ELISA MILAN	36 RAGAMUFFIN DR	E. Milan
Kelly Barnes	34 Ragamuffin Dr	K. Barnes
MICHAEL BULL	32 RAGAMUFFIN DR	M. Bull
Jennifer Topley	2 Rubin St	Attach additional sheets if required Jennifer Topley

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LAPWING STREET AND TIGRESS DRIVE RESIDENTS & NEIGHBOURING
STREETS.

TO LODGING OBJECTION: TO THE PROPOSED REMOVAL OF THE

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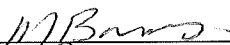
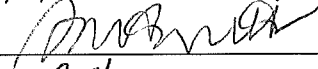
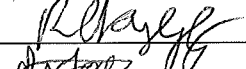
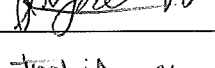
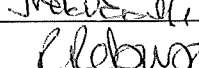
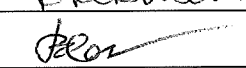

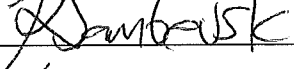
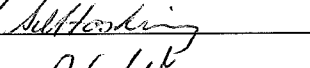
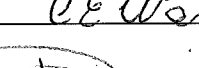
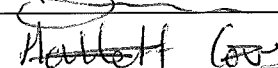




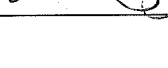
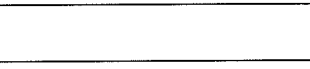
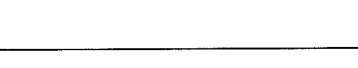
(Identify the details of the petition on each page)

CONSIDERATION FOR ITS REPLACEMENT WITH NEW EQUIPMENT.

RETAIN THE PLAY EQUIPMENT IN ITS PRESENT LOCATION WHERE

IT IS ACCESSIBLE AND CONVENIENT FOR LOCAL CHILDREN, CARERS

AND FAMILIES TO UTILISE.

Name	Address	Signature
Mark Barnes	7 Karen crt	
Michelle Barnes	7 Karen crt	
Su Ann	5 Karen Crt	
Ryan Dagg	46 Arachne Drive	
Sarah Ford	2 Lepena Cres	
Jake Trebilcock	91 Vennachor Drive	
Ruth Robson	54 Vennachor Drive	
Toolal bave	37 Jupiter street	
Garth Hudson	23 Jupiter street	
Kelly Samburski	12 Jupiter st	
Sandy Hosking	18 JUPITER ST	
CAROL WARD	24 JUPITER ST	
Damien Wilkins	26 Jupiter St	
Melda Jolly	28 Jupiter St	
Cheryl Norman	30 Jupiter St	
Mike Norman	30 Jupiter st	
Garry Shaw	30 Lapwing St.	
ALISON SMITH	22 LAPWING ST	
WARWICK SMITH	" " "	
		Attach additional sheets if required

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RECEIVED CITY OF MARION INFORMATION MANAGEMENT	
27 SEP 2016	Original Fwd: <input type="checkbox"/>
File No:	
2 5 6 7 8 10 P	

Mrs Nadine Tapley

12 Lapwing Street

Hallett Cove SA 5158

Mob: 0414 876 775

26/9/2016

Open Space And Recreation Planner – Rebecca Deans

Dear Ms Deans,

Lapwing Street reserve is a well patronised and viable open space. Its play equipment is enjoyed and utilised frequently by local children.

Smaller parks provide residents with ease of access, convenience and choice.

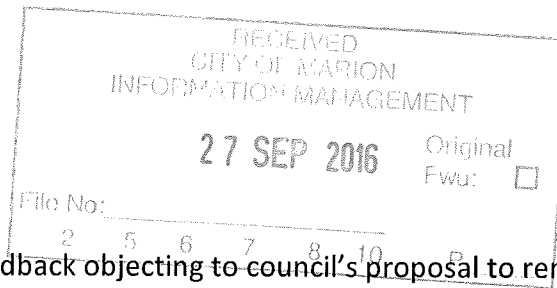
Due to Hallett Cove's undulating terrain it is important to retain our local community play space. The reserve is accessible to residents who cannot drive and for families with young children living in close proximity to commute to with ease and convenience.

Recent larger park upgrades within the Hallett Cove area should not result in the automatic downgrading and potential removal of all smaller well patronised play equipment services, which children delight in using. Each smaller play space should be evaluated in its retention on its own individual merits.

For Marion Council to propose the removal of our Lapwing Street Reserve play equipment and replace it with a cluster of trees / shrubs is unnecessary. It doesn't enhance the area, incurs added unwarranted expense and promotes an atmosphere that invites unsavoury individuals with malicious intent to congregate and loiter. Providing increased opportunity for drinking / vandalism / property damage and graffiti to occur, screened by foliage from the open view of watchful community focused residents.

Two important considerations I would like council to be aware of regarding this matter include:

- 1) Literature delivered to residential letterboxes in Lapwing Street about this proposal was not distributed to all residents. Only properties which boarded the Lapwing Street Reserve received notification of council's intentions.
- 2) The statement in the literature and I quote "The play equipment is over 20 years old and has reached the end of its usable life" unquote is false and misleading. My husband, three children and myself have resided in Lapwing Street since January 2007. The play equipment I recall was upgraded in 2009. Which makes the age of the equipment in question 7 years old. It is still safe and serviceable for children to use.



Strong community support and feedback ~~objecting to council's proposal to remove the~~ Lapwing Street Reserve's existing play equipment on a permanent basis has been expressed. Enclosed with this covering letter is a petition signed by 200 passionate individuals, together with letters gathered from residents expressing their personal views. (Three letters enclosed from Poppi Stampton, Mae Saak and Hilary Williams).

Marion Council have a heart, please listen to and support your local Hallett Cove community residents by revoking your proposal to remove our Lapwing Street Reserve play equipment.

Yours Sincerely

A handwritten signature in black ink, appearing to read "Nadine Tapley".

Nadine Tapley

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CITY OF MARION	
INFORMATIONAL DOCUMENT	
27 SEP 2016	Original Lwd: <input type="checkbox"/>
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To.....

25/9/2016


CITY OF MARION

We the owners of 29 lapwing street hallett cove , (adjacent to the reserve) , STRONGLY recommend council reconsider their proposal to remove the playground equipment to this reserve. This equipment is used very often by our visiting grand children, and used by many families around this area , particularly during the warmer months of the year. To deny our younger children of this enjoyable and free activity , does not enhance their upbringing in todays enviroment.

I might add that local residence are often seen removing general rubbish from the reserve, and we, repaint/remove graffiti from the electrical transformer box, and our adjoining fence. Again we ask that council please refrain from removing this equipment ,creating a stagnant open space, and instead perhaps enhance the area with large shade trees.

In anticipation.....

Jeffrey Williams



Hilary Williams



194

RECEIVED
U.S. DEPT OF MARION
CIVIL SERVICE COMMISSION

Wishon
7 SEP 1968
CONG AM

FILE NO. 4
of 6 shown inside coverlet

Dt: ☐

Wapping Street, Pall Mall Lane.

Y^r sincerely and yet to
be considered for all eternally

The following letters

I have a 17 year old grand-
child who suffers from asthma.
She spends a great deal of
time with me and as soon
as Emma leaves for the Savings.


At Athens Ga

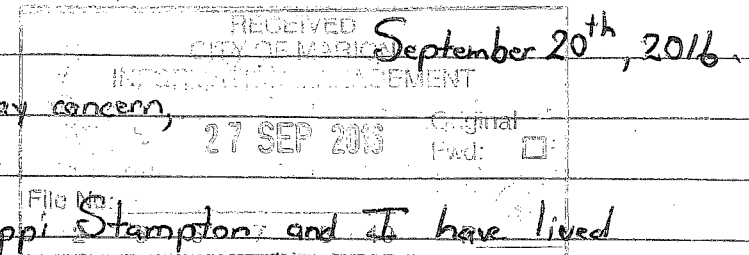
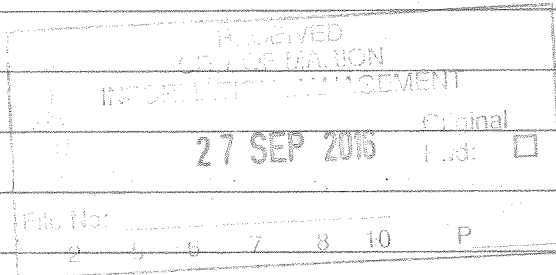
of Calhoun here.
So the Savings are very important
for me and I would like them to

574

Yours sincerely, Wm. B. B. B.
1135 and
9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30.

Its not the biggest playground, but it still gives a lot of enjoyment to lots of families, and its a big part of our lives. We have got too many memories that we do not want to lose

Yours Faithfully
Poppo Stampton




To Whom it may concern,

My name is Poppo Stampton and I have lived in Hallett Cove for over 30 years. Yesterday I had a neighbour tell me of the intentions of the council to get rid of the playground, which upset me very much. The playground served my kids well, they both have very fond memories, playing and running around as young kids. I always walked with my 2 children often when they were young, just to let them play and run around, and sometimes when their cousins came over our house for a visit we would all walk there so they can play. It will be a big shame for the playground to be taken away. My children have all grown up now, my daughter is 24 and my son is nearly 21, but to deny the pleasure of other children in the area to play as my 2 kids did, is ~~not~~ not fair. When my two children were told of your plans, they too got upset, as it has been a big part of our lives, and we have lots of fond memories. So in short it might not mean much to you, but the playground means a lot to us, so please do the right thing and leave the playground alone, so other children can play and build memories like we have,

P.T.O

LAPWING STREET RESERVE, HALLETT COVE



September 2016 INFORMATION SHEET

PLAY SPACE STRATEGY BACKGROUND

In 2009, the City of Marion endorsed a Play Space Strategy to ensure the community's playgrounds were well-designed, well-located, safe and fun for users. So far, 41 play spaces have been upgraded.

As part of the strategy, several playgrounds will be upgraded and some will be removed to ensure that:

- Current and future play spaces are renewed at appropriate times to ensure safety of the community.
- Play spaces are in an accessible location – this may include removal of play spaces due to oversupply in a particular area. Additionally, it may include new play spaces to address a deficiency in an area.
- Council resources are used appropriately.

PLAY SPACE STRATEGY IMPLEMENTATION

Council is consolidating selected playgrounds as part of the implementation of the Play Space Strategy.

Lapwing Street Reserve at Hallett Cove will have its ageing play equipment removed and minor landscaping work undertaken.

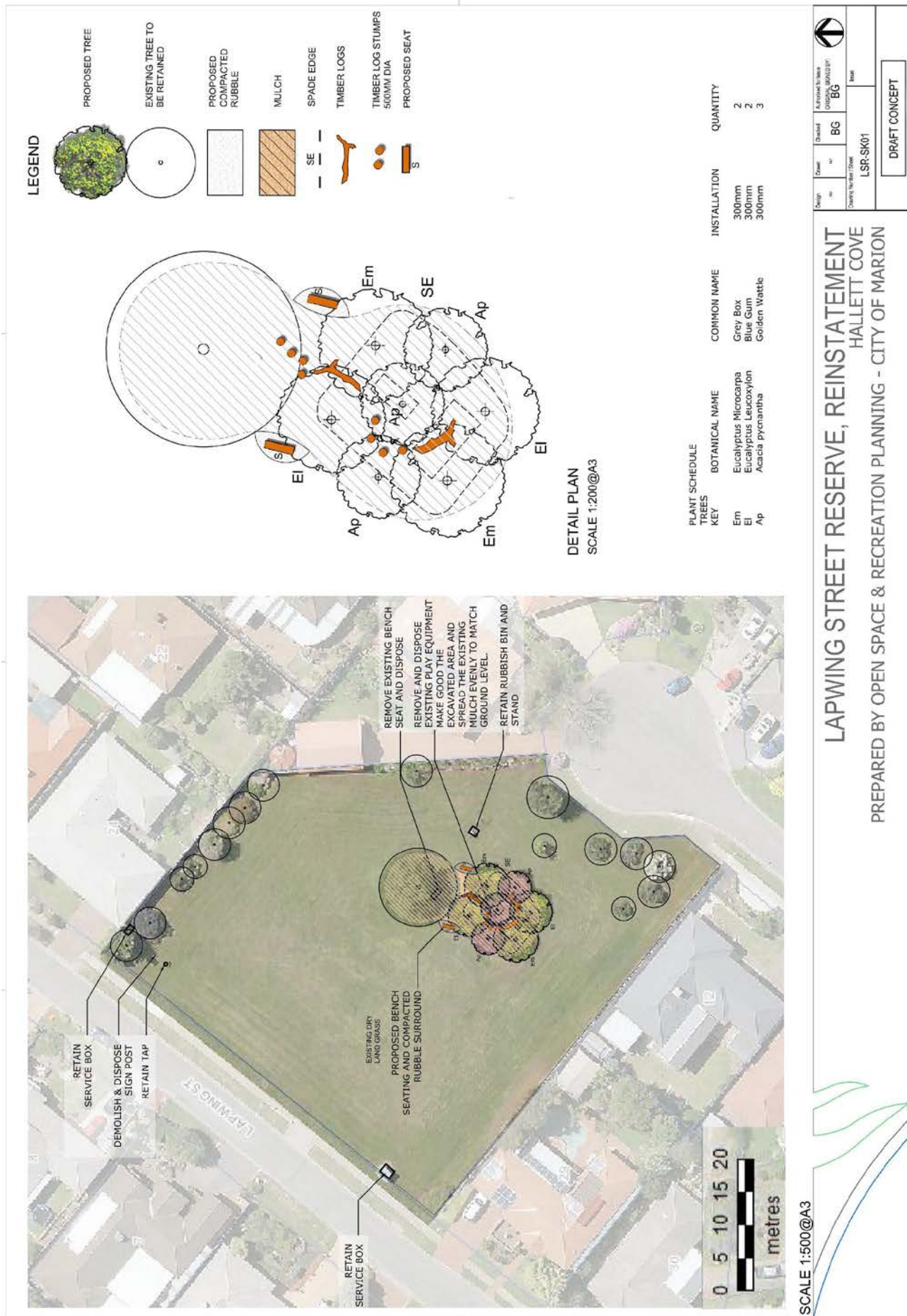
We propose to replace the playground with additional landscaping and installation of seats to ensure the reserve remains a pleasant open space.

The play equipment at Lapwing Street Reserve has been assessed and requires removal to ensure the future safety of the community.

If you wish to comment about the changes, please visit: <http://makingmarion.com.au>

All feedback will be collated and a copy provided to your local ward Councillors prior to works commencing.

Proposed works are due to commence in October 2016.



To view the concept plans in detail please refer to the website: marion.sa.gov.au/parks-and-playgrounds or alternatively contact the City of Marion on 8375 6600 to request a larger hard copy.

FAQ's

• *Why is the play space being removed?*

The play equipment is over 20 years old and has reached the end of its usable life. Council has upgraded adjacent reserves which provide better access for the wider community.

• *Is there going to be new play equipment at the reserve?*

No, there will not be new play equipment at the reserve. However, the reserve will be reinstated to create attractive, usable open space and enhance biodiversity.

• *What is going to replace the play equipment?*

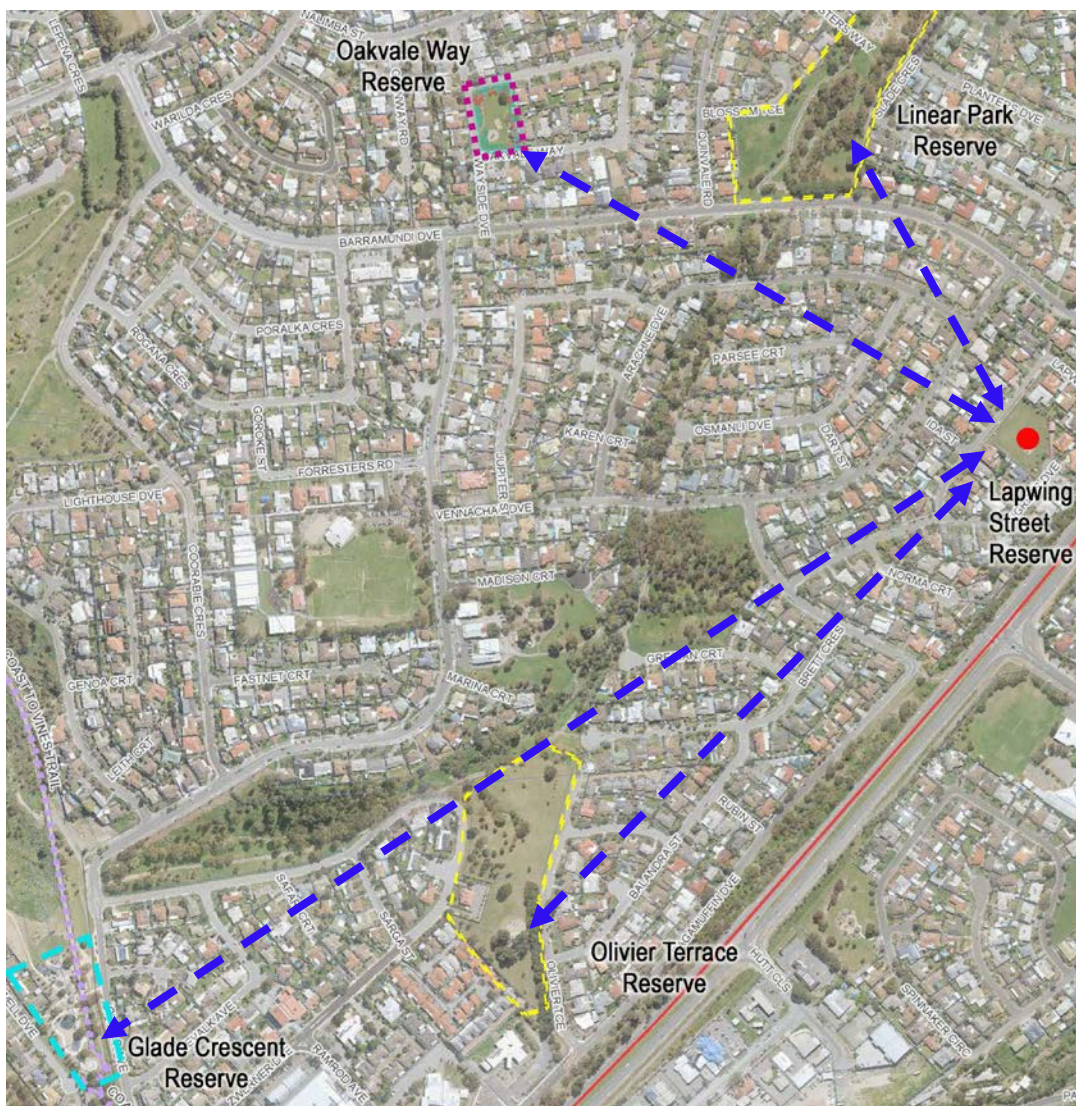
The design proposes landscape plantings, tree stumps, logs, and bench seats to replace the play equipment. Please refer to the concept plan provided.

• *What works can I expect to see happening at the reserve?*

The existing play equipment and seat will be removed. Following this, trees will be planted and mulched, and landscape furniture installed to ensure the reserve is a pleasant open space.

• *Where are the nearest play spaces?*

- Linear Park Reserve, Hallett Cove (approx. 500 metres)
- Olivier Terrace Reserve, Hallett Cove (approx. 750 metres)
- Oakvale Way Reserve, Hallett Cove (approx. 750 metres)
- Glade Crescent, Hallett Cove (approx. 1.25 km)



LAPWING STREET RESERVE

HALLETT COVE

Page 63

RESERVE WORKS

Lapwing Street Reserve at Hallett Cove has been identified as a reserve within Council's Play Space Strategy that will have existing play equipment removed and minor landscaping works undertaken.

As part of the implementation of the Play Space Strategy various upgrades have occurred or are proposed within close proximity of Lapwing Street Reserve and include:

- Linear Park Reserve, Hallett Cove
- Olivier Terrace Reserve, Hallett Cove
- Oakvale Way Reserve, Hallett Cove
- Glade Crescent, Hallett Cove

Council has endorsed a Play Space Strategy in 2009 which ensures:

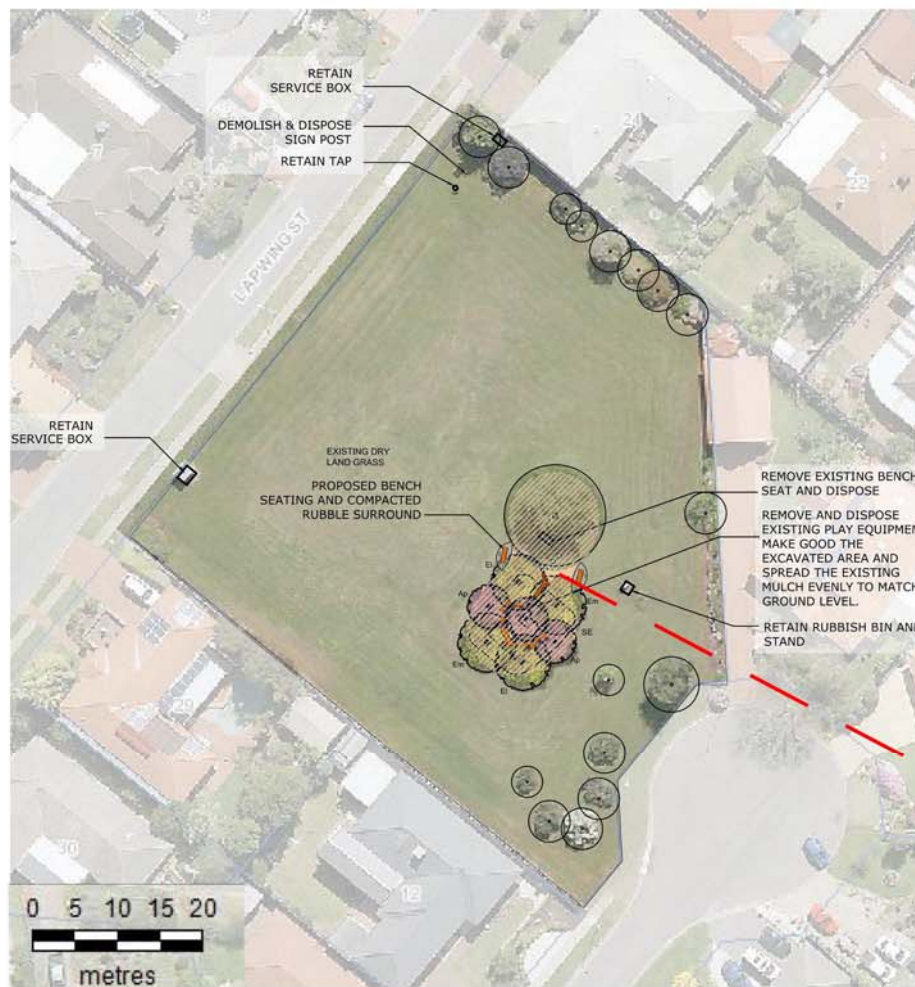
- Current and future play spaces are renewed at appropriate times to ensure safety of the community.
- Play spaces are in an accessible location – this may include removal of play spaces due to oversupply in a particular area. Additionally, it may include new play spaces to address a deficiency in an area.
- Council resources are used appropriately.

More information on the Playspace Strategy can be found at: marion.sa.gov.au/play-space-strategy

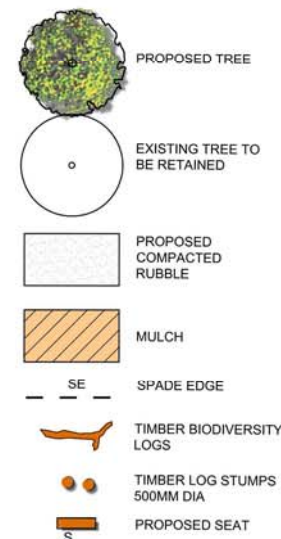
If you wish to comment about the changes, please visit: <http://makingmarion.com.au>

All feedback will be collated and considered prior to any works commencing.

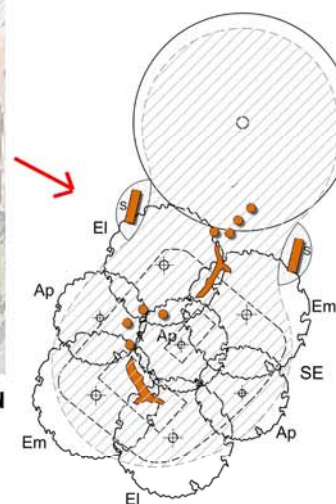
Proposed works are due to commence in October 2016.



LEGEND



DRAFT CONCEPT PLAN



DETAIL PLAN
SCALE 1:200@A3

PLANT SCHEDULE

TREES				
KEY	BOTANICAL NAME	COMMON NAME	INSTALLATION	QUANTITY
Em	Eucalyptus Microcarpa	Grey Box	300mm	2
Ei	Eucalyptus Leucoxylon	Blue Gum	300mm	2
Ap	Acacia pycnantha	Golden Wattle	300mm	3

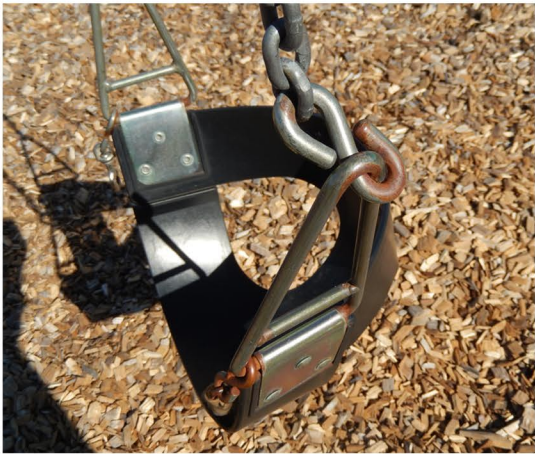
For further information, please visit: makingmarion.com.au
or contact Council on phone: 8375 6600



PLAY EQUIPMENTS- AT THE END OF THEIR LIFE - TO BE DEMOLISHED



SWING SET- TO BE DEMOLISHED



PLAY UNIT- SLIDE, DECK ETC- AT THE END OF LIFE- TO BE DEMOLISHED



RUBBISH BIN- TO BE RETAINED



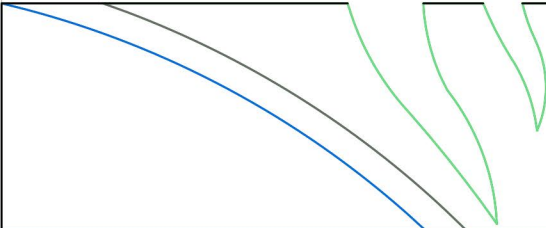
SIGNAGE POST TO BE DEMOLISHED



PICNIC BENCH SEATING - AT THE END OF LIFE- TO BE DEMOLISHED



UTILITY/ SERVICE BOXES AND TAP- TO BE RETAINED



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Drawing Number / Sheet LSR-SA01			Issue	

**CITY OF MARION
GENERAL COUNCIL MEETING
11 October 2016**

Originating Officer: Kate McKenzie, Manager Corporate Governance

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Finance and Audit Committee - Confirmation of Minutes of Meeting held on 4 October 2016

Report Reference: GC111016R01

DISCUSSION:

The purpose of this report is to facilitate the receiving and noting of the minutes from the 4 October 2016 Finance and Audit Committee meeting.

A summary of the items considered are noted below.

- Elected Members Report
- Finance and Audit Committee Annual Report to Council 2015/16
- Debtors Report
- Investment Performance 2015/16
- Treasury Management and Reserve Funds Policy
- Fraud and Corruption Framework
- Business Continuity Plan
- Local Government Association Mutual Liability Scheme Risk Review
- Organisational Service Review Update and Stage Two Scopes for 2016/17
- Independence of Council's Auditor for the Year Ending 30 June 2016
- Audited Annual Financial Statements for the year ending 30 June 2016
- Meeting with External Auditor in Confidence
- Internal Audit Program Status Report

RECOMMENDATIONS (2)

DUE DATES

That Council:

- | | |
|---|--------------|
| 1. Receives and notes the minutes of the Finance and Audit Committee meeting of 16 August 2016 (Appendix 1). | October 2016 |
| 2. Note that separate reports will be brought to Council for consideration of any recommendations from the Finance and Audit Committee. | October 2016 |

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
HELD AT THE ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 4 OCTOBER 2016**



PRESENT

Mr Greg Connor, Ms Kathryn Presser, Mr Lew Owens, Councillor Raelene Telfer and Councillor Tim Gard.

In Attendance

Mr Adrian Skull	Chief Executive Officer
Mr Vincent Mifsud	General Manager Corporate Services
Ms Abby Dickson	General Manager City Development
Mr Mat Allen	Acting General Manager, Operations
Ms Kate McKenzie	Manager Corporate Governance
Mr Ray Barnwell	Manager Finance
Ms Sherie Walzac	Unit Manager Risk
Ms Deborah Horton	Unit Manager Performance & Improvement
Ms Penny Wood	Deloitte (via telephone for items 7.2 and 7.3)
Mr Jason Liu	Deloitte (for items 7.2 and 7.3)
Mr Justin Jamieson	KPMG (for item 7.12)
Mr James Rivett	KPMG (for item 7.12)

1. OPEN MEETING

The meeting commenced at 2.04 pm. The Chair welcomed all those present to the meeting.

2. KAURNA ACKNOWLEDGEMENT

We begin by acknowledging the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. MEMBERS DECLARATION OF INTEREST

The Chair asked if any Member wished to disclose an interest in relation to any item being considered at the meeting. No interests were disclosed.

4. CONFIRMATION OF MINUTES

4.1 2.04 pm Confirmation of Minutes for the Finance and Audit Committee held 16 August 2016

Report Reference: FAC041016R4.1

Moved Councillor Gard, Seconded Ms Presser that the minutes of the Finance and Audit Committee meeting held on 16 August 2016 is confirmed as a true and correct record of proceedings.

Carried

5. BUSINESS ARISING

5.1 2.05 pm Review of the Business Arising from previous meetings of the Finance and Audit Committee Report Reference: FAC041016R5.1

The statement identifying business arising from the previous meetings of the Committee was reviewed and progress achieved against identified actions was noted.

The schedule of meetings was also reviewed noting that the chair was unavailable for the 6th December meeting. The Committee agreed to change the meeting date to Thursday, 15th December 2016 from 3pm to 6pm.

Moved Councillor Gard, Seconded Ms Presser, that the Finance and Audit Committee meeting scheduled for of 6 December 2016 be changed to Thursday, 15th December from 3 – 6 pm.

6. ELECTED MEMBER REPORT

6.1 2.07 pm Elected Member's Report Report Reference: FAC041016R6.1

The report was taken as read and noted by the Committee.

Councillor Telfer highlighted that Council has been meeting regularly to progress priorities, including implementation of key infrastructure projects.

The Streetscape strategy and prioritisation was discussed and Council Members raised that the two demonstration projects were inconsistent with the criteria. It was noted that the two demonstration projects were within the existing capital works program and hence it created efficiency and opportunity to do those works. It seems that the criteria lacked connection with the existing capital work program.

The Committee noted that the Elected Member report states that Council had approved the two streets as demonstration projects but acknowledged that the criteria could have been clearer. The Committee recognised it is good management to undertake the demonstration project whilst Council is already undertaking works as this creates efficiency.

The Committee also queried the progress of the BMX project, noting that this will progress to a prudential management Section 48 report that will address the financial impact, risks and governance models. It was noted a detailed design has not yet been agreed.

7. REPORTS

Corporate & Financial Management

7.1 2.17 pm Finance and Audit Committee Annual Report to Council 2015/16 Reference No: FAC041016R7.1

The Committee noted the report and queried the operating surplus of \$10m disclosed within the section on "External Audit". It was highlighted that this related to the previous financial year (2014/15 not 2015/16). It was also noted that the \$10m operating surplus in 2014/15 was before capital expenditure and a number of long term strategies have now been considered and implemented in relation to Council's infrastructure assets, including whole of life costs.

The Committee provided the following feedback to be included within the annual report to Council:

- Under “Key discussion points for Council to Note”, within the third point, could a further sentence be added that although the financial position of Council is solid, the financial management is a conservative approach and Council should consider further review of its rating strategy to ensure the best outcomes for its community.
- In the section regarding “Internal Audit & Service Reviews”, within the third point, can a sentence be added that KPMG were appointed after a thorough tender process that occurred in the previous financial year.
- Within the “Future Works Program Proposal” of the Committee, can a sentence be added regarding further work on the financial management of Council’s assets. This should include the governance arrangements and process regarding the use of the Asset Sustainability Reserve.

The Committee endorsed the Annual Report to Council for 2015/16 with the inclusion of the noted comments.

The chairman sought leave of the meeting to alter the order of the agenda as both the external auditors and internal auditors would not be attending until later in the meeting.

7.4 2.32pm Debtors Report Reference No: FAC041016R7.4

The Committee noted the report and congratulated the organisation on the reduction of debt from its Sundry Debtors. It was noted that the Property Team and other relevant departments have been working closely with community groups to reduce the debt which has had a positive result on the total Sundry Debtors balance. It was highlighted that the smaller community groups can sometimes find themselves in financial difficulties and Council can assist them with the management of their debt. It was noted that Council is currently undertaking a review of its Leasing and Licensing Policy.

The Committee queried the Rates Debtors and if there had been any issues regarding the most recent property valuations. It was noted that only a handful of issues had been raised and these were being appropriately managed.

It was noted on page 197 of the agenda that the current rates in arrears figure is currently \$710k which equates to 1% of total annual rates revenue. It was noted that in comparison to other Councils, this is very low. A number of the ratepayers with rates in arrears are on agreed payment plans with the Council.

ACTION

The Committee asked for some further information which will be circulated via email:

- **How many of the sundry debtors are more than 3 years old?**
- **How does the \$710k rates in arrears compare with previous years?**
- **How many debtors does Council have and of these how many are in arrears?**

7.6 2.43pm Investment Performance 2015/16 Reference No: FAC0410167.6

The Committee again congratulated the organisation for its achievements within the investment performance. The Committee noted the report and suggested it would be useful to include some further benchmarking, particularly for commercial borrowings.

The Committee queried how our investment performance compares with state government and it was highlighted that the state government has their own bank, the South Australian Government Financing authority, (SAFA) which operates with less restrictions than the Local Government Finance Authority (LGFA).

It was noted that the LGFA provides Council with a bonus at the end of the financial year which is based on a combination of Council's investment and borrowing activity for the prior year. It is also noted that the LGFA is fully guaranteed by the State Government.

The Committee highlighted that if Council was to consider alternative investment options than the LGFA, the cost of managing Council's portfolio may be in the vicinity of a minimum of approximately \$30k pa, depending on the approach (either a part time internal resource or through a broker).

7.7 2.50 pm Treasury Management and Reserve Funds Policy

Reference No: FAC041016R7.7

The Committee noted the report and the further rigour that had been included within the Treasury Management Policy.

It was suggested that it may be useful to provide further clarity in regards to what financial institutions Council could invest with and that this could be by way of detailing a minimum suitable credit rating that would be considered acceptable. This could potentially include Australian financial institutions beyond Australia's big 4 banks. The Committee suggested that this would be reasonable to consider. The Committee also suggested that the reference in the policy to Australian dollars be removed.

The Committee suggested that the paragraph in the policy stating "Investment of surplus funds outside of the above investment choices must be reported to Council for approval" should be removed as it seems to be a 'catch all' and isn't appropriate for a Treasury Management policy.

The Committee noted that the Reserve Funds Policy is being prepared for the December 2016 FAC meeting and they agreed with the inclusion of the five dot points listed on page 206 of the agenda.

The Committee agreed that further clarity is required regarding the Asset Sustainability Reserve (ASR) and its use. It was noted in the Treasury Management Policy that Council will "*not retain and quarantine money for particular future purposes unless required by legislation or contractual agreement with other parties*". Clarity is required regarding the purpose of this Reserve to ensure it doesn't conflict with this section in the Treasury Management Policy. The Committee also queried the existing parameters relating to the Community Facilities Partnership Program (CFPP) component of the ASR and that this requires further review.

The Committee noted that over time, some accounting reserves have been consolidated into the ASR.

The Committee also sought further clarity in regards to the Open Space Reserve and its purpose. It was highlighted to the Committee that the Open Space Reserve is required by legislation (Development Act) predominantly for quarantining open space

contributions provided by developers and that these funds needed to be applied to the development of open space facilities.

Risk Management

7.8 3.06 pm Fraud and Corruption Management Framework

Reference No: FAC041016R7.8

The Unit Manager Risk provided an overview of the report noting that Council had previously adopted the policy. The framework has now been finalised to underpin the policy. It provides direction at a high level regarding how fraud and corruption will be managed and monitored across the organisation.

The Committee thanked staff for the fulsome report and suggested the following matters be undertaken prior to the framework being formally endorsed:

- Ensure that the policy and framework has consistent policy governance regarding version control, dates adopted by council, etc.
- Review the relationship with the framework and the requirements of ICAC, to ensure compliance with the ICAC legislation. There may need to be two processes to apply – those investigated internally and those investigated by ICAC.
- Incorporate the receipt of gifts, benefits and hospitality within the Work Area Report checklist (Appendix 4).
- Include this in the Committees Annual Report as part of the work program for next year.
- Amend page 232 of the agenda to reflect the Procurement and Contract Management Policy that was endorsed at the Council Meeting of 27 September 2016.

The Committee noted that the General Manager Corporate Services provides an annual executive assurance sign off as part of the external audit regarding internal controls and fraud.

The Committee queried the organisations structure with Corporate Governance and Finance reporting to the same General Manager as an adequate separation of duties. It was noted that this structure is consistent with other similar organisations as the two functions are complimentary. It was also noted that within the Framework, there are two Responsible Officers (Manager Corporate Governance and Manager Human Resources). These positions are appointed by the Chief Executive Officer and provide an appropriate segregation of duties and reporting to the CEO.

3.15 pm Ms Kathryn Presser left the meeting

3.17 pm Ms Kathryn Presser returned to the meeting.

7.9 3.21 pm Business Continuity Plan

Reference No: FAC041016R7.9

The Business Continuity Plan (BCP) was noted by the Committee and they queried if it was enacted during the recent storm events and resultant State-wide power blackout. The CEO confirmed that it was enacted during the storm event on Wednesday, 28 September 2016 when power was lost to most of the state. The CEO indicated that he was very proud of the teams involved and in general things went very well considering the circumstances. The

lessons were around the communication network as emails and the land lines ceased operating and the mobile network had limited capacity. It was noted that the Administration building does not have a backup generator. This will be further investigated as a mitigation strategy in the upcoming months.

The Committee noted that although there is no formal community emergency response plan in place yet, various actions were enacted with minor flooding occurring at some locations. It was noted that the Sturt River through the Marion Caravan Park was closely monitored and Glandore Community Centre was advised that it may be used as a relief centre if the Patawalonga river burst its banks and residents in that area were required to evacuate.

The Committee noted that a desk top exercise will be held for training purposes in the upcoming months. The Committee suggested that the BCP could consider a further category of loss of key staff and identify what will occur in the event that key staff are not available for decisions making purposes. It was noted that individual recovery strategies identified critical roles and functions but agreed that the BCP could include further information around who has the authority for decision making in the absence of executive and senior management.

7.10 3.35 pm Local Government Association Mutual Liability Scheme Risk Review Reference No: FAC041016R7.10

The Unit Manager Risk highlighted to the Committee that the methodology used for the review had significantly changed this year and staff had been considered in their responses, noting that a number of risk categories are progressing through an implementation phase. It is hopeful that scores will progress next year as the systems would have matured past implementation and into full operation.

The Committee noted the report and the bonus of \$45,249 provided by the Local Government Association Mutual Liability Scheme (LGA MLS). The claims history was also considered noting that two professional indemnity claims are still impacting on the Councils claims loss ratio.

The Committee noted that this risk related specifically to public liability exposures and that WHS risks are monitored through the LGA Workers Compensation Scheme, rather than the LGA MLS.

The Committee felt that the proposed actions were adequate and these should be monitored to ensure progress before next year's review.

3.44 pm the chair adjourned the meeting for 10 minutes

3.54 pm meeting resumed.

Service Reviews and Internal Audit

7.11 3.55 pm Organisational Service Review Update and Stage Two Scopes for 2016/17 Reference No: FAC041016R7.11

The Committee noted the progress of the Service Review Program and that Council had adopted a program for the 2016/17 financial year. The program listed 13 reviews to be completed. The Committee suggested that implementation of recommendations may become an issue. If this occurs, further work and re-evaluation will need to occur to determine what is a manageable for the organisation.

The CEO advised the Committee that a pilot project is currently in progress which is focused on organisation resources and costs. This information will feed into the service reviews to assist management identify efficiencies. This work is being undertaken by Erica Comrie from Council Solutions and it is anticipated that the same body of work will occur at other Councils who are a part of Council Solutions.

It was noted that some service reviews would progress through other Committees of Council. For example, the Recruitment Service Review may progress to the People and Culture Committee. The outcomes of the reviews and the monitoring of the program would remain within the scope of the Finance and Audit Committee Terms of Reference.

The Committee provided feedback on each of the scope documents as listed below:

- Recruitment – the review could consider the pre-recruitment aspect in conjunction with Councils Vacancy Management Policy. It could also consider how roles are advertised. The internal stakeholders should include a selection of employees recruited within the last six months. The length of recruitment (time taken to recruit) should also be considered.
- Marion Outdoor Swimming Centre Review – It was noted that Council is working separately on the infrastructure issues and this review is focused on revenue and cost efficiency. Keeping the pool financial viable is the focus of the review, not the strategic directions of the pool. It was noted that some analysis regarding ‘the point of difference’ for this pool may be required as part of the review to identify specific marketing strategies. It was noted that sponsorship could be explored as part of this review and that it may be useful to get the views of customers. This review should assist the Council understand the ‘product’ it is offering to its community.
- Parking and Regulation – this review should define what a ‘good day’ is for the Community Safety Inspectors. For example, issuing no expiations or a lot of expiations? The Committee also suggested to confirm who are the experts in this field outside of Australia and seek their input. This can be through a desk top review.
- Governance – the Committee suggested that this review should be linked to the KPMG Corporate Reporting Review.
- Management of Recycling Depot – it will be important to seek the views of organisations that do this well – for example Southern Region Waste Authority (SRWA). It was noted that this facility is not for public use and only the Council. It was suggested that this could be made clearer within the scope.
- Stores – it was noted that Council holds approximately \$150k in stock and opportunities for improvement may exist around process for holding materials.
- Commonwealth Home Support Program – it was noted that the Neighbourhood centres were out of scope for this review.
- Drainage – clarification was sought regarding Councils role in stormwater management and it was noted that the City of Marion has 4 catchments within the City. It was highlighted that a drainage matrix is used to prioritise works and allocate resources.

7.2 4.33 pm Independence of Council’s Auditor for the Year Ending 30 June 2016

Reference No: FAC041016R7.2

Ms Penny Wood entered the meeting (via telephone) and Mr Jason Liu entered the meeting.

The Committee noted the statement provided by Council's Auditor attesting to their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2015/16 financial year.

The CEO and the Chairperson of the Committee both indicated that they are willing to sign the statement that Council's external auditor (Deloitte Touche Tohmatsu) maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2015/16 financial year.

The statement was signed during the conduct of the meeting.

7.3 4.36 pm Audited Annual Financial Statements for the year ending 30 June 2016 Reference No: FAC041016R7.3

Ms Wood provided an overview of the report. It was highlighted that Council had received an unqualified Audit report and the key items for Council to consider included:

- \$9.8m operating surplus with further detail provided within the analytical review on page 47 of the agenda. It was noted that the primary reason for the decrease is due to increase in depreciation expenditure resulting from a combination of the new cove Civic Centre and City Services buildings, in conjunction with change in the treatment of residual value of assets required by the revised accounting standards
- \$10.451m of Carryovers & Unexpended Grants which demonstrates a reduction from last year's total of \$15.156m. It was noted that the carryovers fit into four categories of capital, grants, new initiatives and operating, as well as retimed capital works. The Committee noted that KPMG (Internal Auditors) had completed a body of work on the capital carryovers and this resulted in a decrease from approximately \$7m down to \$3.5m.

The Committee queried a number of items as follows:

- The accounts reflect overspend and understand in various items with the overall result being positive. Further commentary could be provided to assist with understanding as to why these movements have occurred.
- The graph on page 35 reflects Council's total equity (ie. net asset) position and demonstrates a steady increase from 2007/08.
- The Statement of Comprehensive Income (Page 52) demonstrates a change in Revaluations Surplus in 2014/15 from \$3.5m to -\$4.5m in 2015/16. This specifically relates to a change in the Accounting Standard relating to depreciation, the removal of asset residual values and the compartmentation of assets.
- The Total Comprehensive Income figure on page 53 has reduced from \$23.454m in 2014/15 to \$6.345m in the current year. The Manager Finance advised that this was predominantly due to a significant decrease in "Physical resources received free of charge" (\$7.6m) and the "Changes in Revaluation Surplus" (\$8.1m) as discussed above. The large decrease regarding physical resources received free of charge, which has dropped from \$8.2m to \$650k was predominantly due to capital developments in the previous year relating to roads and retaining walls along Patpa Drive being recorded in the Accounts.
- It was noted that there had been movements in "Other Reserves" of \$2.5m as noted in the Statement of Financial Position that had occurred pursuant to Council resolution in accordance with Council's Reserve Funds Policy.

- The collection and payment of the natural Resources Management levy noted on pages 63 and 66 were not the same. It was agreed that the explanation for this would be provided to the FAC separately via an email response.

Internal Controls

It was noted that 117 internal controls were tested with 111 being assessed as operating effectively. Of the six internal controls identified as having improvement opportunities to further strengthen Council's controls, with all of these being categorised as 'Low' under the risk matrix.

In addition, as outlined in their Management Letter Deloitte are satisfied that 5 of the 8 prior year Internal Financial Control audit findings have now been fully implemented, with one finding in process of implementation, and the remaining two findings acknowledged as acceptable given the low level of risk.

The Committee noted that two management letters are completed by the External Auditors as there are two separate audits, one being for the Annual Accounts and the other for the Internal Controls.

The audited accounts for the Southern Region Waste Resources Authority (SRWRA) and Council Solutions were both noted. It was noted that SRWRA had a strong financial position and its forecast future remediation liabilities are fully funded.

Moved Mr Owens, Seconded Ms Presser that the Finance and Audit Committee:

1. Recommends to Council that the audited Annual Financial Statements for the year ended 30 June 2016, as attached at Appendices 3-5, be adopted.
2. Notes Deloitte's management letter as attached at Appendix 6.
3. Notes the comparative analysis to prior year Audited Financial Statements (analytical Review), as attached at Appendix 2.

CARRIED

5.13 pm Ms Kathryn Presser left the meeting

5.16 pm Ms Kathryn Presser returned to the meeting.

7.5 5.16 pm Meeting with External Auditor in Confidence Reference No: FAC041016R7.5

Moved Mr Owens, Seconded Councillor Telfer that the Finance and Audit Committee:

1. Pursuant to Section 90(2) and (3)(b) of the *Local Government Act 1999*, orders that all persons present, with the exception of Ms Penny Wood (Deloitte) and Mr Jason Liu (Deloitte) be excluded from the meeting as the Finance and Audit Committee meets with Councils external auditor to discuss the end of financial year audit, on the basis that the Finance and Audit Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information of the Council.

5.17 pm the meeting went into confidence

The independent and elected members of the Finance and Audit Committee met in Camera with the External Auditors. The Auditors indicated that they were most impressed with the support and engagement provided by the Administration. They have not experienced any issues in terms of the timeliness and quality of information provided. There were a number of recommendations from the previous year's audit which needed some attention, but they were of a minor nature. It was pleasing to note there were no "uncorrected misstatements nor "uncorrected disclosure deficiencies", and internal controls are in a sound state, and that an unqualified opinion would be provided to Council.

5.24 pm the meeting came out of confidence.

**7.12 5.25 pm Internal Audit Program Status Report
Reference No: FAC041016R7.12**

Mr Justin Jamieson and Mr James Rivett from KPMG entered the meeting.

The Committee noted the monitoring report sought clarity regarding the implementation of the recommendations from the Capital Works review. It was noted that some recommendations were at risk of not being implemented within agreed due dates. Further detail will be provided to the Committee in December 2016.

The Committee discussed each of the scopes as follows:

Cyber Security – the review will undertake a maturity assessment of the Council's risk exposure to cyber-attack and confirm what has been done to ensure that the environment is suitable to deal with the risks. It was noted that penetration testing was out of scope for this review.

5.31 pm Councillor Telfer left the meeting and did not return

Corporate Reporting – the review will focus on reviewing the information and analysis provided to Council and Executive for decision making. It will also look at how it is presented and the format to ensure it meets the end user's needs. It was noted that this needs to be connected to the Governance Service Review.

Accounts Receivable – the review will focus on receiving and receipting of monies, aged debtors process, mater file maintenance, monthly reconciliation, management of overdue rates and the collection of rates

8. CONFIDENTIAL ITEMS

Nil

9. ANY OTHER BUSINESS

Nil

10. MEETING CLOSURE

The meeting was declared closed at 5.42 pm

11. NEXT MEETING

The next meeting of the Finance and Audit Committee is scheduled to be held on:

Time: 3.00 pm – 6.00 pm

Date: Thursday, 15 December 2016

Venue: Council Chamber, Administration Building

.....

CHAIRPERSON

/ /

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Rhiannon Hardy, Policy Planner

Manager: Steve Hooper, Manager Development and Regulatory Services

General Manager: Abby Dickson, General Manager City Development

Subject: Confirmation of Minutes of the Urban Planning Committee meeting held on 4 October 2016

Report Reference: GC111016R02

RECOMMENDATIONS (2)

DUE DATES

That Council:

- | | |
|---|-----------------|
| 1. Receives and notes the minutes of the Urban Planning Committee meeting on 4 October 2016 (Appendix 1). | 11 October 2016 |
| 2. Notes that separate reports will be brought to Council for consideration of any recommendations from the Urban Planning Committee. | 11 October 2016 |

DISCUSSION

The purpose of this report is to facilitate the receiving and noting of the minutes from the 4 October 2016 Urban Planning Committee meeting. A summary of the items considered are noted below.

6.1 Castle Plaza Presentation

Don Smith (Development Manager of Vicinity Centres) provided a presentation on the status of the Castle Plaza redevelopment and associated Development Plan Amendment (DPA).

The Committee noted the presentation and noted the desirability of a Raglan Avenue closure allowing a pedestrian-friendly area between Castle Plaza Shopping Centre and the new development. This would allow removal of the Raglan Avenue and South Roads signalised intersection and diversion of Raglan Avenue traffic through to Ackland Street.

7.1 Work Plan 2016

The Committee noted the proposed work program for 2016 identified at Appendix 1 to the report.

7.2 Development Plan Amendment Status Update

The Committee noted the status of Ministerial and Council Development Plan Amendments, and considered whether Table Mar/2A should be applied to the proposed Mixed Use Zone for the Castle Plaza Activity Centre Development Plan Amendment.

7.3 Update to the 30 Year Plan for Greater Adelaide

The Committee requested that a report and draft submission to the Minister is presented to the General Council meeting on 11 October 2016 for consideration. The Committee approved the general direction of the draft submission presented to the Committee.

7.4 Local Heritage and Character Revised Draft Position Paper

The Committee approved the written submission attached at Appendix 4, subject to editorial amendments by the Mayor, and request that a formal letter to this effect be prepared for the Mayor's signature.

7.5 Housing Diversity Development Plan Amendment (DPA)

The Committee reviewed the proposed policy options to facilitate appropriate higher density residential development in Marino and indicated that the Committee supports:

- a) implementing the "Hills Infill Policy Area" draft policy in the identified areas (as per Appendix 9); and
- b) amending the existing Hills Policy Area 11 site areas table to provide appropriate interface with the draft "Hills Infill Policy Area",

subject to reducing all site areas specified in Appendices 8 and 10 by 50 square metres.

The Committee also reviewed the Oaklands Park Low Density Analysis and identified those areas suitable for inclusion in the proposed Low Density Policy Area, as per the discussion [minuted in Appendix 1 of this report].

APPENDICES

Appendix 1: Draft Minutes of the Urban Planning Committee held Tuesday 4 October 2016

**MINUTES OF THE URBAN PLANNING COMMITTEE
HELD AT ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 4 OCTOBER 2016**



PRESENT

Elected Members

Councillor Nathan Prior (Chair)
Councillor Ian Crossland
Councillor Jerome Appleby

Mayor Kris Hanna

Apologies

Mr Bryan Moulds (Independent Member)

In Attendance

Mr Steve Hooper	Manager Development & Regulatory Services
Ms Rhiannon Hardy	Policy Planner (minute taker)

1. OPEN MEETING

The meeting commenced at 6:31 pm.

2. KAURNA ACKNOWLEDGEMENT

We begin by acknowledging the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. MEMBERS DECLARATION OF INTEREST

The Chairman asked if any Member wished to disclose an interest in relation to any item being considered at the meeting.

- Councillor Prior noted that he lives in one of the areas to be discussed on the agenda but did not believe he had a conflict of interest so would remain in the meeting for the item.
- Councillor Appleby declared a perceived conflict of interest in the section of the item 'Housing Diversity Development Plan Amendment (DPA) Statement of Intent (SOI)' (Reference No: UPC041016R7.5) relating to Oaklands Park as his brother lives on Diagonal Road. He advised he would leave the meeting when this was discussed.

4. CONFIRMATION OF MINUTES

Moved Councillor Crossland, Seconded Mayor Hanna that the minutes of the Urban Planning Committee meeting held on 2 August 2016 be confirmed as a true and correct record of proceedings.

Carried unanimously

5. BUSINESS ARISING

Nil

6. PRESENTATION

Don Smith (Development Manager of Vicinity Centres) provided a presentation on the status of the Castle Plaza redevelopment and associated Development Plan Amendment (DPA).

Mr Smith advised that the 8 hectare site was previously contaminated but has been remediated due to an order requirement imposed by the South Australian Environment Protection Authority (EPA). Soil has been dug and dumped so that it is now a “clean site”.

Mr Smith talked to a revised concept plan for the redevelopment, which included two supermarkets located on the northern side of Raglan Avenue. Mr Smith observed that, although Raglan Avenue would remain open to traffic, it would still result in “activation” due to a traffic-managed environment, retail stores fronting Raglan Avenue, and on-street parking in a configuration which reflects contemporary thinking on “activation”.

David Barone (Senior Urban and Regional Planner for Jensen Planning and Design) asserted that the revised proposal would not require significant changes to the DPA – it would affect only the concept plan, the Desired Character statement as it relates to descriptions of Raglan Avenue and Ackland Street, and Principles of Development Control 19, 20 and 21.

The Chair invited questions from the Committee members, and from Elected Members present in the gallery:

- Mayor Hanna queried the intention for the northern part of the concept plan. Mr Smith confirmed that Vicinity Centres will not undertake residential development on the northern part of the concept plan, as this is located on excess land that will be sold by Vicinity Centres.
- Councillor Hutchinson queried whether the proposal would be affected by plans under the Metropolitan Adelaide Road Widening Act. Mr Smith advised that the road widening is currently unfunded, and in any case, excess car parking is provided for the proposed retail components.
- Councillor Hull observed that the revised proposal is at significant variance to the original DPA, as Raglan Avenue was intended to be closed to traffic and all traffic diverted to Ackland Street.
- Councillor Pfeiffer agreed that the proposal was significantly different, and queried whether the revised proposal was the best use of the land, also raising concerns about whether the large retailers would close in the future. Mr Smith advised that he believes that the proposal delivers the highest and best use of the land, and that the large supermarkets would not be developed if they would become redundant in the future.
- Councillor Pfeiffer queried what Vicinity Centres would like to see for the land north of

Ackland Street. Mr Smith advised that they wish to see an employment zone, including offices and some residential development.

- Councillor Pfeiffer queried whether the revised proposal has been considered by the Department of Planning, Transport and Infrastructure (DPTI). Mr Smith confirmed that it has not been considered by the Transport Division of DPTI, but that they would still intend to provide a left-in left-out configuration at the intersection.
- Councillor Velliskou queried how Raglan Avenue would create space for people. Mr Barone advised that Raglan Avenue would incorporate wider verges to provide spaces for tables. Mr Smith advised that the revised proposal relates to different economic time, but the revised proposal still delivers the general principles of activation – for example, a development undertaken in Melbourne at a similar width to Little Collins Street works well with narrow footpaths to encourage pedestrian interaction in a “High Street” style.
- Councillor Gard emphasised the importance of connectivity in ensuring that resident bodies are not segregated, specifically in relation to relocation of the railway station. Mr Smith advised that the relocation of the train station would be in logical location near Raglan Avenue, as reflected by the master plan. He observed that South Road is a high employment zone and agreed that access is important, but this is an issue to be handled by DPTI.
- Councillor Hull questioned how contamination has affected decision-making. Mr Smith advised that it has delayed the progress of the development, and although it has taken 9 years, the site is now clear. The revised DPA and master plan envisages high rise residential (but with no habitable basements or ground floor dwellings), and therefore the site still delivers on the original intention.
- Councillor Hull questioned whether Mr Smith was aware of other issues within groundwater contamination in metropolitan Adelaide; Mr Smith advised that he is not.
- Councillor Pfeiffer questioned the timeline for the proposal and the status of the previous development application. Mr Smith advised that they would complete the DPA process, undertake a feasibility assessment, and then lodge the new development application (for the amended retail development).
- Mayor Hanna questioned whether the diversion around Ackland Street could still take place, and whether Raglan Avenue would be pedestrian-friendly. Mr Smith advised that the road diversion was previously required due to the traffic volume generated by closing Raglan Avenue. Given that Raglan is proposed to remain open, the diversion of Ackland Street is no longer required. Mr Smith believed that they can achieved a pedestrian-friendly environment whilst keeping Raglan Avenue open [to vehicles].
- Councillor Hutchinson queried the timeframe of the DPA. Mr Smith advised that the DPA is currently with the Minister, and it is hoped that the DPA will be completed by next year.

Adjournment

The Chair sought and was granted leave of the meeting to adjourn the meeting for a period of 5 minutes.

7:03 pm meeting adjourned

7:11 pm meeting resumed

6.1 Castle Plaza Presentation Reference No: UPC041016R6.1

The Committee discussed that there are concerns with retaining two signalised intersections on South Road in close proximity to one another [Ackland Street and Raglan Avenue], and

DPTI may have concerns with this component of the revised plan.

The Committee observed that Raglan Avenue is unlikely to result in a pedestrian-friendly environment in the revised plan, even if the traffic is “calmed”.

Moved Mayor Hanna, Seconded Councillor Crossland that the Urban Planning Committee:

1. Notes the presentation by Don Smith of Vicinity Centres regarding the Castle Plaza redevelopment.
2. Notes the desirability of a Raglan Avenue closure allowing a pedestrian-friendly area between Castle Plaza Shopping Centre and the new development. This would allow removal of the Raglan Avenue and South Roads signalised intersection and diversion of Raglan Avenue traffic through to Ackland Street.

Carried

7. REPORTS

7.1 Work Plan 2016

Reference No: UPC041016R7.1

Moved Mayor Hanna, Seconded Councillor Appleby that the Urban Planning Committee:

1. Notes the proposed work program for 2016 identified at Appendix 1 to the report.

Carried unanimously

7.2 Development Plan Amendment Status Update

Reference No: UPC041016R7.2

The Chair invited Ms Hardy to provide an update of Development Plan Amendments.

Ms Hardy provided an update on all Development Plan Amendments, and drew the Committee's attention to Appendix 1 which outlined the proposed changes to the Castle Plaza Activity Centre DPA.

The Chair invited comments in relation to the proposed changes to the DPA:

- It was agreed that it is worthwhile noting that the provision for car parking should be maximised where possible.
- The Chair noted that if DPTI are proposing to amend car parking provisions, they should relocate the train station to produce the necessary transport infrastructure.
- There should be sufficient car parking rear the train station.

Moved Mayor Hanna, Seconded Councillor Crossland that the Urban Planning Committee:

1. Notes the status of Ministerial and Council Development Plan Amendments.
2. Consider whether Table Mar/2A should be applied to the proposed Mixed Use Zone for the Castle Plaza Activity Centre Development Plan Amendment.

Carried unanimously

7:27 pm Councillor Crossland left the meeting

7:29 pm Councillor Crossland re-entered the meeting

7.3 Update to the 30 Year Plan for Greater Adelaide **Reference No: UPC041016R7.3**

The Chair invited questions and comments and the following matters were raised:

- Most of the *30 Year Plan* is quite vague, until you reach the targets.
- Query whether the targets in the Plan are coming into Council's strategic planning documents.
- Would like baseline figures for targets for Marion specifically.
- It is important to bring in targets to Marion's own strategic targets, but it is difficult to do so without knowing the City of Marion's baseline figures. Important for internal use; not necessarily to advise the Minister.

Action: Staff to investigate the baseline figures for the 6 targets relative to the City of Marion specifically.

- Ms Hardy provided members with additional comments from Council's Strategy and Environment Departments which could be added to the Draft Submission in Appendix 2.
- Query how DPTI arrived at the targets.
- The Committee requested that a report is presented to the 11 October 2016 General Council meeting if possible.
- Request that a report and letter are drafted for the General Council meeting and reference online to report; consultation summary not necessary.
- The tree canopy target is ambitious given the extent of infill development envisaged.
- The State Government has inferred that the tree canopy target primarily relates to public space/reserves, rooftop gardens, etc.
- Request feedback to the Strategy Department regarding the directions for increased density.

Moved Mayor Hanna, Seconded Councillor Crossland that the Urban Planning Committee:

1. Request that a report and draft submission to the Minister is presented to the General Council meeting on 11 October 2016 for consideration. The Committee approved the general direction of the draft submission presented to the Committee.

Carried unanimously

7.4 Local Heritage and Character Revised Draft Position Paper **Reference No: UPC041016R7.4**

The Chair invited questions and comments and the Committee discussed that they were generally happy with the submission, subject to certain amendments. The Mayor circulated a copy of the proposed editorial changes to the Committee members.

Moved Mayor Hanna, Seconded Councillor Appleby that the Urban Planning Committee:

1. Approves the written submission attached at Appendix 4, subject to editorial amendments by the Mayor, and request that a formal letter to this effect be prepared for the Mayor's signature.

Carried unanimously

7.5 Housing Diversity Development Plan Amendment (DPA) Reference No: UPC041016R7.5

7:48 pm Councillor Appleby left the meeting and did not return.

Marino

The Chair invited questions and comments and the following matters were raised:

- Hallett Cove would be considered at a future Committee meeting. If the policy methodology in Marino is supported, it may also be applied to Hallett Cove.
- Risk of being too insular by focussing on smaller areas. Dislike the concept of implementing a number of different zones in a small area. Potential to bring Marino back to the next meeting with Hallett Cove to provide a larger picture when considering the southern areas.
- Mr Hooper clarified that an overview will be provided at end of the process in a Residential Yield Analysis.
- The Committee resolved that they were comfortable with process, as the methodology can be applied to larger areas in further meetings.
- Mayor Hanna observed that he is pleased with the way the DPA is progressing.
- Cr Prior observed that the DPA presents a great opportunity to set an example for the rest of Adelaide.

Action: Staff to investigate the relevant policy areas and density provisions in areas of sloping land in Gawler and the Adelaide Hills.

- Ideally, the new policy areas should be based on standard policies in the South Australian Planning Policy Library (SAPPL). However, there is no relevant module/template for low density areas, or for facilitating higher densities on sloping land.
- Councillor Crossland observed that the catchment for the “Hills Infill Policy Area” could be larger; topography is a restriction in itself, as cost increases to build on sloping sites. A catchment area closer to the 30 Year Plan for Greater Adelaide guidelines of 800 metres is preferred.
- The Committee discussed the possibility of adopting Appendix 10 but with site areas reduced to site areas as per Appendix 8, applied across the whole of Marino. 350 square metres would be suitable for detached, 300 square metres for other dwelling types across the whole of Marino.
- Councillor Crossland observed that if people desire subdivision, policy shouldn’t prevent development.
- This policy should align with rolling out a consistent plan across the City; desire to simplify zoning.
- A self-regulating system is likely to result; land that is difficult or expensive to develop will not be developed.
- Development in the southern end of Hallett Cove envisages smaller allotments than currently being considered in Marino [Burlington, land owned by the Adelaide Development Company].
- Mayor Hanna observed that people may prefer an infill zone and preserve the wider area for lower density.
- The Committee agreed that 350 square metres is a reasonable site area; not prohibitive.

- Mayor Hanna declared that he wishes to discourage hammerhead development. Perhaps all dwellings should be visible from the street [when viewed down the common driveway from the front property boundary].
- The Committee discussed that group/residential flat buildings can be an acceptable form of development, as long as cars are not parked on the street. Manoeuvring is important to enable car parking in garages.
- Councillor Prior expressed a dislike of counting a driveway area forward of a garage as a car park [located in manoeuvring area]; it is preferable to provide double-width garages. The desired character could state that car parks should be free from driveway area.
- The Committee agreed that:
 - Principle of Development Control (PDC) 5 is redundant; delete “when viewed from the Adelaide Plains”.
 - Page 126 of the Agenda (Appendix 8) should be amended to reduce site areas by 50 square metres.
 - Page 128 of the Agenda (Appendix 10) should be amended to reduce all revised site areas by a further 50 square metres.
- Councillor Crossland observed that the “Hills Infill Policy Area” should be maximised if there is surrounding flat land.
- The new site areas in Marino should achieve the goal of greater consistency in site areas across the whole of the Council area.
- The Committee requested that staff bring the revised policy content back to the next meeting, and that the suburb of Hallett Cove be considered at the next Urban Planning Committee meeting in 2017.

Moved Mayor Hanna, Seconded Councillor Crossland that the Urban Planning Committee:

1. Reviewed the proposed policy options to facilitate appropriate higher density residential development in Marino and indicated that the Committee supports:
 - a) implementing the “Hills Infill Policy Area” draft policy in the identified areas (as per Appendix 9); and
 - b) amending the existing Hills Policy Area 11 site areas table to provide appropriate interface with the draft “Hills Infill Policy Area”,

subject to reducing all site areas specified in Appendices 8 and 10 by 50 square metres.

Carried unanimously

The Committee agreed that, due to time constraints, the Suburban Activity Node Zone should be considered at the next Urban Planning Committee meeting in 2017.

Low Density Policy Area

The Chair invited questions and comments and the following matters were raised:

- Councillor Crossland observed that higher density development should still abut public open space.
- Mayor Hanna observed that the map on Page 95 of the Agenda has the right balance (although noting the need for a scale on the map).
- Councillor Prior noted that Policy Area 12 requires greater car parking provisions.
- The Committee agreed that the “Low Density Policy Area” template should be amended to increase site areas by 50 square metres (to 400 square metres) and increase

frontages to 12 metres for detached and semi-detached dwellings. Row dwellings should increase to 350 square metres site area and 10 metre frontage.

- Economics will direct developers into higher density areas.
- The Committee agreed that the Northern Policy Area 13 is preferred in the transition between the Suburban Activity Node Zone and Low Density Policy Area in Oaklands Park, in lieu of the recommended Medium Density Policy Area 12.

Action: Staff should obtain mapping/data on frontage width and site areas in Oaklands Park, which analyses the proportion of existing allotments able to satisfy the proposed subdivision criteria.

- Mr Hooper advised that SA Housing/Renewal SA wish to redevelop Locality 4; they have recognised that it is a strategic site.
- It would be good to provide incentives for developers to amalgamate sites and provide integrated developments.
- Renewal SA will have the responsibility to create an integrated development with affordable and diverse housing options. A development similar to “Playford Alive” would be desirable in this locality.
- The upcoming redevelopment of Renewal SA land in Morphettville could be considered a test example of the type of development that could be developed in Locality 4.

Moved Mayor Hanna, Seconded Councillor Crossland that the Urban Planning Committee:

2. Reviewed the Oaklands Park Low Density Analysis and identified those areas suitable for inclusion in the proposed Low Density Policy Area (as per Page 95 of the Agenda), and as per the discussion.

Carried unanimously

8. CONFIDENTIAL ITEMS

Nil

9. ANY OTHER BUSINESS

Nil

10. MEETING CLOSURE

The meeting was declared closed at 9.30pm

11. NEXT MEETING

The next meeting of the Urban Planning Committee is yet to be confirmed.

CONFIRMED

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CHAIRPERSON

/ /

**CITY OF MARION
GENERAL COUNCIL MEETING
11 October 2016**

Originating Officer: Elaine Delgado, Strategic Planner

Manager: Ann Gibbons, Acting Manager Innovation & Strategy

General Manager: Abby Dickson, General Manager City Development

Subject: Strategy Committee - Confirmation of Minutes of Meeting held on 4 October 2016

Report Reference: GC111016R03

DISCUSSION:

The purpose of this report is to facilitate the receiving and noting of the minutes from the 4 October 2016 Strategy Committee meeting. A summary of the items considered are noted below.

6.1 Council's 10-Year Strategic Plan

A discussion was facilitated by Mr Damian Scanlon to inform the development of a Strategic Plan. Key points were:

- Council needs to have a shared understanding of terms used in the Community Vision, such as 'well planned'.
- Establishment of effective measures are critical for Council to monitor progress and achievement.
- Council needs to be aware of any changes to community needs and values over time
- The Strategic Plan needs to be outcomes focused.

RECOMMENDATIONS (2)

DUE DATES

That Council:

- | | |
|--|-----------------|
| 1. Receive and note the minutes of the Strategy Committee meeting of 4 October 2016 (Appendix 1). | 11 October 2016 |
| 2. Note that separate reports will be brought to Council for consideration of any recommendations from the Strategy Committee. | 11 October 2016 |

**MINUTES OF THE STRATEGY COMMITTEE
HELD AT ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 4 OCTOBER 2016**



PRESENT

Elected Members

Councillors Veliskou (Chair), Gard, Westwood

Independent Member

Mr Damian Scanlon

In Attendance

Cr Pfeiffer	
Mr Adrian Skull	Chief Executive Officer
Ms Abby Dickson	General Manager City Development
Ms Ann Gibbons	Acting Manager Innovation and Strategy
Ms Catrin Johnson	Strategic Planner
Ms Elaine Delgado	Strategic Planner (minute taker)

1. OPEN MEETING

The meeting commenced at 6.31pm.

2. KAURNA ACKNOWLEDGEMENT

We begin by acknowledging the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. MEMBERS DECLARATION OF INTEREST

The Chairman asked if any Member wished to disclose an interest in relation to any item being considered at the meeting.

No interests were disclosed.

4. CONFIRMATION OF MINUTES

Moved Cr Westwood, Seconded Cr Gard that the minutes of the Strategy Committee meeting held on 7 June 2016 be confirmed as a true and correct record of proceedings.

Carried unanimously

Meeting Adjournment

The Chair proposed a motion at 6.33pm to adjourn the meeting to reconvene in 30 minutes.

Moved Cr Westwood, Seconded Cr Gard that the meeting be adjourned until 7.03pm.

Carried unanimously

The meeting reconvened at 7.03pm.

The Chair welcomed Committee Members and attendees and declared the meeting reopened.

5. BUSINESS ARISING

The statement identifying business arising from the previous meetings of the Committee was reviewed and progress achieved against identified actions noted.

6. REPORTS

Council's 10-Year Strategic Plan

Report Reference: SC041016R6.1

An outline for Council's Strategic Plan, developed within the context of the Community Vision themes, was tabled. It included draft goals, links with Council's 3-year Business Plan 2016-2019, key issues and opportunities based on extensive environmental scanning, and primary Council services required for the delivery of the plan.

Mr Scanlon facilitated a discussion on the following points:

- Council needs a clear and shared understanding of the meaning of aspirational elements in the Community Vision, such as 'safe' and 'well planned', to inform strategic planning, ensure the right initiatives are delivered, and to support effective communication to the community and stakeholders.
- Establishing meaningful measures for strategic directions is critical for Council to monitor progress and achievement.
- Council needs to ensure its strategies continue to meet community needs and values over time. This can be achieved through various methods, such as undertaking surveys to identify community perceptions/satisfaction levels, review and reflection on feedback from community consultation undertaken periodically by Council staff for projects and services, and data analysis
- It was noted the Strategic Plan should:
 - Be 'high level'
 - Include opportunities that are unique to the City of Marion
 - Be outcomes focussed
 - Be reviewed annually

It was agreed that a Draft 10-Year Strategic Plan, that links with the Community Vision and 3-Year Business Plan 2016-2019, be prepared for consideration by Council.

7. CONFIDENTIAL ITEMS

Nil

8. ANY OTHER BUSINESS

Nil

9. MEETING CLOSURE

The meeting was declared closed at 8.40pm

10. NEXT MEETING

The next meeting of the Strategy Committee is yet to be confirmed.

CONFIRMED

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CHAIRPERSON

/ /

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Rhiannon Hardy, Policy Planner

Manager: Steve Hooper, Manager Development & Regulatory Services

General Manager: Abby Dickson, General Manager City Development

Subject: Update to the 30 Year Plan for Greater Adelaide

Report Reference: GC111016R04

REPORT OBJECTIVES/SUMMARY

This report outlines the key changes made to the *30 Year Plan for Greater Adelaide (the Plan)*. The Department of Planning, Transport and Infrastructure (DPTI) are seeking feedback regarding the draft updated Plan. This report provides the Council with an opportunity to formulate a written submission, which will be submitted to the Minister for Planning via DPTI.

RECOMMENDATIONS (1)

DUE DATES

That the Council:

- | | |
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| 1. Considers the written submission attached in Appendix 1, revise where necessary and request that a formal letter to this effect be prepared for the Mayor's signature. | 11 October 2016 |
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BACKGROUND

The Plan was first established in 2010. The State Government committed to review the Plan every five years, and therefore the current update is the first since its establishment.

The Plan outlines where people will live, where jobs will be located and where future transport and other infrastructure will be provided. It also describes how the city's history, character and environmental heritage can be protected and how the risks and potential effects of climate change can be managed.

The Draft 2016 Update is currently out for public consultation until 21 October 2016. A full copy of the draft update can be viewed at <https://livingadelaide.sa.gov.au/the-plan/>

DISCUSSION

The draft update to the Plan aims to streamline 89 recommendations made in the original document to six (6) high-level targets. Those six targets are as follows.

	Target	Baseline
1. Protecting our Resources	<i>85% of all new housing will be built in established urban areas by 2045</i>	70%
2. Smarter travel	<i>60% of all new housing will be built within close proximity to quality public transport (rail, tram, O'Bahn and bus) by 2045</i>	41%
3. Getting Active	<i>Increase the share of work trips made by active transport modes by 25% by 2045</i>	Inner: 24% Middle: 14.4% Outer: 9.1%
4. Walkable neighbourhoods	<i>Increase the percentage of residents living in walkable neighbourhoods by 25% by 2045</i>	Inner: 72% Middle: 49%
5. A green liveable city	<i>Tree canopy cover is increased by 20% by 2045</i>	21.4%
6. Greater housing choice	<i>Increase housing diversity by 25% to meet changing household needs by 2045</i>	75% of new dwellings are detached houses

The update to the Plan predicts 15,000 fewer people in Adelaide by 2045 than originally forecast - the city's population is expected to increase by 545,000 people by 2045, down from a forecast of 560,000 people in the first version of the plan six years ago. The Plan anticipates an additional 248,000 dwellings to support this population growth, down from 258,000 dwellings in the original Plan.

The 2010 Plan's dwelling infill target has already been met - approximately 70% of Greater Adelaide's current new housing growth is in established suburbs. However, the updated Plan seeks to further increase metropolitan Adelaide's population density to support successful public transport networks.

The updated Plan envisages that:

"Metropolitan Adelaide will be one to three storeys, complemented by four to six storeys along key transport boulevards that connect the city to the suburbs.

Local neighbourhoods will generally be one to two storeys and will support an increased diversity of housing types (including affordable housing options) to better meet our changing demographics and needs... This requires encouraging alternative housing types (the 'Missing Middle'), beyond our plentiful supply of detached houses and multi-storey apartments.

New housing will be focused in areas close to existing and new high quality public transport infrastructure... Less reliance on private vehicles will lessen the requirements for car parking. This will shape our city by reducing the need for large expansive ground level car parks which use up valuable real estate."

In terms of density, Principle 3 of the updated Plan envisages an increase in average gross residential densities within activity centres and transit corridor catchments from 15-25 dwellings per hectare to 35 dwellings per hectare (this has been revised down from the figure of 60 dwelling per hectare that was mentioned in initial consultation on the updated Plan). Target 2 outlines that increases in dwelling density are anticipated within 800 metres walking distance from tram routes and train stations, and 400 metres of high frequency bus routes (including GO Zones). These catchments are detailed in Figure 1 below.

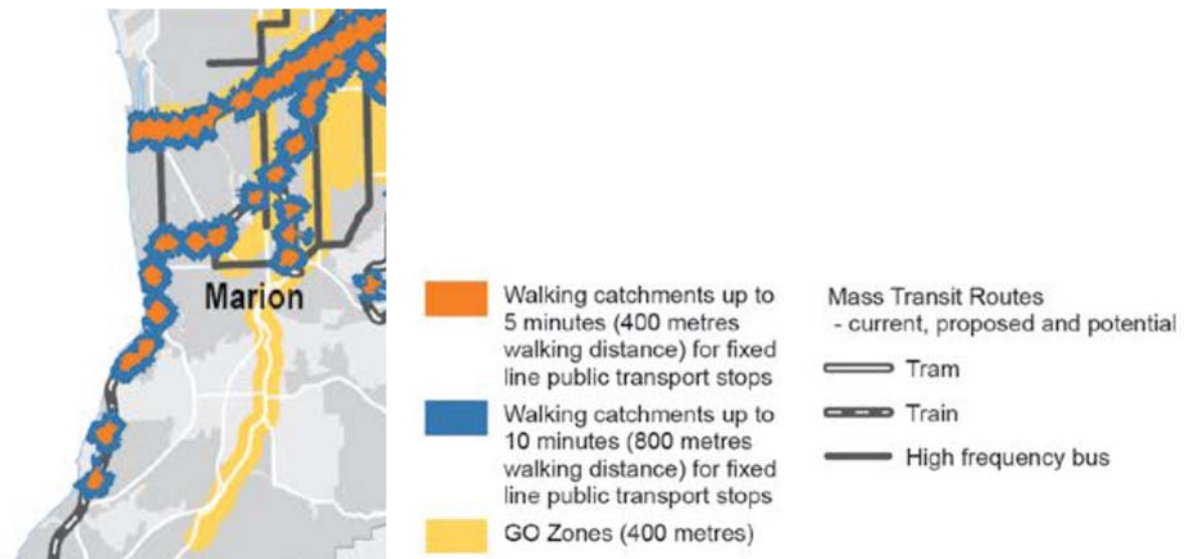


Figure 1. Excerpt from the 30 Year Plan for Greater Adelaide 2016 Update – Draft for Consultation – “Map 15 - Current and proposed fixed line and high frequency bus routes” P.131

A draft letter to the Minister for Planning is contained in Appendix 1 which details some key observations on the content of the updated Plan. Some of the main points are summarised below:

- Corridor catchments should not be applied uniformly, as due regard should be attributed to existing areas of low density character that warrant preservation from inappropriate infill development.
- Council’s proposed Housing Diversity Development Plan Amendment (DPA) covers similar investigations identified in the Plan for “local area planning”. Council submitted its Statement of Intent (SOI) for the Housing Diversity DPA to the Minister for Planning on 21 June 2016, and is keen to progress this DPA in order to support and complement the objectives of the updated Plan.
- It is concerning that the updated Plan mentions expanding the role of the design review process only for “*strategic urban infill and other priority developments.*” Design criteria is required to enable quality design outcomes for all new dwellings, even for small-scale infill development.
- Policy 76 seeks to “*reduce car parking requirements in mixed-use areas near high frequency public transit services to encourage the use of alternative transport modes.*” While a reduction in on-site car parking may be beneficial in encouraging the use of sustainable transport, the level of reduction should be carefully considered in suburban locations where most people still rely on private automobile use.
- Under the Transport Policy Theme, new road infrastructure is identified, such as the Northern Connector road and Darlington upgrade. However, the Oaklands Railway Station (“Oaklands Crossing”) presents a key opportunity for improvement. The locality would be a prime candidate for successful mixed-use development surrounding both a major transit interchange and adjacent to a Regional Centre.
- Target 5 seeks to increase tree canopy by 20%. Given that Council has reserves in areas along the coast that are not suitable for tree planting, we would need increase tree planting on inland reserves by significantly more than 20% to reach the overall target if it is reported on a per Council basis.

CONCLUSION:

The updated Plan provides some commendable policies and actions, such as encouraging a mixture of housing options to cater for diverse households, incentives to enable allotment

amalgamation, and local area planning to designate areas appropriate for renewal or protection. Some areas of the Plan contain ambiguity, such as greater emphasis on design quality and energy efficiency in new buildings, but at the same time streamlining assessment pathways. Other policies are of great concern, such as decreasing the provision of car parking in new developments, particularly those in suburban locations. These points have been detailed in a draft submission to the Minister, contained in *Appendix 1*.

The Council is asked to consider and review the feedback and documentation, and finalise its preferred submission to the Minister for Planning.

APPENDICES:

Appendix 1: Draft Submission

12 October 2016

via email: anita.allen@sa.gov.au

Attention: Minister John Rau

Dear Minister Rau,

Re: The 30 Year Plan for Greater Adelaide 2016 Update – City of Marion Submission

Thank you for providing the City of Marion with the opportunity to provide comment on the proposed updates to the 30 Year Plan for Greater Adelaide (the Plan), released by the State Government in August 2016.

Council notes that the feedback is invited until 21 October 2016.

Council has formulated some preliminary comments below, which are grouped under the relevant section of the Plan.

Introduction

The updated Plan has been based on “high population growth scenarios”, as was the former Plan. Evidently, the high growth scenario adopted in 2010 resulted in over-estimation, and therefore it is plausible to expect that the same error in estimation may result from the current projections. It is acknowledged that it is important to plan and cater for the potential total population, however basing the Plan’s targets upon an unlikely maximum scenario may result in an over-supply of housing, which could have significant economic repercussions. Given that the Plan has been based on 2011 Census data, it may be beneficial to plan the update around current Census data (when it becomes available) with realistic population projections.

Council notes that the preamble in the updated Plan states that *“Local area planning will also be undertaken to ensure that interface issues are adequately managed in the local context. These plans will also identify the appropriate locations for:*

- *medium and high rise buildings*
- *sensitive infill and areas of protection*
- *where there should be minimum and maximum height levels.”*

As part of the investigations for Council’s proposed Housing Diversity Development Plan Amendment (DPA), Council has commenced detailed investigations which assess the suitability of existing residential localities throughout the Council area for medium rise buildings (including minimum and maximum height levels) and those areas warranting sensitive infill and protection. Council submitted its Statement of Intent (SOI) for the Housing Diversity DPA to the Minister for Planning on 21 June 2016. Council is keen to progress this DPA in order to identify and facilitate opportunities for increased housing diversity within the Marion Council area. Given that the proposed DPA will support and complement the objectives of the updated Plan, Council believes that advancement of the DPA should be prioritised.

Policy theme: Transit corridors, growth areas and activity centres

Policies 1, 2 and 3 outline how urban growth (residential and mixed use development) will be concentrated within activity centre and transit corridor catchments to support public transport use, at densities up to 35 dwellings per hectare. Council is supportive of the concept of increasing density adjacent to and within activity centres and transit corridors. However, due regard must be attributed to existing areas of low density character that warrant protection from inappropriate infill development. Furthermore, some areas warrant larger catchments than others due to the ease of 'walkability'. As a consequence, the corridor catchments should not be applied uniformly, as each area will be different.

Action 1 identifies the need to *"undertake local area planning for strategic transit corridors, activity centres and growth areas"* in the short term future. Action 2 further anticipates the preparation of an *"urban renewal zone (for inclusion in the Planning and Design Code) that includes key policies required for new infill to be sensitively interfaced with existing suburbs"*. Both of these actions are currently a high priority for the Marion Council, as demonstrated in the investigations for the Housing Diversity DPA. Given that our proposed DPA directly relates to the aspirations of the updated Plan, we eagerly anticipate the Minister's agreement to our Statement of Intent (SOI) so that we can continue investigations.

Furthermore, Council seeks to be actively involved in local area planning and the preparation of the "urban renewal zone" for inclusion in the Planning and Design Code. Council's extensive investigations undertaken at the local level will assist in identification of areas appropriate for higher density, or those areas warranting protection.

The 209ha "Glenthorne Farm" in O'Halloran Hill is located in Metropolitan Open Space System study area and therefore would form part of the "Greater-Adelaide open space framework" (policy 93). It is suggested that Map 11 could more clearly identify areas of land that included within this open space framework. Council favourably agrees that housing at Glenthorne would be in conflict with policies related to delivery of more compact urban form and is outside of the growth areas identified in Map 2.

Policy theme: Infrastructure

Council notes the medium term action to deliver long-term planning for cemeteries and crematoria (A35). We would like to highlight the growing demand for natural burial and the 2008 parliamentary report on natural burial that identifies Glenthorne Farm, O'Halloran Hill as preferred location for a future natural burial ground.

Policy theme: Design Quality

Policy 26 aims to *"Develop and promote a distinctive and innovative range of building typologies for residential housing, which respond to metropolitan Adelaide's changing housing needs, reflects its character and climate, and provides a diversity of price points."* Providing effective policy mechanisms to achieve this policy target is imperative. Currently, the standard Development Plan format incentivises the construction of diverse building types through the allocation of smaller site dimensions for row, semi-detached, unit and flat dwelling types. However, often developers will utilise this incentive, but still provide 3-4 bedroom dwellings in the different dwelling format (particularly in suburban areas where only low-rise dwellings are permitted). This results in standardised dwelling sizes and price points, although technically providing a "range of dwelling types". It will be important to incentivise the provision of one-bedroom and two-bedroom dwelling options in/near suburban activity centres by revising the current standard dwelling types, and instead relying on dwelling size or number of bedrooms to provide site area incentives.

Policy 27 aims to *"provide for transitions between higher density and multi-storey, mixed-use development in activity centres, corridors and existing detached housing precincts"*. This policy is considered to be of great importance, as achieving appropriate transitions between higher

density areas and existing low density precincts will be paramount in accommodating higher density development in renewal areas.

Policy 31 seeks to *“recognise the unique character of areas by identifying the valued physical attributes of particular neighbourhoods.”* Council should be actively involved in the neighbourhood planning process, as the local context is best understood at the local government level. Furthermore, all suburbs in the Marion Council are currently being studied in depth as part of Council’s investigations for its Housing Diversity DPA.

Action 7 plans to *“release design guidelines that showcase how medium density urban development can help create desirable neighbourhoods and streetscapes, particularly in local heritage and character areas”*, while Action 8 will *“reinforce and expand the role of the design review process for strategic urban infill and other priority developments.”* These actions are considered important, as Council has experienced poor design outcomes in a number of medium density developments as a result of the limited design criteria in the Marion Council Development Plan, due to a lack of design modules in the SA Planning Policy Library.

Council welcomes the expansion of the role of the design review process, but it must be acknowledged that small-scale infill development also requires more thorough design assessment, not just *“strategic urban infill and other priority developments”*. It is concerning that the Planning, Development and Infrastructure (PDI) Act seeks to expand the use of code-based streamlined assessment, and to increase the role of private certification in planning assessments, because a more streamlined assessment path would typically tend to diminish the role of qualitative design assessment.

Policy theme: Housing mix, affordability and competitiveness

Policy 38 seeks to *“facilitate a diverse range of housing types and tenures (including affordable housing) through increased policy flexibility in residential and mixed-use areas, including:*

- *student housing*
- *ancillary dwellings such as granny flats, laneway and mews housing*
- *dependent accommodation such as nursing homes*
- *assisted living accommodation*
- *aged-specific accommodation such as retirement villages*
- *small lot housing types.*

Council has observed the lack of policy direction in the design and form of student housing and aged-person’s accommodation, and welcomes greater design criteria to guide the appropriate development of these important housing types.

The concept of formalising ancillary dwellings is innovative, but could involve logistical problems due to the informality of such arrangements. For example, it should be ensured that granny flats are provided with sufficient car parking and private open space to cater for occupant needs, and the provision of adequate services (water, sewerage, electricity) would need to be confirmed before such dwellings are sold into separate ownership.

Action 14 seeks to *“provide mechanisms to support the development of larger sites to regenerate neighbourhoods, including:*

- *developing a model (in collaboration with councils and developers) for providing incentives for landowners to amalgamate neighbouring sites*
- *preparing guidelines on options and incentives for the renewal of larger sites to increase development yield in return for contributions to the local neighbourhood.*

This action is highly commended and its urgency emphasised, as Marion Council’s Urban Planning Committee has previously observed the barriers to allotment amalgamation and the need for mechanisms and incentives to encourage developers to provide appropriately designed large-scale residential redevelopments.

Action 15 aims to *“deliver flagship projects where government leads by example in creating world-class liveable places.”* This action is further commended, as developments undertaken in the free market are often profit-driven, which do not necessarily result in the best design outcome and benefits for the future community. Providing a well-designed flagship project would greatly benefit from government intervention. Such a project would be welcomed in the Marion Council area.

Action 18 seeks to *“develop Planning and Design Code policies that facilitate opportunities for diverse, well-designed housing and simplify the assessment pathways.”* As mentioned above, it is perplexing as to how assessment pathways can be simplified, at the same time as the role of high quality design criteria is increased.

Policy theme: Transport

Policy 72 aspires to *“improve the amenity and safety of public transport stops, stations and interchanges by improving their connections to adjacent development, encouraging mixed-use development and housing diversity in close proximity.”* This policy objective aligns with Council’s proposed Housing Diversity DPA, and therefore Council emphasises the importance of progressing the DPA. In unison with this policy objective, it will be imperative to provide reliable and safe public transport modes to promote the uptake of sustainable travel modes.

Policy 75 states that it will *“Encourage car share schemes and public electric car charge points in transit corridors, activity centres and higher density neighbourhoods through provision of incentives.”* It is unclear what incentives are being referred to. If it relates to incentives for developers, the types of incentives should be clarified. The provision of car share schemes by developers may warrant a reduction in on-site car parking, however the provision of electric car charge points would suggest that vehicle parking will be important in the future, and therefore should not be incentivised with significant dispensation in car parking.

Policy 76 seeks to *“reduce car parking requirements in mixed-use areas near high frequency public transit services to encourage the use of alternative transport modes”*, while Policy 80 states that *“Review car parking rates in Greater Adelaide and develop policies in the Planning and Design Code that allow a reduced minimum car parking provision for mixed-use development located within easy access to high frequency public transport and for development that demonstrates a reduced reliance on private car use such as student housing.”* Council is concerned regarding the application of “minimum car parking provision” for the specified forms of development. Whilst a reduction in on-site car parking may be beneficial in encouraging the use of sustainable transport, the level of reduction should be carefully considered, particularly in suburban locations where most people still rely on private automobile use.

Council has observed that the provision of small dwelling options near major activity centres and public transport modes has not delivered the anticipated reduction in demand for on-site car parking, and has resulted in excessive on-street parking and traffic issues. As a case study, Council engaged a traffic consultant to study the use of two new student accommodation developments (containing single bedroom units) located adjacent to the Regional Centre Zone. Based on surveys of the residents and periodic observations, it was observed that such developments required an average of 0.9 car parking spaces per unit, or 0.7 spaces per person. Overall, the study recommended that such units warranted 1 resident space per unit, but a discount of 10% could be applied where the subject site was located in close proximity to public transport services and where bicycle parking is also provided on-site.

Under the Transport Policy Theme, new road infrastructure is identified, such as the Northern Connector road and Darlington upgrade. Council believes that the Oaklands Railway Station (“Oaklands Crossing”) presents a key opportunity for improvement. Not only does this area face major traffic delays, but the current segregated layout and poor design results in difficulty in legibility for its users. The locality would be a prime candidate for successful mixed-use

development surrounding both a major transit interchange and adjacent to a Regional Centre. Council strongly encourages DPTI to prioritise this key strategic location for improvement, to enable the development of a flagship example of transit-focussed mixed-use development.

Policy themes: Climate change and Water

Council commends the inclusion of stronger policies regarding water sensitive urban design, green infrastructure, energy efficiency, carbon-neutral living and stormwater management. It is important that such policies are implemented for all new dwellings, not just large-scale developments. It is noted that the current Residential Code (complying development standards in the Development Regulations) does not provide any policies to encourage energy efficient designs and stormwater management. The operation of the Residential Code has had the unfortunate repercussion of bypassing Marion Council's Development Plan requirements for on-site stormwater detention in all new dwellings and dwelling additions north of Seacombe Road. Therefore, if sustainable building attributes are to be successfully implemented in new dwellings, then it is imperative that the Planning and Design Code contains clear criteria requiring such design treatments in all new dwellings.

Target 2: Smarter Travel

Target 2 states that *"increases in dwelling density are required within 800 metres of tram routes corridor catchments, 800 metres of train stations ... and 400 metres of high frequency bus routes (including Go Zones)."* Council is supportive of these catchment areas in certain corridors, such as in the southern part of the Marion Council area where lack of housing diversity has been identified as an issue. However, Council is of the view that the scope of the catchment area is too extensive in the northern parts of the Council area. Redevelopment in such a large catchment often results in ad-hoc development of singular sites. By reducing the catchment areas to properties which are directly adjacent to the transit corridor (or if there is a local road running parallel to the transit corridor, to that road), it would focus infill development to sites which are immediately adjacent to the transit mode. This would protect the low density character of inner-suburb localities, and focus higher densities in more appropriate locations.

Target 3: Getting Active

Shaded streets add to amenity that can encourage walking and cycling. As such, Target 3 could be monitored over time by the use of GIS layers such as street tree canopy and urban heat.

Street typologies could be developed for inclusion in a support design guide document to inform streetscape improvements across the metropolitan area.

Target 4: Walkable neighbourhoods

Meeting 3 out of 4 criteria for a neighbourhood to be deemed 'walkable' is a good measure however, a further criteria of workplace location, such as regional activity centres, could be added. This would complement the definition of a 'walkable neighbourhood' as one where services could be reached within a short trip from a workplace, and the Getting Active target that focuses on active travel to work.

An Outer Metro sub-region target should be developed where an emphasis could be on cycling, rather than walking distances.

Target 5: A Green Liveable City

A targeted increase in tree canopy is a creditable goal, however Council notes that changes to the regulated tree legislation introduced in 2012 has resulted in the removal of a number of healthy mature trees which made a significant contribution to the environment (those trees located within 10 metres of a dwelling or in-ground swimming pool that are not Eucalyptus or Agonis Flexuosa species). If the retention of trees is desired, the relevant development

legislation should be amended to necessitate development authorisation for the removal of environmentally beneficial mature trees – the current exemption criteria is creating outcomes which contradict this target.

At the consultation session conducted by DPTI, there was a lot of discussion about how the target to increase green cover by 20% would be measured. The City of Marion has not completed a detailed i-Tree Canopy Assessment, but from the report by the Institute for Sustainable Futures (quoted in the Plan), Marion is currently at around 15% cover, so we are part of the cohort that should be aiming to increase by 20% by 2045.

We are yet to fully understanding the feasibility and cost implications of reaching this target in Marion. Like other Councils, it appears as though Marion is experiencing a net loss of greenspace due to subdivision of residential lots. Given that we have reserves in areas along the coast that are not suitable for tree planting, Council will need increase tree planting on inland reserves by significantly more than 20% to reach the overall target if it is reported on a per Council basis.

We have recently received heat mapping data that might assist us in strategically identifying areas where further tree planting is needed. We will strive to ensure that our increased planting occurs in areas that meet community needs however it is not clear whether this will equate to 20%.

Target 5 also seeks *“stormwater management improvements through reductions in the extent of impervious surfaces”*. Given that a leading objective of the Plan relates to facilitating infill development, and the fact that land owners can pave/concrete land without requiring development authorisation, it remains unclear how this can be achieved.

Target 6: Greater Housing Choice

The target for this figure is measured by the number of detached or non-detached dwellings. This method of data collection is not considered to provide a true representation of housing diversity, as many new row or semi-detached houses are the same size and layout as a detached dwelling. Housing diversity is considered to be more accurately represented by the number of bedrooms within a dwelling, which would correlate to household size, and therefore could be more appropriately tracked to the demographic composition of Adelaide's households.

General Observations

- Each of the 6 targets provide a “current status” baseline figure, from which progress to the target will be measured. In order to integrate the Plan's aspirations within the City of Marion's own strategic documents, it is important that Council is provided with data on the “current status” baseline of the City of Marion area specifically, for all 6 targets.
- Consideration should be given to partnering with SA Health, if this is not already occurring, as measures for the 30-Year Plan could also inform Regional Public Health Planning required by the SA Public Health Act 2011, S51-52.
- An explanation could be given to the benefits of the approach of using inner, middle and outer catchments rather than the 2010 regional approach, e.g. northern, southern, eastern and western regions. Some councils, such as Marion, include more than one catchment.
- Reference could be made to the potential role of communities within each policy area, rather than only reference to development of a ‘community engagement charter’ (p.26) that could provide more detail on how this could be undertaken.

Overall, the aspirations of the updated Plan are agreeable. However, greater detail is required on how the policies and actions will be implemented. Council would like to understand how the Plan will interact with the PDI Act and its supplementary instruments - the Planning and Design Code and Regional Plans.

Council would appreciate clarification from DPTI as to how and when the forthcoming legalisation will be implemented, and the distinct roles of State and Local Governments.

Thank you again for this opportunity to comment on the 30 Year Plan for Greater Adelaide 2016 Update. As this remains a draft document, Council would welcome being able to make more informed comments as it develops.

Yours faithfully

Kris Hanna
Mayor
City of Marion

DRAFT

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Manager: Carol Hampton, Manager City Property
General Manager: Abby Dickson, General Manager City Development
Subject: Marion Outdoor Swimming Centre
Report Reference: GC111016R05

REPORT OBJECTIVE

To provide an update on the review of management options for the Marion Outdoor Swimming Centre (MOSC) with the aim of increasing attendance and revenue and reducing the ongoing costs.

RECOMMENDATIONS (1)

DUE DATE

That Council:

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| 1. Notes the preliminary investigations on management options for the Marion Outdoor Swimming Centre and that this will be further considered as part of Council's Service Review program with a report being provided to the Finance and Audit Committee on 6 December 2016 before coming to Council. | 6 December 2016 |
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BACKGROUND

At the General Council meeting on 28 June 2016 (GC280616M03) Council considered a motion on the management options for the Marion Outdoor Swimming Centre (MOSC) and passed the following resolution:

1. *Council explore new management options at the Marion Outdoor Pool with the aim of:*
 - *Increasing attendances and revenue*
 - *Reducing ongoing costs.*
2. *A report is presented at the General Council meeting on the 11 October 2016.*

At the General Council meeting on 27 September 2016 (GC270916R05) Council considered a report on the Service Review Framework and the Service Review Program (Stage 2) Program for 2016/17. The MOSC was included in the Service Review Program for 2016/17.

REPORT

In July a working group was established, comprising the Manager City Property, Unit Manager Human Resources, Team Leader Swimming Centre and the Pool Supervisor, to determine opportunities to increase attendance and revenue and reduce costs for 2016/17.

An Action Plan was developed which focused on six key areas:

1. Staffing
2. Kiosk
3. Pool Activities
4. Review of expenditure
5. Marketing
6. Partnerships

Consideration was given to what changes could be implemented in the 2016/17 season to increase attendance and revenue and reduce costs.

Some of the initiatives undertaken to date include:

- Analysing the cost benefit of having seasonal pool staff employed on a short term contract rather than through an employment agency
- Review of the kiosk product range and price point
- Review and renewal of the drinks and ice cream contracts
- Increase activities for toddlers e.g. toys for the pool
- Increase birthday party offerings
- Free slide hour between 10:30-11:30am
- Review the watering program and commence using storm water for the grounds
- Develop relationships with partners e.g. YMCA Marion Leisure and Fitness Centre members having reciprocal membership.

The Service Review scope has been prepared and was considered by the Finance and Audit Committee on 4 October 2016. The review of the pool will be undertaken in line with the Service Review Framework and a report with recommendations will be provided to the Finance and Audit Committee in December 2016 before coming to Council. Benchmarking information is currently being compiled from South Australia Councils who operate an outdoor pool. This information will inform the service review analysis.

In relation to management options, consideration will be given to any Enterprise Agreement requirements and potential industrial implications. Before any final decision can be made regarding the outcome of the Service Review, appropriate consultation will need to be undertaken with permanent staff and with the Australian Services Union. Further discussions with Human Resources will occur to ensure the appropriate industrial processes are in place.

CONCLUSION

A number of changes have been planned for 2016/17 and have commenced implementation. Preliminary investigations have commenced into the management and operations of other outdoor pools, this has included various management models. The pool is now part of the Service Review program and accordingly reports will be provided through the Finance and Audit Committee.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Sean O'Brien, Community Facilities Planner

Manager: John Valentine, Manager Strategic Projects

General Manager: Abby Dickson, General Manager City Development

Subject: Tennis and Netball Review

Report Reference: GC111016R06

REPORT OBJECTIVES

This report reviews Tennis and Netball facilities and identifies potential directions that have been developed in consultation with Elected Members, Tennis SA and Netball SA. The suggested directions have been designed to encourage sustainable strategic tennis and netball facilities and clubs as well as improve community access to facilities. An 'in principle' support for the directions recommended in this report will enable Council to further evolve directions in consultation with clubs and the community and explore funding options for projects.

EXECUTIVE SUMMARY

At the General Council Meeting held 14 June 2016 (GC140616R09) Council resolved:

1. *This item be deferred for a period of up to 3 months to enable further consultation, including with the appropriate peak bodies.*

In partnership with Tennis SA and Netball SA a desktop review has identified a range of issues and potential directions that will require further consultation and negotiations with clubs. Consultation will ensure the concerns and aspirations of clubs and the community are consistently considered and understood before decisions on directions for specific outcomes are finalised and implemented.

The Tennis and Netball Review has identified the need for a holistic approach to the provision, management and resourcing of tennis and netball facilities to ensure directions are strategic and supported by all stakeholders. The next steps will be exploring the suggested directions for facilities with clubs that support the overarching vision of stronger clubs, better facilities and improved access for the community.

Recommendations for Tennis and Netball facilities fall into 3 categories, namely;

1. 14 sites with 53 courts that are well maintained and used with proposed upgrades or no changes recommended.
2. 6 club sites with 24 courts where there are a number of potential directions that require further consultation with the clubs to achieve stronger clubs which have well managed good quality facilities and improved community access.
3. 7 sites with 21 courts that are open access community courts which are either poorly located or in poor condition and it is recommended that there be further investigations into alternative uses or directions for these sites.

RECOMMENDATIONS (7)**DUE DATES****That Council:**

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| 1. Notes the report. | 11 Oct 2016 |
| 2. Adopts the vision of 'Stronger clubs, which have well managed good quality facilities and improved community access', as well as the four key principles of Accessibility, Sustainability, Community Benefit and Accountability. | 11 Oct 2016 |
| 3. Endorses Access Option 3 Open Community Courts as the preferred access arrangement to be further considered in negotiations with clubs and leasing arrangements. | 11 Oct 2016 |
| 4. Undertakes further assessment of directions for courts at Mc Connell Reserve, Nanningai Reserve, Roy Lander Reserve, Hamilton Park, Glandore Oval and Yanyarrie Reserve to identify appropriate scopes and budgets. | 30 June 2017 |
| 5. Commences individual consultation with clubs / organisations that use Stanley Street Reserve, Woodforde Family Reserve, Ballara Park Tennis Courts, Hamilton Park Reserve, Seacombe Seaview Heights Tennis Courts and Weaver Street Reserve | 28 February 2017 |
| 6. Notes that either external funding or funding proposals are currently progressing with facilities at Cove Netball, Clovelly Park Netball, Hallett Cove Beach Tennis, Southbank Tennis Club and Warradale Tennis Club. | 11 Oct 2016 |
| 7. Notes that as discussions progress with clubs that costs will be identified and brought to Council for consideration and prioritisation. | On-going |

BACKGROUND

Council supports 98 courts comprising tennis facilities (86 courts) and netball facilities (12 courts). Of the 86 tennis courts 59 are associated with clubs and 27 are open access community courts. Club based courts generally have acrylic surfaces and community based courts have bitumen surfaces. In many cases Club based courts are locked and do not allow community access.

Over time as the demographics of the Marion population has changed, tennis and netball programs and competitions have changed and consequently the number and the size of clubs participating has also evolved. The result is the city has created more assets than is sustainable in some areas whilst gaps are apparent in other areas, creating the need to consider changes to the provision of tennis and netball facilities across the city.

The standards of courts vary significantly and many clubs are struggling with maintenance of courts which in some cases may be beyond their financial capacity. Future leasing negotiations and arrangements will need to identify responsibilities that are sustainable for both clubs and Council to ensure the quality of assets remains high once changes are implemented. At the

same time there is also a need to improve leasing arrangements that will enable community access to courts.

Key Issues relating to tennis and netball in Marion are summarised below.

- The provision of tennis courts is particularly high in the northern areas of the city
- There is a lack of netball courts in many areas
- The standards of courts, lighting and club rooms vary significantly across the City and many are in need of upgrade
- A number of the courts lack connection with other facilities and are in lower profile locations
- A number of the facilities have limited capacity with small numbers of courts
- There are some clubs with very low membership and this is likely to impact on the management of clubs and the health of the sports
- Tennis and netball lack a hierarchy of facilities within the City of Marion
- The provision of accessible community courts is limited with most courts being locked to the general community
- Some leasing arrangements require the clubs to maintain facilities at a level which may potentially be beyond their financial capacity
- There are a number of opportunities where multipurpose courts could potentially be developed and shared by two or more clubs.

ANALYSIS

The recommended vision for Tennis and Netball facilities is:

“Stronger clubs, which have well managed good quality facilities and improved community access.”

Key principles for improving tennis and netball facilities and clubs are outlined below:

FACILITIES

- **Accessibility:** The venue is physically and economically accessible including to the public. The venue provides an adequate distribution and mix of programs and services.
- **Sustainability:** Financially viable in to the future. The venue/club implements an asset replacement plan, derives its funds from a range of activities and puts aside operational surpluses annually. The clubhouse and courts are maintained creating a safe and welcoming facility.

CLUBS

- **Community benefit:** Demonstrated by the club's ability to provide value to the community through inclusive practices, including to non-club members. This is achieved through increased participation pathways, and opportunities for community to achieve an active lifestyle and social benefits.
- **Accountability:** The club and its operations are sustainable. Operational responsibilities of the venue are clear and measures are in place to meet the targets. Obligations to stakeholders, including council, are met.

ACCESSIBILITY – OPTIONS ANALYSIS

A key issue for Tennis and Netball facilities is provision of accessible community courts. Currently there is limited accessible club courts with many courts being locked to the general community. At the heart of this issue is leasing arrangements that require clubs to be fully responsible for the maintenance and replacement of courts. The result of these arrangements is many clubs often restrict use of the courts to their membership to extend the life of the courts and reduce any potential damage. Community access to club courts is generally limited to court hire. Often hiring the courts can be a difficult process having to first make contact with the person allocated the responsibility of hiring the courts and then making a cash payment in return for the key and access.

To address the issue of improving community access to club courts there are 3 options for council to consider. These are outlined in the following table.

Option	Comment	Pro's	Con's
Access Option 1; Book – A - Court	Is an online court booking and payment platform for affiliated tennis clubs An app can be downloaded onto a smart phone or tablet to book and make payment. An access code provides entry to the locked courts (sent by sms) Credit card payment is required.	Provides a revenue stream to clubs if they have a greater or all responsibility for maintenance under lease arrangements Easier process than contacting club to access tennis venues Free up volunteers and operators Records use of courts	Credit Card payment – no cash option for people with no credit card. This may impact on young people. \$10,000 installation of system to gate – Responsibilities for funding the installation and maintenance would also need to be identified. May result in southern area of Council only having courts where fees apply – no open community courts that are free of charge.
Access Option 2; Book - A Court (Free)	No payment required. An app can be downloaded onto a smart phone or tablet to book and reserve court times	Courts can be reserved by clubs and community members for specific times Easier process than contacting club to access tennis venues Free up volunteers and operators Records use of courts	\$10,000 installation of system to gate – Responsibilities for funding the installation and maintenance would also need to be identified. Smart phone or tablet needed to book a court. No revenue stream for clubs if they have a greater or all responsibility for maintenance under lease arrangements
Access Option 3; Open Community Courts	Require all clubs to open at least two courts to community Council will need to develop cost sharing	Free access 24/7 No barriers for participation No phone or tablet app required	Unable to record use of courts No revenue stream for clubs if they have a greater or all responsibility for

Option	Comment	Pro's	Con's
	model for maintaining courts		<p>maintenance under lease arrangements.</p> <p>Potential greater maintenance costs for Council if leasing arrangements are reviewed and cost sharing model adopted.</p>

It will be important that the preferred option is identified to ensure the issue of community access to club courts is addressed through new leasing arrangements to be negotiated with clubs.

Further information on the “Book – A – Court’ System is provided as Appendix 1.

Option 3 is recommended to Council given it does not present any barriers for use.

Should Council wish to pursue an automated process for providing community access further information will be sourced including full analysis of risks, service improvements and whole of life costs.

SUSTAINABILITY

There is currently a number of sites where courts are in good condition and receive high use. Some of these sites are occupied by clubs and are in good health, have strong membership with a strategic approach to developing their facilities in partnership with Council. The table below identifies the recommendations for these sites. Club sites will involve consultation on lease arrangements and community access.

PROPOSED UPGRADES OR NO CHANGES – 14 SITES, 53 COURTS

Facility	Proposed changes subject to consultation
Cove Sports Centre	<p>Retain and upgrade the netball courts</p> <p>Vary lease to enable community access</p>
Shamrock Road Reserve	<p>Maintain as a tennis club venue. Upgrade courts, lights, fencing. In time the clubhouse will require upgrading and modernisation</p> <p>Funding is currently being sought for court upgrade.</p> <p>Increase to 8 Courts in the longer term if the club continues to grow and there is demand</p> <p>Club allows community access</p>
Trott Park Tennis Courts	<p>Maintain as a tennis club venue. Upgrade courts, lights and fencing in consultation with the club when required.</p> <p>Vary lease to enable community access to 2 courts</p>
Aldridge Avenue Reserve	<p>Retain the 2 x bitumen recreation courts</p> <p>NOTE</p> <p>No lease, open community courts</p>
Hazelemere Road Reserve	<p>Retain the 4 x bitumen recreation courts</p> <p>NOTE</p> <p>No lease, existing open community courts</p>

Facility	Proposed changes subject to consultation
Kendall Terrace Reserve	A tennis club venue. Proximity of significant trees is a major factor in determining space for potential alternatives. Clubhouse modernisation also required. Vary lease to allow community access to 2 courts
Mulcra Avenue Reserve	Retain the 2 x bitumen recreation courts NOTE No lease, existing open to community courts
Rajah Street Reserve	Retain the 2 x bitumen recreation courts NOTE No lease, existing open community courts
Sandery Avenue Reserve	Retain the 2 x bitumen recreation courts NOTE No lease, existing open community courts
Warradale Park Reserve	Maintain as a tennis club venue. Upgrade courts, lights, fencing. (\$250,000 funding available to the club through Federal Government for court, lighting and fencing improvements.) Clubhouse also requires upgrading. Vary lease to allow community access to 2 courts
George Street Reserve	Retain the Court and consider an upgrade when the playspace area is upgraded as part of the open space capital works program. NOTE No lease, existing open community court
Marion Sports and Community Club	Maintain as a tennis club venue. Upgrade lights, fencing and clubhouse modernisation required in the longer term. Court resurface recently completed. Vary lease to allow community access to 2 courts
Clovelly Park Community Centre	Work with club in relation to converting tennis courts to 4 dual purpose tennis and netball courts (Subject to Council GC140616R03 decision) Northern court will also require upgrading. Vary lease to allow community access to 2 courts
Edwardstown Oval	Retain the 2 x bitumen recreation courts NOTE No lease, existing open community courts

Analysis shows that there is currently a number of sites that may potentially be underused or have low club membership. This is due to a number of reasons including poor club health, restricted community access, poor location or condition and duplication of facilities.

A number of sites have been identified for potential changes and recommendations and these sites are listed in the table below with a rationale provided. All projects listed will be subject to funding being available.

OPEN ACCESS COMMUNITY COURTS WHICH REQUIRE FURTHER INVESTIGATIONS – 7 SITES, 21 COURTS

Facility	Proposed changes subject to consultation
McConnell Reserve	Remove the 3 courts – Poorly located courts and high quality courts are available nearby at Kauri Parade.
Nanningai Drive Reserve	Remove the two courts. – Courts are in poor condition and not open for community use
Roy Lander Reserve	Remove the court. – Court is in poor condition, are poorly located and there are better quality facilities nearby at Seaview High School/Dover Square TC.
Hamilton Park Reserve	The Netball Club has indicated its preference is to relocate to another site. If this is achievable, consultation with community will be required regarding preferred open space treatments at the site. – Potential Court removal.
Mitchell Park Sports and Community Club	Remove the 4 courts in poor condition and replace in accordance with the site redevelopment plan for the Mitchell Park site.
Glandore Oval	Remove all 6 courts and develop 2 new multipurpose courts – All existing courts are in poor condition.
Yanyarrie Avenue Reserve	Remove the Court – court in poor condition; Courts available at Edwardstown Oval and Weaver Street.

SITES FOR FURTHER INVESTIGATIONS – 6 SITES, 24 COURTS

The following sites have been prioritised for first round consultation and are listed in the table below. These sites are venues where Council requires additional information to make an informed assessment. Sites may be currently underutilised due to access arrangements, low membership or duplication of nearby facilities. The consultation with clubs, site users and the community will aim to identify options for Council to consider and progress.

Site	Site User Groups
Stanley Street Reserve	Stanley Street Tennis Club
Woodforde Family Reserve	South Park Holme Tennis Club
Ballara Park Tennis Club	Ballara Park Social Tennis Club
Hamilton Park Reserve	Morphettville Park Netball Club
Seacombe Seaview Heights Tennis Courts	Dover Square Tennis Club Seaview High School
Weaver Street Reserve	Ascot Park Tennis Club

ACCOUNTABILITY

A successful club is one with a clear vision going forward, one which is financially stable, and has a strong membership base with a pool of volunteers sharing the workload. To assist clubs with strategic planning, facility management, volunteer management, Council will continue to work with Tennis SA and Netball SA to actively encourage clubs to join the STARCLUB Club Development Program which aims to guide clubs towards the road to success.

The program has been developed by the Office for Recreation and Sport and measures clubs against a range of criteria. Resources are linked to the assessment to ensure clubs can develop their capacity and provide the best environment possible for their members and the wider community.

COMMUNITY BENEFIT

A range of data has been used to review the venue's ability to provide value to the community through inclusive practices, including to non-club members. The data reviewed and discussed with Tennis SA and Netball SA has included the following;

- A facility inventory including understanding of location, size of the site, leasing and community access.
- GIS Spatial analysis maps
- Asset review including facility profile, use, condition, strategic considerations
- Development/upgrade/future requirements for venues and potential costs associated with capital works where possible.
- Review of Club Health including Starclub Registration – (The STARCLUB Development Program provide resources for clubs to develop strategic plans and provide the best environment possible for their members and the wider community).

Prior to finalising any decisions on clubs it will be important to present the background data and information to clubs and discuss the vision and approaches to the four key principles of accessibility, sustainability, community benefit and accountability to ensure all stakeholders are informed of the need for reform and directions moving forward.

Consultation

The stages of the consultation program are outlined in the following table.

Project stage	Engagement Technique	Stakeholders	Purpose
Research and Development (Involve/collaborate)	Meetings with Peak Bodies	Peak bodies Council members Internal staff	To develop a shared understanding of the current situation and the need for reform To develop a vision and shared approach to building stronger clubs, providing well managed good quality facilities and improved community access.
Project information (Inform/consult)	Making Marion website	Local clubs Communities of interest User groups Broader community	To provide information on the vision and framework for change
Consultation Stage (Consult)	Individual meetings with clubs	Local clubs Communities of interest User groups Broader community	Present the vision and key objectives of the Tennis and Netball review. Review the current situation and background desktop research Review club operations and membership Review club strategic planning Discuss potential directions for the future Develop recommended directions and actions for the club, council, Tennis SA (Or Netball SA)

Project stage	Engagement Technique	Stakeholders	Purpose
Implement agreed upgrades/disposal (Inform/ Consult)	Making Marion updates Consult with peak bodies and clubs	Peak bodies Council members Internal staff Local clubs Communities of interest User groups Broader community	Provide community update on the directions developed and site specific projects Report back to Council on specific outcomes and directions.
Conduct Lease updates and reviews (Consult)	Review leases in accordance with Council policy	Clubs with lease agreements	To accurately reflect the changes to the facility in a renewed lease agreement in consultation with Clubs.
Feedback and evaluation (Inform)	Making Marion	All	To provide information about how participation was considered in the decision making process

A range of prioritisation and engagement techniques will be used and are detailed in the table below.

Consultation Stage/Priority	Technique
High priority Commence October 2016	<ul style="list-style-type: none"> Individual meetings with clubs at identified sites <ul style="list-style-type: none"> Review of site and club's current situation Discussion of 4 key objectives Review leasing arrangements (Seaview High School / Seacombe Heights Tennis Courts, Woodforde Family Reserve, Weaver Street Reserve, Hamilton Park Reserve / Morphetville Park Netball Club / Kendell Ave) Identify desired outcomes Reporting back to Council and seeking funding Projects are currently in progress at the following sites (Cove Sports, Hallett Cove Beach Tennis Club, Trott Park Tennis Courts, Warradale Park Tennis Club, Clovelly Park Community Centre)
Medium priority	<ul style="list-style-type: none"> Community Courts Consult with residents and local community <ul style="list-style-type: none"> Identify desired outcome and budgets (McConnell Reserve, Nanningai Reserve, Roy Lander Reserve, Mitchell Park Sports and Community Club, Glandore Oval, Yanyarrie Ave Reserve) Club Courts <ul style="list-style-type: none"> Individual meetings with clubs <ul style="list-style-type: none"> Review of site and club's current situation Discussion of 4 key objectives Review leasing arrangements (Marion Tennis Club, Stanley Street Reserve, Ballara Park Reserve,) Consult with residents and local community Identify desired outcome Reporting back to Council and seeking funding

Consultation Stage/Priority	Technique
Low priority	<ul style="list-style-type: none"> Community courts will be addressed through Open Space Planning's regular program of capital works. <p>(Aldridge Ave Reserve, Hazelmere Road Reserve, Mulcra Ave Reserve, Rajah Street Reserve, Sandery Ave Reserve, George Street Reserve, Edwardstown Oval)</p>

Legal/Legislative and Risk Management

There are a number of existing leasing arrangements that will need to be considered and may impact on timeframes and desired outcomes.

Financial Implications

The planning is likely to identify the need for the renewal, construction or alteration of facilities. Budgets for each individual site project will need to be identified following the site specific engagement activities with Clubs and the community with consideration to whole of life costs. Clubs under the current leasing policy currently responsible for maintenance and renewal of courts and facilities.

The renewal costs of Tennis and Netball facilities will be substantial and Council will need to consider options on how these works are to be funded which includes:

- Asset Sustainability Reserve - Community Facilities Partnering Program
- External Grants
- Contribution from Clubs

As preferred options for Tennis and Netball Facilities are identified through the consultation process further reports will be presented to Council which includes detailed financial analysis. Council will need to consider the financial impact, funding options and prioritise renewal works.

Resources (Capacity) Impact

There is potentially a large number of individual projects that will require resourcing in order to ensure that the desired outcomes are effectively project managed from the outset and that risks are minimised across the whole of Council. These projects will need to be staged so that they are implemented using existing resources.

Policy Implications

Council is currently reviewing its leasing policy and it will be essential that club's obligations to its stakeholders, including council, are met.

Cost sharing arrangements will need to be identified in lease and licence arrangements to ensure the ongoing maintenance and renewal of facilities is budgeted for and achievable.

CONCLUSION

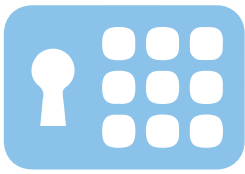
The implementation of the Tennis and Netball Review is an opportunity to promote and demonstrate best practice in sustainable asset management and put in place club and community capacity building initiatives. This will strongly support Council's leadership role in supporting and delivering Council's vision for stronger clubs, which have well managed good quality facilities and improved community access.

Appendix1: Book a Court System

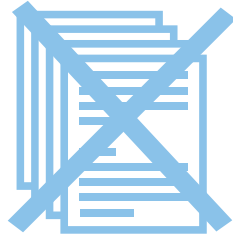
BOOK A COURT

AN ONLINE COURT BOOKING AND PAYMENT PLATFORM FOR AFFILIATED TENNIS CLUBS WITH CAPABILITY TO CONNECT WITH PIN PAD TECHNOLOGY FOR EASY ACCESS TO COURTS

CREATING BENEFITS FOR CLUBS



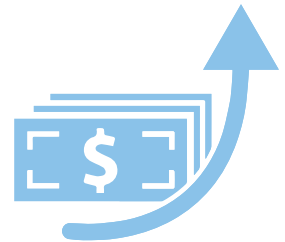
BETTER ACCESS
TO TENNIS
COURTS



REDUCE
ADMINISTRATIVE
BURDEN



MEET MODERN
CONSUMER
EXPECTATIONS



GROW YOUR
REVENUE

A POWERFUL MANAGEMENT TOOL FOR CLUBS



MANAGE BOOKINGS
ANYWHERE, ANYTIME



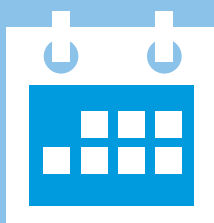
GAIN INSIGHTS FOR BETTER
DECISION-MAKING





EASY FOR PLAYERS

NO MORE PHONE ENQUIRIES, NO MORE KEY COLLECTION AND RETURN AND NO MORE HONESTY BOX. JUST 3 EASY STEPS:



1. CHECK AVAILABILITY



2. CHOOSE A SESSION



3. CONFIRMATION

PRICING*

MANAGING COURTS ONLINE

3% FEE FOR ALL ONLINE PAYMENTS

SUPPLY AND INSTALLATION OF PIN PAD TECHNOLOGY

CONTROL THE GATES

COSTS

\$10,000+

CONTROL THE GATES AND LIGHTS

\$13,000+

DATA CHARGES

\$30 per month

+ Guide only for a standard one access point solution, definitive quote following a site survey. Potential additional costs will be labour for electrician to complete connections, gate/fencing modification costs, trenching and laying of communication conduit.

* All pricing subject to change.

Tennis Australia are currently seeking interested affiliated clubs to join the pilot. Grants up to \$6,000 available to contribute to costs of pin pad technology

If you are interested contact Tennis Australia:

1800 PLAY TENNIS (1800 752 983)

play@tennis.com.au | tennis.com.au/clubs/book-a-court



**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Manager: Adrian Skull, Chief Executive

General Manager: Abby Dickson, General Manager City Development

Subject: Clovelly Park Netball Court Redevelopment

Report Reference: GC111016R07

REPORT OBJECTIVE

For Council to consider amending part 4 of a previous resolution (GC140616R08), which dealt with the allocation of funds (up to \$62,344) from Council's Asset Sustainability Reserve – Community Facilities Partnership Program (CFPP) to the Adelaide Wildcats Netball Club, to realign the courts with line markings to provide 5 multipurpose tennis and netball courts and 1 netball only court, as well as the installation of 6 light tower lights for the Clovelly Park Netball courts. This will increase the number of netball courts at the site from 2 courts to 6 courts.

The amendment is required to reflect the additional funds being committed by the Club as a result of an unsuccessful funding submission to the Office for Recreation and Sport. No additional funds are required by Council.

DISCUSSION:

Pursuant to regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013, the CEO may submit a report to the Council recommending the revocation or amendment of a resolution of Council passed since the last general election of the Council.

At the 14 June General Council meeting (GC140616R08), Council passed the following resolution:

1. *Notes the Wildcats and Clovelly Park Committee are committing \$27,500, as well as \$20,000 from a grant from the Federal Government Infrastructure and Regional Development Grant.*
2. *Provides landlord's consent for the upgrade of the courts on the southern side of the Clovelly Park Community Centre to realign the courts with line markings resulting in 5 multipurpose tennis and netball courts and 1 netball only court, as well as the installation of 6 light towers lights for the courts (subject to Development Approval).*
3. *Notes the application for \$32,500 submitted to the Office for Recreation and Sports 2016 Community Recreation and Sport Facilities Program by the Adelaide Wildcats Netball Club.*
4. *Endorses an allocation of up to \$62,344 towards court resurfacing and installation of Halide Metal floodlights being made from Council's Asset Sustainability Reserve – Community Facilities Partnering Program fund, subject to a successful funding application to the Office for Recreation and Sport Community Recreation and Sport Facilities Program by the Adelaide Wildcats Netball Club and Development Approval.*

5. *Advises that the Clovelly Park Memorial Community Centre and Adelaide Wildcats Netball Club will be responsible for any project related cost overruns and will be responsible for all future maintenance, repairs and renewal of the courts and lights.*

Council has been advised by the Club that the funding submission to the Office for Recreation and Sport facilities program was unsuccessful. The Club has decided to provide the \$32,500 for this work from its existing funds.

To provide the Club with the funding as originally endorsed (up to \$65,000), Council will need to amend its resolution of 14 June 2016 (GC140616R08) as follows:

RECOMMENDATION (1)

DUE DATES

That Council:

1. Amends the resolution of 14 June 2016 that states:

11 October 2016

Endorses an allocation of up to \$62,344 towards court resurfacing and installation of Halide Metal floodlights being made from Council's Asset Sustainability Reserve – Community Facilities Partnering Program fund, subject to a successful funding application to the Office for Recreation and Sport Community Recreation and Sport Facilities Program by the Adelaide Wildcats Netball Club and Development Approval.

to the following new resolution:

Endorses an allocation of up to \$62,344 towards court resurfacing and installation of Halide Metal floodlights being made from Council's Asset Sustainability Reserve – Community Facilities Partnering Program fund, subject to Adelaide Wildcats Netball Club contributing an additional \$32,500 and Development Approval.

Appendix 1 – Letter from Adelaide Wildcats Netball Club



Adelaide Wildcats Netball Club

P.O. Box 64, Edwardstown 5039

13 September 2016

Mr Sean O'Brien
Communities Facilities Planner - City of Marion
PO Box 21
Mitchell Park SA 5046

Re: GC140616R08

Dear Sean

Please be advised that in regards to the above report reference (GC140616R08), the Adelaide Wildcats Netball Club has agreed that in the best interest of moving this project forward, is prepared to cover the funding requirements shortfall left by the unsuccessful funding from the office of Rec and Sport grant of \$32,500.

Our Netball club is in an exciting growth face, especially with our age grade teams and without the expansion of the facilities at the Clovelly Park Community site we will be significantly disadvantaged, potentially having to turn away players, which we do not want to do.

We understand that the City of Marion's strategic plan supports the growth of Netball throughout its council area and the Adelaide Wildcats Netball Club encourages the council to assist us to ensure the successful completion of this redevelopment.

Please do not hesitate to contact either Alice McDonald (President) on 0418 830 458 or Scott Young (Treasurer) on 0438318148.

Yours Faithfully

A handwritten signature in blue ink, appearing to read "Scott Young".

Scott Young
Treasurer

Email: (Scott) sby37@bigpond.com

(Club) netball@adelaidewildcats.com.au

Website: www.adelaidewildcats.com.au



**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2015**

Originating Officer: Kate McKenzie, Manager Corporate Governance

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Finance and Audit Committee Annual Report to Council
2015-2016

Report Reference: GC111016R08

REPORT OBJECTIVES:

The primary objective of the Finance and Audit Committee is to add value through the provision of advice to ensure that the resources of the City of Marion are being used efficiently and effectively. It assists Council to accomplish its objectives by contributing to a systematic and disciplined approach to evaluating and improving the effectiveness of financial management, risk management, control and governance processes.

The Finance and Audit Committee Policy provides that the Audit Committee shall report annually to the Council on its operation and activities during the year. This report provides an important communication tool with Council in addition to the minutes received after each meeting.

EXECUTIVE SUMMARY:

The purpose of this report is to present the Finance and Audit Committee Annual Report for 2015/16 to Council and to invite Council's feedback on the opportunities for continuing development of the Committee's operations. **Appendix 1** is a copy of the Report which provides a summary of the work of the Committee pursuant to the Committee's Terms of Reference and Annual Work Program.

RECOMMENDATIONS (2)

DUE DATES

That Council:

- | | |
|--|--------------------------|
| <p>1. Note the Finance and Audit Committee's Annual Report to Council for 2015/16 provided at Appendix 1</p> | <p>October 16</p> |
| <p>2. Provides the following feedback to the Committee on opportunities for continuing development of the Committee's operations or matters for the Committee to further consider in 2016/17:</p> <ul style="list-style-type: none"> - - - | <p>October 16</p> |

APPENDIX 1

REPORT TO THE CITY OF MARION COUNCIL ON THE OPERATIONS OF THE FINANCE AND AUDIT COMMITTEE FOR 2015/16

INTRODUCTION

This report provides an overview of the City of Marion Finance and Audit Committee operations for 2015/16.

Clause 4.23 of the Finance and Audit Committee Policy provides that Audit Committee shall report annually to the Council on its operation and activities during the year. This report includes:

- Key discussion points from Committee meetings for Council to note;
- A summary of the Committee's assessment of the City of Marion's risk and control framework;
- A summary of the work the Committee performed during the year aligned to the Committee's Terms of Reference;
- Details of meetings, including the number of meetings held during the period, and the number of meetings attended by each member;
- Future work scheduled for 2016/17;

The report is intended to invite comment from the Council on all of the above.

KEY DISCUSSION POINTS FOR COUNCIL TO NOTE

The 2015/16 financial year provided a heavy workload for the Finance and Audit Committee and the key points that the Committee would like Council to note are;

- The Committee comprehensively reviewed two Prudential Management section 48 Reports for the Edwardstown Soldiers Memorial Recreation Ground and the Mitchell Park Sports and Community Centre. The economic benefit and financial impact were thoroughly reviewed by the Committee including how the projects could be funded in accordance with Councils Treasury Management Policy.
- The Service Review Program was developed and commenced during the financial year. The Program is an innovative approach but will need further refinement as it evolves. During the 2015/16 financial year, the Committee considered three reviews prior to the Service Review Framework being established. Each of these reviews provided recommendations regarding how the services could be delivered in a more efficient manner. All three reviews were most comprehensive and of a high standard. The Committee is looking forward to the delivery of more services reviews through 2016/17.
- The financial performance of the Council remains solid and the Annual Business Plan 2016/17 and the Long Term Financial Plan reflect a sound funding position. Although the financial position of Council is solid the financial management is a conservative approach and Council should consider further review of its rating strategy in future years to ensure the best outcome for the community. In saying this, the Committee also caution that Council continue to assess the financial impact of unfunded projects/initiatives to ensure that it does not fall into an unintentional funding deficit in later years of the plan.

THE FINANCE AND AUDIT COMMITTEE'S ASSESSMENT OF THE CITY OF MARION'S RISK & CONTROL FRAMEWORK

The Committee's assessment of the Council's Risk, Control and Audit Frameworks draws from a number of sources including Council's external and internal audits/reviews, and Council's control and risk frameworks.

The City of Marion's Enterprise Wide Risk Management Framework and Policy was reviewed by the Committee in December 2015 and adopted by Council in January 2016. The revision of this Policy and Framework has provided further rigor to risk management processes and further alignment to the ISO 31000 Risk Management Standard. It is evident that the risk framework and processes continue to mature and the current focus is on imbedding and maturing risk processes and accountability across the organisation.

The Committee considered the corporate risk profile at its meeting of 8 March 2016 that identified 7 high risks of:

1. Asset management
2. Strategic planning
3. Workforce planning
4. Contractor & volunteer management
5. Project management
6. Compliance with legislative and regulatory requirements
7. Work health safety.

These risks are being monitored and reviewed on a regular basis by management to reduce the risk ratings and the subsequent risk exposure of the City of Marion

SUMMARY OF WORK PERFORMED DURING THE FINANCIAL YEAR (2015-16)

Significant items brought before the Committee for consideration during the year included:

External Audit 2014/15 (considered in October 2015)

- The 2014/15 external audit was completed in accordance with the Australian Auditing Standards. No contraventions of the *Local Government Act 1999* were identified, and an unmodified audit opinion was given by Deloitte's identifying that:
 - The City of Marion financial report provides a true and fair view of the Council's financial position for the year ended 30 June 2016.
 - Council would receive an unmodified audit opinion for the 2014/15 financial year with respect to the effectiveness of its internal control environment and Council's compliance with section 125 of the *Local Government Act 1999*.
 - The auditors did not note any issues regarding fraud (concerning an employee or management), there were no uncorrected misstatements or any uncorrected disclosure deficiencies in the financial statements.
- An Operating Surplus of \$10.027m was achieved, which was \$6.284m above the original 2014/15 budget adopted by Council. The key factors resulting in this higher than expected operating surplus included:
 - Operating Expenditure (excluding Depreciation) – net savings of \$2.677m (4.3%) compared to adopted budget, including \$1.020m (3.1%) in Employee Costs primarily due to efficiency gains and savings achieved through vacancy management.
 - Rates Rebates – savings of \$0.415m as a result of budgeted rebates anticipated for the transfer of SA Housing Trust properties in Mitchell Park to Community Housing Associations not eventuating.

- Operating Grants & Subsidies – an additional \$2.027m in grants were received, primarily as a result of an additional \$1.4m in Financial Assistance Grant revenue being received in the current year.
- Other Income - \$0.401m higher, predominantly as a result of contributions being received from lessees for renewal works relating to the major projects.
- The Finance and Audit Committee met with Council's external Auditors in the absence of management. The Committee also met with the Internal Auditors without management being present. In both instances, both sets of auditors reported a willingness from management to provide timely information, and act quickly on any recommendations made. No significant issues were raised.
- The Finance and Audit Committee recommended to Council the adoption of the Audited Financial Statements for 2014/15 and noted the excellent results and financial outcomes. The Committee also noted that all actions from previous years' audit had been fully implemented.

Financial Reporting and Prudential Requirements

- The Committee considered and provided feedback on the framework and key assumptions of the Annual Business Plan and Budget 2016/17. This included review of the current rate in the dollar, the proposed rate rise and impacts on service delivery.
- Following this, the Committee reviewed the draft Annual Business Plan and Long Term Financial Plan noting that this report had improved year on year. The review included assessment of the proposed financial ratios, key assumptions and alignment with the Councils Treasury Management Policy. The Committee suggested that Council implement a financial modelling tool that would assist Council assess the whole of life financial impact of funding decisions and demonstrate when such decisions would case the Council to fall into a funding deficit.
- The Committee reviewed two prudential management section 48 reports being the:
 - Edwardstown Soldiers Memorial Recreation Ground (\$8 million)
 - Mitchell Park Sports and Community Centre (\$19.7 million).

The Committee undertook a thorough review of the information provided and provide feedback on various aspects of both reports including but not limited to the financial viability and sustainability of each project, assessment management, project risk and other risks and the governance/management models.

The Committee sought assurance on behalf of Council regarding the funding, the debt serving ratio and the impact of other projects and resources. The Committee supported the funding position proposed for each project which included a 50% contribution from Council with the other 50% to be sourced from alternative funding options.

- It is noted that the Edwardstown Soldiers Memorial Recreation Ground project has received a federal election promises of \$4m to match Council's \$4m contribution, but this has not yet come to fruition.

Internal Audit & Service Reviews

- During the 2015/16 financial year the Committee reviewed and endorsed the proposed Service Review Framework noting that the approach included a two stage process. Stage 1 to be integrated within the work area planning process which required the completion of a service statement for all services. The service statement provided new baseline data and assessed the service against three criteria being commercial viability, public value and innovation. The data has been used as an indicator to develop a plan for those services that are recommended to progress to a stage 2 review.

- The Committee received scopes and draft reports for the Hard Waste Service Review, the Living Kaurua Culture Centre Service Review and the Marion Learning Festival Service Review. Each review was critically analysed by the Committee and the Committee recommended that the reviews be considered by Council. It was also noted that the Committee reviewed the Library Service Review Scope but this project was not due to be completed until the 2016/17 financial year.
- KPMG were appointed as Council's internal auditor from 1 July 2015 to 30 June 2017, after a thorough tender process that occurred in the previous financial year. This contract also allows for a potential for a two-year extension to the contract.
- An Internal Audit Plan 2015 – 2017 was developed and endorsed by the Committee in December 2015. The Committee has received scopes and reports in accordance with the Plan with minor variation due to timing of the reviews. The Plan focused on core assurance reviews, fraud risk and process breakdown.
- Various Internal Audit scopes and reports included:
 - Capital Works (Carryover)
 - Building Insurance and Asset Valuation
 - Payroll
 - Cash Handling

Each of these reviews have been presented to the Committee and the Committee continues to monitor the implementation of the review recommendations. To date, the Committee has been satisfied with management responses and no recommendations have fallen overdue during the 2015/16 financial year.

Internal Controls and Risk Management

- The Committee has undertaken a comprehensive review of the Risk Management Policy and Framework. The Committee noted that the City of Marion risk maturity is developing with focus on embedding framework. The Committee recommended to Council that the Policy and Framework be adopted which was achieved at the January 2016 General Council Meeting.
- Key risk focus areas for the Committee included further development and implementation of key risk strategies such as:
 - Fraud and Corruption Policy and Framework
 - Business Continuity Management Policy, Framework and Plan
- The Committee noted the Work Health Safety Annual Risk Report and suggested that this is a key risk for the organisation and requested that a further report to monitor progress be provided to the Committee in six months.

Other

- Various reports and/or policies were considered by the Committee including;
 - The draft CEO's Key Performance Indicators
 - Ombudsman's Annual Report 2014/15
 - Local Government Association Mutual Liability Scheme Annual Risk Review noting Council's rebate of \$41k
 - Insurance and Claims Management Activity Report
 - The Committee's work program and meeting schedule for 2016

- A joint workshop was held in August 2015 that focused on the principles for the new Service Review Program and the risk tolerance for the City of Marion.
- Asset Management plans were further considered after community consultation.
- The Committee commenced a review of its performance and effectiveness noting that the outcomes would be discussed during the next financial year. The Committee will undertake its next review in 2018.
- Organisational Key Performance Indicators for 2016/17

DETAILS OF MEETINGS

During 2015/16, a total of seven (7) Finance and Audit Committee meetings were held being:

- 18 August 2015
- 13 October 2015
- 15 December 2015
- 22 February 2016 (Special)
- 8 March 2016
- 31 May 2016
- 20 June 2016 (Special)

Finance and Audit Committee member attendance at meetings during the year was:

Member	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr Greg Connor (Chairperson since Dec 2013)	7	7
Mr Lew Owens	7	6
Ms Kathryn Presser	7	6
Councillor Tim Pfeiffer	2	2
Councillor Raelene Telfer	5	4
Councillor Tim Gard	5	5

FUTURE WORK PROGRAM PROPOSAL

Major items for the Committee to review and provide comment / feedback on during 2016/17 include:

- External Audit tender and Internal Audit contract
- Fraud and Corruption Framework
- Review of Corporate Risks Registers
- Progress of the WHS Program as a key people risk
- Progress of the Service Review Program including the progress of reviews listed within the 2016/17 Plan
- Further review of the financial management of Council's assets, including the governance arrangements and process regarding the use of the Asset Sustainability Reserve.

CONCLUSION

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

- a) reviewing annual financial statements to ensure that they present fairly the state of affairs of the Council;
- b) proposing, and providing information relevant to, a review of the Council's strategic management plans and annual business plan; and
- c) Liaising with the Council's auditor.

The body of work undertaken by the Committee is maturing as the Committee is striving to ensure that its work is useful in the context of contributing to the City of Marion's strategic objectives. The Committee invites Council's feedback on the opportunities for continuing development of the Committee's operations.

Finally, I record my thanks for the support and diligence of those involved in the Committee being my fellow Finance and Audit Committee members and the Council's Elected Members. I would also like to thank the management team for their hard work in the production of quality reporting that allows robust and fruitful discussions.

Greg Connor

Chairperson

City of Marion Finance and Audit Committee

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Deborah Horton, Unit Manager Corporate Performance

Corporate Manager: Kate McKenzie, Manager Corporate Governance



















General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Annual Corporate Performance Report 2015-16

Report Reference: GC111016R09

REPORT OBJECTIVES AND EXECUTIVE SUMMARY:

The organisations' Corporate Performance Report for 2015/16 from April to June indicates four of Council's seven measures performing within their target range. For the 2015/16 financial year, three KPIs achieved an 'Acceptable' result, three KPI's were 'Not Met' and one achieved an 'Exceptional' response (see below);

KPI	Details	Target	Achievement			
			Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Actual operating surplus ration for 2015/16	0 – 6%	 9.1%	 8.5%	 9.7%	 12%
2	Total employee costs (staff plus agency)	< by at least 1.4% in dollar terms, over the 14/15 budget	 -1.7%	 -1.5%	 -2.9%	 -3.3%
3	Lost employee time due to injury	Reduce by 1% compared to average of last 5 years	 0%	 9.1%	 22.2%	 25.8%
4	Major Capital Works (>\$4m each project)	Completed strictly on time and on budget (or better)	 Substantially on time and on budget	 Substantially on time and on budget	 Substantially on time and on budget	 Substantially on time and on budget
5	Specific Major Capital works projects ready for approval by Council	2	 0	 0	 1 - Acceptable	 2 – Exceptional
6	Achieving goals of (3 year) Business Plan	High level of achievement	 Moderate level of achievement	 Moderate level of achievement	 Moderate level of achievement	 Moderate level of achievement
7	Alignment throughout administration to the strategic plan – towards 2040 and business plan	High level of alignment	 Low level of alignment	 Low level of alignment	 Low level of alignment	 Low level of alignment

RECOMMENDATIONS (1)

DUE DATES

That Council:

- Note the Annual Corporate Performance Report 2015-16 as provided in Appendix 1.**

11 Oct 2016

DISCUSSION

This report provides Council with the annual result of the Corporate Performance Measures adopted in the 2015-16 Annual Business Plan and Budget. A short summary of the year's performance for each KPI is provided below, with the regular detailed KPI report provided as attached in Appendix 1.

KPI 1 –

This KPI was not met throughout the year as it exceeded the target range. The annual result shows a 12% operating surplus ratio.

KPI 2 –

Employee costs decreased from the original adopted budget of \$32.777 million in 2014/15 to \$31.783 million in 2015/16. Savings included a reduction in senior management roles due to an organisational restructure undertaken in October 2015.

KPI 3 –

A consistent result for the first half of the financial year could not be maintained for the last half of the financial year. The report now provides incident details into three categories of injuries including; manual handling, falls from the same or differing levels and repetitive movement (low muscle loading). The comprehensive review of hazard management and injury management continues to be a focus across the organisation to address this trend.

KPI 4 –

This KPI shows a consistent and acceptable result for the financial year. Both the Cove Civic Centre and the City Services Redevelopment were significant projects that were undertaken and reported during the financial year.

KPI 5 -

This KPI gained momentum as the year progressed, with Edwardstown Oval securing \$4m in Federal funding in July 2016. The State Government announced a \$2m contribution for the BMX Project in June 2016. The Mitchell Park Sports and Community Club building upgrade progressed to Council in June 2016 and is seeking \$10m in Federal Government funding.

KPI 6 -

This KPI achieved a consistent 'moderate level of achievement' throughout the year. The current Council began drafting a new three-year business plan aligned to the six themes of the Community plan at a forum in January 2016, with further reports provided to the Strategy Committee meetings in February and April 2016 and another Elected Member forum in July 2016. After a period of community consultation from 29 July – 19 August 2016, the final Business Plan was endorsed by Council (GC270915R03).

KPI 7 -

This KPI achieved a consistent 'low level of achievement' throughout the year however, there has been a focus for the organisation to transition from its 10-year Strategic Plan "Broad Horizons, Bright Future 2010-20 to a new strategic framework with KPI 6 above commencing this transition.

CONCLUSION:

The annual 2014-15 Corporate Performance Report provides a summary of Council's performance against key performance indicators, as committed in the 2015-16 Annual Business Plan and Budget.

Corporate Performance Report Annual Report 2015-16



This Performance Report provides both an overall dashboard view and a progress update for each of the measures.

Measure		Target	Quarter Results	
1	Actual operating surplus ratio for 2015-16 (adjusted for extraordinary items)	0 – 6%	12.0%	
2	Total employee costs (staff plus agency)	Decrease by at least 1.4%, in Dollar terms, over the previous year adopted budget	-3.0%	
3	Lost employee time due to injury	Reduce by 1% compared to average of last 5 years	25.8	
4	Major Capital Works (>\$4m each project)	Completed strictly on time and on budget (or better)	Substantially on time and on budget	
5	Number of specific Major Capital Works proposals ready for approval by Council	2	2	
6	Achieving goals of (3 year) Business Plan	High level of achievement	Moderate level of achievement	
7	Alignment throughout administration to the Strategic Plan – Towards 2040 and the Business Plan	High level of alignment	Low level of alignment	




Dashboard Status icons

	Target rating = Exceptional		No target set
	Target rating = Acceptable	—	No data available
	Target rating = Target not met		

KEY PERFORMANCE INDICATOR 1:

Actual operating surplus ratio for 2015-16 (adjusted for extraordinary items) – 0 to 6%

TARGET:

	Exceptional	0 – 3%
	Acceptable	> 3 but < 6%
	Target not met	< 0 or > 6%

PERFORMANCE:

12.0% Target not met

Background

This ratio expresses the operating surplus / (deficit) as a percentage of general and other rates, net of rebates.

Performance




The operating surplus ratio has exceeded the currently adopted 5-year average target. This is primarily due to substantial on-going gross savings in operational expenditure achieved in 2015/16 in the order of \$3.2m now embedded in councils cost structures. These savings have had a significant impact on the operating surplus ratio, bringing the current year figure to 12.0%. This surplus is required to provide the funding necessary to meet the costs of delivering services and projects to the community including the renewal and upgrade of existing community assets over time to maintain community service standards and expectations.

Any future operating savings identified will further increase the operating surplus ratio. Council's operating profit result provides the basis to fund normal day to day community services for both (1) provision of community services, and (2) capital renewal of existing infrastructure.

KEY PERFORMANCE INDICATOR 2:

Total employee costs (staff plus agency) – Decrease by at least 1.4%, in dollar terms, over the previous year adopted budget

TARGET:

	Exceptional	Reduce by 5 – 10%
	Acceptable	Reduce by 1 – 5%
	Target not met	No reduction

PERFORMANCE:

-3.0% Acceptable

Background

Employee costs include salaries and wages paid through the City of Marion's payroll system for direct employees.

Agency costs include salaries and wages paid through the City of Marion's payroll system for employees hired through a third party employment agency.

Performance

The annual accounts report a decrease in employee costs of 3.0% against the prior year (2014/15) adopted budget of \$32.777m (down to \$31.783m). This reduction is after allowing for (1) increases from Enterprise Agreements of between 3.0% and 3.4% and (2) an increase in employee costs of \$0.154m due to additional grant funded program positions which are fully offset by an increase in operating grant revenue.

In May 2016, it was reported to the People & Culture Committee (PCC030516R7.1) that at the end of September 2015 there were a total of 51 Senior Leadership position roles (4th level and above - Senior Leadership Team or Unit Manager staff). As at 30 June 2016 this had reduced to 46 positions, representing a decline of 10%. Three senior leadership positions were made redundant during the second quarter of 2015-16 as a result of the restructure and one position has been vacated.




This equates to a budget saving of \$175,000 this financial year with approximately \$447,000 in savings budgeted for the full 2016-17 financial year.

LEADERSHIP LEVEL	30 September 2015	30 June 2016
Executive Leadership Team	4	4
Senior Leadership Team	18	12
4 th Level Management	29	30
TOTAL	51	46

KEY PERFORMANCE INDICATOR 3:

Lost employee time due to injury – Reduce by 1% (compared to average of last 5 years)

TARGET:

	Exceptional	Reduce by 1% (using average of last 5 years of 22.1)
	Acceptable	Equal to or < 1% reduction (using average of last 5 years of 22.1)
	Target not met	Any increase when compared to the average of last 5 years (of 22.1)

PERFORMANCE:  **25.8** Target not met (cumulative result)

Background

Lost employee time due to injury is tracked by a widely used lag performance indicator called Lost Time Injury Frequency Rate (LTIFR). This measurement is calculated as per the Australian Standard 1885.1: 'Total number of Lost Time Injuries/Total Hours Worked) * 1,000,000'.

Performance

The graph below tracks Council's LTIFR performance for the past seven years as reported by the Local Government Association Worker's Compensation Scheme (LGAWCS).



There were seventeen LTI's recorded in 2015-16, which have been categorised into three primary classes of injuries;

1. Five x Manual handling (muscular stress while lifting or carrying).
Shoulder and back injuries whilst egressing truck cabins, twisting when picking up tree branches, opening heavy compactus doors, lifting logs from mulch piles and securing ratchet straps on a trailer.
2. Four x Falls from the same and differing levels (slips, trips and falls)
Wrist, ankle and knee strains or breaks whilst weed spraying on steep embankment, moving equipment down pool stairwell, attempting to push heavy sack truck and walking on uneven surfaces.
3. Three x Repetitive movement (low muscle loading)
Elbow strains, neck and lower back strains from manual labour such as extensive use of hand tools, screeding of bitumen and repetitive spreading of bagged products.

Of the remaining five incidents, three are described as 'isolated' including; being hit by a falling object (tree branch), struck by moving object (door) and struck against fixed object (doorframe). With two incidents as re-aggravations of previous injuries and therefore recorded as lost time due to surgery after return to duties.

In order to improve our safety outcomes, a number of Hazard Prevention and LTI Reduction Strategies are currently being implemented;




- The organisation's Hazard Register has been reviewed to ensure all hazards are appropriately identified
- All hazardous tasks identified in the Hazard Register have a documented Safe Work Method Statement, Safe Work Procedure or Safe Operating Procedure
- Incident Management Training was rolled out to all People Managers during April 2016
- Manual Handling Training was held in May 2016 to address manual handling injuries

Additional Return to Work strategies have been explored and informal consultation with Workers has commenced. These strategies will provide an increased focus on the provision of suitable duties immediately following an injury and should assist in the achievement of a subsequent reduction in the number of LTIs in line with Council's revised KPI of a 25% reduction in the LTIFR for the 2016-17 reporting period.

KEY PERFORMANCE INDICATOR 4:

Major Capital Works (>\$4m each project) – Completed strictly on time and on budget (or better)

TARGET:

	Exceptional	Strictly on time and on budget (or better)
	Acceptable	Substantially on time and on budget (within 4 months and 102% budget)
	Target not met	Any case of substantially over time / over budget (>4 months or 102% budget)

This measure represents a combined score of the progress towards delivering two key Council Major Capital Works that each exceed \$4m:

1. Cove Civic Centre
2. City Services Redevelopment

All data in the composite is evenly weighted.

PERFORMANCE:

Substantially on time and on budget

Acceptable

Background

The City of Marion undertakes or facilitates major projects which support the development of services and facilities for the community and enhance the environmental sustainability of the area. A project is formally considered a Major Capital Works based on the level of investment, scale and/or the dependency on the partnering support and commitment from key strategic partners, from both the public and private sectors.

Specifically, Major Capital Works have the following characteristics:

- an investment by Council of over \$4 million
- more than 12 months to deliver the project
- generally involves a project partner(s)

Performance

Project	Council approved budget	Tendered sum and Council costs	Estimated final cost	Original completion date	Revised completion date due to contractually valid delays	Actual completion date
City Services	\$14,332,000	\$14,302,000	\$14,111,000 (1)	30/10/15	15/12/15	16/11/15
Cove Civic Centre	\$13,400,000 +\$100,000 Arts SA funding +\$223,000 interest on Federal funds	\$12,400,000 (2)	\$12,819,043 (3)	18/12/14	12/03/15	18/06/15

1. Final estimated cost (as at 11 August 2016) is below tendered sum and Council costs due to savings in the ground contingency allowance, lower costs for furniture and equipment and savings in costs for temporary accommodation required during construction.
2. Lump sum cost at time of tender, not a fixed priced contract. Lump sum increased by cost of additionally required design solutions and contractually valid variations such as inclement weather that delayed / impacted on construction and increased consultancy costs.
3. Estimated final cost as of 11 August 2016.

Through the Section 48 process, required under the Local Government Act, Council establishes an appropriate budget for projects. The budget is informed by independent cost advice that is developed and reviewed at several stages through the design process, usually over 12 to 18 months.

When a project is approved by Council tenders are then called for construction. Tenderers are given four to five weeks to review all the design plans, gain sub-contractor costs for undertaking parts (packages) of the construction and then submit their cost for undertaking the project. The costs for undertaking the construction are subject to the provisions of the contract type used. Standard contracts have provisions, ie for costs over the tendered sum, for inclement weather (heat, cold and rain that may influence different parts of the construction) and additional costs that can occur due to ground conditions (soft ground, shallow bedrock, contamination, ground water) and costs required during construction to give effect to the design.

With the Cove Civic Centre (CCC) the estimated final cost is under the \$13,400,000 Council budget and over the tendered lump sum (inclusive of additional Council costs, ie design and construction contingencies, external site services, consultant fees). The difference between the tendered sum of \$12,400,000 and the estimated final cost of \$12,819,043 (as at 11 August 2016) is made up of design and building variations (costs) required to construct the building, contractually legitimate extensions of time claims (costs) and additional consultancy fees.

The estimated final costs shown above will be the subject of audits, the results of which will be reported to Council.




The current focus for both the City Services and Cove Civic Centre project are the Defects and Liability Period (DLP) that runs for 12 months after the completion date of each project. The DLP period for the City Services project is progressing well with items requiring rectification or modification progressing as per the construction contract.

Items requiring rectification or modification at the Cove Civic Centre were not complete within the 12 month DLP period. The construction contractor is applying significant resources to resolve defects and the estimated date for the completion of defects is October 2016.

KEY PERFORMANCE INDICATOR 5:

Number of specific Major Capital Works proposals ready for approval by Council – Target of 2

TARGET:

	Exceptional	2 +
	Acceptable	1
	Target not met	0

PERFORMANCE:

2

Exceptional

Background

At the 14 April 2015 Council meeting the following resolutions were adopted:

1. Endorse investigations being undertaken with peak sporting bodies, relevant clubs, funding bodies and agencies to seek partnering opportunities for the development of plans and potential funding solutions for the following sports infrastructure:
 - Edwardstown Oval Masterplan
 - Options for new soccer pitches and a BMX track in the South
 - Indoor multipurpose Stadium 4-8 Court (SA regional standard)
 - Mitchell Park Sports and Community Club building upgrade
2. Note that consultation plans will be brought to Council for consideration after initial investigations are undertaken with peak sporting bodies, relevant clubs and agencies.
3. That potential funding opportunities relevant to the above sports infrastructure be actively pursued as they arise.

Performance

1. Edwardstown Oval – Council approved a Section 48 prudential management report and lodged an application to National Stronger Regions Fund on 8 March 2016. During the Federal election \$4 million was committed to the project and a funding deed is expected to be received from the Federal agency in October for Council's consideration.
2. BMX track – The State Government announced a \$2 million funding contribution for the BMX project in June 2016. The City of Onkaparinga and Council have both committed \$750,000 to the project. Council considered the State Government funding deed at its 12 July Special Council meeting and also at the General Council meeting of 23 August. Council has approved the funding deed. The Project Steering Group for the delivery of the project has been formed and has met to progress the project. Early activity is based on geotechnical assessment of the land, survey and land transfer arrangements. The Project Advisory Group (the end users / stakeholders) have met twice on 10 August and 24 August 2016. The Majors Road site owned




by the Department of Environment, Water and Natural Resources (DEWNR) has received strong support within State government.

3. Soccer facility – Business Plan developed with Football Federation South Australia (FFSA). A number of sites are being investigated to accommodate soccer facilities. As these investigations proceed reports will be brought to Council. Securing a site will enable the project to proceed to design and costing, then subsequently pursuit of funding, subject to Council approval.
4. Council considered options for an Indoor Multipurpose Stadium and Mitchell Park Sports and Community Club at the Special General Council meeting of 10 May 2016 – Council adopted a Section 48 Prudential Management report at the meeting of 28 June 2016 and committed 50% funding to the project. The National Stronger Regions Fund is being changed and a new fund, the Building Better Regions Fund (BBRF) is going to be established. The criteria, budget and operations of the BBRF are yet to be established and it is anticipated that the details of the BBRF will be notified in either late 2016 or early 2017. A funding application is being prepared in anticipation of seeking funding from the BBRF.

KEY PERFORMANCE INDICATOR 6:

Achieving goals of (3 year) Business Plan – High level of achievement

TARGET:

	Exceptional	High level of achievement
	Acceptable	Moderate level of achievement
	Target not met	Low level of achievement

PERFORMANCE:**Moderate level of achievement**

Acceptable

Performance

Council has adopted a long term Community Vision - Towards 2040 and a Strategic Plan 2010-2020. Drafting of a 3 year business plan for 2016-2019 is near completion for implementation from early 2016/17.




All strategies and projects within the 2010-2020 Strategic Plan are complete or progressing, with the exception of CWSP1.4 Facilitate improved access and infrastructure for the Warradale Shopping Precinct. While some minor work has been completed to improve pedestrian access, this project is closely linked to the Oaklands Crossing which is the focus of a campaign led by Council that started in April 2016.

2016-19 Work Area Plans (WAPs) were completed in June 2016 and will be implemented from 1 July 2016. 28 WAPs were prepared and will include all initiatives from the 3-year Business Plan (which was endorsed by Council 27 September 2016) and all corporate key performance indicators.

KEY PERFORMANCE INDICATOR 7:

Alignment throughout administration to the Strategic Plan -Towards 2040 and the Business Plan (3 years) – High level of alignment

TARGET:

	Exceptional	High level of alignment
	Acceptable	Moderate level of alignment
	Target not met	Low level of alignment

PERFORMANCE:**Low level of alignment**

Target not met

Background

The City of Marion's Strategic Management Framework (SMF) sets out the overarching framework for Council's strategic and business plans. The focus of the SMF is to ensure that the key elements of the strategic planning and management systems and processes are aligned and integrated to ensure that Council can effectively pursue the Community's aspirations over the next 25 years. The SMF is supported by a series of processes to support decision making, resource allocation, service delivery and performance monitoring.

Currently the City of Marion has a number of adopted plans that form its suite of strategic management plans:

- Community Vision - Towards 2040 (adopted in 2013)
- 10 Year 'Broad Horizons Bright Futures' Strategic Plan 2010-2020 (adopted in 2010 and refined in 2011)
- 10 Year Long Term Financial Plan (reviewed and adopted annually)
- 10 Year Asset Management Plan (adopted in January 2016)
- Medium Term Strategic Directions Report (urban development priorities) (approved by the Minister for Planning in 2015)

Short term business plans, policies and strategies have been developed to implement the suite of strategic plans.

Performance

The Strategic Management Framework (SMF) continues to be reviewed and refined to provide clarity and simplicity through:

- Renaming the 'Strategic Plan – towards 2040' the 'Community Vision' to better reflect its long term aspirational nature.
- A 3-year Business Plan 2016-2019 which is aligned to the Community Vision is near completion.
- A review of the 'Broad Horizons Bright Futures' Strategic Plan 2010-2020 has been completed to inform the development of a revised 10 year strategic plan.

This target was not met given at the end of June 2016 the 3 Year Business Plan was yet to be adopted and the 10 year strategic plan was not aligned to the Community Vision.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: David Harman, Financial Accountant

Manager: Ray Barnwell, Manager Finance

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Annual Financial Statements for the year ended 30 June 2016

Report Reference: GC111016R10

REPORT OBJECTIVES:

This report presents the City of Marion's Annual Financial Statements for the financial year ended 30 June 2016. Reports provided include:

1. Comparative analysis to prior year Audited Financial Statements (Analytical Review) – Appendix 1.
2. Annual Financial Statements for year ended 30 June 2016 – Appendix 2.
3. Representation letters (Appendix 3) - audit of annual financial report for period 1 July 2015 to 30 June 2016. The purpose of these letters is to express an opinion as to whether the financial report is prepared in accordance with Australian Accounting Standards, the Local Government Act 1999 and other mandatory reporting requirements in Australia. These letters will be signed by Adrian Skull, CEO and Vincent Mifsud, General Manager Corporate Services.
4. External Auditor (Deloitte Touché Tohmatsu) report to Council – Appendix 4.
5. Annual Financial Statements for Southern Region Waste Resource Authority (SRWRA) and Council Solutions for year ended 30 June 2016 – Appendices 5 and 6.

These reports were provided for consideration by the Finance and Audit Committee on 4 October and have been fully endorsed by the Finance and Audit Committee for adoption prior to being brought to Council.

EXECUTIVE SUMMARY:

The 2015/16 Annual Financial Statements demonstrate Council's ongoing strong financial performance, providing a sound basis for Council's long-term objectives set out in its Strategic Plan. In adopting the 2015/16 Annual Budget in June 2015 there was a commitment given to making a concerted effort and having a strong focus throughout the year on achieving efficiency and effectiveness savings across the organisation, without impacting on service delivery outcomes. A primary objective of this was to ease the financial burden on rate payers. This has been achieved throughout 2015/16 and is reflected in the audited financial statements.

In summary an Operating Surplus of \$9.883m was achieved, which was \$0.144m lower than 2014/15. The key factors that assisted in achieving this are:

- Operating Expenditure (excluding Depreciation) – net increase of \$0.115m (0.2%) compared to 2014/15. This minimal decrease was achieved with employee costs only increasing by \$26k (0.1%), despite Enterprise Agreement increases of between 3% and 3.4%.

The Annual Financial Statements of the City of Marion, for the year ended 30 June 2016, have been completed with no Audit findings with regards to the financial statements. Council's Auditors have indicated that they expect to issue an unmodified audit opinion subject to the satisfactory completion of the following matters:

- A subsequent events review up to the date of the audit opinion
- Receipt of management's signed representation letters

This report has been prepared in accordance with section 127 of the Local Government Act and the Local Government Accounting Regulations.

In accordance with section 125 of the Local Government Act 1999 Council's external auditors have also assessed the Internal Financial Control environment in regards to Council's compliance with all material aspects of the Act.

As outlined in their Management Letter (Appendix 6) Deloitte are satisfied that 5 of the 8 prior year Internal Financial Control audit findings have now been fully implemented, with one finding in process of implementation, and the remaining two findings acknowledged as acceptable given the low level of risk. This year there were 6 recommendations made to further strengthen our Internal Control environment, with all of these being categorised as 'insignificant' under the risk matrix. Management have agreed to appropriately address all of these recommendations. Council's Auditors have indicated that they expect to issue an unmodified audit opinion with regards to Council's Internal Financial Control environment.

As part of the annual audit process, Council's external auditors perform a number of minor grant audits, which are required as part of each individual funding agreement.

Next Steps

Following the adoption of the 2015/16 Audited Financial Statements the 1st Budget Review 2016/17 process will be conducted, which includes:

- Analysis of the 2015/16 Carryovers & Unexpended Grants of \$10.451m (down from \$15.156m in 2014/15);
- reconciling and identifying the 2015/16 funding savings achieved against Council's adopted 2015/16 budget.

RECOMMENDATIONS (3)

DUE DATES

That Council:

- | | |
|---|--------------------|
| 1. Adopts the audited Annual Financial Statements for the year ended 30 June 2016 (Appendix 2). | 11 Oct 2016 |
| 2. Receive the Southern Region Waste Resource Authority (SRWRA) 2015/16 audited Financial Statements (Appendix 5). | 11 Oct 2016 |
| 3. Receive the Council Solutions Regional Authority 2015/16 audited Annual Financial Statements (Appendix 6). | 11 Oct 2016 |

BACKGROUND AND DISCUSSION

The Statements have been prepared in accordance with applicable Australian Accounting Standards and the Local Government Regulations.

The Local Government Accounting Regulations require that a Council must prepare its accounts for audit by the second Friday in October and on or before 30 November, supply a copy of the Audited Financial Statements to each of the following:

- The Minister
- The Local Government Grants Commission
- The Deputy Commonwealth Statistician and Government Statistician

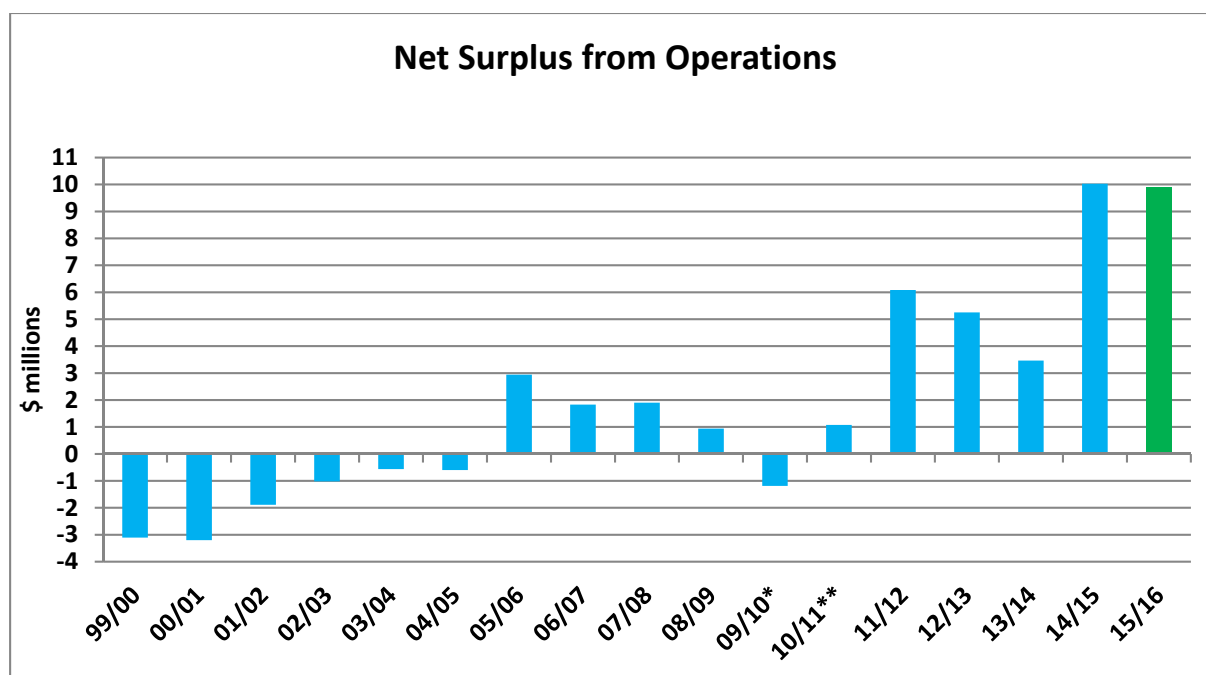
Four main Statements are prepared and these are summarised below.

ANALYSIS:

Statement of Comprehensive Income

The Statement of Comprehensive Income details Council's revenues and expenses for the reporting period and reveals an operating surplus (before capital revenues and contributed assets) of \$9.883m for 2015/16 compared to an operating surplus of \$10.027m for 2014/15.

The decrease in Operating Surplus is primarily due to an increase in depreciation expenditure resulting from a combination of the new Cove Civic Centre and City Services buildings, in conjunction with the change in treatment of residual values required by the revised Accounting Standards.



* The underlying operating surplus for 2009/10 after adjusting for the once-off Domain Land transfer for the SA Aquatic and Leisure Centre is \$4.787m.

** The underlying operating surplus for 2010/11 after adjusting for the once-off cash contribution for the SA Aquatic and Leisure Centre is \$6.078m

Operating Income

Total Operating income for 2015/16 was \$82.628m compared to \$81.997m in 2014/15. The increase of \$0.631m (0.8%) is mainly attributed to the adopted increase in Rates of \$2.5m

(2.9% + growth of 1.18%) which is offset by a decrease in Grants, Subsidies and Contributions of \$1.2m (15.8%).

This decrease in operating Grants, Subsidies and Contributions of \$1.2m predominantly relates to timing of the payment of the Grants Commission's Financial Assistance Grants (FAG) which is normally paid in quarterly instalments. The first two of four payments for 2015/16 were received and accounted for in the prior financial year resulting in only 50% of the overall payment being received in the 2015/16 financial year.

Operating Expenses

Total Operating expenses for 2015/16 were \$72.745m compared to \$71.970m in 2014/15. The marginal increase of \$0.775m (1.1%) predominantly relates to an increase in Depreciation (\$0.660m) resulting from a combination of the new Cove Civic Centre and City Services buildings, in conjunction with the change in treatment of residual values required by the revised Accounting Standards.

Employee costs increased marginally \$26k (0.08%) in 2015/16 from 2014/15 with increases from Enterprise Agreements (between 3.0% and 3.4%) being offset by savings achieved from organisational restructuring resulting in a reduction in management levels.

Capital Revenues and Contributed Assets

Other key variances reported on the Statement of Comprehensive Income are *Amounts Received Specifically for New or Upgraded Assets* (down \$1.3m) relating to an decreased number of projects receiving external funding, and *Contributed Assets* (down \$7.6m) with the majority of this relating to infrastructure (including roads and retaining walls) in 2014/15 from a new residential development at Hallett Cove.

Variances against the 2014/15 Statement of Comprehensive Income are discussed in detail in Appendix 1 (Analytical Review).

Key Operating Ratios

OPERATING SURPLUS RATIO	2016	2015	2014
<u>Operating Surplus (before capital revenues)</u>	12%	12%	5%
Total Operating Revenue			

This ratio expresses the operating surplus/ (deficit) as a percentage of total operating revenue. Council has set a target for this ratio of between 0 and 5% on a 5 year rolling average.

Comment:

- The target set in Council's Long Term Financial Plan is to "maintain a financial position at an average of between 0 and 5% over any five financial years" however this was exceeded in the 5 years to 2015/16, with an average ratio of 9.0%. This year's ratio has been impacted by significant savings of \$3.2m identified during the Annual Budget process for 2015/16 within the result from an organisation wide focus on efficiency and effectiveness savings over the past two years.

RATE REVENUE RATIO	2016	2015	2014
<u>Rate Revenue</u>	85%	82%	85%
Operating Revenue			

This ratio expresses rate revenue as a percentage of operating revenue.

Although this ratio is not a prescribed ratio required by the 'Model Set of Accounts' it is a valuable indicator as it highlights Council's reliance on rates as a revenue source and the need for Council to seek alternative sources of income.

Comment:

To address the dependency of Council on rate revenue the following programs have been implemented:

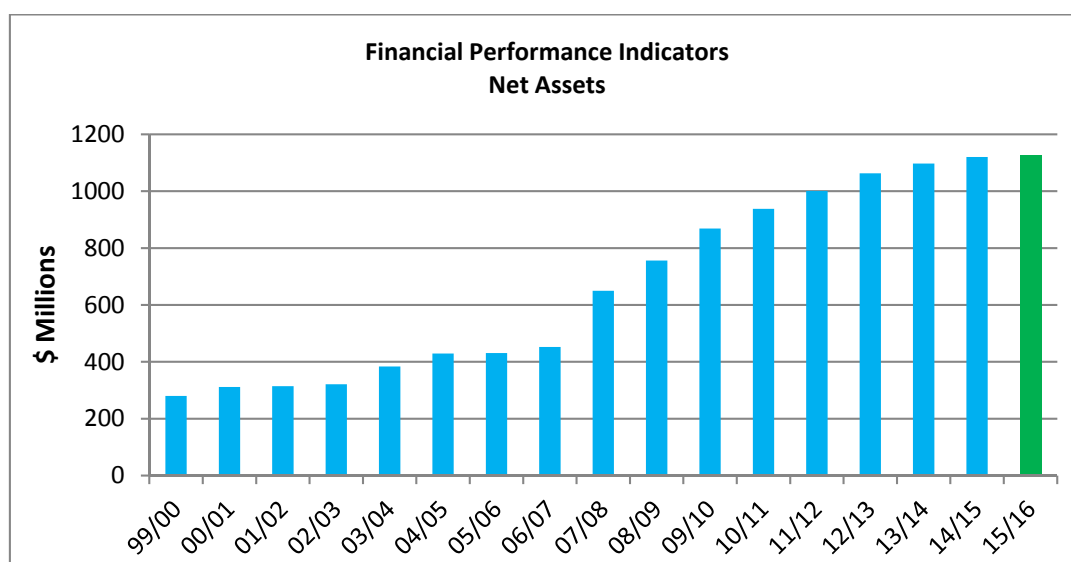
- to focus on internal training and development of Council officers to maximise grant opportunities.
- Annual review of Fees and Charges Schedule.

Statement of Financial Position

The Statement of Financial Position provides details of Council's assets, liabilities and equity as at 30 June 2016.

The majority of Council's assets relate to community property and infrastructure assets (roads, paths, drainage, etc).

The following graph illustrates the increase in Council's total equity from \$279.8m in 1999/00 to \$1,126.8m in 2015/16.



This identifies the continued increase in Council's net assets which can mainly be attributed to revaluations of its Infrastructure assets as noted in the following table.

	2015 \$'000	2016 \$'000	Increase \$'000
Infrastructure	651,612	663,385	11,773

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

Council's IPP&E increased by \$10.255m (0.93%) compared to 2014/15 with the majority of the increase relating to a net upward revaluation of \$7.3m in infrastructure assets.

Other variances when comparing 2015/16 against the 2014/15 Statement of Financial Position are discussed in detail in the Analytical Review provided at Appendix 2.

Key Financial Position Ratios

WORKING CAPITAL RATIO	2016 1.5	2015 1.0	2014 0.8
-----------------------	-------------	-------------	-------------

Current Assets – (Less Restricted Assets)

Current Liabilities – (Liabilities Associated with Restricted Assets)

This ratio focuses on the liquidity position of Council, adjusting for restricted assets (eg. unspent specific tied grants that would need to be excluded from Council's current assets as Council would be restricted from using this cash to meet short term liabilities).

Council's target for this ratio is between 1.0 and 1.1.

Comment:

Council's cash flow is in a good position to undertake day to day operations, along with having sufficient cash to cover the balances in its Asset Sustainability Reserve.

ASSET SUSTAINABILITY RATIO	2016	2015	2014
<u>Net Asset Renewals</u>	84%	76%	57%
Depreciation Expense			

Net asset renewal expenditure is defined as net capital expenditures on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

This ratio indicates whether the Council is renewing or replacing existing assets at the rate of consumption. A long term average ratio of 95-100% would indicate that Council is investing adequately in maintaining its asset base.

Comment:

Council's Long Term Financial Plan (LTFP) is set to achieve a target of 95-100% in future years by providing increased funding for renewal of assets.

ASSET CONSUMPTION RATIO	2016	2015	2014
<u>Carrying value of depreciable assets</u>	78%	80%	81%
Gross value of depreciable assets			

This ratio shows the consumption of the asset stock at a point in time (or the percentage of useful life remaining). Depreciation represents the reduction in value of the assets each year and therefore accumulated depreciation is the total reduction in the carrying value of the assets. The ratio reflected above indicate on average a relatively high remaining useful life for assets.

Council's target for this ratio is between 80-100%.

Comment:

A ratio higher than 80% indicates that Council's overall asset base has on average a relatively high remaining useful life. A result of between 40% and 80% is considered acceptable.

Borrowings

In assessing Council's financial position it is appropriate to consider liabilities in relation to borrowings. Borrowings are required by Council from time to time to finance strategic long-term assets for the orderly development of the City. Council's total borrowings as at the 30 June 2016 were \$10.2m a net decrease of \$1.7m over the level of borrowings in June 2015.

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

Key Debt Ratios

NET FINANCIAL LIABILITIES RATIO	2016	2015	2014
<u>Net Financial Liabilities</u>	(8%)	(2%)	(8%)
Total Operating Revenue			

This ratio indicates the extent to which net financial liabilities of the council can be met by the council's total operating revenue and is based on the Net Financial Liabilities above.

Comment:

This result is due to a substantial holding of cash and other financial assets allocated for unexpended grants and funding for capital projects carried over or retimed to 2016/17 and beyond totalling \$10.506m. Without these holdings this ratio would be 4%. Council's capacity to meet its financial obligations from operating revenues is strong and it has capacity to meet future requirements identified in its Long Term Financial Plan.

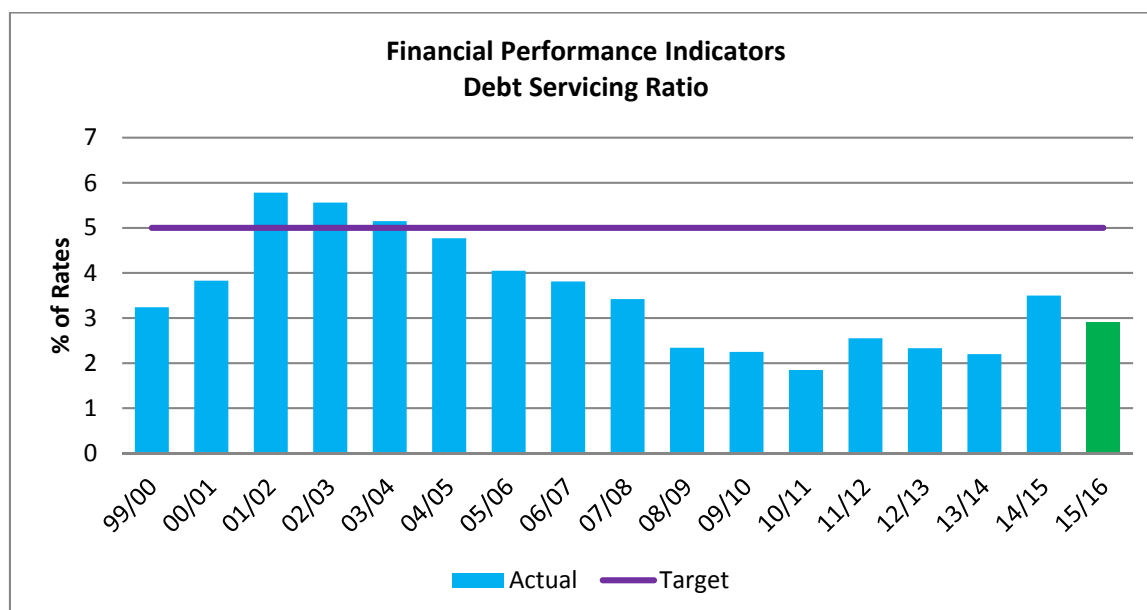
INTEREST COVER RATIO	2016	2015	2014
<u>Net Interest Expense</u>	0.0%	(0.1%)	(0.5%)
Total Operating Revenue			

Net interest costs are defined as total interest expenses less total interest revenues. This ratio indicates the extent to which Council's commitment to interest expenses are met by total operating revenues.

Comment:

The current ratio is a result of Interest Revenue (\$0.7m) being equivalent to Interest Expense (\$0.7m). Negative ratios recorded for 2013/14 and 2014/15 reflect interest revenues being greater than interest expenses.

DEBT SERVICING RATIO	2016	2015	2014
<u>Principal + Interest</u>	2.9%	3.5%	2.2%
Total Rate Revenue			



Statement of Changes in Equity

The Statement of Changes in Equity reconciles the opening and closing balances of Council's equity over the reporting period.

The balance of equity represents Council's net worth of \$1,126.8m as reflected in the Statement of Financial Position.

Cash Flow Statement

The Cash Flow Statement details the cash movements for the year ended and reconciles with Note 11 of the Annual Financial Statements.

The Statement indicates a cash balance of \$16.3m compared with \$19.7m in 2014/15. As previously mentioned a significant portion of the cash position is committed to unexpended grants, carryovers and retimed works (\$10.5m), along with a reasonable contribution towards reserve balances.

Key Cash Ratios

OPERATING CASH FLOW COVERAGE	2016	2015	2014
	108%	134%	101%

Cash Flows from Operations – (Loan Principal Repayments)

Average Annual Optimal Level of Expenditure per Council's Asset Management Plans

This ratio identifies Council's abilities to fund its operating and capital expenditure requirements without the need for significant sudden rate increases or service reductions, and whilst continuing to maintain intergenerational equity and the sustainable and responsible use of borrowings.

Council's target for this ratio is between 100% and 105%.

Comment:

Council's operating cash flow coverage is sufficient to meet its asset renewal requirements.

RESERVE FUNDS

A review of the balances of these reserves indicates that they are at a level sufficient to meet their purpose and intent which are listed in *Note 9 Reserves* in Appendix 3. Council's current Reserve funds are made up of the following:

Grants and Carryovers Reserve: \$10.506m

This is made up of grant funded carryover projects and capital works carried over to 2016/17 or to be retimed as required.

Open Space Reserve: \$1.014m

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

Asset Sustainability Reserve – General \$3.127m

The current balance in this fund is considered by management to be adequate to provide Council with the funding capacity to not only respond to a major infrastructure failure (\$2m is retained in this reserve for this specific purpose) but to also assist Council in managing its long term asset management objectives.

Asset Sustainability Reserve – Community Facility Partnership Fund (CFPP) \$7.120m

Funding has also been specifically set aside in the Asset Sustainability Reserve for the renewal, upgrade and purchase of Council assets as specifically resolved by Council. It includes a balance set aside to encourage organisations leasing council facilities to seek partnership funding for the required renewal and upgrade of those facilities in addition to funding quarantined by Council for its contribution to major new projects.

Equity Accounted Investments

Council has part ownership in two equity accounted investments and is required to include its equity share in these in its Annual Financial Statements along with copies of these entities' Financial Statements.

Southern Region Waste Resource Authority (SRWRA)

SRWRA provides and operates services for the management of waste and waste facilities on behalf of its constituent councils – The Cities of Onkaparinga, Marion and Holdfast Bay – ensuring that a long term Waste Management Strategy exists in the southern region of Adelaide. The City of Marion has a 30% equity share in SRWRA and equal voting rights.

It should be noted that whilst there was a significant contribution from SRWRA towards Council's operating income that this was non-cash. SRWRA generates operating surpluses during its operation as it will require funds to facilitate remediation at some stage in the future when it is no longer collecting waste. In this regard it is important to note that SRWRA's forecast future remediation liabilities are fully funded.

Council Solutions

Council Solutions is a joint initiative of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully. Its purpose is to optimise the financial sustainability of its constituent councils through the benefits of collaborative strategic procurement and contract negotiation and management. The City of Marion and each constituent council has an equal 16.67% equity share in Council Solutions and equal voting rights.

CONCLUSION:

The 2015/16 Annual Financial Statements demonstrate Council's continued improvement in its financial performance, providing a sound basis for Council's long-term objectives set out in its Strategic Plan.

Appendix 1 – Analytical Review of Statement of Comprehensive Income and
Statement of Financial Position

Appendix 2 – Audited Financial Statements 2015/16

Appendix 3 – Representation letters

Appendix 4 – External Auditor Report to Council and Board Audit Committee Report

Appendix 5 – Audited SRWRA Annual Report 2015/16

Appendix 6 – Audited Council Solutions Annual Report 2015/16

Statement of Comprehensive Income

	2015/16	2014/15	Variance	Variance	Favourable/ (Unfavourable)	Analysis
	\$000's	\$000's	\$000's	%		
Income						
Rates Revenues	69,997	67,465	2,532	3.8%	F	Rate increase of 2.9% plus growth of 1.18%
Statutory Charges	1,813	1,749	64	3.7%	F	
User Charges	1,771	1,689	82	4.9%	F	
Grants, Subsidies & Contributions	6,482	7,694	(1,212)	(15.8%)	U	Predominantly reflects receipt and recognition of half of the 2015/16 Grants Commission Financial Assistance Grants in 2014/15
Investment Income	696	888	(192)	(21.6%)	U	Lower rates received due to Reserve Bank Cash Rate decreases and lower average investments held throughout the year - refer Investment Report
Reimbursements	814	874	(60)	(6.9%)	U	
Other Income	515	800	(285)	(35.6%)	U	Contributions from lessees in 2014/15 for renewal works relating to the Major Sporting Hubs (\$460k)
Net Gain - Equity Accounted Businesses	540	838	(298)	(35.6%)	U	Movement in equity accounted investments - refer Note 19 and SRWRA and Council Solutions Annual Financial Statements
Total Income	82,628	81,997	631	0.8%		
Expenses						
Employee Costs	31,783	31,757	26	0.1%	U	Includes pay increases from Enterprise agreements of 3.4% Salary, 3.0% Wages, offset by substantial savings from organisational restructure
Materials, Contracts & Other Expenses	26,627	26,418	209	0.8%	U	
Depreciation, Amortisation & Impairment	13,634	12,974	660	5.1%	U	Increases due to completion of Cove Civic Centre and City Services, along with changes in residual values per accounting standards
Finance Costs	700	800	(100)	(12.5%)	F	No new borrowings were taken out resulting in a decrease in interest expense
Net Loss - Equity Accounted Businesses	1	21	(20)	(95.2%)	F	Movement in equity accounted investments - refer Note 19 and SRWRA and Council Solutions Annual Financial Statements
Total Expenses	72,745	71,970	775	1.1%		
Operating Surplus/(Deficit)	9,883	10,027	(144)	(1.4%)		
Asset Disposal & Fair Value Adjustments	(233)	(202)	(31)	15.3%		Asset disposal related differences
Amounts Received Specifically for New or Upgraded Assets	540	1,831	(1,291)	(70.5%)	U	Prior year includes one-off funding for Major Sporting Hubs, Inclusive Playspace, and a number of other NEW asset related projects.
Physical Resources Received Free of Charge	655	8,242	(7,587)	(92.1%)	U	Prior year includes significant contributions of infrastructure (particularly roads and retaining walls) from new developments in Hallett Cove
Net Surplus/(Deficit)	10,845	19,898	(9,053)	(45.5%)		
Other Comprehensive Income						
Changes in Revaluation Surplus - IPP&E	(4,500)	3,556	(8,056)	(226.5%)	U	Decrease in revaluation against prior year \$8,056k - refer Annual Financial Statements
Total Other Comprehensive Income	(4,500)	3,556	(8,056)	(226.5%)		
Total Comprehensive Income	6,345	23,454	(17,109)	(72.9%)		

Statement of Financial Position

	2015/16	2014/15	Variance	Variance	Analysis
	\$000's	\$000's	\$000's	%	
ASSETS					
Current Assets					
Cash & Cash Equivalents	16,271	19,688	(3,417)	(17.4%)	
Trade & Other Receivables	4,754	4,036	718	17.8%	
Other Financial Assets	8,200	2,750	5,450	198.2%	Relates to current term deposits with over 90 days to maturity
Inventories	176	166	10	6.0%	
Total Current Assets	29,401	26,640	2,761	10.4%	
Non-Current Assets					
Equity Accounted Investments in Council Businesses	5,659	5,120	539	10.5%	Movement in equity accounted investments - refer Note 19 and SRWRA and Council Solutions Annual Financial Statements
Infrastructure, Property, Plant & Equipment	1,111,658	1,101,403	10,255	0.9%	Capitalisation of City Services Redevelopment and other PP&E, net of depreciation
Other Non-Current Assets	2,341	12,495	(10,154)	(81.3%)	Decrease in Work In Progress, predominantly relating to the City Services Redevelopment
Total Non-Current Assets	1,119,658	1,119,018	640	0.1%	
TOTAL ASSETS	1,149,059	1,145,658	3,401	0.3%	
LIABILITIES					
Current Liabilities					
Trade & Other Payables	6,082	7,278	(1,196)	(16.4%)	Due to timing of year end there has been a significant reduction in payroll accruals for the final pays of 2015/16 (\$0.6m) along with a reduction in Trade Payables due to major projects now completed that were in progress at the end of 2014/15
Borrowings	1,126	1,671	(545)	(32.6%)	Due to nature of fixed borrowings current borrowings have increased as interest decreases
Provisions	5,192	5,155	37	0.7%	
Total Current Liabilities	12,400	14,104	(1,704)	(12.1%)	
Non-Current Liabilities					
Borrowings	9,102	10,229	(1,127)	(11.0%)	Reduction in total borrowings in line with scheduled repayments of existing loans - no new borrowings taken out during 2015/16
Provisions	744	857	(113)	(13.2%)	Focus on reduction of excessive leave balances during the year have resulted in a decrease in Long Service Leave entitlement hours.
Total Non-Current Liabilities	9,846	11,086	(1,240)	(11.2%)	
TOTAL LIABILITIES	22,246	25,190	(2,944)	(11.7%)	
Net Assets	1,126,813	1,120,468	6,345	0.6%	
EQUITY					
Accumulated Surplus	369,211	360,929	8,282	2.3%	Refer Income Statement (\$10.845m) - Reserve Transfer (\$2.563) = Statement of Change in Equity.
Asset Revaluation Reserves	735,835	740,335	(4,500)	(0.6%)	Change in asset valuations per Annual Financial Statements
Other Reserves	21,767	19,204	2,563	13.3%	Reduction in amounts transferred to Grants & Carryover (\$4.7m) offset by amounts transferred to the Asset Sustainability Reserve - Community Facilities Partnership Fund (\$7.5m)
Total Council Equity	1,126,813	1,120,468	6,345	0.6%	

City of Marion

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2016



City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

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City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

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 2016 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.

Adrian Skull
CHIEF EXECUTIVE OFFICER

Kris Hanna
MAYOR

Date: dd Month 2016

City of Marion

Statement of Comprehensive Income

for the year ended 30 June 2016

\$ '000	Notes	2016	2015
Income			
Rates Revenues	2a	69,997	67,465
Statutory Charges	2b	1,813	1,749
User Charges	2c	1,771	1,689
Grants, Subsidies and Contributions	2g	6,482	7,694
Investment Income	2d	696	888
Reimbursements	2e	814	874
Other Income	2f	515	800
Net Gain - Equity Accounted Council Businesses	19	540	838
Total Income		82,628	81,997
Expenses			
Employee Costs	3a	31,783	31,757
Materials, Contracts & Other Expenses	3b	26,627	26,418
Depreciation, Amortisation & Impairment	3c	13,634	12,974
Finance Costs	3d	700	800
Net loss - Equity Accounted Council Businesses	19	1	21
Total Expenses		72,745	71,970
Operating Surplus / (Deficit)		9,883	10,027
Asset Disposal & Fair Value Adjustments	4	(233)	(202)
Amounts Received Specifically for New or Upgraded Assets	2g	540	1,831
Physical Resources Received Free of Charge	2i	655	8,242
Net Surplus / (Deficit) ¹		10,845	19,898
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	(4,500)	3,556
Total Other Comprehensive Income		(4,500)	3,556
Total Comprehensive Income		6,345	23,454

¹ Transferred to Equity Statement

City of Marion

Statement of Financial Position

as at 30 June 2016

\$ '000	Notes	2016	2015
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	16,271	19,688
Trade & Other Receivables	5b	4,754	4,036
Other Financial Assets	5c	8,200	2,750
Inventories	5d	176	166
Total Current Assets		29,401	26,640
Non-Current Assets			
Equity Accounted Investments in Council Businesses	6a	5,659	5,120
Infrastructure, Property, Plant & Equipment	7a	1,111,658	1,101,403
Other Non-Current Assets	6b	2,341	12,495
Total Non-Current Assets		1,119,658	1,119,018
TOTAL ASSETS		1,149,059	1,145,658
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	6,082	7,278
Borrowings	8b	1,126	1,671
Provisions	8c	5,192	5,155
Total Current Liabilities		12,400	14,104
Non-Current Liabilities			
Borrowings	8b	9,102	10,229
Provisions	8c	744	857
Total Non-Current Liabilities		9,846	11,086
TOTAL LIABILITIES		22,246	25,190
Net Assets		1,126,813	1,120,468
EQUITY			
Accumulated Surplus		369,211	360,929
Asset Revaluation Reserves	9a	735,835	740,335
Other Reserves	9b	21,767	19,204
Total Council Equity		1,126,813	1,120,468

City of Marion

Statement of Changes in Equity
for the year ended 30 June 2016

\$ '000		Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
2016						
Balance at the end of previous reporting period			360,929	740,335	19,204	1,120,468
a. Net Surplus / (Deficit) for Year			10,845	-	-	10,845
b. Other Comprehensive Income						
- Gain (Loss) on Revaluation of I,PP&E	7a		-	(4,500)	-	(4,500)
Other Comprehensive Income			-	(4,500)	-	(4,500)
Total Comprehensive Income			10,845	(4,500)	-	6,345
f. Transfers between Reserves			(2,563)	-	2,563	-
Balance at the end of period			369,211	735,835	21,767	1,126,813
2015						
Balance at the end of previous reporting period			340,053	736,779	20,182	1,097,014
a. Net Surplus / (Deficit) for Year			19,898	-	-	19,898
b. Other Comprehensive Income						
- Gain (Loss) on Revaluation of I,PP&E	7a		-	3,556	-	3,556
Other Comprehensive Income			-	3,556	-	3,556
Total Comprehensive Income			19,898	3,556	-	23,454
c. Transfers between Reserves			978	-	(978)	-
Balance at the end of period			360,929	740,335	19,204	1,120,468

City of Marion

Statement of Cash Flows

for the year ended 30 June 2016

\$ '000	Notes	2016	2015
Cash Flows from Operating Activities			
<u>Receipts</u>			
Rates Receipts		69,633	67,321
Statutory Charges		1,813	1,745
User Charges		1,948	1,789
Grants, Subsidies and Contributions (operating purpose)		6,821	7,502
Investment Receipts		696	888
Reimbursements		895	883
Other Receipts		4,072	5,800
<u>Payments</u>			
Payments to Employees		(32,638)	(31,100)
Payments for Materials, Contracts & Other Expenses		(31,631)	(30,818)
Finance Payments		(700)	(800)
Net Cash provided by (or used in) Operating Activities	11b	20,909	23,210
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		540	1,831
Sale of Replaced Assets		559	721
Distributions Received from Equity Accounted Council Businesses		-	60
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(9,528)	(10,546)
Expenditure on New/Upgraded Assets		(8,796)	(19,332)
Net Purchase of Investment Securities		(5,450)	6,150
Net Cash provided by (or used in) Investing Activities		(22,675)	(21,116)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Bonds & Deposits		21	1
<u>Payments</u>			
Repayments of Borrowings		(1,672)	(1,572)
Net Cash provided by (or used in) Financing Activities		(1,651)	(1,571)
Net Increase (Decrease) in Cash Held		(3,417)	523
plus: Cash & Cash Equivalents at beginning of period		19,688	19,165
Cash & Cash Equivalents at end of period	11	16,271	19,688
Additional Information:			
plus: Investments on hand - end of year	5c	8,200	2,750
Total Cash, Cash Equivalents & Investments		24,471	22,438

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

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City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

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 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 1 July 2013.

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 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.

1.4 Rounding

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

2 The Local Government Reporting Entity

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

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

3 Income Recognition

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

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

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.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies (continued)

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

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

is applied to the acquisition of land or interests in land.

Category	Individual Threshold
Infrastructure	\$5,000
Land	N/a
Land Improvements	\$5,000
Buildings	\$5,000
Furniture and Fittings	\$3,000
Equipment	\$3,000
Other	\$3,000

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

6.2 Materiality

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

Category	Aggregated Threshold
Infrastructure	
Reserve Lighting	\$1,000,000
Reserve Pathways	\$1,000,000
Reserve Irrigation	\$1,000,000
Buildings	
Bus Shelters	\$1,000,000
Shelters/Gazebos	\$100,000
Fencing	\$100,000
Furniture and Fittings	\$25,000
Equipment	\$100,000
Other	
BBQs	\$100,000
Reserve Furniture	\$500,000
Cricket Practice Nets	\$100,000
Drink Fountains	\$50,000
Play Equipment Softfall	\$50,000
Reserve Bollards	\$500,000
Reserve Bins	\$100,000
City Band Instruments	\$100,000
Council Artwork	\$100,000
Library Stock	\$1,000,000

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies (continued)

valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

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

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually. Residual values of some assets have been reduced to zero to no longer recognise any value relating to re-use of materials.

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

Major asset classifications are componentised to accurately reflect the useful life of each significant component. These assets typically have a major element that have a 'long life', as opposed to other elements that have a 'shorter life' which are renewed multiple times over the existence of the 'long life' component. Where this is applicable it is reflected in the following information.

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

	Short Life Years	Long Life Years
Infrastructure		
Sealed Roads – Surface	25 to 40	N/a
Road Base	60 to 100	200
Road Formation	100 to 175	200
Kerb	70 - 105	200
Footpath – Bitumen/Rubber	20 to 40	60 to 100
Footpath – Concrete	50 to 85	200
Footpath – Paved	50 to 85	200
Other Road Structures	20 to 60	40 to 80
Traffic Signs	15 to 20	60
Bridges	80 to 140	200
Stormwater Pipes Standard	100 to 175	200
Junction Boxes	100 to 175	200
Pollutant Traps	100 to 175	200
Box Culverts	100 to 175	200
Headwalls	100 to 175	200
Drainage Pits	100 to 175	200
Other Infrastructure		
Wetland Assets	15-100	250 years
Car Parks	25 to 40	N/a
Irrigation	25	N/a
Lighting	15-40	N/a
Recreation Pathways	40	N/a
Sports Floodlights	25	N/a
Other Assets		
Library Books - Paperbacks	7	N/a
Library Books - Hardcover	7	N/a
Other Library (CD's, DVD's, Toys)	3 to 7	N/a
Playground Equipment	20	N/a
Reserve Furniture	7 to 40	N/a
Band Instruments	60	N/a
Civic Art Structures	30 to 80	N/a

These changes to estimated useful life are expected to have an effect on future periods, however as estimating this effect is impracticable this has not been disclosed.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies (continued)

6.5 Impairment

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

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

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

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days 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 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.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies (continued)

10 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense 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 interpretations

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

City of Marion has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective with the exception of AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*. Generally Council applies standards and interpretations in accordance with their respective commencement dates. The retrospective application of AASB 2015-7 has exempted Council from the disclosure of quantitative information and sensitivity analysis for some valuations categorised within Level 3 of the fair value hierarchy.

AASB 9 – Financial Instruments

At the date of authorisation of the financial report, AASB 9 *Financial Instruments* (from 1 July 2018) and AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* are the only new accounting standards with a future application date that are expected to have a material impact on Council's financial statements.

AASB 15 - Revenue from contracts with customers and associated amending standards

AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements as well as additional disclosures.

The full impact of AASB 15 has not yet been ascertained or quantified. AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

The effective date of this standard is for annual reporting periods beginning on or after 1 January 2018.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 1. Summary of Significant Accounting Policies (continued)

AASB 16 – Leases

From 1 January 2019 changes to this standard mean that Council will need to disclose operating and finance leases in the same fashion. As this is considered to be too remote in time to have a potentially material affect on the interpretation of the 2015/16 financial reports, and omitted on this basis.

AASB 2016-2 Disclosure Initiative – changes to AASB 107 – Statement of Cashflows

From periods commencing on or after 1 January 2017 changes to AASB 107 will require Council to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

AASB 124 – Related Party Disclosures

From 1 July 2016 AASB 124 *Related Party Disclosures* will apply to Council, which means that Council will disclose more information about related parties and transactions with those related parties.

Council is still reviewing the way that revenue is measured and recognised to identify whether AASB 124 *Related Party Disclosures* will have a material impact. To date no impact has been identified.

Other amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

The amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

14 Comparative Figures

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

15 Disclaimer

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income

\$ '000	Notes	2016	2015
(a). Rates Revenues			
General Rates			
General Rates		69,233	66,701
Less: Mandatory Rebates		(1,026)	(953)
Less: Discretionary Rebates, Remissions & Write Offs		(2)	(9)
Total General Rates		68,205	65,739
Other Rates (Including Service Charges)			
Natural Resource Management Levy		1,562	1,523
Total Other Rates		1,562	1,523
Other Charges			
Penalties for Late Payment		230	203
Total Other Charges		230	203
Total Rates Revenues		69,997	67,465
(b). Statutory Charges			
Development Act Fees		810	820
Town Planning Fees		82	81
Animal Registration Fees & Fines		455	435
Parking Fines / Expiation Fees		466	413
Total Statutory Charges		1,813	1,749
(c). User Charges			
Admission Fees		414	416
Hall & Equipment Hire		215	199
Rental Income		182	200
Sales - General		265	221
Sundry		695	653
Total User Charges		1,771	1,689

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income (continued)

\$ '000	Notes	2016	2015
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		692	882
- Banks & Other		4	6
Total Investment Income		696	888
(e). Reimbursements			
Private Works		201	142
Other		613	732
Total Reimbursements		814	874
(f). Other Income			
Insurance & Other Recoupments - Infrastructure, IPP&E		76	17
Donations & Contributions income		302	632
Sundry		137	151
Total Other Income		515	800
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		540	1,831
Other Grants, Subsidies and Contributions		6,482	6,257
Individually Significant Item - Additional Grants Commission Payment (refer below)		-	1,437
Total Grants, Subsidies, Contributions		7,022	9,525
The functions to which these grants relate are shown in Note 12.			
(i) Sources of grants			
Commonwealth Government		4,684	6,319
State Government		1,986	2,474
Other		352	732
Total		7,022	9,525
(ii) Individually Significant Items			
Grant Commission (FAG) Grant Recognised as Income		-	1,437

In June 2015, Council received payment of the first two instalments of the 2015/16 Grant Commission (FAG) grant. This has had a material effect Council's operating result this year.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 2. Income (continued)

\$ '000	Notes	2016	2015
(h). Conditions over Grants & Contributions			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
Unexpended at the close of the previous reporting period		4,225	1,872
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Other		(3,656)	(645)
Subtotal		(3,656)	(645)
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Other		676	2,998
Subtotal		676	2,998
Unexpended at the close of this reporting period		1,245	4,225
Net increase (decrease) in assets subject to conditions in the current reporting period		(2,980)	2,353
(i). Physical Resources Received Free of Charge			
Land & Improvements		588	766
Roads, Bridges & Footpaths		-	7,451
Buildings		67	15
Other Infrastructure		-	10
Total Physical Resources Received Free of Charge		655	8,242

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 3. Expenses

\$ '000	Notes	2016	2015
(a). Employee Costs			
Salaries and Wages		27,036	26,840
Employee Leave Expense		2,564	2,849
Superannuation - Defined Contribution Plan Contributions	18	2,451	2,407
Workers' Compensation Insurance		922	825
Less: Capitalised and Distributed Costs		(1,190)	(1,164)
Total Operating Employee Costs		31,783	31,757
Total Number of Employees (full time equivalent at end of reporting period)		342	348
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		51	72
Bad and Doubtful Debts		14	-
Elected Members' Expenses		332	317
Operating Lease Rentals - Cancellable Leases		462	462
Subtotal - Prescribed Expenses		859	851
(ii) Other Materials, Contracts and Expenses			
Contractors		12,576	12,307
Energy		1,735	1,788
Maintenance		1,767	1,621
Legal Expenses		424	421
Levies Paid to Government - NRM levy		1,573	1,517
Levies - Other		125	194
Parts, Accessories & Consumables		3,044	2,928
Professional Services		1,066	717
Sundry		1,572	2,064
Insurance		643	643
Fringe Benefits Tax		227	252
Advertising		151	202
Printing & Postage		285	270
Memberships & Subscriptions		193	204
Bank Fees & Charges		209	225
Telecommunication Charges		178	214
Subtotal - Other Material, Contracts & Expenses		25,768	25,567
Total Materials, Contracts and Other Expenses		26,627	26,418

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 3. Expenses (continued)

\$ '000	Notes	2016	2015
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings & Other Structures		4,279	3,799
Infrastructure		5,933	5,901
- Other		1,168	1,011
Plant & Equipment		1,308	1,352
Furniture & Fittings		71	41
Intangible Assets		67	68
Other Assets		916	911
Subtotal		13,742	13,083
(ii) Impairment			
Nil			
Less: Capitalised and Distributed costs		(108)	(109)
Total Depreciation, Amortisation and Impairment		13,634	12,974
(d). Finance Costs			
Interest on Loans		700	800
Total Finance Costs		700	800

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	Notes	2016	2015
Infrastructure, Property, Plant & Equipment			
Assets Renewed or Directly Replaced			
Proceeds from Disposal		559	721
Less: Carrying Amount of Assets Sold		(792)	(923)
Gain (Loss) on Disposal		(233)	(202)
Net Gain (Loss) on Disposal or Revaluation of Assets		(233)	(202)

Note 5. Current Assets

(a). Cash & Cash Equivalents

Cash on Hand and at Bank	321	888
Short Term Deposits & Bills, etc.	15,950	18,800
Total Cash & Cash Equivalents	16,271	19,688

(b). Trade & Other Receivables

Rates - General & Other	1,981	1,568
Rates Postponed for State Seniors	31	80
Accrued Revenues	225	200
Debtors - General	1,739	1,021
GST Recoupment	247	720
Prepayments	531	447
Total Trade & Other Receivables	4,754	4,036

(c). Other Financial Assets (Investments)

Other Financial Assets (Term Deposits with over 90 days to maturity)	8,200	2,750
Total Other Financial Assets (Investments)	8,200	2,750

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

(d). Inventories

Stores & Materials	176	166
Total Inventories	176	166

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 6. Non-Current Assets

\$ '000	Notes	2016	2015
(a). Equity Accounted Investments in Council Businesses			
Southern Region Waste Resource Authority	19	5,559	5,019
Council Solutions	19	100	101
Total Equity Accounted Investments in Council Businesses		5,659	5,120
(b). Other Non-Current Assets			
Capital Works-in-Progress		2,121	12,323
Computer Software & Licences		1,180	1,113
Less Accumulated Amortisation		(960)	(941)
Total Other		2,341	12,495
Total Other Non-Current Assets		2,341	12,495

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 7a (i). Infrastructure, Property, Plant & Equipment

\$ '000	Fair Value Level	as at 30/6/2015					Asset Movements during the Reporting Period						as at 30/6/2016				
		At Fair Value	At Cost	Accumulated		Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated		Carrying Value
				Dep'n	Impairment		New / Upgrade	Renewals							Dep'n	Impairment	
Land	2	341,485	1,150	-	-	342,635	1,074	-	-	-	-	-	341,485	2,224	-	-	343,709
Buildings & Other Structures	3	144,967	12,625	65,517	-	92,075	9,500	4,295	(240)	(4,279)	(11,874)	-	144,471	26,420	81,414	-	89,477
Infrastructure	3	706,392	1,514	92,621	-	615,285	2,444	5,944	-	(5,933)	-	8,100	728,024	2,145	104,329	-	625,840
- Other	3	48,171	1,497	13,341	-	36,327	2,536	629	-	(1,168)	(779)	-	47,744	4,780	14,979	-	37,545
Plant & Equipment	-	-	13,114	5,976	-	7,138	162	748	(469)	(1,308)	-	-	-	12,805	6,534	-	6,271
Furniture & Fittings	-	-	1,405	1,021	-	384	639	43	(83)	(71)	-	-	(1)	1,775	862	-	912
Other Assets	3	13,664	176	6,281	-	7,559	801	407	-	(916)	-	53	13,655	987	6,738	-	7,904
Total Infrastructure, Property, Plant & Equipment		1,254,679	31,481	184,757	-	1,101,403	17,156	12,066	(792)	(13,675)	(12,653)	8,153	1,275,378	51,136	214,856	-	1,111,658
Comparatives		1,232,212	16,232	171,073	-	1,077,371	23,828	10,547	(884)	(13,015)	(3,287)	6,843	1,254,679	31,481	184,757	-	1,101,403

Note 7a (ii). Investment Property

Nil

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

Valuation of Assets

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

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

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

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

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

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

Information on Valuations

Accounting procedure: Upon revaluation, the current new replacement cost and accumulated depreciation are restated 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.

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

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

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

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

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016Note 7b. Valuation of Infrastructure, Property, Plant & Equipment &
Investment Property (continued)

\$ '000

Valuation of Assets (continued)

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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

Highest and best use

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

Transition to AASB 13 - Fair Value Measurement

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

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

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

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$ '000

Valuation of Assets (continued)

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. A desktop revaluation was carried out by independent valuation for the reporting period, 30 June 2016

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

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

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

Buildings & Other Structures

A desktop revaluation was carried out by independent valuation for this reporting period, 30 June 2016.

Infrastructure

Infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) were valued by independent valuation as at 30 June 2016.

A desktop revaluation was carried out by independent valuation for this reporting period, 30 June 2016 for other infrastructure assets such as car parks, lighting, walking trails and reserve pathways

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

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other Assets

A desktop revaluation was carried out by independent valuation for this reporting period, 30 June 2016, apart from Library Stock which is valued by Council Officers at written down replacement cost on an annual basis.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 8. Liabilities

		2016	2016	2015	2015
\$ '000	Notes	Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Goods & Services		5,317	-	5,945	-
Accrued Expenses - Employee Entitlements		599	-	1,286	-
Accrued Expenses - Other		27	-	39	-
Deposits, Retentions & Bonds		22	-	1	-
Other		117	-	7	-
Total Trade and Other Payables		6,082	-	7,278	-

(b). Borrowings

Loans	1,126	9,102	1,671	10,229
Total Borrowings	1,126	9,102	1,671	10,229

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

(c). Provisions

Employee Entitlements (including oncosts)	5,192	744	5,155	857
Total Provisions	5,192	744	5,155	857

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 9. Reserves

\$ '000	1/7/2015	Increments (Decrements)	Transfers	Impairments	30/6/2016
(a). Asset Revaluation Reserve					
Land	242,532	-	-	-	242,532
Buildings & Other Structures	71,124	(11,874)	-	-	59,250
Infrastructure	4,760	8,100	-	-	12,860
- Stormwater Drainage	97,742	-	-	-	97,742
- Other	2,081	(779)	-	-	1,302
- Roads, Bridges, Footpaths	318,547	-	-	-	318,547
Other Assets	4,439	53	-	-	4,492
JV's / Associates - Other Comprehensive Income	(890)	-	-	-	(890)
Total Asset Revaluation Reserve	740,335	(4,500)	-	-	735,835
Comparatives	736,779	3,556	-	-	740,335

\$ '000	1/7/2015	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2016
(b). Other Reserves					
Open Space Reserve	857	177	(20)	-	1,014
Grants/Carry Forward Projects Reserve	15,211	10,451	(15,156)	-	10,506
Asset Sustainability Reserve	3,136	7,457	(346)	-	10,247
Total Other Reserves	19,204	18,085	(15,522)	-	21,767
Comparatives	20,182	15,713	(16,691)	-	19,204

PURPOSES OF RESERVES

Asset Revaluation Reserves

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

Open Space Reserve

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

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

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 9. Reserves (continued)

\$ '000

Grants/Carry Forward Projects Reserve

Purpose - this reserve was created for:

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

Unexpended Grants - when grant monies have not been fully acquitted in the financial year this reserve is used to transfer the unexpended balance to the following year.

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

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

Asset Sustainability Reserve

Purpose - this is a reserve fund established to:

I. Primary Purpose – Provide Council with the ability to access sufficient funds to enable it to respond to a major infrastructure failure or fund an infrastructure gap identified in periodic asset audits. A minimum balance of \$2 million will be retained in the Asset Sustainability Reserve for this purpose.

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

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

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

V. Quarantine funds specifically set aside in the Community Facilities Partnership Program (CFPP) for the purpose of funding the renewal, upgrade and purchase of Council assets as resolved by Council. This will include encouraging organisations leasing council facilities to seek partnership funding for required renewal and upgrade of those community facilities.

The Asset Sustainability Reserve will be funded from planned surpluses identified in the Long Term Financial Plan (LTFP) and from funds specifically set aside for the CFPP in the LTFP.

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

Note 10. Assets Subject to Restrictions

\$ '000

Notes

2016

2015

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

Cash & Financial Assets**Unexpended amounts received from Federal Government**

Other

Total Cash & Financial Assets**Total Assets Subject to Externally Imposed Restrictions**

1,245

3,334

1,245**3,334****1,245****3,334**

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2016	2015
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	16,271	19,688
Balances per Statement of Cash Flows		16,271	19,688
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		10,845	19,898
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		13,634	12,974
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(539)	(817)
Net Increase/(Decrease) in Unpaid Employee Benefits		(76)	553
Non-Cash Asset Acquisitions		(655)	(8,242)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(540)	(1,831)
Net (Gain) Loss on Disposals		233	202
		22,902	22,737
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(718)	(491)
Net (Increase)/Decrease in Inventories		(10)	6
Net (Increase)/Decrease in Other Current Assets		(48)	89
Net Increase/(Decrease) in Trade & Other Payables		(1,217)	869
Net Cash provided by (or used in) operations		20,909	23,210
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	655	8,242
Amounts recognised in Income Statement		655	8,242
Total Non-Cash Financing & Investing Activities		655	8,242
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Corporate Credit Cards		75	75
LGFA Cash Advance Debenture Facility		11,000	11,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Council also has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015
\$ '000										
Leader in the Delivery of the Community Vision										
Development Assessment	1,077	1,164	3,651	3,602	(2,574)	(2,438)	6	9	-	-
Crime Prevention	-	2	380	336	(380)	(334)		1	-	-
Community Support & Development	3,162	3,391	10,072	9,412	(6,910)	(6,021)	1,788	1,729	118,975	122,759
Public & Environment Health	86	93	844	855	(758)	(762)	38	47	-	-
General Inspection	950	867	1,561	1,519	(611)	(652)	2	3	-	-
Public Infrastructure	2,852	2,341	15,769	15,909	(12,917)	(13,568)	2,344	2,193	691,032	683,592
Open Space	591	285	11,575	11,301	(10,984)	(11,016)	433	111	263,975	257,390
Public Conveniences	2	7	502	437	(500)	(430)	-	4	2,967	2,805
Strategic Projects	12	14	1,186	1,218	(1,174)	(1,204)	6	5	2	3
Asset Management	-	-	-	-	-	-	-	-	17,805	12,564
Neighbourhood Centres	590	541	2,322	2,178	(1,732)	(1,637)	358	243	6,901	7,138
Cultural Development	304	389	2,962	3,141	(2,658)	(2,752)	14	29	11,500	15,556
Libraries	669	604	7,427	6,806	(6,758)	(6,202)	553	523	16,141	12,736
Waste & Recycling	592	915	7,195	7,144	(6,603)	(6,229)	1	2	5,019	5,100
Economic Development	53	84	606	564	(553)	(480)	40	63	-	-
Total Leader in the Delivery of the Community Vision	10,940	10,697	66,052	64,422	(55,112)	(53,725)	5,583	4,962	1,134,317	1,119,643
Organisation of Excellence										
Governance	83	113	4,074	4,604	(3,991)	(4,491)	-	-	4	6
Service Quality	1	29	142	134	(141)	(105)	-	29	681	555
Total Organisation of Excellence	84	142	4,216	4,738	(4,132)	(4,596)	-	29	685	561
Treasury	71,604	71,158	2,477	2,810	69,127	68,348	899	2,703	14,057	25,454
Total Functions/Activities	82,628	81,997	72,745	71,970	9,883	10,027	6,482	7,694	1,149,059	1,145,658

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

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

Leader in the Delivery of the Community Vision – “Broad Horizons, Bright Future”

PUBLIC INFRASTRUCTURE

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

WASTE & RECYCLING

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

OPEN SPACE

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

LIBRARIES

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

ASSET MANAGEMENT

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

COMMUNITY SUPPORT & DEVELOPMENT

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

COMMUNITY DEVELOPMENT

Recreation, sport and leisure facilities, services and activities that provide opportunities for community members to socialise and undertake physical activity

DEVELOPMENT ASSESSMENT

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

CULTURAL DEVELOPMENT

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

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 12b. Components of Functions (continued)

\$ '000

The activities relating to Council functions are as follows: (continued)

TREES

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

NEIGHBOURHOOD CENTRES

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

PUBLIC & ENVIRONMENTAL HEALTH

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

ECONOMIC DEVELOPMENT

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

STRATEGIC PROJECTS

Major projects such as the Marion South Plan and State Aquatic Centre aimed at providing improved services and facilities for the Community

CRIME PREVENTION

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

GENERAL INSPECTION

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

PUBLIC CONVENIENCES

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

Organisation of Excellence

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 12b. Components of Functions (continued)

\$ '000

The activities relating to Council functions are as follows: (continued)

Excellence in Governance**Elected Member Support**

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

Strategic, corporate and sustainability planning and policy development

To ensure that Council is progressing towards achieving the Community Vision 2020 and its strategic social, cultural, and economic and environmental sustainability goals in a transparent and accountable manner, working with our Local, State, and Federal Government partners

Financial services

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

Risk management policy, development and internal audit

Activities to ensure that Council is continuously improving its management systems

External relations, communication and community engagement

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

Service Quality**Customer service**

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

Information technology

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

Information Management

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

Employer of Choice**Human Resources**

Services that provide support for staff to undertake their roles to deliver the Community Vision

Occupational Health & Safety

Services to ensure that work is undertaken in a manner that is safe for the staff and community

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments**Bank, Deposits at Call, Short Term Deposits, Other Financial Assets** **Accounting Policy:**

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

Terms & Conditions:

Deposits are returning fixed interest rates between 1.90% and 2.79% (2015: 2.05% and 2.65%). Short term deposits have an average maturity of 76 days and an average interest rate of 2.79% (2015: 72 days and 3.0%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables**Rates & Associated Charges**

(including legals & penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 2% (2015: 2%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables**Fees & Other Charges****Accounting Policy:**

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & 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).

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments**Receivables****Other Levels of Government****Accounting Policy:**

Carried at nominal value.

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 Council.

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities**Interest Bearing Borrowings****Accounting Policy:**

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable over 10 to 15 years; interest is charged at fixed rates between 5.80% and 6.85% (2015: 5.80% and 6.85%).

Carrying Amount:

Approximates fair value.

Liabilities**Finance Leases****Accounting Policy:**

Accounted for in accordance with AASB 117.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2016					
Financial Assets					
Cash & Equivalents	16,271	-	-	16,271	16,271
Receivables	1,964	-	-	1,964	1,964
Other Financial Assets	8,200	-	-	8,200	8,200
Total Financial Assets	26,435	-	-	26,435	26,435

Financial Liabilities

Payables	6,082	-	-	6,082	6,082
Current Borrowings	1,743	-	-	1,743	1,126
Non-Current Borrowings	-	6,452	5,316	11,768	9,102
Total Financial Liabilities	7,825	6,452	5,316	19,593	16,310

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2015					
Financial Assets					
Cash & Equivalents	19,688	-	-	19,688	19,688
Receivables	1,221	-	-	1,221	1,221
Other Financial Assets	2,750	-	-	2,750	2,750
Total Financial Assets	23,659	-	-	23,659	23,659

Financial Liabilities

Payables	7,278	-	-	7,278	7,278
Current Borrowings	2,383	-	-	2,383	1,671
Non-Current Borrowings	-	6,625	6,886	13,511	10,229
Total Financial Liabilities	9,661	6,625	6,886	23,172	19,178

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

	30 June 2016		30 June 2015	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	6.20%	10,228	6.20%	11,900
		10,228		11,900

Net Fair Value

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 13. Financial Instruments (continued)

\$ '000

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. 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 & 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. Commitments for Expenditure

\$ '000

Notes

2016

2015

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

Land	36	90
Buildings	76	177
Infrastructure	1,530	1,155
Plant & Equipment	41	63
Other	64	400
	1,747	1,885

These expenditures are payable:

Not later than one year	1,747	1,885
	1,747	1,885

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 15. Financial Indicators

	Amounts	Indicator	Prior Periods	
\$ '000	2016	2016	2015	2014

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus	9,883	12%	12%	5%
Total Operating Revenue	82,628			

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

1a. Adjusted Operating Surplus Ratio

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. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

9,883	12%	10%	7%
82,628			

Due to the change in calculation method as per *Information paper 9 - Local Government Financial Indicators*, the Operating Surplus Ratio and Adjusted Operating Surplus Ratio for prior years (2015 and 2016) have been recalculated for comparative purposes.

2. Net Financial Liabilities Ratio

Net Financial Liabilities	(6,979)	(8%)	(2%)	(8%)
Total Operating Revenue	82,628			

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.

3. Asset Sustainability Ratio

Net Asset Renewals	11,507	84%	76%	57%
Infrastructure & Asset Management Plan required expenditure	13,634			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 16. Uniform Presentation of Finances

\$ '000	2016	2015
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	82,628	81,997
less Expenses	(72,745)	(71,970)
Operating Surplus / (Deficit)	9,883	10,027
less Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	9,528	10,547
less Depreciation, Amortisation and Impairment	(13,634)	(12,974)
less Proceeds from Sale of Replaced Assets	(559)	(721)
Subtotal	(4,665)	(3,148)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	8,256	15,670
Amounts Received Specifically for New and Upgraded Assets	540	1,831
less Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	-	-
Subtotal	8,796	17,501
Net Lending / (Borrowing) for Financial Year	5,752	(4,326)

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 17. Operating Leases

\$ '000	2016	2015
---------	------	------

Lease Payment Commitments of Council

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

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

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

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

No lease contains any escalation clause

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	385	324
Later than one year and not later than 5 years	415	446
	800	770

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 18. Superannuation

\$ '000

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2015/16; 9.50% in 2014/15). 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 2014/15) 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 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. 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 Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 19. Interests in Other Entities

\$ '000

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

	Council's Share of Net Income		Council's Share of Net Assets	
	2016	2015	2016	2015
Joint Ventures	539	817	5,659	5,120
Total	539	817	5,659	5,120

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS**(a) Carrying Amounts**

Name of Entity	2016	2015
Southern Region Waste Resource Authority (SRWRA)	5,559	5,019
Council Solutions	101	101
Total Carrying Amounts - Joint Ventures & Associates	5,660	5,120

Southern Region Waste Resource Authority (SRWRA)

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

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

The City of Marion has an equal voting right and a 30% interest in the assets and liabilities of SRWRA. For the year ended 30 June 2016, the net assets of SRWRA total \$18,528,000. The City of Marion interest, totalling \$5,559,000 is disclosed below.

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

Council Solutions

Established by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully in December 2012, this regional joint venture has been established for the purposes of providing a centre of excellence in procurement and to provide services to the Constituent Councils

The City of Marion's share of Council Solutions Operating Result is comprised of 16.67% of the joint venture Operating Deficit \$5,000 and 16.67% share of the joint venture's equity \$602,000.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2016

Note 19a. Interests in Other Entities (continued)

\$ '000

(b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2016	2015	2016	2015	2016	2015
Southern Region Waste Resource Authority (SRWRA)	30%	30%	30%	30%	30%	30%
Council Solutions	17%	17%	17%	17%	17%	17%

(c) Movement in Investment in Joint Venture or Associate

	Southern Region Waste Resource Authority (SRWRA)		Council Solutions	
	2016	2015	2016	2015
Opening Balance	5,019	4,241	101	122
Share in Operating Result	540	838	(1)	(21)
Distributions Received	-	(60)	-	-
Council's Equity Share in the Joint Venture or Associate	5,559	5,019	100	101

(d). Share of Joint Operations Expenditure Commitments

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

Capital Expenditures Payable

Not later than one year	527	1,806
Later than one year and not later than 5 years	-	-
Later than 5 years	-	-
	527	1,806

Operating Expenditures Payable

Not later than one year	18	18
Later than one year and not later than 5 years	55	-
Later than 5 years	-	-
	73	18

Note 20. Non-Current Assets Held for Sale & Discontinued Operations

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

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2016

Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

1. LAND UNDER ROADS

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

2. POTENTIAL INSURANCE LOSSES

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

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

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

3. BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$0 (2015: \$305,000) at reporting date.

4. LEGAL MATTERS

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 19 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2016, 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.

Accordingly, the "authorised for issue" date is 11/10/16.

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

City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

Auditor's Report - Financial Statements

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City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

Auditor's Report - Financial Statements

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City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

Auditor's Report - Internal Controls

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City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Marion for the year ended 30 June 2016, the Council's Auditor, Deloitte Touche Tohmatsu 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*.

Adrian Skull
CHIEF EXECUTIVE OFFICER

Greg Connor
PRESIDING MEMBER, AUDIT COMMITTEE

Date: dd Month 2016

City of Marion

General Purpose Financial Statements for the year ended 30 June 2016

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Marion for the year ended 30 June 2016, 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*.

Penny Woods
Deloitte Touche Tohmatsu

Dated this day of 2016.

(client letterhead)

11 October 2016

Deloitte Touche Tohmatsu
11 Waymouth Street
Adelaide SA 5000

This representation letter is provided in connection with your audit of the financial report of Corporation of the City of Marion for the year ended 30 June 2016, for the purpose of expressing an opinion as to whether the financial report is presented fairly, in all material respects, in accordance with the Local Government Act 1999 including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government (Financial Management) Regulations 2011.

We confirm that:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 31 May 2016, for the preparation of the financial report in accordance with the Local Government Act 1999 including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government (Financial Management) Regulations 2011; in particular the financial report is presented fairly, in all material respects, in accordance therewith.
2. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit;
 - Unrestricted access to the persons within the entity from whom you determined it necessary to obtain audit evidence; and
 - All requested information, explanations and assistance for the purposes of the audit.
3. All transactions have been recorded in the accounting records and are reflected in the financial report.
4. We are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
5. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
6. There has been no fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control or others where the fraud could have a material effect on the financial report.
7. There have been no allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
8. There have been no instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.

9. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
10. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
11. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the *Local Government Act 1999*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Financial Management) Regulations 2011*.
12. All known actual or possible litigation and claims whose effects should be considered when preparing the financial report have been disclosed to you and accounted for and disclosed in accordance with the *Local Government Act 1999*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Financial Management) Regulations 2011*.
13. The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial report as a whole. A summary of such items is attached to the representation letter as Appendix A.
14. All events occurring subsequent to the date of the financial report and for the *Local Government Act 1999*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Financial Management) Regulations 2011* require adjustment or disclosure have been adjusted or disclosed within the financial report.
15. The selection and application of accounting policies as described in Note 1 in the financial report are appropriate.
16. We have no plans or intentions that may affect the carrying value or classification of assets and liabilities.
17. Liabilities, both actual and contingent, have been properly recorded and, when appropriate, adequately disclosed in the financial report.
18. The entity has satisfactory title to, or control over all assets and there are no liens or encumbrances on such assets that have not been disclosed nor has any asset been pledged as collateral.
19. We have properly recorded and, when appropriate, adequately disclosed in the financial report the effects of any laws, regulations and contractual agreements on the financial report, including non-compliance.
20. We have communicated to you all deficiencies in internal control of which we are aware.
21. All post-employment benefits have been identified and properly accounted for and all events impacting the plans have been brought to the actuary's attention.
22. For defined benefit plans:
 - (a) the actuarial assumptions underlying the valuation of the plan are in accordance with the Council's best estimate of future events and are consistent with our knowledge of the business;
 - (b) the actuary's calculations have been based on complete and up-to-date member information; and

(c) the amounts included in the financial report derived from the work of the actuary are in accordance with the requirements of AASB 119 “Employee Benefits”.

23. For any transactions and structures, including “Special Purpose Vehicles/Entities” that we consider are appropriately classified as off-balance sheet, we have not withheld any information and documentation from you and there are no side agreements that we have not disclosed to you. In addition, there are no other relationships of a related party nature which would affect how these transactions and structures are accounted for, that we have not disclosed to you.
24. We have obtained all necessary information from subsidiaries that are not subject to Accounting Standards in Australia, to enable us to make appropriate adjustments for the purpose of preparing the financial report. Appropriate adjustments have been made to the information provided by the subsidiaries, to enable the preparation of the financial report.
25. We have disclosed to you all financial guarantees that we have given to third parties and we have accounted for these guarantees in accordance with the requirements of AASB 139 “Financial Instruments Recognition and Measurement”.

We understand that your audit was conducted in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your test of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

Adrian Skull
Chief Executive Officer

Date

Vincent Mifsud
General Manager, Corporate Services

Date

Appendix A to the Management Representation Letter

City of Marion 30 June 2016

Account Name	Account Number	Assets DR/(CR)	Liabilities DR/(CR)	Retained Earnings DR/(CR)	Other Equity DR/(CR)	Income Statement DR/(CR)	Total DR/(CR)
Known misstatements							
None noted							
Likely misstatements							
None noted							
Carry over effects of prior year misstatements							
None noted							
		0	0	0	0	0	0

Description of Disclosure Deficiency	Disclosure Title	Disclosure Number	Amount (where applicable)	Management Reason for Disclosure Deficiency (e.g., not deemed material for disclosure)
None noted				

(client letterhead)

Deloitte Touche Tohmatsu
11 Waymouth Street,
Adelaide, South Australia,
5000, Australia

Management Representations to the Compliance Plan Auditor as at 30 June 2016

This representation letter is provided in connection with your audit of the compliance of City of Marion Council ("the Council") with the requirements of Section 125 of the Local Government Act 1999 ("the Act") in relation to the Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 are in accordance with legislative provisions.

Purpose of the Audit

The purpose of your audit, in accordance with Section 125 of the Local Government Act 1999, is to form an opinion as to whether the Council has complied, in all material respects, with the requirements of Section 125 of the Act, in relation to internal controls, for the period 1 July 2015 to 30 June 2016.

Responsibilities of Management

We acknowledge that it is our responsibility to implement and maintain 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.

Representations

We confirm, to the best of our knowledge and belief:

- We are responsible for the design and implementation of the compliance framework to prevent and detect fraud and error. We have established and maintained an adequate internal control structure to ensure that compliance with our obligations has been maintained, and that adequate documentation to demonstrate compliance exists.
- There have been no irregularities including fraud or suspected fraud involving management or employees who have a significant role in the compliance function and internal control systems that could have a material effect on the adequacy of compliance.
- There have been no allegations of fraud, or suspected fraud, affecting City of Marion Council's compliance with Section 125 of the Act.
- We have made available to you the control documentation for controls implemented at the Council.
- The information provided by you regarding the identification of controls deficiencies is complete.
- There have been no instances of non-compliance with laws and regulations involving management or employees who have a significant role in compliance or internal control.
- There have been no communications from Local Government or other agencies concerning non-compliance with, or deficiencies in, the compliance with Section 125 of the Act that could have a material effect on us meeting our compliance obligations.

- We have complied with the requirement of Section 125 of the Act during the year, in all material respects.
- We accept the internal control environment would be strengthened with the implementation of your recommendations as listed below in Appendix A.
- No events have occurred subsequent to 30 June 2016 that impacted the compliance framework, compliance reporting or breaches that occurred during the period.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We understand that your examination was made in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, as applicable, and was, therefore, designed primarily for the purpose of expressing a conclusion on the Council's compliance with the requirements of Section 125 of the Act in relation to the Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016, and that your tests of our records and controls and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours sincerely,

Adrian Skull
Chief Executive Officer

Date

Vincent Mifsud
General Manager, Corporate Services

Date

Appendix A to the Management Representation Letter - Internal Controls

30 June 2016

Control	Observation	Recommendation	Management Response
ASS-LOA-0001	There were no specific reference details in the policy specific for issuing funds to clubs or community groups in accordance with the Delegations of Authority and in compliance with the Conflicts of Interest Policy	Deloitte recommends that the policy be amended such that there is specific reference in the policy to issuing funds in accordance with the delegations of authority and conflicts of interest policies.	Council currently authorises the issuing of grant funds without delegation to management. The policy will be updated to clearly state that funds are authorised by Council unless otherwise specifically delegated by Council to management.
LIA-TAX-0008	There is no formal documented Fringe Benefits Tax procedure used in preparation of the annual return. The procedure is in progress of being documented however has not yet been finalised	Deloitte recommends that a Fringe Benefits Tax procedure be finalised to ensure a standard procedure is followed in the preparation of all future returns.	Finance have now documented the procedures to be used in the preparation of all future Fringe Benefits Tax returns. These procedures were compiled during the process of preparing the 2015/16 return and are now fully documented and in place.
REV-GRA-0001	There is no formal grant attraction procedure at present, however management are addressing the issue and are working towards implementing a functioning system.	Deloitte recommends that the formal grant attraction procedure be finalised.	Completion of the grant management review will address the effectiveness of controls and improve opportunities for the City of Marion to benefit from and ensure relevant grant opportunities are fully explored in a timely manner.
ASS-PET-0004	Deloitte note that petty cash reconciliations are being performed on a daily basis, but are not always evidenced with the signature of an independent person.	Deloitte recommends that the practice of crosschecking and signing petty cash reconciliations on a daily basis and reviewed by management. In addition, the person reviewing should be independent from the preparer. Although a fraud performed in this manner would likely be detected regardless of this control, implementing this would greatly decrease the risk of fraud occurring and the time-lapse between occurrence and detection.	All cash handling procedures and processes are currently being reviewed and updated to standardise processes where possible across all sites. This includes having a daily independent sign off of the petty cash float.
ASS-LOA-0009 ASS-LOA-0002	Formal follow up procedure is not conducted in a timely fashion for community grant acquittals resulting in outstanding acquittals.	Deloitte has noted that outstanding community grant acquittals are followed up by management. It is recommended that the final follow-up (i.e. once they are overdue) is completed in a more timely fashion.	Agree with the recommendation and management will put in place a proactive process to follow up community grant recipients prior to the final due date to ensure they meet grant acquittal deadlines.

The Corporation of the City of Marion

Management Letter for the Year Ended 30 June 2016

September 2016





Deloitte Touche Tohmatsu
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Mr Kris Hanna
Mayor
City of Marion
PO Box 21
OAKLANDS PARK SA 5046

29 September 2016

Dear Sir

Re: Matters arising from the audit of the Corporation of the city of Marion for the year ended 30 June 2016

We have substantially completed our audit of the Corporation of the City of Marion ("City of Marion" or "the Council") for the year ended 30 June 2016. In accordance with our normal practice, we set out below certain matters concerning the Council's internal control and accounting practices which came to our attention during our work in connection with the audit for the year ended 30 June 2016 and our recommendations for improvements.

You will appreciate that our procedures are designed primarily to enable us to form an opinion on the financial report as a whole, as well as compliance with Section 125 of the *Local Government Act*, and therefore do not necessarily bring to light all the weaknesses in internal control or accounting practice which a special investigation might do. The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full commercial impact before they are implemented.

We have prepared this report solely for the use of the Council. As you know, this report forms part of a continuing dialogue between the Council and us and, therefore, it is not intended to include every matter, whether large or small, that has come to our attention. For this reason we believe that it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy without our prior written consent, we would not accept any responsibility for any reliance that they might place on it.

We would like to take this opportunity to extend our appreciation to management and staff throughout the Council for their assistance and cooperation during the course of our audit.

We shall be pleased to discuss with you any matters mentioned in this report.

Yours faithfully

A handwritten signature in black ink, appearing to read "Penny Woods", enclosed within a simple oval border.

Penny Woods
Partner
Chartered Accountants

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Member of Deloitte Touche Tohmatsu Limited

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1 Introduction and Scope of Work

We have completed both the statutory audit of the Corporation of the City of Marion and the ASAE 3100 engagement with respect to the Council's compliance with Section 125 of the *Local Government Act* for the year ended 30 June 2016. The scope of our work was set out in our audit engagement letter dated 31 May 2016.

During the audit, every effort was made to identify audit, accounting and other issues which would be of benefit to the Council. In accordance with our normal practice, we write to draw your attention to the internal control, accounting and other matters that came to our attention during our audit for the year ended 30 June 2016. We have provided an update on prior period findings where these matters have not been dealt with elsewhere.



2 Update on Prior Year Findings

It should be noted that 5 of the 8 findings have been implemented, with 3 findings that have not been implemented given the cost of implementation against the low level of risk.

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.1 Review of petty cash reconciliations			
<p>ASS-PET-0004</p> <p>Deloitte note that petty cash reconciliations are being performed on a daily basis, but are not always evidenced with the signature of an independent person.</p>	<p>Deloitte recommends that the practice of crosschecking and signing petty cash reconciliations on a daily basis is enforced and reviewed by management. In addition, the person reviewing should be independent from the preparer.</p> <p>Although a fraud performed in this manner would likely be detected regardless of this control, implementing this would greatly decrease the risk of fraud occurring and the time-lapse between occurrence and detection.</p>	<p>Finance will work with Customer Service staff to implement the recommendation proposed to strengthen the security around the management of petty cash. It should be noted that on most days the staff responsible for petty cash are rotated which decreases the likelihood of a delay in detection of such a fraud. However having a daily independent sign off of the petty cash float in addition to daily staff rotation will strengthen the security and management of petty cash.</p>	<p>Management's view is that the risk is mitigated by rotating staff allocated to petty cash regularly and on handover the petty cash is reconciled. This has taken a lower priority pending the final outcome of a full 'Cash Handling' internal audit which has been recently completed. It is best practice to implement such control, hence we have raised the finding again - see (3.4)</p>

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.2 Termination policy			
<p>EXP-PAY-0034</p> <p>There is no termination policy in place, and the current exit procedure does not directly address the statutory regulations, or enterprise agreement requirements that may need to be adhered to.</p>	<p>Deloitte recommends a centralised procedure for actions on terminating employment.</p>	<p>Finance will collaborate with Organisational Development to construct a procedure that ensures statutory and enterprise agreement conditions are strictly followed when terminating employment.</p>	<p>Our recommendation has been implemented and no further issues have been identified.</p> <p>Deloitte considers this matter completed.</p>

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.3 Review of payroll deduction report			
<p>EXP-PAY-0015</p> <p>There is no documented evidence that a payroll deduction report is reviewed on a regular basis.</p>	<p>Deloitte recommends that formal process be put in place to ensure that the payroll deduction review is fully documented and signed off.</p>	<p>Payroll deduction reports are generated, reviewed and stored electronically with every pay cycle. As recommended management will put in place a process to ensure documentation is retained to provide evidence a formal review of the deduction report is conducted on a regular basis with deductions checked back against employee forms and signed off.</p>	<p>Our recommendation has been implemented and no further issues have been identified.</p> <p>Deloitte considers this matter completed.</p>

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.4 Fringe benefit tax policy			
<p>LIA-TAX-0008</p> <p>There is no formal, documented Fringe Benefit Tax procedure used in the preparation of the annual return. In previous years an accounting assistant prepared the calculation and this was reviewed by the Financial Accountant, however this did not occur in the current year due to the Financial Accounting Assistant leaving the City of Marion immediately prior to the preparation of the return. In the current period the calculation was performed by the Financial Accountant and a high level review was conducted by the Manager Finance and a summary including prior year comparative data was presented to the director of Finance.</p>	<p>Deloitte recommends that a Fringe Benefits Tax procedure be documented and utilised to ensure a standard procedure is followed in the preparation of all future returns.</p>	<p>Finance will develop a documented procedure to be followed in the preparation of the Fringe Benefits Tax return. This set of documented procedures will be utilised for all future returns.</p>	<p>Full implementation of this recommendation was not complete at time of interim audit. These procedures were compiled during the process of preparing the 2015/16 return and are now fully documented and in place.</p> <p>As we believe it is best practice to implement such control we have raised the finding again - see (3.2)</p>

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.5 Cash receipting policy			
REV-OTR-0003 There is no documented policy for reconciling receipting to cash at remote locations.	Deloitte recommends that a formal policy for cash receipts outside the Council receipting area be documented and adopted.	Whilst most remote locations have their own procedures in place, management agree with the recommendation and will implement a formal policy and standard procedures for the reconciliation of income at all receipting locations be developed.	Our recommendation has been implemented and no further issues have been identified. Deloitte considers this matter completed.

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.6 Grant acquittal			
ASS-LOA-0002 Signed grant acquittal was not received before deadline.	Deloitte has noted that outstanding acquittals are followed up by management. It is recommended that the final follow-up (i.e. once they are overdue) is completed in a more timely fashion.	Finance will work with the appropriate department to develop a detailed procedure that will ensure a timelier follow-up once returns are overdue.	Whilst Finance have had discussions with the staff responsible for ensuring community grants are acquitted in a timely manner, this recommendation is not yet implemented. A more proactive approach is being looked at to follow up community grant recipients prior to the final due date to ensure acquittal deadlines are met. As we believe it is best practice to implement such control we have raised the finding again - see (3.5).

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.7 Petty cash security			
<p>ASS-PET-0005</p> <p>ASS-PET-0006</p> <p>1. Although petty cash is always kept locked away, the access to the storage points is not highly restricted.</p> <p>2. Security levels of petty cash drawers may lead to a chance of theft/fraud.</p>	<p>Deloitte recommends a review of the security surrounding petty cash in the council chamber front office.</p>	<p>Finance will work with Customer Service to review the security surrounding the access to the locked petty cash drawer and implement a more secure process & procedure to restrict access to the petty cash drawer.</p>	<p>Our recommendation has been implemented and no further issues have been identified.</p> <p>Deloitte considers this matter completed.</p>

Observation	Recommendation	Prior year response	Status update 30 June 2016
2.8 Asset Classification			
<p>Deloitte noted that there is no formal process in place for asset project managers to communicate to finance the completion of projects. Finance will classify a project as 'Capital Works in Progress' where there is identified purchase order commitments still remaining in place at financial year end.</p>	<p>Deloitte recommends that City of Marion include a confirmation type process to the end of year procedures through which the status of each open capital project is confirmed to finance as either 'In Progress' or 'In Use', in conjunction with its existing Budget Carryover confirmation process.</p>	<p>Finance will carry out a full review of all projects that have outstanding capital commitments at year end. Confirmation will be sought from Project Managers to determine project status where funds have not been identified or requested for future years through the annual carryover process.</p>	<p>Our recommendation has been implemented and no further issues have been identified.</p> <p>Deloitte considers this matter completed.</p>



3 Internal Controls

Background

Amendments to the *Local Government Act 1999* (the “Act”) require local government auditors to provide separate formal opinions in relation to:

- The financial statement audit; and
- Financial internal controls audit as prescribed in Section 125 of the Act.

Implications for Councils

To comply with these changes Council has implemented an internal control framework as that prescribed in the South Australian Local Government Financial Management Group (“SALGFMG”) Better Practice Model – Financial Internal Controls.

Deloitte has tested the design and implementation for an agreed sample of internal controls representing 50% of the population of core controls implemented by Council based on our rotation plan and profiling of internal controls in our audit plan.

Objectives

We have provided you with the following risk rating matrix and details of the results of our testing and recommendations for improvement as part of the services as determined by the scoping agreed on between City of Marion (CoM) management and Deloitte.



Overview of findings

Sample of controls within the best practice model as provided by the Local Government Association (LGA) have been tested by Deloitte.

Summary	Strategic Planning	Revenue	Expenses	Assets	Liabilities	External Contracts	Governance	Total
Number of controls tested	40	5	19	21	32	0	0	117
Findings	0	1	0	4	1	0	0	6
No Findings	40	4	19	17	31	0	0	111

Any control deficiency identified by Deloitte on the controls tested have been summarised below.

Risk Matrix

The Risk Ratings provided in this report were based on the criteria below and have been determined in accordance with the Local Government Act –Better Practice model.

Likelihood

5 (almost certain)
4 (likely)
3 (possible)
2 (unlikely)
1 (rare)

3.2 3.4 3.5 3.6				
3.1 3.3				
1 (insignificant)	2 (minor)	3 (moderate)	4 (major)	5 (critical)

Consequence

Key

Extreme
High
Moderate
Low



Detailed findings

Observation	Implication	Recommendation	Management response
3.1 Policy for issuing funds to clubs			
<p>ASS-LOA-0001</p> <p>There were no specific reference details in the policy specific for issuing funds to clubs or community groups in accordance with the Delegations of Authority and in compliance with the Conflicts of Interest Policy.</p>	<p>The Council may issue grants inappropriately and not in accordance with the Delegations of Authority or Conflicts of Interest Policies.</p>	<p>Deloitte recommends that the policy be amended such that there is specific reference in the policy to issuing funds in accordance with the delegations of authority and conflicts of interest policies.</p>	<p>Council currently authorises the issuing of grant funds without delegation to management. The policy will be updated to clearly state that funds are authorised by Council unless otherwise specifically delegated by Council to management.</p>
Observation	Implication	Recommendation	Management response
3.2 Fringe benefit tax policy			
<p>LIA-TAX-0008</p> <p>There is no formal documented Fringe Benefits Tax procedure used in preparation of the annual return. The procedure is in progress of being documented however has not yet been finalised.</p>	<p>The lack of a documented procedure being utilised in the preparation of the fringe benefit tax return may give rise to inconsistencies in the preparation of the fringe benefit tax liability year on year.</p>	<p>Deloitte recommends that a Fringe Benefits Tax procedure be finalised to ensure a standard procedure is followed in the preparation of all future returns.</p>	<p>Finance have now documented the procedures to be used in the preparation of all future Fringe Benefits Tax returns. These procedures were compiled during the process of preparing the 2015/16 return and are now fully documented and in place.</p>
Observation	Implication	Recommendation	Management response
3.3 Grant attraction procedure			
<p>REV-GRA-0001</p> <p>There is no formal grant attraction procedure at present, however management are addressing the issue and are working towards implementing a functioning system.</p>	<p>The lack of a formal grant attraction procedure could cause grant income to not be claimed on a timely basis, or not be claimed at all. However this issue is being addressed by management by way of a grant management review.</p>	<p>Deloitte recommends that the formal grant attraction procedure be finalised.</p>	<p>Completion of the grant management review will address the effectiveness of controls and improve opportunities for the City of Marion to benefit from and ensure relevant grant opportunities are fully explored in a timely manner.</p>

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Observation	Implication	Recommendation	Management response
3.4 Petty cash reconciliation			
<p>ASS-PET-0004</p> <p>Deloitte note that petty cash reconciliations are being performed on a daily basis, but are not always evidenced with the signature of an independent person.</p>	<p>The deficiency in this control means there is no documented evidence of the effective review of the cash counting process. As the cashiers handle the cash all day, then perform the count themselves, this may allow them at any time to temporarily remove cash from the cash drawer that would be undetected until a reconciliation of the same drawer is performed by a different person. Although a fraud performed in this manner would likely be detected regardless of this control, implementing this would greatly decrease the risk of fraud occurring and the time-lapse between occurrence and detection.</p>	<p>Deloitte recommends that the practice of crosschecking and signing petty cash reconciliations on a daily basis and reviewed by management. In addition, the person reviewing should be independent from the preparer. Although a fraud performed in this manner would likely be detected regardless of this control, implementing this would greatly decrease the risk of fraud occurring and the time-lapse between occurrence and detection.</p>	<p>All cash handling procedures and processes are currently being reviewed and updated to standardise processes where possible across all sites. This includes having a daily independent sign off of the petty cash float.</p>



Observation	Implication	Recommendation	Management response
3.5 & 3.6 Grant acquittal			
<p>ASS-LOA-0009</p> <p>ASS-LOA-0002</p> <p>Formal follow up procedure is not conducted in a timely fashion for community grant acquittals resulting in outstanding acquittals.</p>	<p>Given the nature of original approvals around grant approvals, Deloitte believe that the lack of follow up implementation will not result in a serious misconduct of business. The risk of incorrect use of funds by recipients of City of Marion grants relates to an operational business risk and not a financial statement material misstatement risk. The dollar amount of the grants not acquitted will not have a material impact on the financial statements.</p>	<p>Deloitte has noted that outstanding community grant acquittals are followed up by management. It is recommended that the final follow-up (i.e. once they are overdue) is completed in a more timely fashion.</p>	<p>Agree with the recommendation and management will put in place a proactive process to follow up community grant recipients prior to the final due date to ensure they meet grant acquittal deadlines.</p>



Corporation of the City of Marion

Report to the Finance and Audit
Committee and Elected Members
for the year ended 30 June 2016



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Mr Greg Connor
Chair, Finance and Audit Committee
Corporation of the City of Marion
245 Sturt Road
STURT SA 5047

23 September 2016

Dear Sir

Report to the Finance and Audit Committee and Elected Members – for the year ended 30 June 2016

In accordance with our normal practice, we include in the attached report all matters arising from our audit of the financial report of the Corporation of the City of Marion ("City of Marion" or "the Council") for the year ended 30 June 2016 which we consider appropriate for the attention of the Finance and Audit Committee ("the Committee") and Elected Members. These matters have been discussed with management of the Council and their comments have been included, where appropriate.

We look forward to the Committee meeting on 4th October 2016 where we will have the opportunity to discuss this report. In the interim, should you require clarification on any matter in this report please do not hesitate to contact us.

We have substantially completed our audit on the financial report of the Corporation of the City of Marion and subject to the satisfactory resolution of the matters detailed in Section 2, we expect to issue an unmodified audit report.

We have prepared this report solely for the use of the Committee and Elected Members and it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy without our prior written consent, we would not accept responsibility for any reliance that they might place on it.

We would like to take this opportunity to extend our appreciation to management and staff for their assistance and cooperation during the course of our audit.

Yours faithfully
DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to read "Penny Woods", enclosed within a circular stamp or seal.

Penny Woods
Partner

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1. Executive summary

1.1 Overview

Section	Comment	
Status of audit and outstanding matters Refer to Section 2	<p>Our audit of the financial report is substantially complete.</p> <p>We expect to issue an unmodified audit report on the financial report, subject to the satisfactory completion of the matters noted in Section 2.3.</p> <p>Our reasonable assurance engagement under ASAE 3100 with respect to the Council’s compliance with Section 125 of the Local Government Act is substantially complete.</p> <p>We expect to issue an unmodified audit opinion in relation to this engagement subject to the satisfactory completion of the matters noted in Section 2.3.</p>	<div>Status of the Audit – Percentage Complete</div> <div><div>Planning</div><div>Controls</div><div>Substantive Testing</div><div>Financial Reporting</div><div><div><div></div><div></div><div></div><div></div></div><div>020406080100</div></div></div>
Internal control Refer to Section 4	<p>We have assessed the internal control environment to be strong, but with room for continuous improvement.</p> <p>In performing our audit of the Council for the year ended 30 June 2016 whilst we have not identified any significant deficiencies in internal controls relating to the prevention and detection of fraud and error which would impact upon our ability to provide our opinion on the financial report for the year ended 30 June 2016, we noted a number of control observations as part of our engagement on the compliance with section 125 of the Local Government Act 1999. These findings are summarised in our letter to management circulated separately.</p> <p>No matters relating to fraud, concerning either employees or management came to our attention.</p>	
Summary of uncorrected misstatements Ref to Appendix A	<p>We have not identified any uncorrected misstatements for the year ended 30 June 2016.</p>	
Summary of uncorrected disclosure deficiencies Ref to Appendix B	<p>We detected no uncorrected disclosure deficiencies in the financial report.</p>	
Developments in financial reporting Refer to Appendix C	<p>Over the next few years there will be a number of substantial changes to Australian Accounting Standards. We will work proactively with management to assess the impact on the Corporation of the City of Marion and the appropriate accounting policies going forward.</p>	

1. Executive summary (con't)

1.2 Key areas of focus and response

<i>Statement of Financial Position</i>	<i>FY 2016 (\$'000)</i>
Cash and cash equivalents	16,271
Trade and other receivables	4,754
Other Financial Assets	8,200
Inventories	176
Total current assets	29,401
Equity accounted investments	5,659
Infrastructure, Property, plant and equipment	1,111,658 ¹
Other non-current assets	2,341
Total non-current assets	1,119,658
Trade and other payables	6,082
Borrowings	1,126
Provisions	5,192
Total current liabilities	12,400
Borrowings	9,102
Provisions	744
Total non-current liabilities	9,846
Net Assets	1,126,813
Accumulated Surplus	369,211
Asset Revaluation Reserves	735,835 ¹
Other Reserves	21,767
Total Equity	1,126,813

Our audit procedures were focused on those areas of the Council's activities that are considered to represent the key audit risks identified through discussions with management during the course of our audit and based on our in-depth understanding of the Corporation of the City of Marion.

We are satisfied that these key areas of focus have been addressed appropriately and are properly reflected in the Corporation of the City of Marion's financial report.

1

Infrastructure, property, plant and equipment held at depreciated replacement cost

Given the nature and magnitude of the Council's fixed assets, this account balance has been identified as an audit focus area.

Major project spend was assessed to determine whether expenditure was appropriately capitalised. Progress against budgets was also reviewed.

Particular focus was placed on the review of capital expenditure approvals at the inception of projects as well as the verification of expenditure against Delegated Authorities throughout the project life.

The fair value of land, buildings and infrastructure was assessed by external valuers including Maloney Field Services and APV. We have analysed the methodology and basis for the determination of fair value of assets as well as the level of appropriate disclosures to ensure the fair value is appropriately determined and disclosed. In addition, we have involved an internal valuation specialist in assessing the reasonableness of the overall valuation.

Based on the above, we have not identified any issues in relation to infrastructure, property, plant and equipment.

1. Executive summary (cont)

1.2 Key areas of focus and response (con't)

<i>Statement of Comprehensive Income</i>	FY 2016 (\$'000)
Rates Revenues	69,997
Statutory Charges	1,813
User Charges	1,771
Grants, Subsidies and Contributions	6,482
Investment Income	696
Reimbursements	814
Other Income	515
Net Gain - Equity Accounted Council Businesses	540
Total Income	82,628
Employee Costs	31,783
Materials, Contracts & Other Expenses	26,627
Depreciation, Amortisation & Impairment	13,634
Finance Costs	700
Net loss - Equity Accounted Council Businesses	1
Total Expenses	72,745
Operating Surplus / (Deficit)	9,883
Asset Disposal & Fair Value Adjustments	(233)
Amounts Received Specifically for New or Upgraded Assets	540
Physical Resources Received Free of Charge	655
Net Surplus / (Deficit)	10,845
Changes in Revaluation Surplus - I, PP&E	(4,500)
Total Other Comprehensive Income	(4,500)
Total Comprehensive Income	6,345

② Rates Revenue and Grant Income

Rate revenue has been identified as a significant transaction cycle given the size of account balance.

Given the stability of rate revenue, we have established an expectation of the overall rate revenue using published rates and Valuer General reports to support property valuations.

No issues in relation to rate revenue were noted.

Grant revenue has been identified as a material account balance in relation to recognition requirements as set out in *AASB 1004 (Contributions)*. In accordance with this standard local government councils are required to recognise the revenue at the point where:

1. The Council has a right to receive the revenue, or
2. The Council has control over the grant funding.

Based on the above, we have assessed the revenue recognised during the current year and ensured no grant revenue was inappropriately deferred to the statement of financial position.

③ Expenditure

Given the volume, magnitude and public accountability of Council expenditures the preventative and detective controls over expenditures, including the budgetary cycle were given consideration.

Detailed testing has been performed over operating expenditure.

For employee cost, an expectation was developed using staff numbers, average pay and known increases awarded.

Depreciation expenditure was analysed for each asset category for compliance with the Council approved policy which also included an assessment of the useful lives and residual values of the fixed assets.

No issues in relation to these account balances were noted.

2. Purpose and scope

2.1 Scope

We were engaged to perform an audit of the Council for the year ended 30 June 2016 in accordance with Australian Auditing Standards. Our audit is performed to enable us to express an opinion as to whether the financial report of the Council has been prepared in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

We were also engaged to perform a compliance audit of the Council with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 are in accordance with legislative provisions.

2.2 Purpose of the report

We have prepared this report for the Corporation of the City of Marion's Committee and its Elected Members to assist you in fulfilling your obligation to oversee the financial reporting and disclosure process of the Council for which management is responsible. This report includes only those matters that have come to our attention as a result of performing our audit procedures which we believe are appropriate to present to the Committee and Elected Members.

2.3 Status of the audit and outstanding matters

Our audit of the financial report is substantially complete.

We expect to issue unmodified audit opinions on the financial report, grant audit, audit of the Workers Compensation Declaration and ASAE 3100 engagement with respect to the Council's compliance with Section 125 of the *Local Government Act* subject to the completion of:

- appropriate procedures relating to subsequent events up to the date of our audit opinion
- receipt of the signed written representation letters from management
- adoption of the accounts by the Council and signing of Certification of the financial report by the Chief Executive Officer and Mayor.

3. Audit focus areas

Our audit procedures were focused on those areas of the Council's financial report that were identified and assessed as audit risks. These areas were identified as a result of:

- The risk assessment processes undertaken during the planning phase and throughout our engagement
- our understanding of the entity risks faced by the Corporation of the City of Marion, obtained through our prior experiences providing services to the Corporation of the City of Marion as well as a number of other Councils across South Australia and Australia
- discussions with management during the course of our audit

We detail below the areas of focus which we have identified as relevant to our audit that include significant risks and other areas of interest that we are required to and/or have determined should be, communicated to you.

3.1 Infrastructure, property, plant and equipment

Focus area	Findings
The majority of Infrastructure, Property, Plant & Equipment gets re-valued on an annual basis at a value equal to depreciated replacement cost per Council policy. In the 2016 financial year the revaluation resulted in a net decrease in revaluation surplus of \$4,500,000.	<p>Deloitte performed the following:</p> <p>Evaluation of the assumptions made by your experts in their (Maloney's and APV's) valuation reports, by comparing the assumptions they have made with prior year valuation reports and understanding any material variances. We note the main differences relate to the removal of residual value of the majority of the assets and the componentization of certain assets into short-life and long-life parts due to the change of interpretation of accounting standards relating to fixed assets. Such variances are in line with our understanding.</p> <p>Our detail testing covered the following areas:</p> <ul style="list-style-type: none"> • existence of fixed assets • additions of fixed assets • disposal of fixed assets <p>We have also performed the following procedures:</p> <ul style="list-style-type: none"> • Developing an expectation of depreciation expenditure in accordance with policy. • Review of the reconciliation of the fixed asset register to the financial statements. • Involvement of our internal valuation specialist in assessing the reasonableness of the overall valuation methodology used by council's valuers. <p>Overall we are comfortable with the current fixed asset position as at 30 June 2016.</p>

4. Internal control

Objective

We were engaged to perform a compliance audit of the Council with the requirements of Section 125 of the Local Government Act 1999 in relation to the Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 are in accordance with legislative provisions.

Summary of internal control

The 31 business processes are divided into 6 risk categories including Assets, Liabilities, Expenses, Revenue, Strategic Financial Planning and External Services. The Better Practice Model provided by the Local Government Association (LGA) identifies risks for each business process and suggests several controls to address each risk. In total there are 491 controls, of which 233 are considered "Core" and 258 are considered "Additional".

Summary of results

We have performed the control assessment on a rotation basis for each of six risk categories. For the financial year ended 2016, we have selected the risk categories of Assets and External Services as well as scoping in controls that fit the following profile:

- control activities which are different from last year and different from the Better Practice Model
- control activities which have different assessors or reviewers from last year
- control activities which have a rating for assessor or reviewer which are equal or less than 2
- control activities which the rating for assessor and reviewers are different by 2 or more
- control activities which had findings identified from last year
- control activities which are significant to the statutory audit

In performing our audit of the Council for the year ended 30 June 2016 whilst we have not identified any significant deficiencies in internal controls relating to the prevention and detection of fraud and error which would impact upon our ability to provide our opinion on the financial report for the year ended 30 June 2016, we noted a number of control observations as part of our engagement on the compliance with section 125 of the Local Government Act 1999. These findings are summarised in our letter to management circulated separately.

Future Considerations

The Council has conducted a risk analysis and implemented 219 of 233 core controls in accordance with the recommendations of the Better Practice Model, in order to comply with Section 125 of the Local Government Act 1999. We recommend that management perform further risk profiling analysis on these core controls to identify, and further reduce the key controls required to address the risks specific to the council

5. Other communications

Independence

We confirm that we have maintained our independence in accordance with the independence requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and intend to sign the Auditor's Independence Declaration (Appendix D) to be included in the Financial Report for the year ended 30 June 2016.

Non-compliance with applicable laws and regulations

In performing our audit of the Council for the year ended 30 June 2016 we have not become aware of any instances of non-compliance with applicable laws and regulations that would have an impact on the determination of material amounts and disclosures in the financial report.

Use of specialists

As planned, specialists assisted in the audit to the extent we considered necessary:

- **Valuation specialists** have been consulted in the evaluation of property and infrastructure valuations; and
- **Computer assurance specialists** are used on a rotational basis to assist in the evaluation of internal controls and in the use of our computerised audit applications.

Appendices

Appendix A

Summary of uncorrected misstatements

In performing our audit, we have not identified any uncorrected misstatements that we believe could, either individually or in aggregate, have a material effect on the financial report for the year ended 30 June 2016.

Appendix B

Summary of uncorrected disclosure deficiencies

In performing our audit of the Corporation of the City of Marion for the year ended 30 June 2016 no material uncorrected disclosure deficiencies were detected in the financial report.

Appendix C

There continues to be constant developments in financial reporting mainly driven by harmonisation of international accounting practices. We continue to provide regular analysis of the latest accounting developments through our IAS Plus website, www.iasplus.com/en. We have set out below some of the recent accounting developments that are of relevance to the Corporation of the City of Marion and impact the financial report for June 2016 and beyond.

Developments in financial reporting

C.1 Standards in issue not yet effective for the year ended 30 June 2016

The following new and revised Accounting Standards and amendments have been issued by the Australian Accounting Standards Board ("AASB") which are not yet effective that are of relevance to the Corporation of the City of Marion:

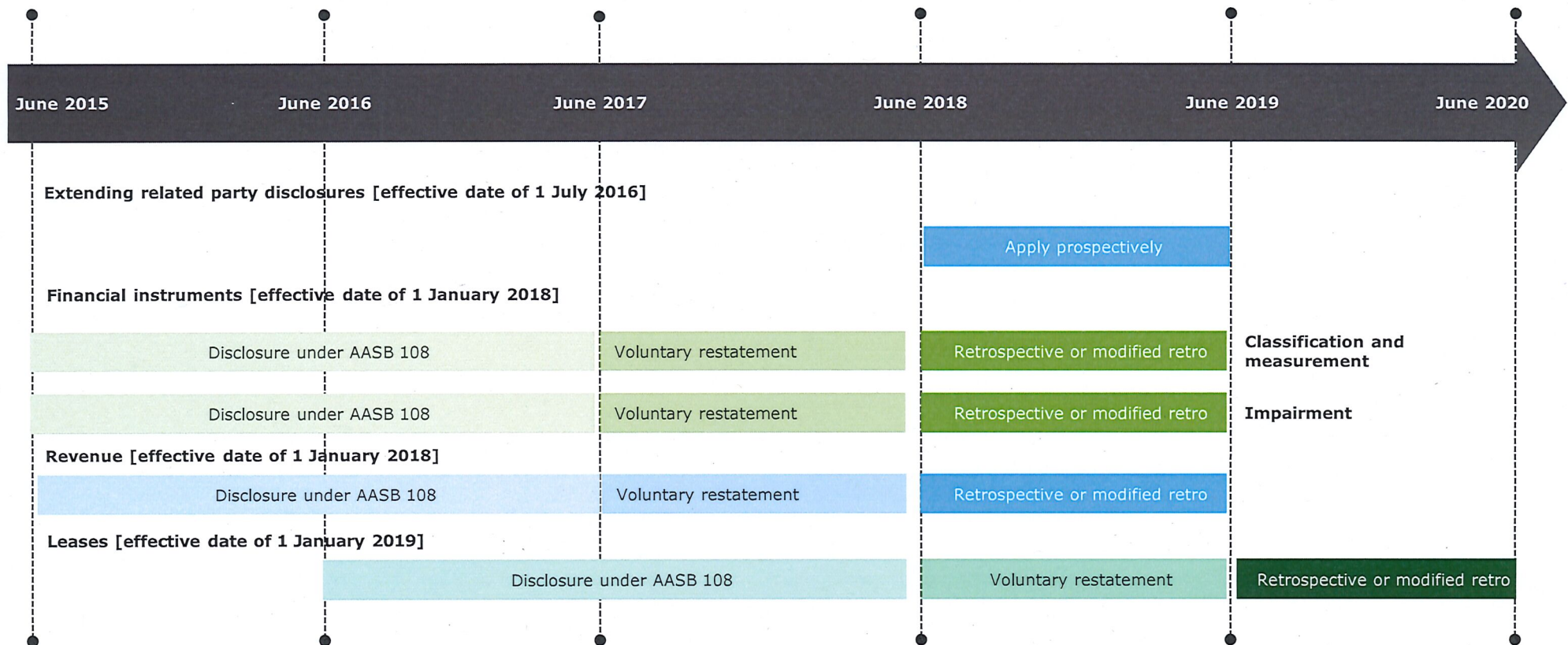
Standard/Interpretation	Effective
AASB 2015-6 Extending related party disclosures to not-for-profit public sector entities	1 July 2016
AASB 9 Financial Instruments 2014	1 January 2018
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15, AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15, ED 260 Income of Not-for-Profit Entities	1 January 2018
AASB 16 Leases	1 January 2019

Appendix C (con't)

Developments in financial reporting (cont.)

C.2 Project updates timeline

We have set out below a summary of the major projects that may be relevant to the Corporation of the City of Marion.



Appendix C (con't)

Developments in financial reporting		
Standard/ Interpretation	Effective Date	Impact of the new standard/interpretation
Extending related party disclosures	1 July 2016	<ul style="list-style-type: none"> Extends the scope of AASB 124 to not-for-profit public sector entities. Implementation guidance is included in the amendment to assist application of the Standard by not-for-profit public sector entities.
Financial Instrument	1 January 2018	<ul style="list-style-type: none"> The final version of AASB 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace AASB 139 Financial Instruments: Recognition and Measurement. The Standard carries over the existing derecognition requirements from AASB 139 but all other areas of AASB 139 have been revised.
Revenue	1 January 2018	<ul style="list-style-type: none"> The objective of this project is to develop a not-for-profit sector Accounting Standard that provides a basis for accounting for resource inflows and, where needed, develop not-for-profit sector specific guidance. In response to the concerns over the income recognition model in AASB 1004 Contributions, the AASB issued ED 260 Income of Not-for-Profit Entities back in April 2015. The Exposure Draft 260 proposes requirements for the recognition, measurement and disclosure of income of Australian not-for-profit entities in the public and private sectors. The key proposal in the Exposure Draft is the removal of the "reciprocal v non-reciprocal" income recognition requirements of AASB 1004. As a replacement, the Exposure Draft proposes that the timing of revenue recognition by a not-for-profit entity in relation to a transaction should be based on whether: (a) the transaction occurs in a contract (that is, an agreement with another party that creates enforceable rights and obligations); and, if so, (b) whether the contract includes performance obligations (which are promises by the entity to transfer goods or services to the customer). When (a) and (b) above are met, the not-for-profit entity would apply AASB 15. Under that Standard, the entity would recognise revenue when (or as) it satisfies each performance obligation by transferring a promised good or service to the customer (which occurs when the customer obtains control of that good or service). ED 260 includes material on "enforceable agreements" and "sufficiently specific transfer" to assist not-for-profit sector constituents to apply the proposed income recognition requirements. In contrast, unless both (a) and (b) above are met, the not-for-profit entity would immediately recognise income under the replacement standard of AASB 1004. Examples of transactions and other events that are within the scope of the replacement standard are: voluntary transfers (e.g. donations, grants and appropriations to government departments and agencies) and compulsory transfers (e.g. taxes, rates and fines).
Leases	1 January 2019	<ul style="list-style-type: none"> Removes distinction between operating and finance lease Requires the lessee to recognise, for all leases: <ul style="list-style-type: none"> An asset representing its right to use the leased item for the lease term, including rights under options A liability for its obligation to pay rentals, including contingent rental and residual value options.

Appendix D

Draft independence declaration

Mr Greg Connor
Chair, Finance and Audit Committee
Corporation of the City of Marion
245 Sturt Road
STURT SA 5047

4 October 2016

Dear Sir

Auditor's Independence Declaration to the Corporation of the City of Marion

In accordance with the Local Government (Financial Management) Regulations 2011, I am pleased to provide the following declaration of independence to the councillors of the Corporation of the City of Marion.

I confirm that, for the audit of the financial statements of the Corporation of the City of Marion for the 30 June 2016 financial year, 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, and in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act

Yours faithfully
Deloitte Touche Tohmatsu

Penny Woods
Partner

Appendix E

Independence letter for the Board Finance and Audit Committee

Mr Greg Connor
Chair, Finance and Audit Committee
Corporation of the City of Marion
245 Sturt Road
STURT SA 5047

4 October 2016

Dear Sir

Independence letter for the Finance and Audit Committee

Deloitte Touche Tohmatsu ("Deloitte") has prepared the following letter to facilitate our communication with the Finance and Audit Committee of the Corporation of the City of Marion (the "Council") and to assist you in meeting your requirements under the *Local Government Act 1999* to communicate matters to the members of Council regarding Auditor independence.

Independence

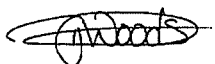
The Local Government Act 1999 and our professional standards require that we communicate with you whether there have been any contraventions of the auditor independence requirements of the Local Government Act 1999 or of any applicable code of professional conduct in relation to the audit. To the best of our knowledge and belief, there have been no contraventions of the auditor independence requirements of the Local Government Act or of any applicable code of professional conduct in relation to the audit for the financial year ended 30 June 2016.

We are not aware of any relationships between Deloitte and the Council that, in our professional judgment, may reasonably be thought to bear on our independence.

This report is intended solely for the information and use of the Council and management for the purposes stated herein, and is not intended to be and should not be used or relied upon by any other person or by any person for any other purpose.

Should you have any queries or wish to discuss this matter further please do not hesitate to contact me on 8407 7085.

Yours faithfully
Deloitte Touche Tohmatsu



Penny Woods
Partner



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SRWRA

Annual Report

2015/16





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

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

At a practical level, our core business activity is the management of our wholly-owned SRWRA Landfill and Recycling Operation employing innovative resource recovery approaches in managing all products and materials as valuable and finite resources. This is one of the State's major landfill operations currently receiving around 125,000 tonnes of waste annually.

Since 1996 SRWRA has been extracting landfill gas (methane) through its gas management plant. In the 2015/16 financial year, SRWRA generated over 18,000MWh from the SRWRA Landfill facility, equivalent to powering more than 2,500 local homes. As a result more than 6.8m cubic metres of methane was consumed with CO2 abatement equivalent to taking 26,000 cars off the road.

The SRWRA's joint venture operation with Integrated Waste Services (IWS) has developed through 2015/16 with significant improvements in the recycling programme and the construction of the jointly operated Southern Recycling Centre (SRC).



Joint Venture Partner:



Constituent Councils:



Chairman's Message



The waste industry, like all industries, continues to evolve and develop. Whilst changes in technology offer more and more opportunities to divert waste from landfill and to recover precious resources, the significant increases in the South Australian government waste levy provide a compelling financial reason for everyone to focus on minimising the volume of waste that is ultimately sent to landfill.

The waste and resource recovery industry reportedly makes a contribution in the order of \$14.2 billion to the Australian economy, providing employment and underpinning economic development.

With increased population and increased urbanisation producing more waste this contribution is only likely to grow.

As the owner and operator of one of the State's major landfill operations, the Board of the Southern Region Waste Resource Authority (SRWRA) is conscious of its role in the waste industry and its responsibility to provide and operate waste management services on behalf on its Constituent Councils.

These responsibilities have been discharged in a number of ways over the past 12 months.

Firstly, by continuing to evolve in line with trends in the industry and increasing our investment in resource recovery technologies and facilities in order to ensure there is a diversion away from landfill for those resources which may have more productive uses. These efforts will only increase over time as the national agenda turns to 'green' procurement initiatives which seek to encourage the use of secondary raw materials.

Secondly, through the Les Perry Memorial grant program, a small but important education initiative which aims to provide financial assistance to a number of primary schools within the area of the Constituent Councils to support their own waste management initiatives.

Thirdly, by ensuring we provide a low cost well-managed modern landfill facility. In this regard I am pleased to report that through the tremendous efforts of our management team and staff we have again been able to improve the overall efficiency of the landfill operation to contain our cost increases for the benefit of our owners and the community.

Finally, by ensuring that future post closure obligations are fully funded.

In extending my thanks to each member of the Board for their contribution and continued support, it is important to note the outstanding service of Mr Ian Walker and Mr Steve Mathewson who retired as board members during the year. I would also like to congratulate the Executive Officer and his dedicated team for their hard work and contribution to placing the Authority on such a sound strategic and financial footing.

I am pleased to submit the Annual Report for the 2016 financial year which clearly demonstrates that the Authority continues to meet the objectives and responsibilities outlined in its Charter in a fiscally and environmentally sustainable manner. I confirm the Authority is well placed strategically and financially to continue to deliver a sustainable waste management solution for the southern region of Adelaide on behalf of its Constituent Councils.



Board of Management as at June 30th 2016

Chairperson



Mark Booth

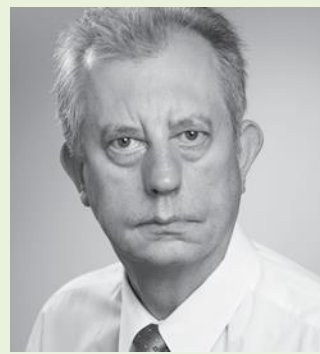
Members



Paul Harwood
City of Onkaparinga



Vincent Mifsud
City of Marion



Ian Walker
City of Holdfast Bay



Kirk Richardson
City Of Onkaparinga



Ian Crossland
City of Marion



Lynda Yates
City of Holdfast Bay

Deputy Members



Heidi Greaves
City of Onkaparinga



Nick Kerry
City of Marion



John Smedley
City of Holdfast Bay

Executive Officer's Message



The past year has been an exciting year of achievement and realignment for the Authority in line with its Strategic Plan, complimented by the direction of the SRWRA Board throughout the year to ensure the most effective use of resources and to ensure the Authority's post closure liabilities continue to meet the obligations set out by its Constituent Councils and Charter.

Recycle and Re-use have been a particular focus over the year in terms of recovered products, with the Authority diverting over 19,000 tonnes of recovered product from its Landfill operation. As part of the recycling and recovery processes being developed at the SRWRA operations, the Authority has been able to re-use over 150,000 tonnes of recovered aggregates during the construction of the newly developed Southern Recycling Centre (SRC).

The SRC development enables the Authority to continue to provide sustainable waste management solutions for the life of the Landfill and beyond. SRWRA's dedicated team and strong Board have been integral to the momentum of efficiencies and continuous improvements across the administration and operations of the SRWRA Landfill and Recycling Operations over the past year which has been supported by strategic investment into resource recovery and development of improved recycling infrastructure.

I would like to take this opportunity to extend my thanks and appreciation to the SRWRA

staff and Board members for their hard work and dedicated contribution over the past twelve months, strengthening the Authority's commitment and responsibilities for environmental and waste management on behalf of its Constituent Councils, placing the Authority on a strong strategic and financial footing to meet the challenges, obligations and developments of the waste industry now and into the future.

The combination of the SRWRA Board and Joint Venture Board brings an excellent balance to the Authority offering a vast array of perspectives and a myriad of experience from local government and private enterprise. This is further complimented by the support and guidance received by the SRWRA Audit Committee which consists of external representation from each of the Constituent Councils. The Audit Committee adds a valuable support function to the SRWRA Board and Executive Officer in the management of the Authority's risk profiles.

In the continued development of the SRWRA's community educational initiatives each year the Authority writes to all the local primary schools in the Constituent Council areas promoting the Les Perry Memorial Grant Programme. Schools in the Constituent Council areas are encouraged to apply to the Authority for a grant of approximately \$500 each to focus on recycling and educating children on the importance of recycling and re-use of common household waste materials. A total of 5 schools were successfully awarded the grant this year.

I am pleased to report that the 2015/16 financial period for the Authority showed an operating surplus of \$1.8M for the year ended 30th June 2016. This is an excellent result, built around the improvements and efficiencies of the operations over the past twelve months. The Authority continues to operate a reasonable commercial return to the Constituent Councils whilst ensuring there are adequate financial reserves to meet future developments and post closure requirements of its operations. A complete copy of the Audited Financial Statements for 2015/16 forms part of this report.

As the waste industry continues to evolve and develop, I look forward to leading the Authority through the challenges and opportunities in the year ahead.

SRWRA

General Purpose Financial Report For the year ended 30 June 2016



SOUTHERN REGION WASTE RESOURCE AUTHORITY

General Purpose Financial Reports for the year ended 30 June 2016

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SOUTHERN REGION WASTE RESOURCE AUTHORITY

ANNUAL FINANCIAL STATEMENTS for the year ended 30 June 2016

CERTIFICATION OF FINANCIAL STATEMENTS

I have been authorised by the Southern Region Waste Resource Authority Board 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 2016 and the results of its operations and cashflows 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 throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



.....
Mark Booth
Chairman



.....
Mark Hindmarsh
Executive Officer

Dated the 18th day of August 2016

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2016

	Notes	2016 \$ '000	2015 \$'000
INCOME			
User charges	2	9,294	9,171
Investment income	2	622	672
Other Income	2	631	1,302
Net gain - equity accounted Joint Venture	14	-	124
Total Income		10,547	11,269
EXPENSES			
Employee costs	3	1,025	1,005
Materials, contracts & other expenses	3	6,848	6,344
Depreciation, amortisation & impairment	3	784	1,034
Other Expenses	3	75	94
Net loss - equity accounted Joint Venture	14	20	-
Total Expenses		8,752	8,477
OPERATING SURPLUS / (DEFICIT)		1,795	2,792
Net gain (loss) on disposal or revaluation of assets	4	5	-
NET SURPLUS / (DEFICIT)		1,800	2,792
transfer to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		1,800	2,792

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF FINANCIAL POSITION
as at 30 June 2016

	Notes	2016 \$'000	2015 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	19,069	19,245
Trade & other receivables	5	867	1,049
Inventories	5	48	49
		<u>19,984</u>	<u>20,343</u>
Total Current Assets		<u>19,984</u>	<u>20,343</u>
Non-current Assets			
Equity Accounted Joint Venture	14	164	189
Infrastructure, Property, Plant & Equipment	6	14,461	16,614
		<u>14,625</u>	<u>16,803</u>
Total Non-current Assets		<u>14,625</u>	<u>16,803</u>
Total Assets		<u>34,609</u>	<u>37,146</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	1,365	1,414
Provisions	7	136	134
		<u>1,501</u>	<u>1,548</u>
Total Current Liabilities		<u>1,501</u>	<u>1,548</u>
Non-current Liabilities			
Provisions	7	14,580	18,870
		<u>14,580</u>	<u>18,870</u>
Total Non-current Liabilities		<u>14,580</u>	<u>18,870</u>
Total Liabilities		<u>16,081</u>	<u>20,418</u>
NET ASSETS		<u>18,528</u>	<u>16,728</u>
EQUITY			
Accumulated Surplus		18,528	16,728
TOTAL EQUITY		<u>18,528</u>	<u>16,728</u>

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2016

2016	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		16,728	-	-	16,728
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		-	-	-	-
Restated Opening Balance		16,728	-	-	16,728
Net Surplus/ (Deficit) for Year		1,800			1,800
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-	-
Transfers between reserves		-	-	-	-
Distributions to Member Councils		-	-	-	-
Balance at end of period		18,528	-	-	18,528

2015	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		14,136	-	-	14,136
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		-	-	-	-
Restated Opening Balance		14,136	-	-	14,136
Net Surplus/ (Deficit) for Year		2,792	-	-	2,792
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-	-
Transfers between reserves		-	-	-	-
Distributions to Member Councils		(200)	-	-	(200)
Balance at end of period		16,728	-	-	16,728

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF CASH FLOWS for the year ended 30 June 2016

		2016 \$'000	2015 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
<u>Receipts</u>			
Operating receipts		10,869	10,465
Investment receipts		621	667
<u>Payments</u>			
Operating payments to suppliers & employees		(8,898)	(8,497)
Finance payments		-	-
Net Cash provided by (or used in) Operating Activities	8 (b)	<u>2,592</u>	<u>2,635</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of surplus assets		5	-
Distributions received from equity accounted Joint Venture	14	150	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(39)	(31)
Expenditure on new/upgraded assets		(2,739)	(1,208)
Capital contributed to equity accounted Joint Venture	14	(145)	-
Distributions paid to Constituent Councils		-	(200)
Net Cash provided by (or used in) Investing Activities		<u>(2,768)</u>	<u>(1,439)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Cash provided by (or used in) Financing Activities		<u>-</u>	<u>-</u>
Net Increase (Decrease) in cash held		(176)	1,196
Cash & cash equivalents at beginning of period		<u>19,245</u>	18,049
Cash & cash equivalents at end of period	8 (a)	<u>19,069</u>	<u>19,245</u>

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

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

3 Income recognition

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

4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest.

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 10.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

5 Infrastructure, Property, Plant & Equipment

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

5.1 Initial Recognition

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

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

5.2 Materiality

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

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

5.3 Depreciation of Non-Current Assets

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

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

Plant, Furniture & Equipment	3 to 10 years
Buildings	30 - 50 years
Waste Facility	10 to 15 years
Landfill Construction	Amortised proportionately to rate of filling

5.4 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

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

7.2 Superannuation

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

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2015/16; 9.5% in 2014/15). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

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

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

9 Inventory

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax". Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment.

Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 Comparative Information

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

12 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been used in preparing these reports.

The Authority is of the view that none of the new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

13 Valuation of Land and Building Assets

Land and Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on the current zoning of the Onkaparinga Council Development Plan and Environmental Protection Agency (EPA) constraints and assessed market values based on highest and best use. All purchases made post 30 June 2014 have been recorded at Cost.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 2 - INCOME

	Notes	2016 \$'000	2015 \$'000
USER CHARGES			
Landfill Operations		9,294	9,171
		<u>9,294</u>	<u>9,171</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		552	633
Banks & other		27	20
Investment property rental income		43	19
		<u>622</u>	<u>672</u>
OTHER INCOME			
Movement in Landfill Liabilities		228	1,182
Other Income		307	-
Southern Recycling Centre		96	120
		<u>631</u>	<u>1,302</u>

During the 2015/16 financial year, the Authority completed a review of the Post Closure Rehabilitation landfill liability which resulted in a reduction of \$4.643 million to the liability - refer Note 7. This reduction in liability is a non-cash transaction of which \$228k has been reflected in Other Income.

Note 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		951	911
Employee leave expense		11	6
Superannuation		77	72
Workers' Compensation Insurance		43	48
Less: Capitalised and distributed costs		(57)	(32)
Total Operating Employee Costs		<u>1,025</u>	<u>1,005</u>
Total Number of Employees		10	10
<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		19	18
- Internal Controls Opinion		-	6
Board Expenses		43	36
Operating Lease Rentals - cancellable leases		3	28
Subtotal - Prescribed Expenses		<u>65</u>	<u>88</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		227	254
Fuel		104	141
Equipment Hire		12	6
Maintenance		391	271
Legal Expenses		55	106
Levies paid- EPA Levy		5,582	5,152
Professional services		41	43
Southern Recycling Centre		10	32
Sundry		361	251
Subtotal - Other Materials, Contracts & Expenses		<u>6,783</u>	<u>6,256</u>
		<u>6,848</u>	<u>6,344</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES (cont)

	Notes	2016 \$'000	2015 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Landfill Construction		401	641
Buildings & Waste Facility		45	29
Plant & Equipment		338	364
Impairment	6	-	-
		<u>784</u>	<u>1,034</u>
OTHER EXPENSES			
Transfer to Provision for Cell 2 Capping		-	-
Transfer to Provision of Cell 3-1 & 3-2 Capping		75	94
		<u>75</u>	<u>94</u>

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Assets renewed or directly replaced

Proceeds from disposal	5	-
Less: Carrying amount of assets sold	-	-
Gain (Loss) on disposal	<u>5</u>	<u>-</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>5</u>	<u>-</u>

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS

Cash on Hand and at Bank	1,304	1,698
Deposits at Call	-	-
Short Term Deposits & Bills, etc	17,765	17,547
	<u>19,069</u>	<u>19,245</u>

TRADE & OTHER RECEIVABLES

Accrued Revenues	25	29
Debtors - general	823	882
Prepayments	19	138
Total	867	1,049
Less: Allowance for Doubtful Debts	-	-
	<u>867</u>	<u>1,049</u>

INVENTORIES

Stores & Materials	48	49
	<u>48</u>	<u>49</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

	2015 \$'000				2016 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Land	1,427	400	-	1,827	1,427	400	-	1,827
Buildings	560	370	(12)	918	560	780	(41)	1,299
Waste Facility:								
Fencing	-	29	(26)	3	-	41	(32)	9
Concrete Slab	-	111	(84)	27	-	111	(90)	21
Oil Transfer Facility	-	68	(51)	17	-	68	(55)	13
Shed	-	25	(9)	16	-	25	(9)	16
Depot	-	67	(24)	43	-	67	(25)	42
Plant & Equipment	-	4,361	(2,638)	1,723	-	4,220	(2,720)	1,500
Motor Vehicles	-	31	(8)	23	-	74	(13)	61
Office Equipment	-	157	(145)	12	-	126	(113)	13
Landfill Construction:								
Landfill Cell 3-1 & 3-2	-	5,293	(5,293)	-	-	5,293	(5,293)	-
Landfill Cell's 3-1 & 3-2 Capping	-	828	(828)	-	-	828	(828)	-
Cell 3-3 & 3-4 (Lower)	-	3,705	(3,264)	441	-	3,705	(3,264)	441
Cell 3-3 & 3-4 (Lower) Capping	-	2,668	(588)	2,080	-	2,755	(588)	2,167
Cell 4	-	3,578	(1,189)	2,389	-	3,607	(1,432)	2,175
Cell 4 (Capping)	-	1,673	(908)	765	-	1,727	(991)	736
Site Rehabilitation	-	5,733	(1,317)	4,416	-	5,733	(5,733)	-
Future Restoration Costs	-	3,901	(2,309)	1,592	-	4,028	(2,384)	1,644
Work in Progress	-	322	-	322	-	2,497	-	2,497
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	1,987	33,320	(18,693)	16,614	1,987	36,085	(23,611)	14,461
Comparatives	1,987	32,771	(17,658)	17,100	1,987	33,320	(18,693)	16,614

This Note continues on the following pages.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

	2015	CARRYING AMOUNT MOVEMENTS DURING YEAR							2016
	\$'000	\$'000							\$'000
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Adjustments	Revaluation Movement	CARRYING AMOUNT
Capital		Renewals							
Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT									
Land	1,827	-	-	-	-	-	-	-	1,827
Buildings	918	401	9	-	(29)	-	-	-	1,299
Waste Facility:									
Fencing	3	-	11	-	(5)	-	-	-	9
Concrete Slab	27	-	-	-	(6)	-	-	-	21
Oil Transfer Facility	17	-	-	-	(4)	-	-	-	13
Shed	16	-	-	-	-	-	-	-	16
Depot	43	-	-	-	(1)	-	-	-	42
Plant & Equipment	1,723	151	-	(57)	(317)	-	-	-	1,500
Motor Vehicles	23	43	-	-	(5)	-	-	-	61
Office Equipment	12	-	19	(3)	(15)	-	-	-	13
Landfill Construction:									
Landfill Cell 3-1 & 3-2	-	-	-	-	-	-	-	-	-
Landfill Cell's 3-1 & 3-2 Capping	-	-	-	-	-	-	-	-	-
Cell 3-3 & 3-4 (Lower)	441	-	-	-	-	-	-	-	441
Cell 3-3 & 3-4 (Lower) Capping	2,080	87	-	-	-	-	-	-	2,167
Cell 4	2,389	30	-	-	(244)	-	-	-	2,175
Cell 4 (Capping)	765	54	-	-	(83)	-	-	-	736
Post Closure Rehabilitation	4,416	-	-	-	-	-	(4,416)	-	-
Future Restoration Costs	1,592	127	-	-	(75)	-	-	-	1,644
Work in Progress	322	2,175	-	-	-	-	-	-	2,497
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	16,614	3,068	39	(60)	(784)	-	(4,416)	-	14,461
Comparatives	20,902	1,512	8	(42)	(1,785)	(529)	-	(2,966)	17,100

This Note continues on the following pages.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 7 - LIABILITIES

		2016 \$'000		2015 \$'000
	Notes	Current	Non-current	Current Non-current
TRADE & OTHER PAYABLES				
Goods & Services		1,190	-	1,102 -
Accrued expenses - other		175	-	312 -
		1,365	-	1,414 -
 PROVISIONS				
Annual Leave		74	-	77 -
Long Service Leave		62	20	57 11
Post Closure Rehabilitation		-	3,654	- 8,297
Cell Capping - 3-1 & 3-2		-	2,396	- 2,320
Cell Capping - 3-3 & 3-4 (Lower)		-	2,755	- 2,668
Cell 4 Capping		-	1,727	- 1,673
Future Restoration Costs		-	4,028	- 3,901
		136	14,580	134 18,870
 Movements in Provisions - 2016 year only (current & non-current)		Opening Balance	Additional Amounts Recognised/ (Derecognised)	Payments Closing Balance
Post Closure Rehabilitation		8,297	(4,643)	- 3,654
Cell Capping -3-1 & 3-2		2,320	76	- 2,396
Cell Capping - 3-3 & 3-4 (Lower)		2,668	87	- 2,755
Cell 4 Capping		1,673	54	- 1,727
Future Restoration Costs		3,901	127	- 4,028
Total		18,859	(4,299)	- 14,560

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8 - RECONCILIATION OF 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 Statement of Financial Position as follows:

	Notes	2016 \$'000	2015 \$'000
Total cash & equivalent assets	5	19,069	19,245
Less: Short-term borrowings		-	-
Balances per Cash Flow Statement		<u>19,069</u>	<u>19,245</u>

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

Net Surplus (Deficit)	1,800	2,792
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	784	1,034
Net (Gain) Loss on Disposals	(5)	-
	<u>2,579</u>	<u>3,826</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	182	338
Net (increase) decrease in inventories	1	(49)
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	(49)	(272)
Net increase (decrease) in other provisions	(121)	(1,208)
Net Cash provided by (or used in) operations	<u>2,592</u>	<u>2,635</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge
- Non-cash grants & contributions

Amounts recognised in Income Statement

- Finance Leases

-	-
-	-
-	-
-	-

(d) Financing Arrangements

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

Corporate Credit Cards	18	18
------------------------	----	----

The Authority has no bank overdraft facility.

SOUTHERN REGION WASTE RESOURCE AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates of 1.5 - 2.8% (2015: 2 - 3%). Short term deposits have an average maturity of 90 days (2015: 90 days).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Gate Fees & Associated Charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>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.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

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 provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and the ANZ Bank. There is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows.

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 9 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2016	Floating Interest Rate \$'000	Fixed interest maturing in			Non- interest bearing \$'000	Total \$'000
		≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000		
Financial Assets						
Fair Value through P&L						
Cash Assets	1,304	17,765	-	-	-	19,069
Loans & Receivables						
Receivables	-	-	-	-	867	867
Total	1,304	17,765	-	-	867	19,936
<i>Weighted Average Interest Rate</i>	<i>1.50%</i>	<i>2.80%</i>				
Financial Liabilities						
Payables	-	-	-	-	1,365	1,365
Total	-	-	-	-	1,365	1,365
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	1,304	17,765	-	-	(498)	18,571

2015	Floating Interest Rate \$'000	Fixed interest maturing in			Non- interest bearing \$'000	Total \$'000
		≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000		
Financial Assets						
Fair Value through P&L						
Cash Assets	1,698	17,547	-	-	-	19,245
Loans & Receivables						
Receivables	-	-	-	-	1,049	1,049
Total	1,698	17,547	-	-	1,049	20,294
<i>Weighted Average Interest Rate</i>	<i>2.00%</i>	<i>3.00%</i>				
Financial Liabilities						
Payables	-	-	-	-	1,414	1,414
Total	-	-	-	-	1,414	1,414
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	1,698	17,547	-	-	(365)	18,880

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 10 - COMMITMENTS FOR EXPENDITURE

	2016 \$'000	2015 \$'000
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Resource Recovery Facility	527	1,660
Administration Office Construction	-	146
Plant & Equipment	-	-
	<u>527</u>	<u>1,806</u>
These expenditures are payable:		
Not later than one year	527	1,806
Later than one year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>527</u>	<u>1,806</u>
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	73	18
	<u>73</u>	<u>18</u>
These expenditures are payable:		
Not later than one year	18	18
Later than one year and not later than 5 years	55	-
Later than 5 years	-	-
	<u>73</u>	<u>18</u>

Note 11 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL PERFORMANCE

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

1. Potential Insurance Losses

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

The Authority 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 the Authority may have existed at reporting date.

2. Legal Expenses

All known costs have been recognised.

Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2016 that need to be disclosed in the Financial Statements

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

All Councils in South Australia voluntarily 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.

	2016 \$'000	2015 \$'000
Income	10,547	11,269
less Expenses	(8,752)	(8,477)
Operating Surplus / (Deficit)	1,795	2,792
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	39	31
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	(859)	(1,128)
Proceeds from Sale of Replaced Assets	-	-
	(820)	(1,097)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	2,739	1,208
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	(5)	-
	2,734	1,208
Net Lending / (Borrowing) for Financial Year	(119)	2,681

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 14 - EQUITY ACCOUNTED JOINT VENTURE

Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services Pty Ltd to operate the Southern Recycling Centre located on the Authority's landfill site.

	2016 \$'000	2015 \$'000
The Authority's respective interests are:		
- interest in operating result:	49.99%	49.99%
- ownership of equity	49.99%	49.99%
the proportion of voting power	50.00%	50.00%
<u>Movement in Investment in Joint Operation:</u>		
Opening Balance	189	65
New Capital Contributions	145	-
Share in Operating Result	124	124
Equity Adjustment	(144)	-
Distributions Received	(150)	-
Share in Equity of Joint Operation	164	189

Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 15 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) **Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 15 - FAIR VALUE MEASUREMENTS (Cont.)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2016					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,827	-	1,827
- Buildings	6	-	1,340	-	1,340
Total financial assets recognised at fair value		-	3,167	-	3,167

2015					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,827	-	1,827
- Buildings	6	-	930	-	930
Total financial assets recognised at fair value		-	2,757	-	2,757

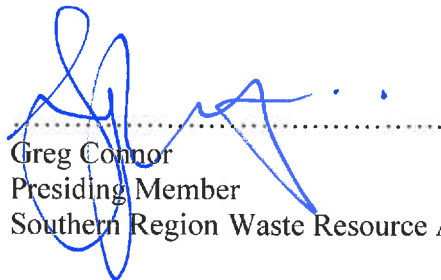
(b) **Disclosed fair value measurements**

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements

**Presiding Member Southern Region Waste Resource Authority
Audit Committee – Auditor Independence**

I, Greg Connor the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority's Audit Committee, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999.



.....

Greg Connor
Presiding Member
Southern Region Waste Resource Authority Audit Committee

18816 .
...../...../.....
Dated



Accountants, Auditors
& Business Consultants

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David Sullivan CPA
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

Report on the Financial Report

We have audited the accompanying financial report of the Southern Region Waste Resource Authority ("the Authority"), which comprises the balance sheet as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Executive Officer.

Authority's Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Authority, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

Audit Opinion

In our opinion, the financial report of the Southern Region Waste Resource Authority for the year ended 30 June 2016 is properly drawn up:

- (a) so as to give a true and fair view of:
 - (i) the Authority's state of affairs as at 30 June 2016 and its operating result and cash flows for the year ended on that date; and
 - (ii) the other matters required by Division IV of the Local Government Act 1999 to be dealt with in the accounts;
- (b) in accordance with the provisions of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

Other Matter

The financial report of the Southern Region Waste Resource Authority for the year ended 30 June 2015 was audited by another auditor who expressed an unmodified opinion on that financial report on 16 September 2015.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Simon Smith, FCPA, Registered Company Auditor
Partner

26 / 8 / 2016



Accountants, Auditors
& Business Consultants

David Chant FCPA
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

We have audited the Internal Controls of the Southern Region Waste Resource Authority ("the Authority") under the requirement of Section 129(1)(b) of the Local Government Act 1999 in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the year ended 30 June 2016 have been conducted properly and in accordance with the law.

The Authority's Responsibility for Internal controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with Section 129(1)(b) 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 have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, 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 2015 to 30 June 2016. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of 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 controls, assessing the risk that a material weakness exists, and testing and evaluating the design of controls on a sample basis based on the assess risk.

Limitation of Use

This report has been prepared for the members of the Authority 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 Authority, or for any purpose other than which it was prepared.

Inherent Limitation.

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with Section 125 of the Local Government Act 1999 in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and procedures performed in respect of compliance with Section 125 of the Local Government Act 1999 in relation to the Internal Controls specified above are undertaken on a test basis.

The opinion expressed in this report has been formed on the above basis.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the Authority has complied, in all material respects, with Section 129(1)(b) of the Local Government Act 1999 in relation to internal controls established by the Authority 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 authority have been conducted properly and in accordance with law for the year ended 30 June 2016.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

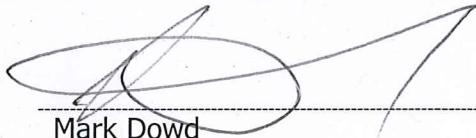


Simon Smith, FCPA, Registered Company Auditor
Partner

26/8/2016

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

I, Mark Dowd the person for the time being occupying the position of Chief Executive Officer of the City of Onkaparinga, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.



Mark Dowd
Chief Executive Officer
City of Onkaparinga

23 / 8 / 2016

Dated



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Document1

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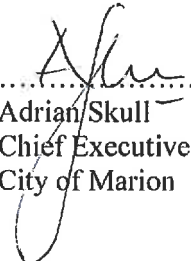
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**Chief Executive Officer's Certificate of Compliance – Auditor Independence
Southern Region Waste Resource Authority**

I, Adrian Skull, the person for the time being occupying the position of ~~Acting~~ Chief Executive Officer of the City of Marion, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.


.....
Adrian Skull
Chief Executive Officer
City of Marion

12/8/16
.....
Dated

The City of Marion acknowledges It is part of Kaurna land and recognises the Kaurna people
as the traditional and continuing custodians of the land.



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twitter.com/CityofMarion



youtube.com/CityofMarion

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holdfast.sa.gov.au

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

I, Justin Lynch, the person for the time being occupying the position of Chief Executive Officer of the City of Holdfast Bay, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.


.....
Justin Lynch
Chief Executive Officer
City of Holdfast Bay

...9./8./16...
Dated

Attendance at Board Meetings

July 2015 – June 2016

BOARD MEETINGS	A	B
BOARD MEMBERS		
Chairman Mark Booth	7	7
Ian Walker	7	4
Kirk Richardson	7	7
Vincent Mifsud	7	5
Steve Matthewson (to May 2016)	6	4
Paul Harwood (May 2016 to Jun 2016)	1	0
Lynda Yates	7	7
Ian Crossland	7	6
DEPUTY BOARD MEMBERS Please Note: Deputy Board Members are only required to attend a Board Meeting when the Board Member is an apology.		
Nick Kerry	7	0
John Smedley	7	4
Heidi Greaves	7	1

A = Number of meetings held during the period 1 July 2015 to 30 June 2016 during the time the Board Member or the Deputy Board Member was a member of the Board.

B = Number of meetings attended by the Board Member or Deputy Board Member from 1 July 2015 to 30 June 2016.

Attendance at Audit Committee Meetings

JULY 2015 – JUNE 2016

AUDIT COMMITTEE MEETINGS	A	B
Chairman Greg Connor	4	3
Vicki Brown	4	4
David Powell	4	4
Mark Booth	4	4
Steve Matthewson (to May 2016)	4	2

A = Number of meetings held during the period 1 July 2015 to 30 June 2016 during the time the Audit Committee Member was a member of the Committee.

B = Number of meetings attended by the Audit Committee Board Member from 1 July 2015 to 30 June 2016.





SRWRA Constituent Councils



ANNUAL REPORT 2015/2016

Council **Solutions**TM

improved outcomes

Council Solutions is a joint initiative of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully that make up the Constituent Councils.

Established in 2012 as a Regional Authority in accordance with Section 43 of the *Local Government Act 1999*, Council Solutions provides a collaborative and strategic approach to the procurement of goods and services on behalf of its Constituent Councils, including negotiating and managing contracts, and investigating the provision of other shared functions.

This collaborative approach to procurement not only provides significant purchasing power to attain the best value for the community, but it also optimises the financial sustainability of each of the Constituent Councils by reducing administrative costs, the number of tender processes and replicated contract management activities.

The goal of Council Solutions is to improve community prosperity and wellbeing by undertaking local government procurement and collaborative services that:

- ☞ Deliver best value for money
- ☞ Explore innovative ways of delivering infrastructure and services
- ☞ Value partnership between councils and suppliers

Background

Council Solutions provides the legal structure to the G6 Procurement Group formed in 1994 by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully to address the combined \$415 million annual spend on infrastructure and services by these Constituent Councils.

Ministerial approval was given for Council Solutions Regional Authority to be established by notice in the SA Government Gazette on 20 December 2012. The Gazette states the purpose of the Authority as “*promoting procurement and service delivery amongst the constituent councils.*”

As a South Australian local government body, it is governed by the:

- ☞ *Local Government Act 1999*
- ☞ *Local Government (Financial Management) Regulations 2011*
- ☞ Council Solutions Regional Authority Charter 2012

Council Solutions Regional Authority

25 Pirie St, Adelaide SA 5000
councilsolutions.sa.gov.au

ABN 92 168 067 160

Date prepared 30 September 2016



Foreword from the Chair

Council Solutions, now in its fourth year of operation since being established as a Regional Authority in 2012, has implemented a strong platform to optimise the financial sustainability of Constituent Councils through the benefits of collaborative strategic procurement and contract management, and the provision of other shared functions.

In the past financial year in excess of \$51 million of Council expenditure has been managed under collaborative procurement arrangements. Procurement spend diagnostics software has been utilised across the Constituent Councils to target and schedule further strategic procurement opportunities and support the development of a Regional Forward Procurement Plan.

I would like to acknowledge the efforts of the Board and thank them for their cooperation and support in leveraging the economies of scale across Constituent Councils to maximise the value each Council is able to provide to the community.

I thank our Audit Committee who supports us in achieving the highest standards of accountability, transparency and governance.

I would also like to acknowledge Maggie Dowling for her significant contribution as Chief Executive Officer from December 2013 to January 2016. I also thank Ian Thompson, Acting Chief Executive Officer from February to May 2016 and the Council Solutions team for their commitment, dedication and support.

Finally, I welcome Oliver Barry, who commenced as Chief Executive Officer in May 2016.

A handwritten signature in dark ink, appearing to read 'Catherine Cooper'.

Catherine Cooper
Chair of the Board, Council Solutions Regional Authority



Report from the Chief Executive Officer

Since my commencement on 16 May 2016 it is clear to me that Council Solutions is in a unique position to work in partnership with our Constituent Councils to deliver outstanding outcomes for Councils and ratepayers.

A number of key enabling systems and frameworks have been established such as the Procurement Dashboard software supporting expenditure analysis and the Regional Forward Procurement Plan process. There is a fantastic opportunity to further build upon the achievements of recent years in order to support Constituent Councils in providing improved services to the community.

Over the past 12 months our two highest value contracts comprising a combined annual expenditure in excess of \$34 million have been successfully re-tendered with excellent outcomes achieved.

In addition, Councils Solutions has facilitated the exercise of extension options for 12 existing contract arrangements across 33 suppliers with a combined total value in excess of \$13 million per annum.

I thank the Board for their support and the Council Solutions team: Taryn Alderdice, Clare Couper, Audrey Rangel and Ian Thompson and previous team members Maggie Dowling and Rachel Bell.

I look forward to continuing to work with our key stakeholders across Constituent Councils including the Procurement Leaders Group, Directorate and Chief Executive Officers to achieve optimum collaborative procurement outcomes and explore additional service opportunities that may be delivered jointly to maximise efficiency and effectiveness.

A handwritten signature in black ink, appearing to read 'O. Barry', written in a cursive style.

Oliver Barry
Chief Executive Officer, Council Solutions Regional Authority

Board of Management 2016



Independent Chairperson
Ms Catherine Cooper



Adelaide City Council
Mr Mark Goldstone



City of Charles Sturt
Mr Paul Sutton



City of Marion
Mr Adrian Skull



City of Onkaparinga
Mr Mark Dowd



City of Salisbury
Mr John Harry



City of Tea Tree Gully
Mr John Moyle

Board of Management 2016

Council Solutions is a body corporate, governed by a Board of Management, comprising seven members being the Chief Executive Officer from each Constituent Council: Adelaide City Council and the Cities of Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully, and one person who is not a member or officer of a Constituent Council who holds the position of Chair.

The Board held five formal meetings during the year to consider the strategic direction and financial integrity of the organisation. Attendance at meetings was as follows:

Board Position	Board Member	Meetings Attended
Independent Chairperson	Ms Catherine Cooper	5
Adelaide City Council	Mr Stephen Hains, Acting CEO ¹	1
	Mr Mark Goldstone, CEO ²	3
City of Charles Sturt	Mr Paul Sutton, CEO	5
City of Marion	Mr Geoff Whitbread, Acting CEO ³	1
	Mr Adrian Skull, CEO ⁴	4
City of Onkaparinga	Mr Mark Dowd, CEO	4
City of Salisbury	Mr John Harry, CEO	5
City of Tea Tree Gully	Mr John Moyle, CEO	4

¹ Mr Stephen Hains completed his Acting CEO assignment with Adelaide City Council in August 2015

² Mr Mark Goldstone was appointed CEO of Adelaide City Council in October 2015

³ Mr Geoff Whitbread completed his Acting CEO assignment with the City of Marion in August 2015

⁴ Mr Adrian Skull was appointed CEO of the City of Marion in August 2015

Audit Committee

The Council Solutions Board is supported by one designated committee being the Audit Committee which is formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2013.

The function of the Audit Committee includes reviewing annual financial statements to ensure that they present fairly the state of affairs of the Authority and reviewing the adequacy of financial management systems and practices. The Audit Committee is governed by a terms of reference with the work flow controlled by an Audit Committee Work Program. The Audit Committee Work program is updated after each meeting to reflect Committee achievements as well as to include actions arising from the meeting as well as from Board meetings.

Committee Membership and Meetings Attended

The Audit Committee met on 4 occasions during the financial year.

Member	Meetings Attended
Ms Tanya Johnston (Chair) Independent Member	4
Mr David Papa Independent Member	4
Mr Mark Dowd Board Member (Resigned 1 May 2016)	1
Mr John Moyle Board Member (Appointed 2 May 2016)	2
Mr Thornton Harfield (Nominated Proxy)	1

As illustrated in the table above there was a change in membership during the year with Mark Dowd (CEO Onkaparinga) resigning with John Moyle (CEO Tea Tree Gully) replacing him from 2 May 2016.

The Committee thanks Mark for his services and the dedication shown to this Committee since its inception on 14 February 2014.

Governance and Operating Framework

Led by the Chief Executive Officer, Council Solutions works in partnership with its Constituent Councils to deliver value outcomes.

This is supported by the expertise of staff at Constituent Councils, applied through a structured operating management framework providing the oversight, advisory and/or operational input to the Council Solutions administrative team.

The operating framework comprises the following groups:

- ☞ Council Solutions Directorate
- ☞ Procurement Leaders Group
- ☞ Contract Development (and management) Teams
- ☞ Shared Functions Working Groups

This framework enables Council Solutions to:

- ☞ Develop and maintain a strong collaborative culture that is the key to its ongoing success
- ☞ Solicit strategic input, influence and hands-on involvement from its Constituent Councils
- ☞ Provide a service that delivers value to its Constituent Councils

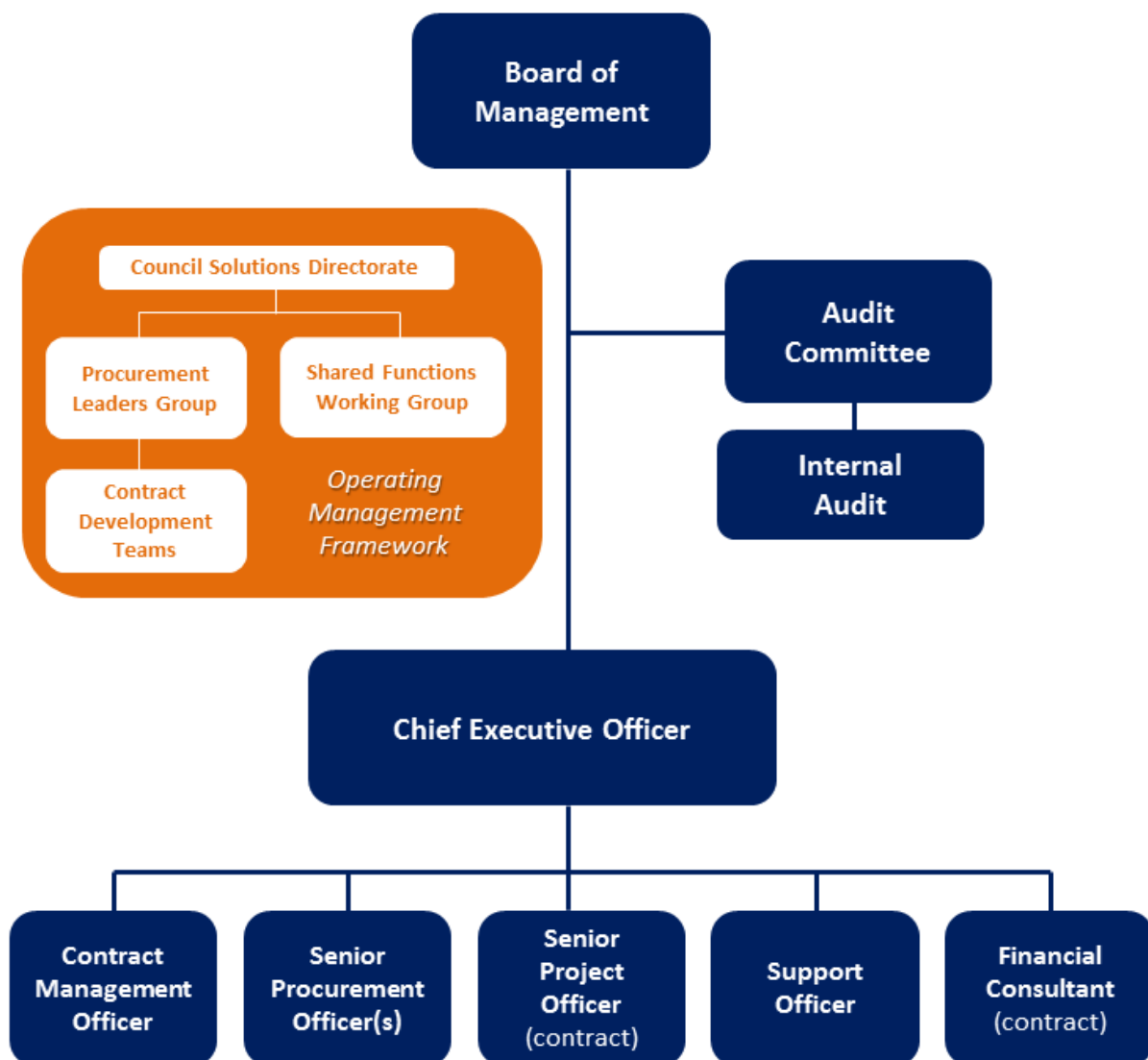
Structure and Staffing

As at 30 June 2016, Council Solutions comprised five staff (4.2 FTE) delivering expertise in management, procurement, contract management, governance and policy and administration. In addition, support has also been provided to the team by two contractors, Tammy Whitehouse, Senior Project Officer and Rex Mooney, Financial Consultant.

The Council Solutions team comprises:

- Chief Executive Officer – Oliver Barry
- Contract Management Officer – Taryn Alderdice
- Senior Procurement Officers – Clare Coupar and Ian Thompson
- Support Officer– Audrey Rangel

Governance and Organisation Structure



Achievements 2015-2016

In 2015/16 the Regional Forward Procurement Plan project commenced. Utilising the spend diagnostics information available via the implementation of the Procurement Dashboard software across Constituent Councils, this project supports targeted opportunity identification and scheduling so as to maximise the combined leverage of procurement expenditure.

Council Solutions also successfully undertook procurement processes to renew the Bituminous Roadworks and Temporary Labour Hire contracts. The annual expenditure by Councils under these two contracts is the highest in the Council Solutions suite.

Bituminous Roadworks

Council Solutions undertook a tender process for Bituminous Works on behalf of the Cities of Charles Sturt, Marion, Onkaparinga, Salisbury and a non-Constituent Council, Mount Barker District Council (Participating Councils). The resulting outcome is a robust four year contract (extendable by another two x two year extension options) that captures the best value outcome for the Participating Councils from a competitive market.

Significant savings have been achieved which will allow the Participating Councils to deliver best value to residents, organisations and businesses in managing the annual programme of works that will be delivered across the road network, comprising approximately 4,085km of local, collector and distributor roads.

Continuous improvement is a strong focus for the Participating Councils and accordingly the contract established will deliver:

- ☞ environmental improvements by further reducing the carbon footprint;
- ☞ improved asset management and asset life;
- ☞ innovation in products and methods of work to enhance the sustainability, serviceability and safety across the road network;
- ☞ opportunities to participate in research and development; and
- ☞ benefit to the South Australian economy through local employment.

Temporary Labour Hire

Council Solutions undertook a tender process on behalf of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully for Temporary Labour Hire. The resulting outcome is an initial three year term contract (with the option of a further three year extension).

In establishing this contract, the following benefits have been achieved:

- ☞ A convenient 'one stop' sourcing framework for both office and field staff.
- ☞ Online Timesheets for all temporary staff, streamlining approval processes with the ability to utilise a onestep approval for single or multiple timesheets.
- ☞ Real time online reporting providing full transparency of temporary staff usage and costs.
- ☞ The provision of temporary staff calculators to assist in budgeting temporary staff costs.
- ☞ Improved governance through the alignment of rates to appropriate Awards and Enterprise Agreements.
- ☞ Reduced costs to Councils via the provision of job role specific Personal Protective Equipment (PPE) for temporary staff.

Contract Extensions

In addition, over the past 12 months Councils Solutions has facilitated the extension of 12 existing collaborative contract arrangements across 33 suppliers with a combined total value in excess of \$13 million per annum.

Governance

During 2015/16, achievements include:

- ☞ The continued prudent review and assessment undertaken by the Audit Committee.
- ☞ Review and endorsement by the Audit Committee of new policies including Whistleblower Protection and Fraud & Corruption Policies, to be provided to the Board of Management for adoption.
- ☞ Continued assessment of efficient and effective execution of all decisions made by the Board, and management of Council Solutions.

People

Council Solutions is a small and dedicated team comprising expertise in strategic procurement, contract management, legal and data analysis skills.

To address capacity following the departure of a team member and to assist in supporting the Regional Forward Procurement Plan project and other procurement initiatives Ms Tammy Whitehouse, Senior Project Officer was engaged in March 2016 on a temporary contract basis.

Finance

Council Solutions has reported a break even operating result for the financial year ending 30 June 2016. This means in simple terms that the Authority has covered its operating expenses from its available operating revenue.

Whilst management fee revenue has remained consistent with the amount received in the 2014/15 financial year, savings have been generated due to reduced salary costs resulting from unfilled positions at different times throughout the year. Non salary expenditure has also been closely monitored with savings generated in this area as well. Accordingly the Authority has maintained a strong level of cash reserves.

Communications

Effective and efficient stakeholder communication is essential to the effective operation of Council Solutions. In 2015/16 the Council Solutions Members Website was launched to support this.

This portal is a central hub providing supporting information such as meeting dates, agendas and papers to key groups comprising the Council Solutions operating framework including the Board of Management, Council Solutions Directorate and Procurement Leaders Group. The Members Website is also used as a central information and documentation hub to support the management of existing contracts and to assist the project teams delivering new collaborative procurement initiatives.

Procurement and Contract Management

The total combined procurement expenditure by Constituent Councils is approximately \$415 million per annum. This provides a compelling opportunity for collaboration to gain the best value and drive efficiencies for the Constituent Councils.

During the 2015/16 year a total of \$51.2 million of Council expenditure was undertaken utilising collaborative procurement contracts established by Council Solutions. Our existing contracts cover 41 suppliers, across five procurement categories: Finance & Professional Services, Human Resources, Roads Infrastructure, Facilities Management and Parks. Our strong focus on contract management is key to extracting value from the contracts for both Councils and suppliers.

The Regional Forward Procurement Plan initiative that is currently underway will provide the roadmap to further expand the portfolio of collaborative procurement contracts utilised by Constituent Councils.

In 2015/16 Council Solutions undertook procurement processes in the market to renew the two largest contracts; Bituminous Roadworks and Temporary Labour Hire.

Council Solutions has also lodged an application for authorisation from the Australian Competition and Consumer Commission to undertake the Waste Management Services Project, with an expected Determination in November 2016.

In addition, Council Solutions has commenced a review and refresh of tender documentation and contractual documents to ensure that they reflect any legislative changes and contemporary practices.

Council Solutions Contract Management List: as at 30 June 2016

Contract	Contract Value \$ (2015/16 expenditure)
Bituminous Treatments For Various Roadworks	23,070,000
Temporary Labour Hire	11,490,000
Legal Services	3,420,000
Cleaning Services	2,980,000
Supply Or Supply & Install Of Segmental Pavers	2,600,000
Tree Removal, Pruning & Ancillary Services	2,340,000
Leasing Finance of IT Equipment	1,620,000
Supply, Supply & Delivery Of Quarry Materials	1,150,000
Manufacture, Supply & Delivery Of Concrete	1,080,000
Supply & Installation of Irrigation Systems	570,000
Supply, Installation And Repair Of Fencing	430,000
Roadworks – Crack Sealing	378,000
Provision of a Printing and Mailing Service for Rate & Dog Notices	230,000
Arboricultural Consultancy Advice Services	140,000
Design Consultancy of Irrigation Systems	120,000
Maintenance & Repair of Irrigation Systems	24,000
Provision Of Pest Control Services - European Wasps	21,000
Transactional Banking Services	Not Applicable

Financial Summary Report: as at 30 June 2016

Statement of Comprehensive Income	2016 \$'000	2015 \$'000
Income	1053	977
Less: Operating expenses	1059	1097
Operating Surplus (Deficit) for the year	(6)	(120)
Total other comprehensive income	-	-
Comprehensive result for the year	(6)	(120)

Balance Sheet		
Current assets	657	650
Non-current assets	-	-
Total assets	657	650
Current liabilities	55	42
Non-current liabilities	-	-
Total liabilities	55	42
Net assets	602	608
Accumulated surplus	459	465
Share Capital	143	143
Total Equity	602	608

**General Purpose Financial Reports
for the year ending 30 June 2016**

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Council Solutions Regional Authority
Certification Of Financial Statements
for the year ending 30 June 2016

I have been authorised by the Council Solutions Regional Authority Board to certify the financial statements of the Council Solutions Regional Authority in their final form. In my 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 Solutions Regional Authority's financial position at 30 June 2016 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 Council Solutions Regional Authority's accounting and other records.



.....
Catherine Cooper
Chair Of The Board

Date: 26/8/16

Council Solutions Regional Authority
Statement Of Comprehensive Income
for the year ending 30 June 2016

	Notes	2016 \$'000	2015 \$'000
Income			
Investment Income	2	10	20
Management Fee	2	933	926
Other Income	2	110	31
Total Income	2	1,053	977
Expenses			
Materials, contracts & other expenses	3	1,059	1,097
Total Expenses	3	1,059	1,097
Operating Surplus		(6)	(120)
Net Surplus		(6)	(120)
Total Other Comprehensive Income	2	-	-
Total Comprehensive Income		(6)	(120)

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

Council Solutions Regional Authority
Balance Sheet
as at 30 June 2016

	Notes	2016 \$'000	2015 \$'000
Assets			
Current Assets			
Cash and cash equivalents	4	267	446
Receivables	4	390	203
Total Current Assets	4	657	650
Total Assets	4	657	650
Liabilities			
Current Liabilities			
Trade & Other Payables	5	28	21
Other Current Liabilities	5	27	21
Total Current Liabilities	5	55	42
Total Liabilities	5	55	42
Net Assets		602	608
Equity			
Accumulated Surplus		459	465
Share Capital		143	143
Total Equity		602	608

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

Council Solutions Regional Authority
Statement of Changes in Equity
as at 30 June 2016

	Initial Contribution by Owners	Accumulated Surplus	Total
2016	\$'000	\$'000	\$'000
Opening Balance	143	465	608
Net Surplus for Year	-	(6)	(6)
Balance at end of period	143	459	602

	Initial Contribution by Owners	Accumulated Surplus	Total
2015	\$'000	\$'000	\$'000
Opening Balance	143	585	728
Net Surplus for Year	-	(120)	(120)
Balance at end of period	143	465	608

Council Solutions Regional Authority
Cash Flow Statement
for the year ending 30 June 2016

	Note s	2016 \$'000	2015 \$'000
Cash Flows From Operating Activities			
Receipts			
Operating receipts		856	1,162
Investment Receipts		10	20
Payments			
Operating payments to suppliers & employees		(1,047)	(1,350)
Net Cash provided by (or used in) Operating Activities	6	(179)	(169)
Net Increase (Decrease) in cash held		(179)	(169)
Cash & cash equivalents at beginning of period		446	615
Cash & cash equivalents at end of period	4	267	446

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

Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2016

Note 1 - Significant Accounting Policies

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.

Council Solutions Regional Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

Constituent Council	Equity Share
Adelaide City Council	16.67%
City of Charles Sturt	16.67%
City of Marion	16.67%
City of Onkaparinga	16.67%
City of Salisbury	16.67%
City of Tea Tree Gully	16.67%

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 1 May 2011.

1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 Income recognition

Management Fee Income is recognised when the Constituent Councils enter into the purchase of a good or service from a Supplier contracted to provide the Authority (or in the case of some prior contracts that were created jointly between the six constituent Council) with a Management Fee.

3 Cash, Cash Equivalents and other Financial Instruments

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

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.

4 Infrastructure, Property, Plant & Equipment

The Authority did not procure any non-current assets during the reporting period and does not hold any non-current assets as at the reporting date.

5 Employee Benefits

All employees are employed through Adelaide City Council, one of the Constituent Councils. Those employees are then contracted to the Authority.

Council Solutions Regional Authority

Notes to and forming part of the Financial Statements

for the year ending 30 June 2016

6 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.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

7 Comparative Information

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

8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.

9 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 124	Related Party Disclosures

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 14-10, AASB 15-1, AASB 15-2, AASB 15-3, AASB 15-4, AASB 15-5 and AASB 2015-6.

(Standards not affecting local government have been excluded from the above list.)

The Authority is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

Council Solutions Regional Authority
Notes to and forming part of the Financial Statements
for the year ending 30 June 2016

Note 2 - Income

	2016	2015
	\$'000	\$'000
Investments		
Interest Income	10	20
	10	20
Management Fee		
Management Fee	933	926
	933	926
Other Income		
Reimbursements	110	31
	110	31

Note 3 - Expenses

	2016	2015
	\$'000	\$'000
Materials, Contracts & Other Expenses		
Advertising	11	10
Audit Fees	4	6
Catering	3	4
Contractors	73	45
Consultant Fees	199	204
Entertainment Costs	1	1
Fringe Benefits Tax	8	10
Insurance	26	25
IT Expenses	3	3
Legal Fees	75	145
Membership Fees & Subscriptions	1	5
Motor Vehicle	17	18
Recruitment	15	11
Reimbursements - Salary & Wages	541	533
Rent	24	24
Sitting Fees	25	26
Sundry	29	23
Telephone	1	3
Training and Development	3	3
	1,059	1,097

Council Solutions Regional Authority
Notes to and forming part of the Financial Statements
for the year ending 30 June 2016

Note 4 - Current Assets

	2016 \$'000	2015 \$'000
Cash & Cash Equivalents		
Cash at Bank	267	446
	<u>267</u>	<u>446</u>
Receivables		
Accounts Receivables	282	132
Accrued Income	106	71
Prepaid Expenses	2	-
	<u>390</u>	<u>203</u>
Total Current Assets	<u>657</u>	<u>650</u>

Note 5 - Liabilities

	2016 \$'000	2015 \$'000
Trade & Other Payables		
Creditors	24	10
Accruals	4	11
	<u>28</u>	<u>21</u>
Other Current Liabilities		
Payable to Adelaide City Council	27	21
	<u>27</u>	<u>21</u>
Total Liabilities	<u>55</u>	<u>42</u>

Council Solutions Regional Authority
Notes to and forming part of the Financial Statements
for the year ending 30 June 2016

Note 6 - 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.

	2016	2015
	\$'000	\$'000
Cash at Bank	267	446
Balances per Cash Flow Statement	267	446

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

Net Surplus	(6)	(120)
Net (increase)/decrease in Receivables	(185)	205
Net increase/(decrease) in Current Liabilities	12	(253)
Net Cash provided by (or used in) operations	(179)	(169)

Council Solutions Regional Authority
Notes to and forming part of the Financial Statements
for the year ending 30 June 2016

Note 7 - Financial Instruments**(a) Interest Rate Risk**

The Authority's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those applicable financial assets and liabilities is as follows;

2016	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instrument s	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:						
Cash	1.8%	267	-	-	-	-
Receivables		-	-	-	-	390
Total Financial Assets		267	-	-	-	390
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	55
Total Financial Liabilities		-	-	-	-	55
2015						
	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instrument	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:						
Cash	1.9%	446	-	-	-	-
Receivables		-	-	-	-	203
Total Financial Assets		446	-	-	-	203
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	42
Total Financial Liabilities		-	-	-	-	42

(b) Credit Risk

Credit Risk represents the loss that would be recognised if other entities failed to perform as contracted.

The Authority's exposure to credit risk is limited to receivables - the Authority's maximum exposure is disclosed in the financial statements net of any provision for doubtful debts

(c) Net Fair Value

The net fair value of a financial instrument is defined as its value net of all costs to settle the asset and liability.

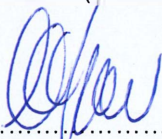
The financial assets and liabilities as stated or referred to in notes (a) and (b) above, are stated at their face value (less provision for doubtful debts if applicable).

Due to the nature of financial instruments held in the Authority, the cost associated with their settlement would not be material and have not been considered.

Council Solutions Regional Authority
Certification Of Auditor Independence
for the year ending 30 June 2016

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Council Solutions Regional Authority for the year ended 30 June 2016, the Council's Auditor, Ian G McDonald, 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) (b) Local Government (Financial Management) Regulations 2011.



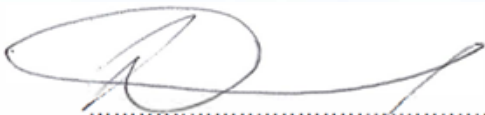
.....
Catherine Cooper
CHAIR

Date: 24-8-2016



.....
Tanya Johnston
PRESIDING MEMBER OF AUDIT COMMITTEE

Date: 26/08/16



.....
Mark Dowd
CHIEF EXECUTIVE OFFICER
City of Onkaparinga

Date: 23/8/16



.....
Mark Goldstone
CHIEF EXECUTIVE OFFICER
Adelaide City Council

Date: 23/8/16



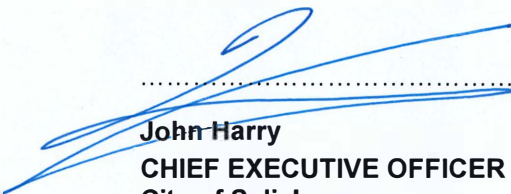
.....
Paul Sutton
CHIEF EXECUTIVE OFFICER
City of Charles Sturt

Date: 24/8/16



.....
Adrian Skull
CHIEF EXECUTIVE OFFICER
City of Marion

Date: 24.8.16



.....
John Harry
CHIEF EXECUTIVE OFFICER
City of Salisbury

Date: 24/8/2016.



.....
John Moyle
CHIEF EXECUTIVE OFFICER
Tea Tree Gully

Date: 24/8/16

Ian G McDonald FCA



Council Solutions Regional Authority

ANNUAL FINANCIAL STATEMENTS For the year ended 30 June 2016

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Council Solutions Regional Authority for the year ended 30 June 2016, we have maintained our 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*.

A handwritten signature in blue ink that reads 'Ian G McDonald'.

Ian G McDonald FCA

Dated this 22nd day of August 2016



Ian G McDonald FCA

Independent Auditor's Report to the Members of the Council Solutions Regional Authority

We have audited the accompanying financial report of the Council Solutions Regional Authority which comprises the statement of comprehensive income for the year ended 30 June 2016, statement of financial position, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement.

Chief Executive Officer's Responsibility for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements and the Local Government Act 1999.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Council Solutions Regional Authority, and of its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011.

A handwritten signature in blue ink, appearing to read 'Ian McDonald'.

Ian G McDonald FCA
Chartered Accountant
Registered Company Auditor 16458

Signed at Adelaide, South Australia this 13th day of September 2016

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ABN 37 158 328 655

Ian: 0419 620 906 Nancy: 0408 832 848

ianmcdonald@creativeauditing.org

nancytran@creativeauditing.org

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**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: John Stewart, Financial Co-ordinator
Manager: Ray Barnwell, Manager Finance
General Manager: Vincent Mifsud, General Manager Corporate Services
Subject: Investment Performance 2015/16
Report Reference: GC111016R11

REPORT OBJECTIVE AND EXECUTIVE SUMMARY

Section 140 of the Local Government Act requires Council to review the performance of its investments on an annual basis. The Audit Committee reviewed and noted the 'Investment Performance' report at their meeting on Tuesday 4 October 2016, and were satisfied with the performance results.

A summary of the 2015/16 Investment Performance is provided at Appendix 1 for the Council's information, showing that Council recorded a favourable result against the benchmark indicator for the 9th consecutive year.

RECOMMENDATION (1)

DUE DATE

That Council:

1. Notes the Investment Performance Report 2015/16.

11 October 2016

BACKGROUND AND DISCUSSION

Decision making regarding investments are carried out under the guidance and limitations set within Council's Treasury Management Policy.

Compliance with Treasury Management Policy (Investments)

Council has complied with all elements of the Treasury Management Policy. Compliance has been achieved against the following major policy requirements;

Council funds available for investment will be lodged 'at call' or having regard to differences in interest rates for fixed term investments of varying maturity dates, may be invested for a fixed term.

Investments in Fixed Term Deposits were made between a range of 30-270 days with an average maturity of 76 days and an average return of 3.00%. The average 'at call' rate of return was 2.31%. No Fixed Term Deposits were required to be broken during the year.

In the case of Fixed Term Investments, the term should not exceed a point in time where the funds could otherwise be applied to cost-effectively defer the need to raise a new borrowing or reduce the level of Council's variable interest rate borrowing facility.

The variable interest rate borrowing facility was not required to be accessed.

Council will select the investment type which delivers the best value, having regard to investment returns, transaction costs and other relevant and objectively quantifiable factors.

The Council supports the Local Government Finance Authority of South Australia (LGFA) for the placement of investment funds. The LGFA is a statutory authority established for the benefit of Councils in South Australia. Utilising the services of the LGFA provides an efficient means of investing surplus funds and a source of highly competitive interest rates. All deposits made with the LGFA are also guaranteed by the Treasurer of South Australia.

To ensure Council continues to receive competitive rates for investments, quotations are regularly obtained from authorised institutions on investments of \$1,000,000 or more where the period of investment exceeds 30 days. During 2015/16 all surplus funds were invested with the LGFA, who, on all occasions offered the most competitive interest rates.

Investments fixed for a period greater than 12 months to be approved by Council.

No Investments were placed for a period greater than 12 months.

The Policy indicates where surplus funds can be invested and that if they are invested in choices outside of the Policy, Council approval is required.

All surplus funds invested during the 2015/16 financial year were invested with the LGFA which is an allowable option under the Policy.

The Policy indicates investment activities that Council would not participate such as shares in private/public companies, listed or unlisted property trusts and derivatives.

No investments were placed in such options.

Performance against Benchmarks

Reserve Bank Cash Rate

Council earned \$696,227 of interest on its investments in 2015/16 at an average rate of return of 2.77%, a favourable outcome compared to the benchmark indicator (average Reserve Bank cash rate) of 1.96%.

Bank Bill Swap Rate (BBSW)

The Finance and Audit Committee commented when reviewing last years Investment Report, that it would also be useful to benchmark against commercial rates being offered.

The BBSW is the rate at which banks will lend to each other. It is a short term swap rate, and reflects a compilation and average of market rates supplied by domestic banks regarding specific maturities of bank bills. The BBSW is published daily and therefore an annual average index can be readily calculated for comparative purposes.

The most common index applied is the 90 Day BBSW which also closely aligns with Council's average maturity of 76 days. For the 2015/16 financial year, the 90 Day BBSW was 2.19%. Council's annual rate of return of 2.77% is also favourable compared to the BBSW indicator.

Interest on Investments Budget Performance

The performance of Interest on Investments is also monitored and managed against the Budgeted forecast. The actual value of investment interest of \$696,227 produced a minor unfavourable variance against a final revised budget forecast of \$701,800.

CONCLUSION:

The investment performance for 2015/16 was satisfactory when compared to relevant benchmark indicators. Investments were placed exercising due care and diligence and in strict accordance with Council's Treasury Management Policy.

Investment Performance 2015/16

Interest on Investments

Interest on investments for 2015/16 was \$696,227. Recent interest on investment history reveals the following:

	2011/12	2012/13	2013/14	2014/15	2015/16
Total Interest (including LGFA Bonus)	\$963k	\$1,144k	\$793k	\$888k	\$696k
LGFA Bonus	\$45k	\$63k	\$87k	\$86k	\$109k

The decrease of interest on investments in 2015/16 can be mainly attributed to the decrease in the average amount invested per day, decreasing from \$28.8m in 2014/15 to \$25.1m in 2015/16. This would indicate that funds were not able to be kept on deposit for as long in 2015/16, prior to being required to meet payment obligations for wages, creditors and progress payments for major capital projects. Decreases in the average Reserve Bank of Australia's cash rate (2.36% 2014/15 vrs 1.96% 2015/16), have also had an impact on the reduction of interest revenue.

The breakdown by Institution of the above total interest of \$696k for 2015/16 was as follows;

Term Deposits

LGFA \$692k Annual Average Rate of Return 2.89% which includes the annual LGFA bonus distribution. Best rate was 3.15% over 120 Days – last experienced Mar 2016.

Other Institutions \$Nil

Sub-Total \$692k

Operating Account

BankSA \$4k Annual Average Rate of Return 0.36%

Total **\$696k**

Competitive quotes were sourced during the financial year and all investments were placed with the LGFA who provided the best competitive rates in all instances.

Peak Value of Investments

Investments peaked in March 2016 at \$30,082,771. The peak value of investments history reveals the following:

2011/12	2012/13	2013/14	2014/15	2015/16
\$25.7m	\$33.4m	\$30.9m	\$34.9m	\$30.1m
Sep 2011	Dec 2012	Jun 2014	Sep 2014	Mar 2016

Traditionally investments reach their peak in the first half of the financial year due to a portion of ratepayers paying their rates in full rather than paying quarterly. Large grant revenue receipts and the timing of significant Capital Expenditure projects also have an impact on investment balances.

Annual Rate of Return on Investments

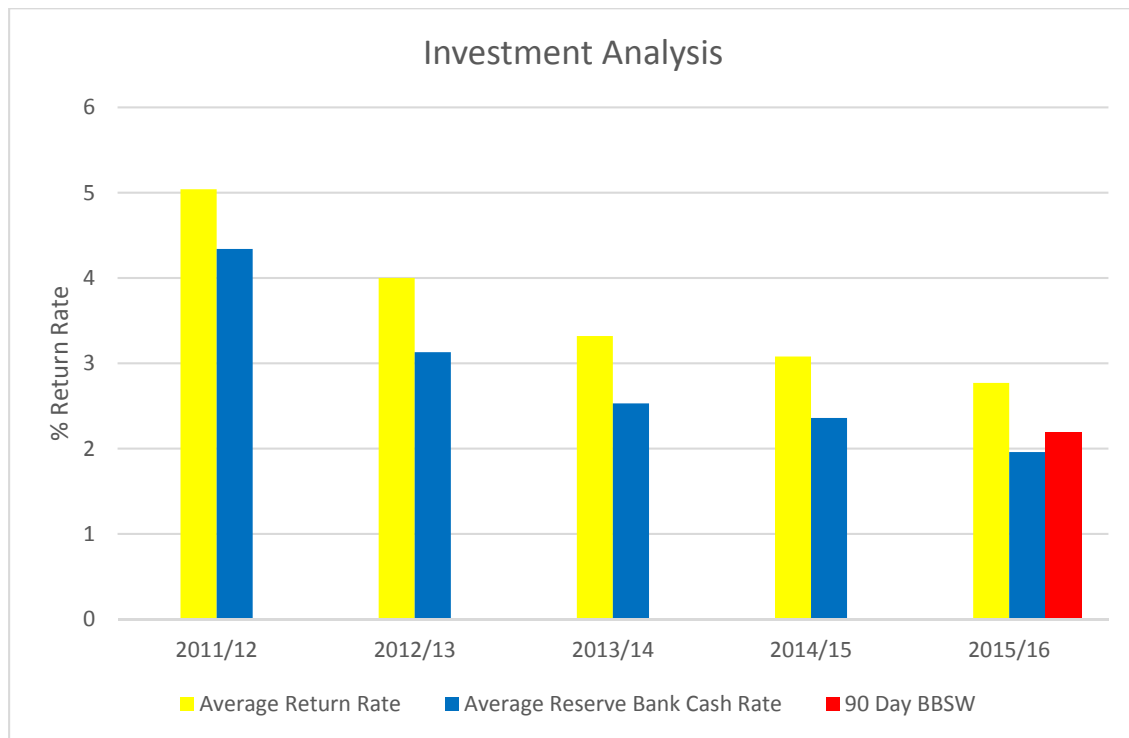
Council's Investment performance is measured against a recommended benchmark and submitted for consideration by Council on an annual basis. This is in accordance with guidelines contained in the "Investment Policy & Review of Investments" document published by the South Australian Local Government Financial Management Group.

The benchmark indicator referred to above that measures our investment performance is the average annual Reserve Bank cash rate. The following change to the cash rate occurred in 2015/16;

Date	Fluctuation	Revised Rate
4/5/2016	-0.25%	1.75%

The annual rate of return on investment for the City of Marion in 2015/16 was 2.77% compared to the annual average bench mark rate of 1.96%, providing reassurance that funds invested by City of Marion were well managed. The following table and graph summarises Council's history of annual rate of return on investments.

	2011/12	2012/13	2013/14	2014/15	2015/16
Annual Rate of Return	5.04%	4.00%	3.32%	3.08%	2.77%
Average Reserve Bank Cash Rate	4.34%	3.13%	2.53%	2.36%	1.96%
Benchmark Variation	+0.70%	+0.87%	+0.79%	+0.72%	+0.81%



The Council's annual rate of return includes the annual bonus paid by Council's principal investment financial institution – LGFA. The bonus amount paid to Councils by LGFA is based on a combination of Council's investment and borrowing activity for the prior year.

The table indicates a positive variation in each financial year. The 2015/16 result is the ninth consecutive year of a favourable outcome being reported.

Council's General Bank Account earned an average rate of 0.36% in 2015/16, which is factored into the benchmark result. The inclusion of the General Bank Account earnings in the overall investment performance does make it more challenging to achieve a positive benchmark performance. As a result, it is important that the Treasury Management function monitors and minimises any potential negative impact.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Richard Watson, Communications Advisor

Corporate Manager: Kate McKenzie, Manager Corporate Governance

Director: Vincent Mifsud, General Manager Corporate Services

Subject: Annual Report 2015/16

Report Reference: GC111016R12

REPORT OBJECTIVES:

The purpose of this report is to present the 2015/16 Annual Report, excluding the audited financial statements for the City of Marion, the Southern Region Waste Resource Authority, and Council Solutions Regional Authority which are being considered by Council under a separate agenda item at this meeting, for Council consideration and adoption.

EXECUTIVE SUMMARY:

The annual report is a legislative requirement of the *Local Government Act 1999* but also acts as a means of communicating Council's business, services and achievements with residents, ratepayers, businesses and prescribed bodies. The full report, including financial statements, will be available on Council's website from mid-November.

It will continue the style of last year's report by explaining the development of projects and services while highlighting achievements, challenges, opportunities and future plans. A summary of the report will be produced in City Limits to assist understanding of Council's achievements among the community and stakeholders.

RECOMMENDATIONS (7)

DUE DATES

That:

- | | |
|--|-----------|
| 1. Council adopts the City of Marion Audited Annual Report for the 2015/16 financial year as contained with Appendix 1 to this report subject to the following amendments: | 11 Oct 16 |
| - | |
| 2. The City of Marion Financial Statements 2015/16 being considered in report GC111016R10 be included within the published version of the City of Marion Annual Report 2015/16 | 11 Oct 16 |
| 3. The Southern Regional Waste Resources Authority Audited Financial Statements being considered in report GC111016R10 be included within the published version of the City of Marion Annual Report 2015/16. | 11 Oct 16 |
| 4. The Council Solutions Regional Authority Financial Statements being considered in report GC111016R10 be included within the published version of the City of Marion Annual Report 2015/16. | 11 Oct 16 |
| 5. Administration distributes copies of the City of Marion Annual Report 2015/16 in accordance with legislative requirements. | 23 Dec 16 |

- | | |
|--|------------------|
| 6. Administration distributes copies of the City of Marion Annual Report 2015/16 to key stakeholders. | 23 Dec 16 |
| 7. A summary of the Annual Report 2015/16 will be distributed to households, businesses and stakeholders via City Limits. | 23 Dec 16 |

DISCUSSION:

Section 131 of the *Local Government Act 1999* requires Council to prepare and adopt an Annual Report on or before November 30 each year. The report has been developed in line with legislative requirements and will be forwarded to Parliament by the due date of 31 December 2016.

The final Annual Report consists of:

- Details of Council's performance, operation and achievements for 2015/16 - specifically against targets set in the Annual Business Plan
- Council's average rate increases over the past 10 years
- The signed Annual Financial Statements for the City of Marion
- The Southern Region Waste Resource Authority Annual Financial Statements
- The Council Solutions Regional Authority Annual Financial Statements.

The report maintains the style and format of previous reports by emphasising the achievements, challenges and future of projects and services to give the community a greater insight into Council's services.

Format

The annual report will be presented as a plain document with a stylised front cover and be available on the Council website from mid-November 2016.

A summary of the report will be included in the December edition of City Limits, which is distributed to more than 43,000 homes and businesses.

Marketing Marion

The achievements in the annual report will be highlighted in a City Limits article that will be published in December.

The achievements will be featured in a promotional campaign using Facebook and Twitter that will highlight the distribution of City Limits.

Additionally, letters will be emailed from the Mayor to stakeholders in business, government and community sectors inviting them to read the full report on Council's website.

Financial Implications

The cost for creating a front cover for the Annual Report and collating the full document so it can be displayed on Council's website and producing bound copies for internal and external distribution will be \$1500.

Consultation:

All relevant managers have been consulted in the preparation of the annual report with feedback and information provided by all departments.

CONCLUSION:

The City of Marion annual report provides a comprehensive review of Council highlights, activities and achievements throughout 2015/16. It complies with the legislative requirements contained in the *Local Government Act 1999*.



2015/16 Annual Report

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Appendix B	Southern Region Waste Resource Authority 2014/15 Financial Statements
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WELCOME

Welcome to the City of Marion Annual Report for 2015/16. This report charts our progress towards the *Community Plan – Towards 2040* which represents the shared values and aspirations of our community.

In addition, the report highlights our key achievements, explains some of the challenges we faced and provides a glimpse of future projects and plans.

It measures our success against the objectives set out in the *Annual Business Plan and Budget 2015/16* and includes the City of Marion's audited Financial Statements for 2015/16.

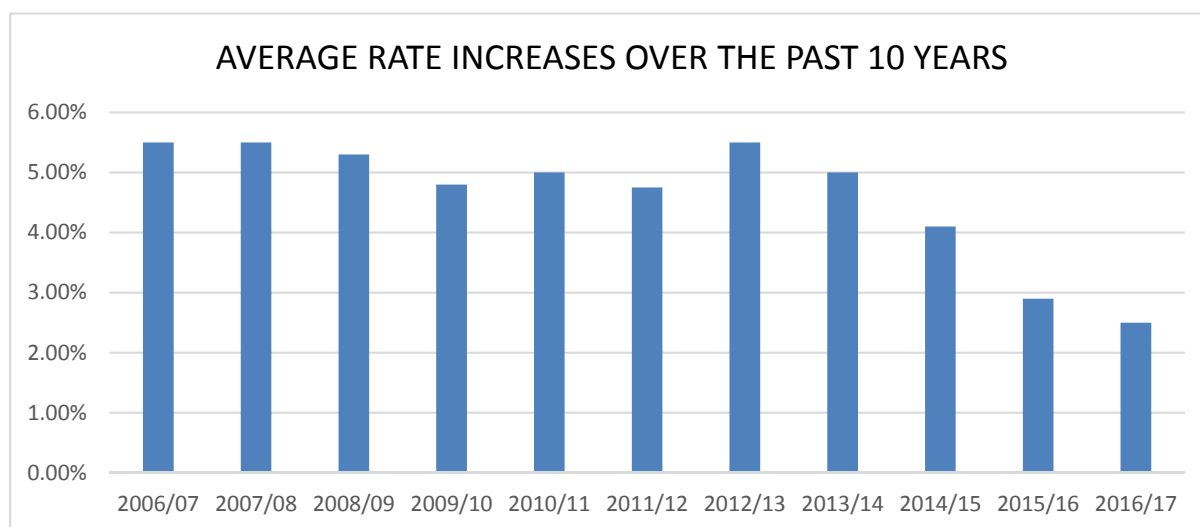
The main body of the report is divided into the six themes of the *Community Plan – Towards 2040* – Liveable, Innovative, Valuing Nature, Prosperous, Connected and Engaged.

We produce an annual report as a key accountability communication tool for our community and stakeholders.

10 KEY ACHIEVEMENTS

This table shows some key achievements from 2015/16 and where to find more details.

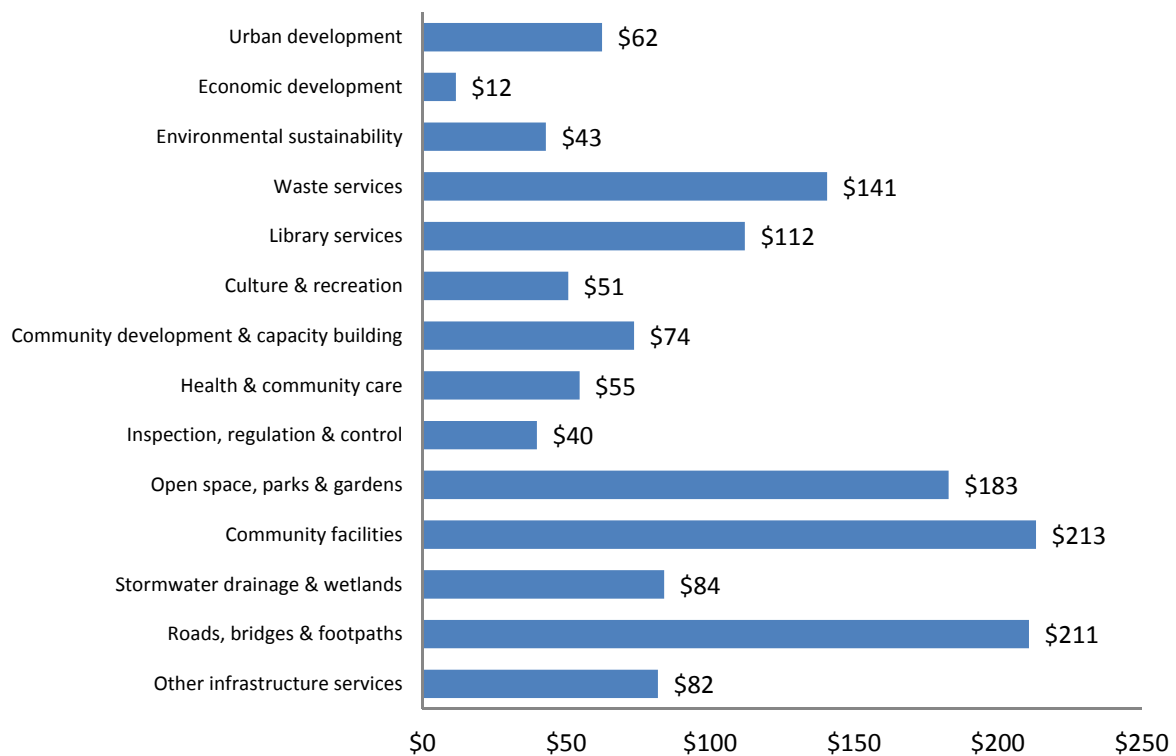
KEY ACHIEVEMENTS	Page
\$1 million recreation plaza opens	15
\$13.4 million Cove Civic Centre officially opened	27
\$8 million Edwardstown Oval redevelopment moves closer	27
Green light for new BMX facility	28
Marino's first community garden opens	30
Increasing community involvement in environment	31
Cove Enterprise Hub launched	35
Campaign to fix Oaklands begins	37
\$75,000 of Community Grants awarded	40
Youth Grants launched	41



MARION FAST FACTS

Estimated resident population	88,983
Elected members including the Mayor	13
Wards	6
Electors	63,771
Operating expenditure	\$72.745 million
Rateable properties	42,289
Library items loaned	857,252
Website hits	459,391
Value of volunteer hours	\$1.1 million
Street trees planted	1400
Number of development applications granted	1795
Value of development applications granted	\$182.1 million
Distance of footpaths	786 kms
Distance of roads	461 kms
Distance of drains	267 kms

How your rates are spent - a breakdown of the average residential rate of \$1,363































HOW WE PERFORMED

Monitoring performance is fundamental to the Strategic Management Framework which ensures Council is contributing to the achievement of the *Community Plan – Towards 2040*.

These seven Key Performance Indicators (KPIs) within the *Annual Business Plan and Budget 2015/16* demonstrate progress against our strategic directions.

The table below and following summaries gives an overview of our performance for the year:

KPI	Details	Target	Achievement			
			Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Actual operating surplus ratio for 2015/16	0 – 6%	 9.1%	 8.5%	 9.7%	 12%
2	Total employee costs (staff plus agency)	< by at least 1.4% in dollar terms, over the 14/15 budget	 -1.7%	 -1.5%	 -2.9%	 -3.3%
3	Lost employee time due to injury	Reduce by 1% compared to average of last 5 years	 0%	 9.1%	 22.2%	 25.8%
4	Major Capital Works (>\$4m each project)	Completed strictly on time and on budget (or better)	 Substantially on time and on budget	 Substantially on time and on budget	 Substantially on time and on budget	 Substantially on time and on budget
5	Specific Major Capital works projects ready for approval by Council	2	 0	 0	 1 - Acceptable	 2 – Exceptional
6	Achieving goals of (3 year) Business Plan	High level of achievement	 Moderate level of achievement	 Moderate level of achievement	 Moderate level of achievement	 Moderate level of achievement
7	Alignment throughout administration to the strategic plan – towards 2040 and business plan	High level of alignment	 Low level of alignment	 Low level of alignment	 Low level of alignment	 Low level of alignment

KPI 1 –

This KPI was not met throughout the year as it exceeded the target range. The annual result shows a 12% operating surplus ratio.

KPI 2 –

Employee costs decreased from the original adopted budget of \$32.777 million in 2014/15 to \$31.783 million in 2015/16. Savings included a reduction in senior management roles due to an organisational restructure undertaken in October 2015.

KPI 3 –

A consistent result for the first half of the financial year could not be maintained for the last half of the financial year. The report now provides incident details into three categories of injuries including; manual handling, falls from the same or differing levels and repetitive movement (low muscle loading). The comprehensive review of hazard management and injury management continues to be a focus across the organisation to address this trend.

KPI 4 –

This KPI shows a consistent and acceptable result for the financial year. Both the Cove Civic Centre and the City Services Redevelopment were significant projects that were undertaken and reported during the financial year.

KPI 5 -

This KPI gained momentum as the year progressed, with Edwardstown Oval securing \$4m in Federal funding in July 2016. The State Government announced a \$2m contribution for the BMX Project in June 2016. The Mitchell Park Sports and Community Club building upgrade progressed to Council in June 2016 and is seeking \$10m in Federal Government funding.

KPI 6 -

This KPI achieved a consistent 'moderate level of achievement' throughout the year. The current Council began drafting a new three-year business plan aligned to the six themes of the Community plan at a forum in January 2016, with further reports provided to the Strategy Committee meetings in February and April 2016 and another Elected Member forum in July 2016. After a period of community consultation from 29 July – 19 August 2016, the final Business Plan was endorsed by Council (GC270915R03).

KPI 7 -

This KPI achieved a consistent 'low level of achievement' throughout the year however, there has been a focus for the organisation to transition from its 10-year Strategic Plan "Broad Horizons, Bright Future 2010-20 to a new strategic framework with KPI 6 above commencing this transition.

A MESSAGE FROM THE MAYOR

I am pleased to confirm that Council has had some tangible successes in the first full financial year since the 2014 Council election saw eight "new faces" among 13 Elected Members (including a new Mayor).

In April 2015 we prioritised four to five major sporting projects - it is pleasing to see that the 2015/16 year brought commitments to full funding of two of these projects.

Edwardstown Soldiers' Memorial Recreation Ground will be transformed with an \$8 million rebuild after we secured \$4 million of funding from the Federal Government – an amount Council is matching.

A new international-standard BMX track worth \$3.5 million will be built in O'Halloran Hill. This will be funded by \$2 million from the State Government and \$750,000 from Council's budget. We gratefully acknowledge that Onkaparinga Council is matching the latter amount.

In addition, projects initiated by the previous Council came to fruition; and I was pleased to open the skate park on Oaklands Road.

The achievements of 2015/16 have been delivered with an average household rate rise of 2.9 per cent. This was the lowest rate rise in more than 10 years, yet it was surpassed in June when Council adopted a rate rise of 2.5 per cent for 2016/17. We also achieved ongoing savings of \$3.2 million without affecting delivery of key services.

In terms of infrastructure, we recently achieved a breakthrough in the longstanding goal of fixing the Oaklands Crossing, where traffic congestion has been steadily worsening for more than 40 years. In April 2016 I launched Council's renewed appeal to State and Federal Governments. They listened. In June 2016 the Federal Government pledged \$40 million to the project and the State Government has subsequently put money on the table.

More important than our infrastructure are our people, including our hundreds of wonderful staff. Since September 2015 the fresh and energetic approach of our new CEO Adrian Skull has wrought many changes. Great progress has been made in clarifying our suite of strategic plans, introducing clearly defined values for the organisation, and introducing objective and fairer allocation of resources across the city.

The 2015/16 Annual Report shows Council is making progress toward realising the aspirations of our community, and improving organisational capacity to do even better.

I sincerely thank my fellow Elected Members, the community, and staff for their contributions over the past year.

Yours faithfully

Kris Hanna

Mayor, City of Marion

MARION – OUR UNIQUE CITY

The City of Marion is in Adelaide's south-western suburbs and covers an area of about 55 km sq. The estimated population of 88,983 is expected to rise to 100,000 by 2031.

The city has a broad cultural mix with about 25 per cent of residents born overseas, 14 per cent of which are from countries where English is not the first language, while more than 13,000 people speak a language other than English at home.

Marion's unique landmarks include Oaklands Wetland, which opened in the north of the city in late 2013. The wetland delivers treated stormwater to Council reserves while providing a haven for wildlife and a place for people to enjoy the natural environment.

Adjacent to the wetland, the \$1 million Oaklands Recreation Plaza opened in October 2015. This multi-use facility includes a popular skate park, mini basketball court, parkour circuit, and grassed areas.

The State Government's \$253 million redevelopment of the 61-hectare Tonsley Park is expected to attract \$1 billion of private investment, boosting jobs growth and innovation.

Plans for the site include an 11-hectare residential precinct and extending the Tonsley rail line to Flinders Medical Centre and Flinders University.

In the central region, elite and community swimmers are served by the international-standard SA Aquatic and Leisure Centre. Adjacent is Westfield Marion Shopping Centre. This is the largest regional shopping centre in South Australia and is undergoing further development.

From October to April the Marion Outdoor Swimming Centre is a popular destination with families who relax on its shady lawns and enjoy its 70m water slide.

In the south, the \$13.4 million Cove Civic Centre was officially opened in August 2015. The modern library, community and enterprise facility completes a 12-year, \$75 million redevelopment for the southern region.

The economy, measured by gross regional product, is worth more than \$3 billion per annum. The leading employment sectors are retail (22.4 per cent), health care and community services (12.5 per cent) and manufacturing (10.2 per cent). Morphettville Racecourse, home to South Australia's thoroughbred racing industry, attracts about 93,000 visitors each year.

For a change of pace, the city's spectacular coastline can be enjoyed from the 7.2km Coastal Walking Trail. The trail passes through Hallett Cove Conservation Park, one of Australia's most outstanding geological and archaeological sites, recording an ice age of 280 million years ago.

COUNCIL AREA AND WARD BOUNDARIES

The Council comprises an elected Mayor and 12 Councillors. The city is divided into six wards, each of which is represented by two Councillors.



ELECTED MEMBERS

Mayor Kris Hanna

Coastal Ward

Councillor Ian Crossland
Councillor Tim Gard

Mullawirra Ward

Councillor Jerome Appleby
Councillor Jason Veliskou

Southern Hills Ward

Councillor Janet Byram
Councillor Nick Westwood

Warracowie Ward

Councillor Bruce Hull
Councillor Nathan Prior

Warriparinga Ward

Councillor Luke Hutchinson
Councillor Raelene Telfer

Woodlands Ward

Councillor Nick Kerry
Councillor Tim Pfeiffer

EXECUTIVE LEADERSHIP TEAM

Mr Adrian Skull - Chief Executive Officer

Ms Abby Dickson – General Manager, City Development

Mr Tony Lines - General Manager, Operations

Mr Vincent Mifsud – General Manager, Corporate Services

STAFF LEVELS (FULL TIME EQUIVALENT)

Total employees	342
Permanent full-time	249
Permanent part-time	44
Fixed term contract – full time and part time/casual	49

Actual staff levels as of 30 June 2016.

OUR PURPOSE, VISION AND VALUES

OUR PURPOSE (Why we exist)	To improve our residents' quality of life; continuously, smartly and efficiently.
OUR COMMUNITY VISION (What we want to become)	A community that is Liveable, Valuing Nature, Engaged, Prosperous, Innovative and Connected
OUR VALUES	<p>With the community and safety at the forefront of everything we do, Marion values:</p> <p>Respect - Treating everyone as we want to be treated, where all contributions are valued</p> <p>Integrity - Fostering trust and honesty in all of our interactions</p> <p>Achievement - Enhancing our knowledge and performance to reach our shared goals, while being dedicated to supporting one another</p> <p>Innovation - Encouraging new ideas, and learning from our experience to do things better</p>

Council adopted the *Community Vision – Towards 2040* in December 2013. It is an aspirational statement of outcomes that are important for the development of the city and the wellbeing of residents. It was developed following the biggest listening campaign in Council's history, *Making Marion*.



COMMUNITY VISION TOWARDS 2040

Six themes of our Community Vision

These six themes represent the shared values and aspirations that will guide how our city develops.



LIVEABLE

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

VALUING NATURE

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

ENGAGED

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

PROSPEROUS

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

INNOVATIVE

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

CONNECTED

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

HOW OUR STRATEGIC PLANNING WORKS

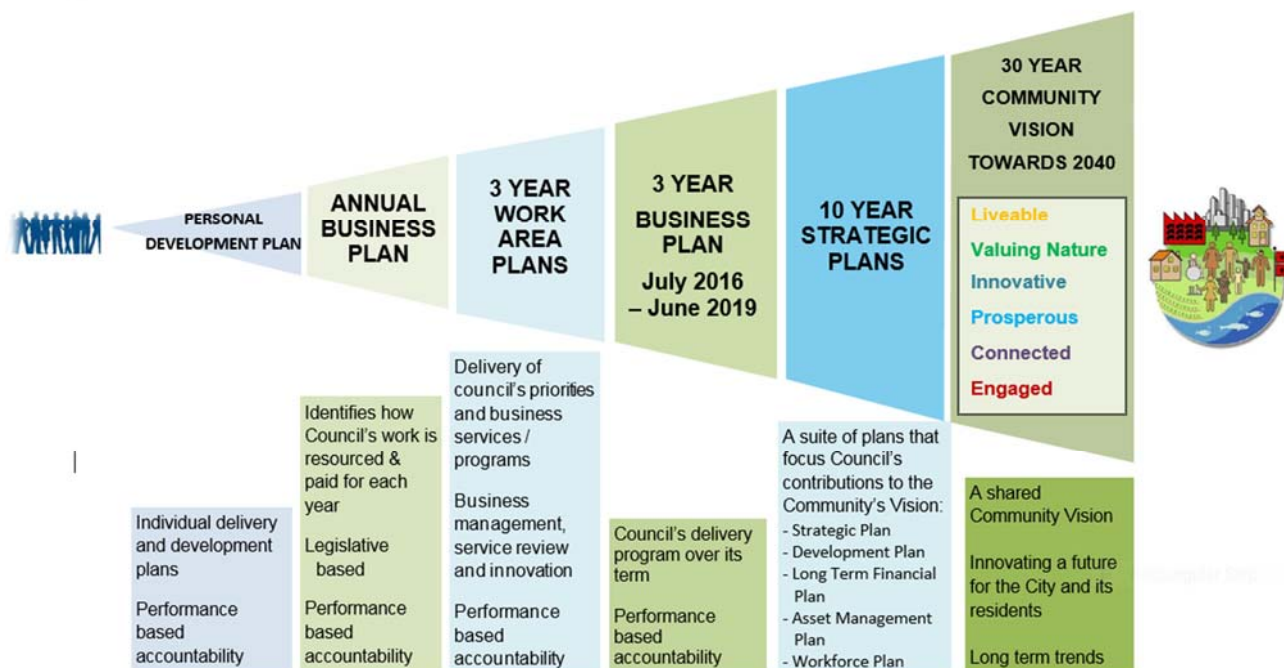
To ensure Council's activities continue to be geared towards contributing to *Community Vision – Towards 2040* we have a Strategic Management Framework in place. This suite of plans provides strategic direction and operational focus to ensure that goals and outcomes are achieved in the most effective and efficient way.

The Strategic Management Framework provides a mechanism for Council's long-term and short-term decision making. Long-term strategic plans set the highest level goals, while the Annual Business Plan and operational plans ensure these goals are prioritised and delivered.

The framework provides a clear line of sight between the *Community Vision – Towards 2040* and everyone involved in contributing to the vision, including elected members and staff. It also focuses on further integration between all of the critical strategic plans to ensure we are well positioned to achieve the best outcomes in the community.

We are continuing to develop elements of the new framework, including plans, key performance indicators and community partnerships which will provide a strong foundation for future years. The draft *Business Plan 2016-2019*, which articulates Council's role and focus over the next three years in progressing towards the community's aspirations, was recently developed. Community feedback on this plan will be sought on during July and August 2016.

Note: The Business Plan 2016-2019 was adopted by Council in September 2016.



OVERVIEW OF FINANCIAL PERFORMANCE

The 2015/16 Annual Financial Statements demonstrate Council's ongoing strong financial performance, providing a sound basis for Council's long-term objectives set out in its Strategic Plan. In adopting the 2015/16 Annual Budget in June 2015 there was a commitment given to making a concerted effort and having a strong focus throughout the year on achieving efficiency and effectiveness savings across the organisation, without impacting on service delivery outcomes. A primary objective of this was to ease the financial burden on rate payers. This has been achieved throughout 2015/16 and is reflected in the statements.

In 2015/16 an Operating Surplus of \$9.883m was achieved, which was slightly above the original budgeted surplus of \$8.900m adopted by Council. The main factors in this increase were:

- Interest revenue was up \$0.426m
- Grants, subsidies and contributions were up \$0.158m
- Contribution from Southern Region Waste Resource Authority was up \$0.225m

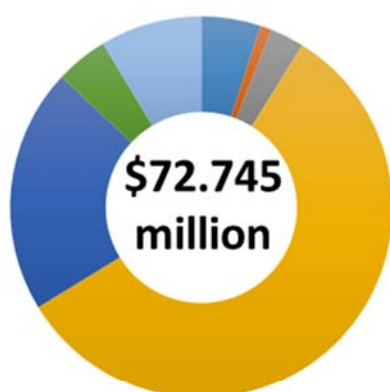
Sustaining an operating surplus is critical to renewing and maintaining the \$1.1 billion of community assets under council's control in accordance with its Asset Management Plans and to ensure its ability to fund major projects identified in the Long Term Financial Plan.

IN BRIEF

The following information relates to the Financial Statements contained in the Annual Report

- An operating surplus of \$9.883 million which provides funding for renewal, replacement and upgrade of community assets along with funding for the Community Facilities Partnership Program
- \$82.628 million revenue with 85 per cent coming from rates.
- \$72.745 million operating expenditure
- \$1.1 billion net assets, providing community facilities, infrastructure and open space.

Total Operating Expenditure – 2015/16



- Urban Development
- Economic Development
- Environmental Sustainability
- Public Infrastructure & Places
- Culture and Recreation
- Community Capacity Building
- Health and Community Care

Development

Urban Development	\$3.653m
Economic Development	\$0.691m

Environment

Environmental Sustainability	\$2.103m
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Infrastructure

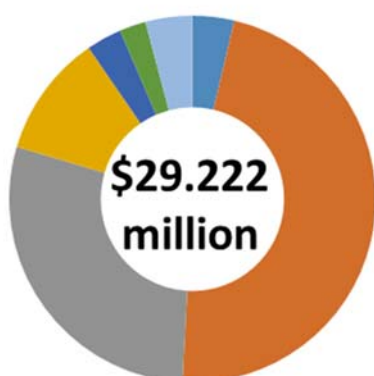
Public Infrastructure & Places	\$41.75m
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Community

Culture and Recreation	\$15.061m
Community Capacity Building	\$3.237m
Health and Community Care	\$6.25m

TOTAL	\$72.745m
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Total Asset Additions (including Contributed Assets) – 2015/16



- Land
- Buildings & Other Structures
- Infrastructure
(Roads, Drains, Footpaths, etc)
- Other Infrastructure
(Traffic Devices, Signs, etc)
- Plant & Equipment
- Furniture & Fittings

Asset Additions

Land	\$1.074m
Buildings & Other Structures	\$13.795m
Infrastructure (Roads, Drains, Footpaths, etc)	\$8.388m
Other Infrastructure (Traffic Devices, Signs, etc)	\$3.165m
Plant & Equipment	\$0.91m
Furniture & Fittings	\$0.682m
Other Assets	\$1.208m

TOTAL ASSET ADDITIONS	\$29.222m
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LIVEABLE

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

OPEN SPACE AND RECREATION

\$1 MILLION RECREATION PLAZA OPENS

Achievements

We opened a new \$1 million plaza that includes a skate park, mini basketball court, seating, shelter, lights, grassed areas and parkour circuit in October 2015.

The Oaklands Recreation Plaza, which is at Oaklands Park, was funded by \$900,000 in grants from the State Government and \$100,000 from the City of Marion.

Challenges/opportunities

The plaza complements the adjacent Oaklands wetland and provides facilities for families and people of all ages and interests to exercise.

The design was shaped by community consultation, and includes a new style of skate park that can be used for skateboarding, BMX and scooters.

What next?

We will begin community consultation on the playspace and reserve in late 2016.

WORK BEGINS ON NEW \$940,000 RESERVE

Achievements

Work began to build a new \$940,000 park on vacant land at Jervois Street, South Plympton, in March 2016.

Local residents, schools, and community groups contributed to the design, which included a three-on-three basketball and netball courts, fitness equipment and a bike track.

The City of Marion bought the 6000 sq m block of land from Housing SA in 2013 to create more open space. The land cost \$2.94 million with Council providing \$1.56 million and the Department of Planning Transport and Infrastructure (DPTI) the balance.

Work was funded by \$590,000 from Council, \$300,000 from DPTI and a \$50,000 donation from Edwardstown Rotary Club.

Challenges/opportunities

The unique funding partnership between the City of Marion, DPTI and Edwardstown Rotary Club enabled the development of a park for the whole community.

What next?

Jervois Street Reserve will be officially opened at a community event in August 2016.

NEW EDWARDSTOWN OVAL PLAY SPACE OPENED

Achievements

We opened a new play space based on a snakes and ladders theme and sports courts at Edwardstown Soldiers' Memorial Recreation Ground in January 2016.

The play space includes a sculpture of a snake, balance beams, swings, a sandpit and slide. Multipurpose sports courts for netball, basketball and soccer were also installed.

The project cost \$343,000 and was funded by \$200,000 from the City of Marion, \$120,000 in grants from the State Government's Department of Planning Transport and Infrastructure Fund and \$23,000 in grants from the Office of Recreation and Sport.

Challenges/opportunities

The play space and courts are part of a site wide upgrade identified in a sports masterplan.

What next?

The next stage of development is the construction of a fitness node, which is due for completion by late 2016.

OTHER ACHIEVEMENTS:

CONCEPT DEVELOPED FOR INCLUSIVE PLAY SPACE

In consultation with the community, we developed a concept plan for an inclusive play space that will see children of all abilities play side by side at Hendrie Street Reserve, Park Holme.

The project is a partnership between the City of Marion, the Touched by Olivia Foundation and the Department of Planning, Transport and Infrastructure (DPTI). DPTI have committed \$250,000 in grant funding, matching City of Marion's \$250,000. The Touched by Olivia Foundation is looking to raise up to \$400,000 towards the project.

Along with the Touched by Olivia Foundation, we promoted opportunities for people to contribute to funding the project, including by sponsoring play equipment. The design and funding arrangements are expected to be finalised by late 2016.

WORK BEGINS ON MARION'S FIRST DOG PARK

Work to build the City of Marion's first dedicated dog park began at Reserve Street Reserve, Trott Park, in April 2016.

The park will see dogs run off leash inside a 10,000 sq m fenced area and include dog drinking bowls, seating and three air lock gates. The dog park will be opened at a community event in September 2016.

PLYMPTON OVAL UPGRADED

A new \$140,000 play space that includes swings, a climbing structure, spinning equipment, pathways and shading was completed at Plympton Oval in August 2015

MITCHELL PARK OVAL UPGRADED

The first stage of upgrades to the walking trail and fitness nodes at Mitchell Park oval were completed in early 2016. Upgrades were identified through a sports masterplan. Further work is subject to funding.

Work cost \$402,000, with \$200,000 of funding provided by the Office for Recreation and Sport, and \$202,000 from the City of Marion.

FACILITIES AND VENUES

MARION OUTDOOR SWIMMING CENTRE

Achievements

Attendances increased by more than 10,000 on the previous year to over 84,000.

The pool celebrated its 40th anniversary by holding an open day. This was one of two open days which drew a combined total of 2600 people.

We began a masterplan to develop options for developing the pool and to calculate required funding.

Challenges/opportunities

We marketed the pool's point of difference as an outdoor, family-friendly facility, and used social media to increase awareness.

What next?

A service review will be undertaken to explore opportunities for increasing efficiencies.

MARION CULTURAL CENTRE

What we achieved

More than 270,000 people visited the Marion Cultural Centre, a decrease on the previous year's figures of 286,000.

The centre has a café, art gallery, library and theatre, which generated more than 5,800 ticket sales – a slight increase on the previous year. Shows attracted average attendances of 132 people per performance, resulting in the theatre operating at 61 per cent capacity.

Council events included the Unsung Heroes Awards, Community Grants presentations and 11 citizenships ceremonies. Four outdoor movie screenings were held in the plaza during summer.

Challenges/opportunities

We began a review of signage to explore ways of improving promotion at the centre.

What next?

Seats, planter boxes and trees will be included in an upgrade of the plaza in late 2016. The centre will host our biggest community festival, *Marion Celebrates*, in March 2017.

MARION LEISURE AND FITNESS CENTRE

Council has provided the YMCA South Australia with a lease from 1 September, 2016 to manage parts of the centre for five years.

The YMCA will continue to manage the stadiums and open a wellness centre in September 2016. The wellness centre will offer health and fitness programs with a focus on older adult fitness, disability, health, recreation and rehabilitation services.

Hiring of the popular sports stadiums will be expanded by encouraging greater use by schools and disability groups. The gym in its current format will shift to the new wellness model and the sauna and spa will be closed.

A positive financial return is guaranteed at the centre for the first time in four years.

MARION LIBRARY SERVICE

There are three libraries and a home delivery service in the City of Marion. The libraries run programs and events that celebrate reading, develop literacy and support lifelong learning.

Attendances and visitors

Key statistics	2014/15	2015/16
Footfalls/visitation	449,111	510,999
Items loaned	851,830	857,252
Programs/events	8716	9528

What we achieved

The Cove Civic Centre, which incorporates a library, enterprise hub and community facilities, was officially opened on 1 August, 2015. This helped increase visits to libraries by about 60,000 on the previous year.

We opened a redesigned customer service area at the Marion Cultural Centre Library which is more user friendly and includes spaces for study, wi-fi and computers.

Popular events at libraries included a live stream of Adelaide Writers' Week, Code Club for kids and Baby Bounce.

Challenges/opportunities

We ran tailored programs and events to attract local businesses and the community to the Cove Civic Centre and its library.

What next?

A review of libraries will be undertaken to consider how best to develop them in the future.

Ongoing program development across the libraries will include:

- Tips and tricks using your mobile device
- Workshops on writing and publishing
- Education program on nutrition education
- Maker Space sessions
- 'Give the Gift of Reading' initiative

OTHER ACHIEVEMENTS

- 743 people attended author talks
- 3076 people participated in adult programs
- 703 young people joined in school holiday activities
- 1685 babies attended baby bounce
- 2053 pre-schoolers attended story time

NEIGHBOURHOOD CENTRES

Our four neighbourhood centres, Cooinda, Glandore, Mitchell Park and Trott Park, promote health, welfare, education and social inclusion with more than 6500 activities and classes that include arts and crafts, exercise, cooking and computing.

Visits numbered 48,000, a slight increase on the 47,000 of the previous year.

Achievements

We secured of \$214,561 of new funding from the Department for Communities and Social Inclusion to run the Community Hub project at all four centres.

The project helps improve people's resilience by funding activities, including fitness programs, healthy eating, yoga, mosaic classes to name a few. The funding has enabled Cooinda and Glandore centres to operate on Saturday mornings.

Forming a partnership with Flinders University enabled us to help 15 students gain a Certificate in General Education through TAFE SA. The qualification will increase the students' chances of finding a place at a university.

For the first time, the Flinders University Legal Advice Clinic hosted free advisory sessions at the centres. The program is available for residents aged 18 and over.

The Commonwealth Home Support Program, which supports people who are aged 65 and over, Aboriginal and Torres Strait Islander people over 50 and people with a disability, delivered 12,500 hours of group activities and classes. About 7000 healthy meals were served to participants. This meets the target outcome requirements of our funding

Glandore:

- 200 children attended a Halloween event, bringing younger people to the centre as well as their families

Mitchell Park:

- We formed a partnership with Junction Australia which manages more than 600 local properties to offer life skills, family and wellbeing programs to its tenants

Trott Park:

- A four-week program promoting multiculturalism called *Foods from Around the World* saw 19 residents cook and share meals from Jamaica, Spain and Morocco

Cooinda:

- We launched a group to help temporary residents from China, including grandparents visiting families, to socialise and participate in activities

Challenges/opportunities

Work began on a three-year marketing plan to attract new customers and strengthen the loyalty of existing users.

What next?

The 2016-2019 Neighbourhood Centres Marketing Plan will be completed and considered by Council.

Note: Council adopted the marketing plan in September 2016.

MARION HERITAGE RESEARCH CENTRE

Achievements

The number of enquiries and visits we managed rose from 380 to 508. This included people researching local history who accessed the centre's documents and photographs.

Donations from the community brought the total number of items in the cultural heritage database to more than 5000.

Staff and volunteers delivered 15 presentations on local heritage to community groups and organisations.

We secured a grant of \$2,727 from the Department of Veteran's Affairs to produce the first stage of a documentary celebrating four local World War Two veterans.

Challenges/opportunities

To improve community access to heritage items we began planning for more archival space.

What next?

Funding of \$12,675 from Council and \$25,000 from the State Government Anzac Day Commemoration Fund will see us complete a documentary about four local World War Two veterans next year.

The documentary will be shown at a public event on Anzac Day 2017.

LIVING KAURNA CULTURAL CENTRE

This Aboriginal education venue hosts cultural tours and can be hired for functions. It is based at Warriparinga, a Kurna cultural heritage site with buildings dating back to early European settlement which include Fairford House. The site also features wetlands.

Achievements

More than 600 people attended a Kurna family day in July as part of NAIDOC Week. Activities included music, dance, bush tucker and stalls from Aboriginal service providers.

A comprehensive Service Review was undertaken in early 2016 which explored different models for the future of the centre. This included consultations with the Kurna community, stakeholders and customer groups.

Challenges/opportunities

A new management model was developed to enable increased capacity building for the Kurna community in business and governance skills.

The joint management model will be based on equal funding between the City of Marion and the Kurna community. The aim is to transition the service to the Kurna community over five years.

What next?

Council will work with the Kurna community to establish a steering group and develop business plans and a management framework.

ARTS, HERITAGE AND CULTURE

Achievements

Along with Unley, Barossa, Holdfast Bay and Norwood, Payneham and St Peters councils and Arts South Australia we won a Local Government Professionals SA Excellence in Leadership Award for developing a Cultural Impact Framework and Guide.

Challenges/opportunities.

The framework helps councils understand the effectiveness and impact of cultural investment on cultural activity. This includes projects, programs, festivals and infrastructure such as libraries, heritage and art collections. Additionally, it provides tools to measure the impact of council decisions on culture.

What next?

The framework will be rolled out to all South Australian councils to help measure service delivery in cultural development and be embedded in processes that measure their work.

OTHER ACHIEVEMENTS:

Living in Harmony

We celebrated diversity by helping to run craft workshops, including Bangladeshi Quilting and Sudanese Beading. About 140 people learnt about different cultures and crafts and their work formed an exhibition at Council Chambers during Harmony Week in March 2016.

Humans of Marion - Positive Ageing

This project promoted greater understanding of older people by showcasing 20 members of the community aged between 66 and 105 with photographs and essays at an exhibition. The Humans of Marion project will continue by featuring different members of the community.

Reconciliation - Journey Through Art Exhibition and Workshops

An exhibition featuring the work of 39 artists was held at Gallery M as part of National Reconciliation Week and the History SA Festival 2016. It explored stories behind Marion's public and community art, reflecting on traditional and contemporary Aboriginal culture.

The exhibition showcased the Kurna artwork by Alan Sumner which was commissioned for the Council Chambers.

Reconciliation Action Plan

The *2016-2019 Reconciliation Action Plan* was endorsed by Council in June 2016. The plan aims to build better relationships between the wider Australian community and Aboriginal and Torres Strait Islander peoples with actions including cultural awareness training for staff, celebrating national days of importance. It also aims to ensure Aboriginal and Torres Strait Islander people are consulted on Council activities in a culturally appropriate manner.

Public Art and Placemaking

We worked with artists to develop public artworks, including a stainless steel 'drawing' at Ascot Park Train Station and mosaic paving and entry statements at Jervois Street Reserve.

Additionally, we secured \$4,500 of seed funding from Arts South Australia towards commissioning artwork for the Hendrie Street Reserve inclusive play space.

BUILDING OUR CITY

\$182.1 MILLION OF BUILDING APPLICATIONS GRANTED

More than \$182 million of building applications were granted – about \$13 million less than the previous year.

The largest approval was for a \$3.8 million expansion of Westfield Marion Shopping Centre which included the installation of solar panels and associated structures and alterations to car parking.

A \$3.5 million building for warehousing and light manufacturing with offices, showroom, car parking and landscaping was approved for Selgar Avenue, Clovelly Park

The total number of applications granted was 1795. This included 748 new houses and 103 dwelling additions. There were 1577 combined approvals for class 10 structures, including sheds, pools and verandahs.

Four offices, 66 shops, 5 warehouses and 6 public buildings were also approved, while 294 demolitions were granted.

Building Consents and Values 2011/12 – 2015/16

The average value of building applications granted over the past five years is \$171.46m, peaking at \$195.5m in 2014/15. This figure was largely due to approval being granted for a \$14 million development of the drill core library at Tonsley.

2011/12	2012/13	2013/14	2014/15	2015/16
1781	1689	1726	1751	1795
\$159.2m	\$152.2m	\$168.3m	\$195.5m	\$182.1

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

Note: The 2014/15 Annual Report stated approvals included a '\$25 million early learning and primary school education building'. The figure should have been \$2.5 million. The total building consent values were correct.

Seacliff Park Residential and Centre Development Plan Amendment (DPA)

This DPA aims to encourage the redevelopment of former industrial land by allowing a range of housing types, activity centre, shops, community and business facilities.

The DPA has been approved by the Minister for public consultation.

There are ongoing negotiations regarding the Cement Hill development and some of the details are still being finalised. Public consultation will start once these negotiations are complete.

Castle Plaza Activity Centre Development Plan Amendment (DPA)

This DPA aims to facilitate the redevelopment of Castle Plaza Shopping Centre to include a mixed use activity centre and medium to high density residential accommodation.

The DPA was forwarded to the Minister for approval in January 2016.

Housing Diversity Development Plan Amendment (DPA)

This DPA aims to broaden the diversity of housing types and densities throughout the Council area and promote mixed use development in key locations. The DPA will protect character areas and suburbs with high quality streetscapes.

Amending the plan could see:

- Older commercial properties adapted for mixed use
- Higher density residential developments in appropriate areas, including close to transport corridors
- Mixed use developments in activity centres
- Inner-suburbs character housing protected from ad-hoc development by a low density policy.

A Statement of Intent (SOI) was forwarded to the Minister on 20 June, 2016 seeking agreement to progress the DPA.

Recreation/Community Development Plan Amendment (DPA)

The intention is to rezone a number of existing major recreation/community complexes to zones which better reflect existing use and supports the desired forms of development.

A Statement of Intent (SOI) was forwarded to the Minister on 23 March, 2016, seeking agreement to progress the DPA.

Morphettville Racecourse

The South Australian Jockey Club (SAJC) finalised a concept for the development of surplus land at the Morphettville Racecourse and surrounding area. This proposes a mixed use development incorporating higher density residential accommodation, an activity centre, offices, and the renewal of core racing facilities around an upgraded tram station.

The proposed development is located in Marion and West Torrens Councils and includes the Department of Transport and Infrastructure (DPTI) controlled tram corridor.

The councils have sought the Minister's support for a developer funded Ministerial DPA to be undertaken.

KEEPING OUR COMMUNITY SAFE

Work to keep the community safe included animal and parking management, administering our by-laws, health services, education and graffiti prevention projects.

ANIMAL MANAGEMENT

We promoted responsible dog and cat ownership through our Animal Management Plan, by administering the Dog and Cat Management Act and relevant By-laws.

DOG MANAGEMENT	2015/2016	VARIATION FROM 2014/15
Number of dogs registered	12,913	2.9 % decrease
Number of wandering dogs collected	427	9.5% increase
Number of expiations issued for offences under the Dog and Cat Management Act	332	13.6% increase

Note: The number of wandering dogs reported as collected in the 2014/15 Annual Report was 167 – the figure should have been 390.

We continued to educate dog owners about responsible ownership through letters, conversation, flyers, advertisements, banners and Council's website. The 12 per cent increase in the number of expiations issued can be attributed to the increase in the number of wandering dogs collected.

PARKING MANAGEMENT

Parking was monitored under the Australian Road Rules and the Private Parking Areas Act to ensure the safety of pedestrians, cyclists and motorists.

PARKING MANAGEMENT	2015/2016	VARIATION FROM 2014/15
Expiations issued	5,528	1% increase

Parking restrictions are monitored and enforced throughout the city, including bike lanes, near schools and in shopping centres.

FIRE PREVENTION

We contacted 763 owners of vacant land to explain the importance of clearing their land to reduce hazards and each block of vacant land was inspected to ensure it was cleared for summer.

IMPLEMENTATION OF REVIEWED BY-LAWS

By-laws covering dogs, cats, roads, moveable signs, permits and penalties which were reviewed during the 2014/2015 financial year were implemented during 2015/16.

Changes included permission being required to fish, use model boats or take flora, fauna or water from a wetland. Dogs must be on a leash around a wetland and within five metres of a playground.

To protect the community from offensive advertising material, people must now gain permission from Council before placing flyers on cars on public roads.

PUBLIC AND ENVIRONMENTAL HEALTH

We administered the *South Australian Public Health Act* to protect the community.

The act assists with the response to public health risks, including by allowing our Environmental Health Officers to act quickly on hazards that present a serious and immediate threat to people's health.

We inspected premises and businesses, investigated complaints and provided education and advice about maintaining high standards of public health, including safe food handling.

Additionally, we audited and licensed two supported residential facilities which provide accommodation and care for older people and people living with disability.

To ensure the health and safety of the community, inspections were undertaken at:

- 291 food business were inspected as per the new risk classification scheme developed by SA Health
- 35 cooling towers were registered, audited and inspected
- 7 warm water systems were registered, audited and inspected
- 19 public swimming pools and spas
- 47 hairdressers
- 33 beauty parlours
- 6 skin penetration businesses

Facilities that provide food to “vulnerable populations” are required under the Food Act to develop a Food Safety Program which is audited. Fifteen facilities were audited, 3 by the City of Marion and 10 by other auditors.

We investigated 54 complaints regarding food. The types of complaints included alleged food poisoning, poor food handling or storage, unsafe or unsuitable food, cleanliness of premises.

IMMUNISATION

Immunisation contributes to the health and wellbeing of the community by helping to prevent communicable diseases.

Our community immunisation service included:

- Immunising 2,581 students through the school-based immunisation program
- Immunising 469 babies and children up to the age of seven
- Immunising 302 people who are new arrivals to Australia and refugees through clinics at Mitchell Park Neighbourhood Centre. The immunisation clinics are conducted in a culturally sensitive way and interpreters are provided.

GRAFFITI MANAGEMENT

The City of Marion uses the “5 E’s” approach to graffiti management:

- Enforcement
- Education
- Engagement
- Engineering
- Eradication

The *Art of Respect* program involved 20 young people learning about the importance of using aerosol paint to develop legitimate and constructive art at creative workshops. Our 65 volunteers removed graffiti from privately owned property where the resident was not able to do so themselves, including where they were elderly, frail or living with disability.

The *Take Part* initiative was developed with funding from the State Government. This saw 14 young people in Trott Park mentored to develop a mural at the local neighbourhood centre.

Free graffiti removal products were also provided to residents and local business.

The table below shows the amount of graffiti removed by residents and volunteers:

GRAFFITI REMOVED	2015/16	2014/15	Variation from 2014/15
Removed by residents	2,664 sq m	4,275 sq m	37 % decrease
Removed by volunteers	1,321 sq m	1,534 sq m	13% decrease
Total	3,985 sq m	5,809 sq m	31% reduction

This reduction can be linked to continued rapid removal of graffiti by volunteers, staff and businesses which discourages repeated vandalism and education.

COMMUNITY LAND MANAGEMENT PLANS

A review of the Community Land Management Plans commenced and will be completed in 2016/17.

Under Section 96 of the Local Government Act 1999, Council is required to prepare and adopt a Community Land Management Plan for its community land if the land has been or is to be specifically modified or adapted for the benefit or enjoyment of the community.

CARING FOR OUR COMMUNITY

Community Care services helps frail older residents, people living with a disability aged under 65 and their carers live independently at home and remain active in the community.

Funding is provided by the Commonwealth Government through Commonwealth Home Support (\$1,150,909) from the State Government through Home and Community Care (\$151,300) and the Community Passenger Network (\$158,603), client co-payments. The City of Marion provides in kind support for these programs and \$158,830 towards the Community Bus.

This table shows the services provided:

Service	Number of clients	Service provision
Community bus – door to door	298 clients	14,356 one way trips
Domestic assistance – house cleaning	1253 clients	24,990 contractor hours
Social support – helping clients to medical appointments, shops, social inclusion	525 clients	9,540 Volunteer Hours
Home maintenance, minor repairs and gardening	2233 clients	7,012 Maintenance Hours
Home Modification	332 clients	\$118,354 dollars
Community Passenger Networks	139 clients	946 one way trips

Service hours and client numbers vary each year according to people's needs. A notable change from previous years was the increasing age of residents who access the Community Bus, which suggests people are driving longer. The average age has increased from about 75 to 85 over the past two years.

What we achieved

Funding for Counselling, Support, Information and Advocacy for care recipients and carers has been extended until 30 June 2017. The Department of Health is contributing \$13,825 and the Department of Social Services \$14,080. The number of clients increased from 299 to 556 on the previous year.

We created Wellbeing Hubs in the Administration Centre and neighbourhood centres to help older residents access services through the My Aged Care system.

The Community Passenger Network Southern Region (CPN) began operating to connect residents over 65, younger people living with a disability, their carers and the transport disadvantaged to services and facilities. The CPN covers Marion, Mitcham and Holdfast Bay council areas and is funded by the Commonwealth and State Governments

Challenges/opportunities

We began exploring opportunities to develop innovative service models and new initiatives in anticipation of further health reforms, including to the National Disability Insurance Scheme and the Carer Gateway, that will be introduced over the next two years.

What next?

The two older community buses will be replaced with new vehicles. Community Care will work with neighbourhood centres to run workshops to increase the wellbeing and resilience of older clients. This will build on the success of last year's pilot program.

We will continue to support residents through health reforms, monitor changes, adapt programs and processes to ensure they receive a high quality, fair and equitable service.

INNOVATIVE

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

\$13.4 MILLION COVE CIVIC CENTRE OPENS

Achievements

The Cove Civic Centre was officially opened by Mayor Kris Hanna on 1 August 2015 with 2600 people joining in celebrations.

The \$13.4 million library, community and enterprise centre provides access to about 35,000 books, e-books, magazines and DVDs. It also includes training facilities for businesses and a community hall for up to 200 people.

The first year of operations saw:

- 126,401 visits
- 390,446 items borrowed
- 9293 computer bookings
- 1626 new library members
- 14 business events

Challenges/opportunities

To establish the centre as a facility for local businesses and community it was used to host a range of events, including the launch of the Hallett Cove Business Association.

What next?

We will continue to promote the centre to the community and businesses as a place for learning and skills development.

\$8 MILLION EDWARDSTOWN OVAL REDEVELOPMENT MOVES CLOSER

Achievements

In March 2016 we submitted a funding bid to the Federal Government to redevelop Edwardstown Soldiers' Memorial Recreation Ground.

The Federal Government announced in May 2016 it would commit \$4 million towards the project, adding to Council's commitment of \$4 million.

We developed a concept design for the site which will see the removal of existing buildings and the development of a new two-storey building.

The \$8 million rebuild will include new sports and community clubrooms, function rooms, a café, viewing areas, upgrades to the velodrome, a makeover of Memorial Park and facilities for skills training providers. A World War One Honour Board will be returned to the site.

Challenges/opportunities

To minimise disruption to clubs during construction we developed a plan to sequence construction works.

What next?

We will refine the design when the signed Federal funding deed is received, which is expected to be in late 2016.

GREEN LIGHT FOR NEW BMX FACILITY

Achievements

In late 2015 the City of Marion and the office of Recreation and Sport funded a feasibility study into the development of a world class BMX track in O'Halloran Hill.

In June 2016 The State Government announced it would provide \$2 million towards the project - adding to the \$750,000 from Marion and Onkaparinga councils. Onkaparinga Council's commitment of \$750 000 is a major investment into the Marion council area.

The \$3.5 million Union Cycliste International standard track aims to improve facilities for local riders, host elite training, and attract international events.

Challenges/opportunities

The project is being managed by the City of Marion with the State Government's Office of Recreation and Sport and the City of Onkaparinga and will draw on the knowledge of expert track designers, BMX Australia, BMX South Australia and The Cove and Happy Valley BMX Clubs.

What next?

A geotechnical investigation will be undertaken to provide details of soil conditions and how the site can be developed.

The State Government will name the facility The Sam Willoughby International BMX Track after the local Olympic medalist.

MITCHELL PARK SPORTS AND COMMUNITY CENTRE

Achievements

We began preparing an application for Federal Government funding for a \$19.75 million redevelopment of Mitchell Park Sports and Community Centre.

Plans include a multipurpose four court indoor facility for sports including basketball and netball, a community centre, gym, function area, café, neighbourhood centre and new facilities for the existing football, cricket, rugby, tennis and the Dover Gardens Dog Club.

Council committed to cover 50 per cent of the costs, subject to receiving a matching grant from the Federal Government.

Challenges/opportunities

The facilities aim to foster community involvement and belonging, employment and business development, address social disadvantage and support university led high performance monitoring and care for elite athletes.

What next?

We will continue to develop partnerships with peak sporting bodies, MPs, the Department of Recreation and Sport and expect to lodge an application for funding in late 2016.

UPGRADING SOCCER FACILITIES

To meet community demand we continued to investigate potential sites to build new soccer pitches. We will continue working with the Football Federation of South Australia to secure sites and pursue State Government funding for facilities.

DARLINGTON UPGRADE PROJECT

Marion and Mitcham councils held a joint sitting in November 2015 calling on the State Government to improve the design for the \$620 million Darlington road upgrade.

The objectives included allowing for the future expansion at Flinders University, Flinders Medical Centre, and Tonsley, driving jobs growth, improving local traffic access and promoting cycling and public transport.

The Darlington Upgrade Project is the next step in the upgrade of Adelaide's North-South Corridor. The project will deliver an upgrade of approximately 4.3 kilometres of the existing Main South Road.

The \$620 million project is jointly funded by Australian and State governments (\$496 million federally funded and \$124 million state funded).

We are now working in partnership with major stakeholders to provide input into the design.

The Darlington Upgrade project is anticipated to be completed by December 2018.

DRAFT

VALUING NATURE

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

GROWING A GREENER CITY

Achievements

We planted more than 9000 indigenous native shrubs at Oaklands Estate Reserve at a Planet Ark Tree day in July 2015 with support from the Friends of Sturt River and the local community.

About 25,000 native plants were planted at sites including Trott Park creek, Linear Park Reserve, Glade Crescent Reserve Hallett Cove, and along the railway line between Edwardstown and Hallett Cove.

No mow zones were established, including at Manunda Way Reserve, to protect plants.

To improve local amenity, attract native wildlife and reduce the impact of heat in urban areas, we planted 1400 street trees.

Challenges/opportunities

Despite an extreme dry season, we planted about 30,000 native plants, an increase of 20,000 on the previous year.

What next?

We aim to plant about 1400 street trees and more than 20,000 native shrubs and grasses over the coming year.

A management plan is being developed to guide the growth of native vegetation on Council reserves.

CREATING A WATER SENSITIVE CITY

We are working towards becoming a water sensitive city by minimising flooding, harnessing the potential of stormwater and improving the health of our waterways and landscaped areas.

Work included:

- Increasing the number of reserves irrigated with water treated at Oaklands wetland from two to nine
- Beginning work on a new wetland system to improve the quality of stormwater at Glade Crescent Reserve, Hallett Cove
- Undertaking a review of Council's irrigation Policy and Decision Support tool to ensure a balance between the provision of amenity that is aesthetically pleasing, meets the needs of the community and is economically and environmentally sustainable.
- Completing drainage upgrade projects at Newland Avenue, Marion, Whiteleaf Crescent, Glengowrie, Radstock Street, Morphetville, First Street, Hallett Cove and Nannigai Drive, Hallett Cove

MARINO'S FIRST COMMUNITY GARDEN OPENS

Achievements

We helped establish the first community garden in Marino to give residents the opportunity to grow their own food, come together, and form friendships.

The City of Marion leased a 1000 sq m plot of land to the Marino Community Garden Inc and contributed about \$23,000 to help it grow, including by providing a Community grant of \$2000 and connecting water, conducting soil tests and levelling the site.

This became the fifth community garden in the City of Marion.

Challenges/opportunities

We identified ways of simplifying the Community Garden Policy and Framework to make it easier for people to start up and maintain community gardens.

What next?

The Community Garden Policy and Framework, including processes and systems, will be reviewed in 2016/17.

INCREASING COMMUNITY INVOLVEMENT IN THE ENVIRONMENT

Achievements

In October 2015, about 450 people participated in a coastal BioBlitz survey at Hallett Cove.

Community members and scientists worked together to record more than 90 different species of animals, birds and plants over two days. The information was used to build a profile of natural life along the coast and placed on a national online database.

Nine sustainability events (part of the Common Thread series) were held at the Marion Cultural Centre attracting more than 400 people. The events aim to help people learn about sustainability.

To highlight changes to the city we installed two Fluker Posts at Oaklands wetland in September 2015. The posts are markers from which people can take photographs and then upload them to a website where they will show how the environment changes over time.

We continued to participate in the Cat Tracker project. This helps cat owners understand the behaviour of their pets by recording their movements using a GPS.

Challenges/opportunities

BioBlitz and Cat Tracker are partnerships with the University of South Australia's (UniSA) Discovery Circle citizen science program and involve people in practical projects while improving their understanding of the natural environment.

What next?

More Fluker Posts will be installed at Warriparinga and Hallett Cove beach.

GREEN EDUCATION

Achievements

We continued to host an Education Officer, funded by the Adelaide and Mt Lofty Ranges Natural Resources Management Board, to involve schools and pre-schools in sustainability projects.

The officer supported 159 teachers and 170 students through professional development sessions, mentoring of youth groups, and hands-on activities such as water testing and bird surveys.

Challenges/opportunities

Hosting an education officer is a cost-effective way of educating young people in sustainable lifestyles.

What next?

We will work to increase the involvement of schools with environmental friends' groups and the indigenous education venue, the Living Kurna Cultural Centre.

Additionally, we will work with Oaklands Estate Kindergarten to complete their Preschool Outdoor Learning Area project – a flagship initiative to serve as an example of outdoor learning and embedded sustainability at a preschool.

OTHER ACHIEVEMENTS:

ADAPTING TO A CHANGING CLIMATE

Along with the neighbouring cities of Mitcham, Holdfast Bay and Onkaparinga we adopted the Southern Region Local Government Implementation Plan to take action on responding to climate change.

A City of Marion Climate Change Policy was drafted and community consultation commenced in July 2015.

ENERGY EFFICIENCY AND RENEWABLES

Council approved 300 kilowatts of solar panels to be installed on Council owned and operated buildings.

Council allocated \$160,000 to implement energy efficiency actions at the Administration Centre, Park Home Library and Marion Cultural Centre. Once implemented an estimated \$60,000 each year will be saved from electricity bills.

ENVIRONMENTAL MANAGEMENT SYSTEM RECERTIFIED

To help us to understand and manage our environmental risks and impacts, we operate an Environmental Management System (EMS) which is certified to international standard (ISO14001 2004). This was recertified following an independent external audit.

WASTE MANAGEMENT

EDUCATING OUR COMMUNITY

What we achieved

We partnered Green Industries SA and SOLO Resource Recovery to deliver the *Recycle Right* bin tagging campaign to reduce contamination in kerbside recycling bins. The campaign encouraged people to place food scraps in the organics bin and to reduce the amount of recyclables sent to landfill.

Information tags were placed on the bins of 1810 households. This contributed to an 81 per cent increase in recycling bins that were not contaminated. There was a 200 per cent increase in households correctly recycling food scraps in their green organics bin.

We provided 381 free kitchen caddies to new residents to encourage people to place food scraps in the kerbside green compost bin. More than 4200 kitchen caddies have been provided since the program began in December 2012.

We delivered 41 waste education presentations, workshops and tours for residents, community groups, primary schools and kindergartens. About 90 per cent of the 2022 participants reported greater confidence in recycling correctly.

Challenges/opportunities

Educational activities, which are geared towards residents taking responsibility for recycling and disposing of waste correctly, are helping to create a more sustainable community.

What next?

The *Recycle Right* Bin Tagging Campaign will continue with visits to a further 1800 households in 2016/17 and kitchen caddies will also be provided on request.

Community groups, schools and kindergartens will be able to book educational workshops and tours of recycling facilities.

REDUCING ILLEGAL DUMPING

What we achieved

The *Don't Dump Your Junk and Keep Marion Beautiful* initiatives continued and saw illegally dumped rubbish taped off, education flyers letterbox dropped to neighbouring households, and staff discuss the issue with local residents.

This process was applied to 630 incidents resulting in 39 per cent of the illegally dumped rubbish being removed and disposed of correctly.

Reports of illegal dumping totalled 1,105. This is a 2 per cent reduction on last year and continues a downward trend, which shows a 30 per cent reduction since 2010/11.

Challenges/opportunities

Illegal dumping affects community safety and the amenity of the city. To reduce its impact we continued to explore new options, including partnering with the Environmental Protections Authority to install surveillance cameras at dumping hot spots.

What next?

We will continue to work with key organisations, Environmental Protection Authority, Housing SA, Junction Australia, Correctional Services to reduce illegal dumping.

WASTE COLLECTION SERVICES

Services included scheduled collections of residential hard waste, servicing public litter bins along roadways, bus stops and reserves, and investigation and removal of illegally dumped rubbish.

An estimated 25 per cent of recovered dumped rubbish and hard waste collections were recycled, while we achieved 100 per cent recycling of 2,538 mattresses.

Our Public Place Litter Service serviced 501 bins located at a range of sites, including council reserves, bus stops, and walking tracks.

Type of waste collected	Service delivery for 2015/16	Tonnes	Comparison to 2014/15
*Scheduled Hard Waste Services	11,255 total Requests	581/t	No change
**Illegally Dumped Rubbish	1,105 incidents	60/t	2% decrease in reported incidents
Public Place Litter	26,052 collections	158/t	18% increase in collections

* Scheduled Hard Waste includes provision of 2,236 Tip Tickets and 34 Bulk Collections for multi-unit-dwellings.

*** City of Marion “Don’t Dump your Junk and Keep Marion Beautiful” campaign has shown a 30% decrease of reported incidents since 2010/11.*

KERBSIDE WASTE COLLECTION AND RECYCLING

A three-bin kerbside collection and recycling service continued to be provided to residents in partnership with our delivery agent Solo Resource Recovery

Waste collected	Tonnage collected in 2015/16	Comparison to 2014/15
Total residual waste	17,799/t	4.9% decrease
Recycled*	7,799/t	22% increase
Green organics	11,360/t	10% increase

*This includes estimated recycled bin contamination rate of 15%.

OTHER ACHIEVEMENTS:

RECYCLING FOR REUSE SAVES \$295,800

Processing and reuse of operational waste, including civil, demolition and green waste saved \$295,800 in alternative disposal costs and diverted 10,400 tonnes of operational waste from landfill.

AFTER HOURS EMERGENCY RESPONSE

The after Hours Emergency Team responded to 190 calls to remove of hazards resulting from storm damage, flooding, trees, dumping, footpath and road access, offensive graffiti and vandalism.

PROSPEROUS

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

GROWING SMALL BUSINESS

Achievements

The Tonsley Small Business Advisory Service provided support to 324 companies in its first year of operation.

Launched in June 2015 as a partnership between the City of Marion and the Department of State Development (DSD), the advisory service delivered almost 600 hours of face-to-face support to aspiring entrepreneurs and established operators.

The most popular subjects businesses sought advice on were planning, finance and marketing.

Challenges/opportunities

Small businesses make up about 97 per cent of the local business base and their success is essential to the economic development of the region.

As operators of small businesses are time poor, we work with them to ensure advisory sessions and networking events were carefully targeted to their needs.

What next?

We will partner with the DSD to support businesses impacted by the closure of the automotive manufacturing industry.

Additionally, we will target businesses in the tourism and visitor sectors to help them grow.

COVE ENTERPRISE HUB LAUNCHED

Achievements

We launched the Cove Enterprise Hub in August 2015 as a place for businesses to network and learn. Hallett Cove Business Association was launched at the same event.

Based at the Cove Civic Centre, the hub has hosted 12 business events for more than 300 people. Additionally, 20 local business have used the hub 44 times

Tonsley Small Business Advisory Service runs free sessions at the hub.

Challenges/opportunities

The hub, which is in its early stages, has created opportunities for us to work with local businesses to deliver services to help them grow.

To increase promotion of businesses events at the hub and other venues in the City of Marion we produced an online events calendar.

What next?

An extensive events program is planned for the coming year which will include information sessions by the Australian Taxation Office and the National Broadband Network.

HELPING BUSINESSES HELP EACH OTHER

Achievements

We continued to support the Edwardstown Region Business Association (ERBA) and the Hallett Cove Business Association (HCBA) to help them increase membership and deliver services to local companies.

Over the past year, ERBA grew its membership from 110 to 125 and held 11 events which attracted 692 people. It also engaged with a further 560 businesses.

Launched in August 2015, the HCBA has 43 members and has run 10 events, attracting 360 people.

Challenges/opportunities

We will continue to work with ERBA and HCBA to increase membership to help them become more sustainable.

What next?

HCBA will launch a 'buy local' campaign in August 2016 to encourage residents to use local companies. ERBA will celebrate its 10th anniversary in November 2016.

DEVELOPING TONSLEY

Achievements

We continued to work with key stakeholders, including the State Government and Flinders University, to develop the integrated employment, education and residential precinct at Tonsley which is expected to attract \$1 billion of private investment.

Progress over the past year included the launch of the State Government's \$32 million Drill Core Reference Library which is used by mineral exploration companies to pinpoint deposits.

The co-working space, Co-HAB, has extended its offices and increased the number of its tenants to 64.

Challenges/opportunities

The State Government plans to develop an 11-hectare residential precinct and extend the Tonsley rail line to Flinders Medical Centre and Flinders University, increasing connectivity between the sites.

What next?

More companies are moving to Tonsley, including Radical Torque Solutions and Micro-X and Hydrix. By late 2016, construction is expected to begin on the residential precinct and a 3000 sq m facility for SAGE Automation.

CONNECTED

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

CAMPAIGN TO FIX OAKLANDS CROSSING BEGINS

Achievements

We launched a multi-media campaign to end more than 40 years of traffic congestion at Oaklands crossing in April 2016. More than 2800 joined the campaign, which included a survey, online video, a giant billboard, flyers, posters, social media, lobbying, and a public rally.

The campaign highlighted that in 2012 the State Government released a planning study which assessed four options to solve the traffic congestion.

It recommended the construction of an overpass to carry trains over Morphet Rd which at the time was estimated to cost about \$110 million. However, no timeframe or budget commitment was made at the time.

In June 2016, the Federal Government made an election commitment of \$40 million to the project.

Opportunities/challenges

The campaign was timed to coincide with the run up to the Federal Election. This helped to maximise publicity and the campaign was covered by Channels 7, 9, 10 and ABC as well as local newspapers and radio.

What next?

Council has committed to continuing the campaign.

\$1.5 MILLION RAILWAY TERRACE REVAMP SET FOR COMPLETION

What we achieved

Work began to transform a 900m stretch of road in Ascot Park with a new shared walking and cycling path, street trees, paving and solar powered lighting.

The new \$1.5 million Railway Terrace streetscape runs from Daws Road to Sixth Avenue and will include indented parking bays and solar powered lighting.

Parking for 36 cars, including two disability parks, will be installed along Hazel Terrace.

The City of Marion has provided \$800,000 of funding and the State Government \$700,000 through an open space grant.

Challenges/opportunities

Building a shared path for pedestrians and cyclists promotes alternative forms of transport and aims to make it easier for people to exercise.

Water Sensitive Urban Design was used to capture stormwater from the path to irrigate trees and landscaped areas.

The project is part of the State Government's Greenways initiative to improve the cycling and walking route from Adelaide to Marino.

What next?

The majority of work is scheduled for completion in August 2016 after which an artist will create two metal sculptures on Charles St and at Ascot Park Railway Station.

CITY SERVICES REDEVELOPED

We opened a new \$14 million facility to deliver core services to the community, including stormwater management, building and maintaining parks, roads, footpaths and engineering.

Builders of the City Services site, Badge Constructions, won a commendation award in 2016 for their work at the Master Builders Association SA awards.

\$5 MILLION INVESTED IN ROADS AND FOOTPATHS

More than \$5 million was invested in renewing footpaths and improving roads.

More than 400,000 sq m of road treatments were undertaken, including reconstruction, resurfacing and programmed crack sealing. We repaired more than 700m of kerb and water table and over 3500m of footpaths.

Our proactive footpath renewal program will continue with work in Oaklands Park and Edwardstown.

ENGAGED

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

COMMUNITY CAPACITY BUILDING IN TROTT PARK

Achievements

More than 40 men attended a lunch at Trott Park Neighbourhood Centre as part of International Men's Day in November 2015. The event was part of a series of educational programs that promoted resilience in adults.

The men's events group, Trott Park Escapees, provided mutual support by encouraging socialising at monthly meals around the centre's wood oven and going on excursions.

A mosaic group began building three outdoor tables which they will donate to Trott Park Neighbourhood Centre.

Challenges/opportunities

The community capacity building programs were shaped by residents to ensure activities were relevant and help to build stronger neighbourhoods.

What next?

Evaluation, success, and future directions will be determined with community members. We will continue to explore innovative ways of empowering the community.

BUILDING A STRONGER NEIGHBOURHOOD IN OAKLANDS PARK

Achievements

We worked with Housing SA, non-government organisations, and community to renovate and re-activate a local meeting space for residents of the Drew Court public housing complex in Oaklands Park. The complex was opened in November 2015 and now hosts weekly activities for residents, including a playgroup.

Challenges/opportunities

Working alongside residents and involving key agencies helped develop initiatives that supported the local community.

What next?

We will explore more options for partnerships and look for innovative ways to engage and empower the community.

MORE TRAINING FOR VOLUNTEERS

Achievements

We provided free training for volunteers in child safe environments with support from a grant from the Office for Volunteers.

Registered volunteers numbered 373, a decrease on the 424 of the previous year. The financial value of their contribution was more than \$1.1 million.

Volunteers contributed 40,941 hours, supporting community services such as the Community Bus, libraries, Community Care services, graffiti removal, neighbourhood centres, youth services, and Justice of the Peace.

Challenges/opportunities

The ageing population is creating an older pool of volunteers. We are encouraging new volunteers by providing free training, promoting the benefits of volunteering, and highlighting opportunities.

What next?

We will deliver more child safe training sessions with funding from the Office for Volunteers.

Volunteer Management Frameworks and volunteer roles will be reviewed to ensure work health and safety requirements are met.

\$75,000 OF COMMUNITY GRANTS AWARDED

Achievements

We helped 29 clubs and organisations develop projects for community benefit by providing \$75,000 of Community Grants.

The grants generated community projects to the value of \$214,364 when taking into account the 3,743 of volunteer hours generated, donations and in-kind support.

Grants were provided to support work in arts and culture, sport and recreation, the environment and community development.

Council introduced a grant of \$10,000 to help groups fund larger projects.

Challenges/opportunities

To increase awareness of the grants and to continue building relationships with local groups, we promoted the program via local media and our online communication platforms.

What next?

Community Grants will be increased to \$100,000 for 2016/17.

INCREASING EXERCISE FOR CHILDREN AT RAJAH STREET RESERVE

Achievements

We continued to build on our relationship with the Roger Rasheed Sports Foundation, who we partnered to revamp the reserve in 2014, to promote health and fitness by involving young people in sport.

Participation rates for sports coaching sessions and school holiday activities at Rajah Street Reserve increased by about 140 to involve more than 1140 children.

Activities are coordinated by local volunteers and include professional coaching in tennis, basketball as well as netball and soccer clinics.

Challenges/opportunities

Building partnerships with sports organisations and local clubs is removing barriers to participation in physical activity and creating opportunities for young people.

What next?

Coaching clinics and recreational activities will continue with a renewed focus on connecting children with sports groups.

YOUTH GRANTS LAUNCHED

Achievements

We launched \$194,000 of new grants to empower local youth and transform the way Council delivers services.

Applications were sought from young people, not-for-profits, and community groups and could involve anything from the environment, sports, health, science and events to music.

Challenges/opportunities

The grants were launched following the closure of the Cove Youth Service, which was based at Hallett Cove. The grants were developed to deliver youth services in a new way and improve access to services for young people across the city.

What next?

Council will consider the applications for Youth Grants in 2016/17.

OTHER ACHIEVEMENTS:

PARK HOLME/PLYMPTON PARK COMMUNITY CAPACITY BUILDING

We continued to empower people to strengthen their neighbourhood by supporting this project which is steered by the Park Holme/Plympton Park Residents Group.

Activities included four Music in the Park events, three Community Cabaret nights, one 'Winter Warmer' community meal event, weekly Migrant Women's Group, a fortnightly community singing group and six art exhibitions.

OUR COUNCIL OF EXCELLENCE

PROMOTING VALUES

Achievements

We launched a set of values in June 2016 to guide how people are expected to behave.

Our Values were developed in consultation with staff and Elected Members and are a collective view of what is important in our working environment.

Our Values:

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

<i>Respect</i>	<i>Treating everyone as we want to be treated, where all contributions are valued</i>
<i>Integrity</i>	<i>Fostering trust and honesty in all of our interactions</i>
<i>Achievement</i>	<i>Enhancing our knowledge and performance to reach our shared goals, while being dedicated to supporting one another</i>
<i>Innovation</i>	<i>Encouraging new ideas, and learning from our experience to do things better</i>

Challenges/opportunities

Managers set the tone for what is expected of people by living the values.

What next?

The values will be embedded into our way of working, including Performance Development Planning, staff recognition, recruitment, induction, policies and how we relate to residents.

CORPORATE INDUCTION

Achievements

We reviewed and improved the induction program to include comprehensive online training that is completed during an employee's probation.

Challenges/opportunities

Research indicates that decisions to stay can be made based on the experience of the first few months of employment.

We aim to present the City of Marion in a positive light to potential employees from the first phone call to find out about an advertised job right through to the induction.

What next?

We will continue to embed a comprehensive induction program to support new employees and enable a quick transition into productive, long-term employment.

EMPLOYEE RETENTION

Our work to retain employees included running programs ranging from Reward and Recognition, Performance, Development and Career Planning, Succession Planning and Development in managing performance.

We are developing an Emerging Leaders Program as a key retention and succession planning strategy.

LGMA MANAGEMENT CHALLENGE

We entered a team in the Local Government Manager's Association challenge in March 2016 for the 12th consecutive year. The team built skills in communications, project management and leadership before taking part in a challenge day with other local government teams.

LEADERSHIP TEAM FORUMS

We continued to build leadership capability through forums which focussed on the *Think Safe, Live Well* safety and wellbeing program and organisational values.

TEMPORARY LABOUR HIRE

The City of Marion, along with five other Councils, entered into a contract with a new temporary labour provider to streamline processes and maximise savings.

DRUG AND ALCOHOL POLICY

In September 2015, we launched the new Alcohol and Other Drugs Policy which includes random drug and alcohol testing and education to promote a safe and healthy workplace.

DRAFT

GOVERNANCE

ACHIEVEMENTS

- **Establishing a new Committee Structure**
 - **Reviewing LGA Membership**
-

WHAT IS GOVERNANCE?

Governance can be defined as the framework of rules, relationships, systems and processes within and by which decisions are made and controlled within council. It is the mechanism by which council is accountable to achieving goals and providing services to its community.

Good Governance occurs when council's actions are underpinned by accountability, integrity, openness and transparency.

Council and staff are committed to acting responsibly, ethically and with the highest standards of integrity to ensure that services are continually structured and delivered in a manner that meets the needs of the community.

To achieve good governance, council has structured its decision making to ensure that 'on the ground' governance is practical, value adding and transparent.

THE ROLE OF COUNCIL

The City of Marion is established to provide for the government and management of the council area at the local level, and in particular:

- To act as a representative, informed and responsible decision-maker in the interests of its community.
- To provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner.
- To encourage and develop initiatives within its community for improving the quality of life of the community.
- To represent the interests of its community to the wider community; and to exercise, perform and discharge the powers, functions and duties of local government in accordance with legislative responsibilities.

REPRESENTATION

The City of Marion is represented by 13 Elected Members, comprising of a Mayor and 12 Councillors representing six wards. The Mayor is elected from the whole community, while Councillors are elected by voters in their wards.

Council Elections are held every four years with the last election convened in November 2014 with Mayor Hanna appointed unopposed. Seven new councillors were elected and five sitting members were re-elected for the 2014-2018 term.

Council appoints a Deputy Mayor for a period of 12 months from November to November each year. Councillor Jason Veliskou was elected Deputy Mayor in November 2015.

The 13 Elected Members represent a total of 62,759 electors across the City of Marion. The quota for the City of Marion is one member to 4,827 electors. Councils of a similar size have the following quotas:

Representation Quotas

Council	No. of Elected Members including the Mayor	Electors	Quota
Adelaide	12	24856	2071
Port Adelaide Enfield	18	79895	4738
Charles Sturt	17	80628	4742
Marion	13	62759	4827
Salisbury	17	91305	5370
Onkaparinga	21	118774	5655
Tea Tree Gully	13	72561	5581

Ward boundaries are determined by comparing the average ratio of elector numbers for the area with the actual ratio in any one ward. Regulation 4A of the *Local Government (General) Regulations 2012* provides that the Minister for State/Local Government Relations will determine the relevant period under which a council is required to undertake a Representation Review to determine whether the community would benefit from an alteration to its composition or ward structure. The City of Marion undertook a Representation Review in 2013 and is not required to undertake another review until 2021.

DECISION MAKING STRUCTURES OF COUNCIL

Decisions of the council are made through various council meetings, committee meetings or by staff through delegated authority. Informed decision making is critical to ensure that decisions are made in the best interest of the wider community. Council reviewed its committee structure in September 2015 and enacted a new structure at the beginning of 2016.

At the conclusion of 2015, Council's formal decision making structure comprised of:

- **General Council** which meets on the second and fourth Tuesday of each month.
- **Strategic Directions Committee** (section 41 Committee) which meets on the first Tuesday of the month, bi-monthly.
- **Audit Committee** which meets five times per year.
- **Development Assessment Panel** which meets on the first and third Wednesdays of each month.
- **CEO Review Committee** which meets on an as needs basis.

As at January 2016, Council's formal decision making structure comprised of:

- **General Council** which meets either once or twice a month on the second and/or fourth Tuesday.
- **Strategy Committee** (section 41 Committee) which meets on the first Tuesday of the month, bi-monthly.
- **Infrastructure Committee** (section 41 Committee) which meets on the first Tuesday of the month, bi-monthly.

- **Urban Planning Committee** (section 41 Committee) which meets on the first Tuesday of the month, bi-monthly.
- **People and Culture Committee** (section 41 Committee) which meets on the first Tuesday of the month, bi-monthly.
- **Finance and Audit Committee** which meets five times per year.
- **Development Assessment Panel** which meets on the first and third Wednesdays of each month.

These meetings are open to the public. Documentation for each meeting (notice of meeting, agenda with reports, attachments and minutes) are available through council's Administration Building, website, and libraries. Hard copies are also available at the meeting.

GENERAL COUNCIL MEETINGS

Council held 19 General Council Meetings and 3 Special Council Meeting, totaling 22 meetings for 2015/16. Attendances at meetings were:

June 2015 – June 2016

Member	Meetings held	Attended
Mayor Kris Hanna	22	22
Councillor Ian Crossland	22	22
Councillor Tim Gard	22	19
Councillor Janet Byram	22	17
Councillor Nick Westwood	22	20
Councillor Luke Hutchinson	22	15
Councillor Raelene Telfer	22	20
Councillor Jerome Appleby	22	20
Councillor Jason Veliskou	22	21
Councillor Bruce Hull	22	21
Councillor Nathan Prior	22	21
Councillor Nick Kerry	22	17
Councillor Tim Pfeiffer	22	21

STRATEGY COMMITTEE

Achievements

The Strategy Committee was established in late 2015 and commenced operation February 2016. The Committee is established for the purposes of:

- Providing advice to Council regarding matters of strategic importance
- The development and monitoring of Council's strategic management plans as defined under section 122 of the Act
- Providing advice to Council on the changing and emerging nature of the community, region and area in which it operates, and specifically the public policy objectives of other councils, State and Commonwealth governments
- Providing advice to council on the extent or levels of service required to be provided by the Council to achieve its long-term objectives

The Committee comprises the Mayor, three elected members and independent member with expertise in strategic and business management. Councillor Jason Veliskou was elected in October 2015 as the presiding member of this Committee

The Strategy Committee meet bi-monthly, convening three times in the period of January to June 2016: Attendances at meetings were:

Member	Meetings held	Attended
Councillor Jason Veliskou	3	3
Mayor Kris Hanna	3	3
Councillor Tim Gard	3	2
Councillor Nick Westwood	3	3
Mr Damian Scanlon	3	3

The meetings of the committee focused on the following:

- Council's Business Plan 2016-2019
- Streetscape Policy and Program
- Environmental Scan and Global Trends
- Energy Efficiency

INFRASTRUCTURE COMMITTEE

Achievements

The Infrastructure Committee was established in late 2015 and commenced operation March 2016. The Committee is established for the purposes of:

- Providing advice and recommendations to Council regarding the strategic management council assets.
- Monitoring of major Council Projects that are in excess of \$4 million and / or are of a nature which pose significant risk or high community impact.
- Aligning Council's management of assets and infrastructure to its long term strategic objectives.

The Committee comprises the Mayor, three elected members and independent member with expertise in asset/facilities management, project management and/or civil/structural engineering. Councillor Janet Byram was elected in October 2015 as the presiding member of this Committee

The Infrastructure Committee meet bi-monthly, convening twice in the period of January to June 2016: Attendances at meetings were:

Member	Meetings held	Attended
Councillor Janet Byram	2	2
Mayor Kris Hanna	2	1
Councillor Nick Kerry	2	2
Councillor Tim Pfeiffer	2	2
Mr Christian Reynolds	2	1

The meetings of the committee focused on the following:

- Major Projects (including sports infrastructure)
- Streetscape implementation
- Community and renewable energy
- Asset consolidation

URBAN PLANNING COMMITTEE

Achievements

The Urban Planning Committee was established in late 2015 and commenced operation February 2016. The Committee is established for the purposes of:

- Reviewing the Development Plan for the City of Marion,
- Addressing aggregated planning matters or concerns raised by the community,
- Fulfilling Council's responsibilities pursuant to section 101A of the Development Act 1993 regarding strategic planning and development policy for the City of Marion.

The Committee comprises the Mayor, three elected members and independent member with expertise in planning and development. Councillor Nathan Prior was elected in October 2015 as the presiding member of this Committee

The Urban Planning Committee meet bi-monthly, convening three times in the period of January to June 2016: Attendances at meetings were:

Member	Meetings held	Attended
Councillor Nathan Prior	3	3
Mayor Kris Hanna	3	3
Councillor Jerome Appleby	3	3
Councillor Ian Crossland	3	3
Mr Bryan Moulds	3	3

The meetings of the committee focused on the following:

- Various DPA's including the Housing Diversity.
- Various development sites (i.e. Morphettville Racecourse)
- Various development policy related matters

PEOPLE AND CULTURE COMMITTEE

Achievements

The People and Culture Committee was established in late 2015 and commenced operation March 2016. The Committee is established for the purposes of:

- Reviewing, monitoring and recommending to Council relevant strategies regarding the organisation's culture and performance associated with the conduct of Elected Members, employees and volunteers.
- Sourcing and recommending to Council the appointment of expert members to Committees.
- Reviewing the performance of the Chief Executive Officer.
- Recommending a process to Council for the recruitment of the Chief Executive Officer (as required).

The Committee comprises the Mayor, three elected members and independent member with expertise in senior business, organisational culture, development and human resource management experience. Councillor Raelene Telfer was elected in October 2015 as the presiding member of this Committee.

The People and Culture Committee meet bi-monthly, convening twice in the period of January to June 2016: Attendances at meetings were:

Member	Meetings held	Attended
Councillor Raelene Telfer	2	2
Mayor Kris Hanna	2	2
Councillor Luke Hutchinson	2	1
Councillor Bruce Hull	2	2
Dr David Panter	2	2

The meetings of the committee focused on the following:

- Recruitment of expert members to Committees
- Development and implementation of Organisational Values
- Key Performance Indicators
- Work Health and Safety and Injury Management.
- CEO Performance Review

Review of Committees

Each of the Committees Terms of Reference will be reviewed in late 2016 to reflect any improvement opportunities identified through the year.

FINANCE AND AUDIT COMMITTEE

The City of Marion's Finance and Audit Committee has been in operation since 2006. It assists council to accomplish its objectives by contributing to a systematic and disciplined approach to evaluating and improving the effectiveness of financial management, risk management, internal controls and governance processes. The Committee is scheduled to meet five times per year and at least once per year with full council.

The Committee comprises three independent members and two elected members. The elected member representatives are appointed for 12 months.

The Finance and Audit Committee has reviewed and provided advice on:

- Council's Long Term Financial Plan
- Annual Financial Statements
- Strategic and Operational Risks
- Claims and Insurance activities
- Various reviews completed by Council's Internal Auditors
- Ombudsman Annual Report

The Finance and Audit Committee met seven times during this financial year with 5 ordinary meetings and two special meetings. Attendances at meetings were:

Member	Meetings held	Attended
Greg Connor (Chair)	7	7
Kathryn Presser	7	6
Lew Owens	7	6
Councillor Tim Pfeiffer	2	2
Councillor Raelene Telfer	5	4
Councillor Tim Gard	5	5

DEVELOPMENT ASSESSMENT PANEL

Council's Development Assessment Panel is constituted in accordance with the Development Act 1993. The task of the panel is to assess proposed development against the Development Plan, which sets out the planning policies applicable to the council area.

In doing so, the panel assesses the 'pros and cons' of an application. This involves judgment based on whether a development satisfied, or is at variance with the policies set out in the Development Plan. Council's Development Assessment Panel comprises of seven members appointed by council. Three are members of the council while the others are independent members with experience in development related disciplines.

The Development Assessment Panel met 17 times. Attendances at meetings were:

Member	Meetings held	Attended
Councillor Nick Kerry	17	13
Councillor Nick Westwood (until November 2015)	7	7
Councillor Jerome Appleby (until November 2015)	7	7
Councillor Ian Crossland (from December 2015)	10	8
Councillor Luke Hutchinson (from December 2015)	10	8
Gavin Lloyd-Jones – presiding member	17	16
Phil Smith	17	16
Wendy Bell	17	13
Graham Goss	17	16

COUNCIL REPORTING

At meetings of Council, reports are presented to facilitate decision making. The decisions of Council are called 'resolutions' and these decisions are then actioned by the Council staff. In 2015/16, the City of Marion had considered 323 items including reports, questions and motions. Of these items, a confidential order has been placed on 31 items.

CONFIDENTIAL ITEMS

The City of Marion is committed to the principle of open and accountable government. Council also recognises that on occasions it may be necessary in the broader community interests to restrict public access to discussions and/or documents. During 2015/16, council either directly or via one of its committees considered 31 items in confidence in accordance with section 90 of the Local Government Act 1999 and ordered that documents be kept confidential in relation to matters in accordance with section 91(7) of the Local Government Act 1999.

The grounds on which the council or council committee considered the matters and determined to exclude the public from the discussion and related documentation is outlined in the preceding table:

Section items considered under	No of items
3(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).	3
3 (b) information the disclosure of which— (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest;	15

3 (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which— (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest;	18
3 (g) matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty;	6
3 (h) legal advice	2
3 (i) information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council;	1
3 (j) information the disclosure of which— (i) would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and (ii) would, on balance, be contrary to the public interest;	1
3 (k) tenders for the supply of goods, the provision of services or the carrying out of works	2

Council undertook a major review of its confidential orders in December 2015 and released 68 confidential reports.

At the conclusion of the financial year, Council currently has 98 confidential orders in place.

ELECTED MEMBERS' ALLOWANCES

The *Local Government Act 1999* and the Local Government (Members Allowances and Benefits) Regulations 2010, provides for the payment of elected members' allowances.

An elected member is entitled to an annual allowance which is determined every four years by the Remuneration Tribunal of South Australia. The tribunal's determination in 2014 provides for a CPI increase each financial year and hence, throughout 2015/16, elected members received the following allowance:

Mayor	\$76,648
Deputy Mayor	\$23,952
Elected Members	\$19,162

Fees for the Finance and Audit Committee members were set by council resolution:

Committee chairperson	\$1,200 per meeting
Committee members	\$1,000 per meeting
Elected Member representative	nil

Fees for the Strategy, Infrastructure, Urban Planning and People and Culture Committees were set by council resolution:

Committee Presiding Member:	1.25 times the Elected Member allowance
Independent members	\$1,000 per meeting
Elected member representatives	nil

Fees for the Development Assessment Panel members were set by council resolution:

Presiding member	\$500 per meeting
Independent members	\$400 per meeting
Elected member representative	\$200 per meeting

ELECTED MEMBER TRAINING AND DEVELOPMENT

Throughout 2015/16 Elected Members have attended on-going training and development based on current council business and their own professional development requirements.

All Elected Members completed the mandatory training required post-election by November 2015.

In January 2016, Council Members participated in a full day planning session to consider priorities for 2016.

A number of Elected Members attended various conferences on topical issues which included:

- New conflict of interests provisions
- Sustainability and Environment
- Process Improvement.

SENIOR EXECUTIVE SALARY PACKAGES

Council had four senior executives whose salary packages include the use of a motor vehicle and allows for private use.

Salary packages for the four senior executives, including superannuation and the use of a motor vehicle, ranged from \$203,426 to \$272,610.

INFORMAL GATHERINGS

The amendments to the *Local Government Act 1999* made by the *Local Government (Accountability and Governance) Amendment Act 2015* were enacted on 31 March 2016. The changes required councils to adopt a policy before holding any 'informal gatherings'. Council adopted its Policy on 22nd March 2016 that follows the measures requested by the minister which included:

- Informal gatherings are open to the public whenever possible.
- Decisions to hold informal gatherings in confidence are made on a case-by-case basis.
- Council publish notification details of informal gatherings on the websites, to ensure that interested members of the public can attend.
- If a Council decides to hold an informal gathering in confidence, the reason for this decision is briefly stated on the website.

PUBLIC PARTICIPATION

Members of the public have a number of opportunities to present their views on issues to council.

Council Meetings:

Presentations/Deputations

With the prior notification and permission of the Mayor or a committee chairperson, a member of the public can address the council or a committee of council personally or on behalf of a group of residents for five minutes on any relevant issue.

Petitions

Written petitions can be addressed to Council on an issue within the council's jurisdiction and are presented to the next meeting of the council following their receipt.

Community Consultation

The Council commenced a review of its Community Engagement Policy in May 2016 to ensure it is aligned with current legislation and reflects the current Council's thinking on community engagement. The Policy was created on the foundation that better decisions are made when the decision maker takes into account the knowledge, experience and opinions of those affected by the decision. The Policy ensures that community engagement opportunities are promoted in a way that values the diversity of our communities and utilises inclusive, representative and accessible approaches.

The Community Engagement Policy will proceed to public consultation prior to be considered by Council in September 2016.

DELEGATION TO THE CEO (AND STAFF)

Council has provided the Chief Executive Officer and other officers with the delegated authority to make decisions on a number of specified administrative and policy matters. The council reviews these delegations annually, with the last review occurring in November 2015.

In keeping with legislative requirements, council:

- Determines the policies to be applied by the council in exercising its discretionary powers.
- Determines the type, range and scope of projects to be undertaken by the council.
- Determines the resources which are to be made available to undertake such works and services.

ETHICAL STANDARDS AND PERFORMANCE

The Code of Conduct for elected members continues to ensure that all activities of Council are conducted legally, ethically and with the strict observance of the highest standards of integrity and propriety.

The Code of Conduct is Council's public declaration of the expected standards of behaviour and the manner in which individual elected members will conduct themselves in carrying out their duties.

The City of Marion also has a Staff Code of Conduct that sets out the expected standards of conduct for all employees.

POLICIES

One of the most important roles of Council is to participate in making policy and decisions on behalf of the community. An essential part of policy making is identifying community needs, setting objectives to meet those needs, establishing priorities between competing demands and allocating resources.

Policies adopted by council are identified in the Freedom of Information Statement found later in this report.

REGISTERS

Following is a list of registers kept by council:

- Register of Interests – Elected Members
- Register of Interests – Staff
- Register of Elected Members' allowances and benefits
- Register of staff salaries and benefits
- Register of campaign donations
- Register of Elected Members' gifts and benefits
- Register of Fees and Charges
- Register of By Laws

CODE OF PRACTICE

Following is a list of Council Codes of Conduct or Practice, adopted in accordance with the Local Government Act 1999 or the Local Government (Elections) Act 1999 and Local Government (Procedures at Meetings) Regulations 2000:

- Code of Conduct – Council Members
- Code of Conduct - Employees
- Code of Practice – Access to meetings and documents
- Code of Practice – Procedures at Meetings

REVIEW OF DECISIONS

As required by the Local Government Act 1999 the Council has developed a procedure for the Review of Decisions, outlining how decisions of Council or other people acting on behalf of council are reviewed.

SECTION 270 REVIEW

Council's internal review of a council decision policy and procedure is available from the City of Marion website.

In 2015/16, Council commenced and completed 10 internal review of decisions. The complaints related the following:

- Noise and vibrations from wetlands (July 15)
- Unsightly premises and illegally parking (July 15)
- Closure of spa at community centre (Oct 15)
- Non-compliance with development requirements for a retaining wall (Oct 15)
- Removal of crash barrier (Oct 15)
- Backyard Burning (Nov 15)
- Installation of a phone tower (Jan 16)
- Construction of a dog park (Jan 16)
- Planning issue (Feb 16)
- Barking dog (March 16)

Some decisions were altered as a result of the reviews. Most reviews identified opportunities for improvement to either council processes and/or customer service.

ACCESS TO COUNCIL DOCUMENTS

The following documents are available for public inspection and/or purchase at the council office at 245 Sturt Road, Sturt between 8.30am and 5pm, Monday to Friday. Some of the documents listed are also available on our website at www.marion.sa.gov.au.

The cost for copies is determined by council's Fees and Charges Schedule, which is adopted by council on an annual basis.

- Access to legal advice for Elected Members Policy
- Asset Accounting Policy
- Asset Management Policy
- Acquisition and Disposal of Land Assets Policy
- Annual Business Plan and Budget
- Annual Report
- Assessment Record
- Audited Financial Statements
- Borrowings Policy
- Building and Swimming Pool Inspection Policy
- Business Continuity Policy
- Caretaker Policy
- Climate Change Policy
- City Limits Publications Policy
- Charters of Council Subsidiaries
- Code of Conduct for Council Members
- Code of Practice – Access to Meetings and Documents
- Code of Practice – Procedures at Meetings
- Community Awards and Recognition Policy
- Community Engagement Policy
- Community Garden Policy
- Complaints and Review of Decision Policy and Procedure
- Control of Election Signs Policy
- Council By-Laws
- Council Grants Policy
- Customer Service Policy
- Development Assessment Panel Agenda, Reports and Minutes
- Disposal of Assets other than Land Policy
- Disposal of Assets Policy

- Donations and Sponsorship Policy
- Economic Development Policy
- Elected Member Code of Conduct – Procedure for investigating complaints
- Elected Members Expenses, Benefits, Support and Facilities Policy
- Elected Members Publications Policy
- Election Campaign Donation Returns
- Equal Opportunity Discrimination Harassment and Workplace Bullying Policy
- Fees and Charges Policy
- Finance and Audit Committee Policy and Terms of Reference
- Finance and Audit Committee Meeting Agenda, Reports and Minutes
- Fraud and Corruption Policy
- General Council Meeting Agenda, Reports and Minutes
- General Environmental Policy
- How We Work Together Policy
- Information Technology – Provision and Use of Equipment (Elected Members)
- Infrastructure Committee Meeting Agenda, Reports and Minutes
- Infrastructure Committee Terms of Reference
- Internet and Email Access and Usage Policy
- Investment Policy
- Kerbside Waste and Recycling Policy
- Leasing/Licensing of Council Owned Facilities Policy
- Liquor Licence Applications Policy
- Long Term Financial Plan
- Marion Library Service Conditions for Customers
- Memorial Policy
- Order Making Authority
- People and Culture Committee Agenda, Reports and Minutes
- People and Culture Committee Terms of Reference
- Petition Policy
- Planning Application Register
- Planning applications by consent
- Privately funded development plan amendments policy
- Procurement and Contract Management Policy
- Professional Development - Elected Members Policy
- Prudential Management Policy
- Public Consultation Policy

- Rating Policy
- Records and Document Management Policy
- Register of Community Land
- Register of Elected Members Allowances and Benefits
- Register of Employees' salaries, wages and benefits
- Register of Fees and Charges levied by Council
- Register of Interests of Elected Members
- Register of Public Streets and Roads
- Replacement of trees and shrubs policy
- Reserve Funds Policy
- Risk Management Policy
- Roads Opening and Closing Policy
- Schedule of Delegations And Sub-Delegations
- Sister Cities Policy
- Social Media Policy
- Staff Code of Conduct
- Streetscape Policy
- Strategic Management Plans
- Supplementary Development previously on exhibition
- Strategy Committee Agenda, Reports and Minutes
- Strategy Committee Terms of Reference
- Temporary Signs and Banners Application Policy
- Treasury Management Policy
- Tree Management Framework
- Tree Management Policy
- Urban Planning Committee Meeting Agenda, Reports and Minutes
- Urban Planning Committee Terms of Reference
- Vacancy Management Policy
- Voters' Roll
- Whistleblower Policy

FREEDOM OF INFORMATION APPLICATIONS AND STATEMENT

The Freedom of Information Statement is published annually by the City of Marion in accordance with the requirements of the Freedom of Information Act 1991. The City of Marion received 21 Freedom of Information applications for the 2015/16 financial year.

In summary:

Number of applications	21
Determined	19
Transferred in Full	0
Withdrawn	4
Full release	1
Unfinished	2
Partial release	8
Refused access	6

Inquiries or requests for information under the Act, should be forwarded to:
 Freedom of Information Officer
 City of Marion
 PO Box 21
 Oaklands Park SA 5046

Freedom of Information Statement

This information statement is published annually by the City of Marion in accordance with the requirements of the Freedom of Information Act 1991.

OTHER INFORMATION REQUESTS

Initial inquiries regarding access to or copies of information not covered above should be directed to the freedom of information officer at the Administration Centre, 245 Sturt Rd Sturt. Formal applications will be responded to within the statutory requirements.

AMENDMENT OF COUNCIL DOCUMENTS

Should any member of the public consider that any document they have accessed is incorrect, incomplete, misleading or out of date, they may request an amendment by writing to the freedom of information officer.

ACCOUNTABILITY

Competitive tendering

The City of Marion will seek to provide open and effective competition by providing contractors with fair and reasonable access to opportunities to do business with Council, in line with relevant procurement procedures. In procuring goods, services and construction works, the City of Marion will seek to maximise value for money at an acceptable level of risk to support the delivery of infrastructure, facilities and services which maximise the benefit to the community.

Public tendering was generally required for contracts valued more than \$50,000 in 2015/16. This figure will be updated to \$100,000 for 2016/17 to ensure costs incurred in promoting competition are commensurate with the benefits received.

The City of Marion is also part regional subsidiary for co-operative purchasing being Council Solutions. This regional subsidiary comprising six large metropolitan councils. Council Solutions procures commonly used goods, services and works where a benefit can be obtained by aggregating the requirements of the participants. Council Solutions contracts are subject to public tender.

National Competition Policy – Clause 7 Statement Reporting

In accordance with the reporting requirements of the Clause 7 Statement on the application of Competition Principles to Local Government under the Competition Principles Agreement, the City of Marion has no significant business activities to report. Subject to the Competition Principles Agreement the City of Marion wherever possible will incorporate the following preferences into Council's decision making in regard to purchasing processes:

- Competitive goods, services and construction works that are environmentally sustainable.
- In any procurement process, where all other factors are equal, the City of Marion may favour the engagement of local suppliers that is those operating within the Marion Council area boundaries, to the extent permitted by law for goods, service and construction works.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

The Southern Region Waste Resource Authority (SRWRA) is a section 43 Regional Subsidiary of the Cities of Marion, Holdfast Bay and Onkaparinga.

Under its Charter, SRWRA is responsible for providing and operating waste management services on behalf of the Constituent Councils and ensuring that a long-term Waste Management Strategy exists in the southern region of Adelaide.

Section 43 of the Local Government Act allows two or more councils to establish a Regional Subsidiary to carry out any projects on behalf of the councils or to perform any function or duty of the councils under the act or any other act.

SRWRA is managed by a board of 10. Each council provides three representatives with the 10th being an independent expert in business or waste management. The board is chaired by the independent member. The chairperson has a deliberate vote only.

The equitable interest of the constituent councils in the authority is agreed as follows:

These proportions are:

City of Holdfast Bay	15 per cent
City of Marion	30 per cent
City of Onkaparinga	55 per cent

COUNCIL SOLUTIONS

Council Solutions is a section 43 Regional Subsidiary established on 20 December 2012. It is owned in equal parts by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully.

Under its Charter, Council Solutions is responsible for managing selected procurement and service delivery on behalf of the constituent councils. A key objective is to secure best value and value for money in these activities to improve the financial sustainability of the constituent councils for the benefit of their communities and ratepayers.

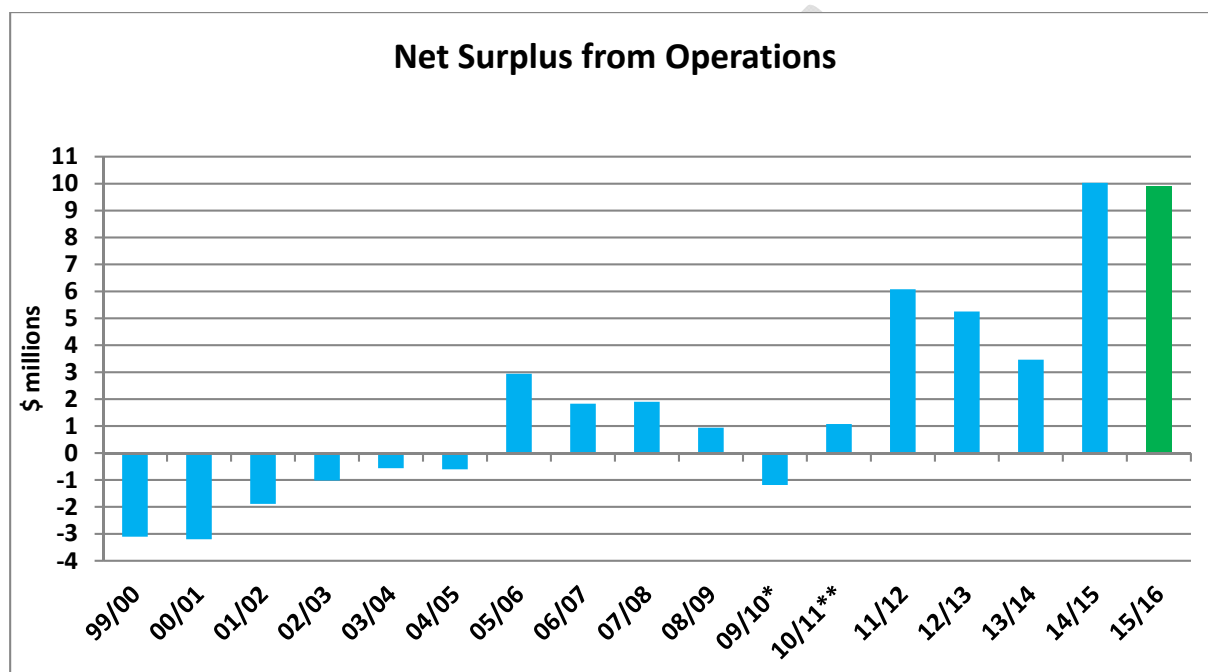
Council Solutions is managed by a board of seven. Each council provides one representative, its chief executive officer, with the seventh being an independent person with has expertise relevant to the activities of the authority. The board is chaired by the independent member. The chairperson has a deliberate vote only.

FINANCIAL MANAGEMENT

Statement of Comprehensive Income

The Statement of Comprehensive Income details Council's revenues and expenses for the reporting period and reveals an operating surplus (before capital revenues and contributed assets) of \$9.883m for 2015/16 compared to an operating surplus of \$10.027m for 2014/15.

The decrease in Operating Surplus is primarily due to an increase in depreciation expenditure resulting from a combination of the new Cove Civic Centre and City Services buildings, in conjunction with the change in treatment of residual values required by the revised Accounting Standards.



* The underlying operating surplus for 2009/10 after adjusting for the once-off Domain Land transfer for the SA Aquatic and Leisure Centre is \$4.787m.

** The underlying operating surplus for 2010/11 after adjusting for the once-off cash contribution for the SA Aquatic and Leisure Centre is \$6.078m

Operating Income

Total Operating income for 2015/16 was \$82.628m compared to \$81.997m in 2014/15. The increase of \$0.631m (0.8%) is mainly attributed to the adopted increase in Rates of \$2.5m (2.9% + growth of 1.18%) which is offset by a decrease in Grants, Subsidies and Contributions of \$1.2m (15.8%).

This decrease in operating Grants, Subsidies and Contributions of \$1.2m predominantly relates to timing of the payment of the Grants Commission's Financial Assistance Grants (FAG) which is normally paid in quarterly instalments. The first two of four payments for 2015/16 were received and accounted for in the prior financial year resulting in only 50% of the overall payment being received in the 2015/16 financial year.

Operating Expenses

Total Operating expenses for 2015/16 were \$72.745m compared to \$71.970m in 2014/15. The marginal increase of \$0.775m (1.1%) predominantly relates to an increase in Depreciation (\$0.660m) resulting from a combination of the new Cove Civic Centre and City Services

buildings, in conjunction with the change in treatment of residual values required by the revised Accounting Standards.

Employee costs increased marginally \$26k (0.08%) in 2015/16 from 2014/15 with increases from Enterprise Agreements being offset by savings achieved from organisational restructuring resulting in a reduction in management levels.

Capital Revenues and Contributed Assets

Other key variances reported on the Statement of Comprehensive Income are *Amounts Received Specifically for New or Upgraded Assets* (down \$1.3m) relating to an decreased number of projects receiving external funding, and *Contributed Assets* (down \$7.6m) with the majority of this relating to infrastructure from 2014/15 in a new residential development at Hallett Cove.

Key Operating Ratios

OPERATING SURPLUS RATIO	2016	2015	2014
<u>Operating Surplus (before capital revenues)</u>	12%	12%	5%
Total Operating Revenue			

This ratio expresses the operating surplus/ (deficit) as a percentage of total operating revenue. Council has set a target for this ratio of between 0 and 5% on a 5 year rolling average.

Comment:

- The target set in Council's Long Term Financial Plan is to "maintain a financial position at an average of between 0 and 5% over any five financial years" however this was exceeded in the 5 years to 2015/16, with an average ratio of 9.0%. This year's ratio has been impacted by significant savings of \$3.2m incorporated during the Annual Budget process within the result from an organisation wide focus on efficiency and effectiveness savings over the past two years.

RATE REVENUE RATIO	2016	2015	2014
<u>Rate Revenue</u>	85%	82%	85%
Operating Revenue			

This ratio expresses rate revenue as a percentage of operating revenue.

Although this ratio is not a prescribed ratio required by the 'Model Set of Accounts' it is a valuable indicator as it highlights Council's reliance on rates as a revenue source and the need for Council to seek alternative sources of income.

Comment:

To address the dependency of Council on rate revenue the following programs have been implemented:

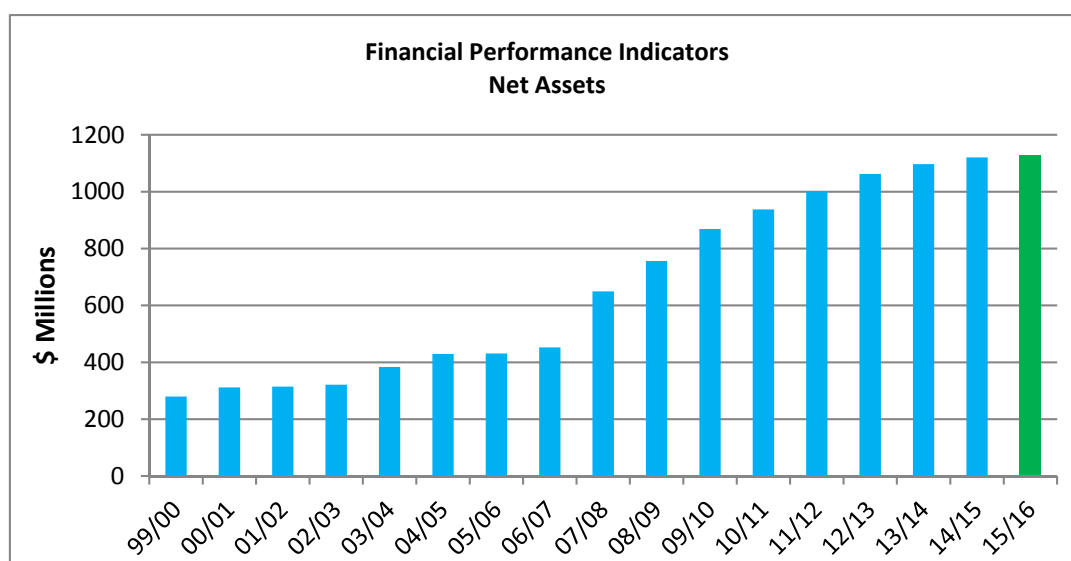
- to focus on internal training and development of Council officers to maximise grant opportunities.
- Annual review of Fees and Charges Schedule.

Statement of Financial Position

The Statement of Financial Position provides details of Council's assets, liabilities and equity as at 30 June 2016.

The majority of Council's assets relate to community property and infrastructure assets (roads, paths, drainage, etc).

The following graph illustrates the increase in Council's total equity from \$279.8m in 1999/00 to \$1,126.8m in 2015/16.



This identifies the continued increase in Council's net assets which can mainly be attributed to revaluations of its Infrastructure assets as noted in the following table.

	2015	2016	Increase
	\$'000	\$'000	\$'000
Infrastructure	651,612	663,385	11,773

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

Council's IPP&E increased by \$10.255m (0.93%) compared to 2014/15 with the majority of the increase relating to a net upward revaluation of \$7.3m in infrastructure assets.

Key Financial Position Ratios

WORKING CAPITAL RATIO

2016	2015	2014
1.5	1.0	0.8

Current Assets – (Less Restricted Assets)

Current Liabilities – (Liabilities Associated with Restricted Assets)

This ratio focuses on the liquidity position of Council, adjusting for restricted assets (eg. unspent specific tied grants that would need to be excluded from Council's current assets as Council would be restricted from using this cash to meet short term liabilities).

Council's target for this ratio is between 1.0 and 1.1.

Comment:

Council's cash flow is in a good position to undertake day to day operations, along with having sufficient cash to cover the balances in its Asset Sustainability Reserve.

ASSET SUSTAINABILITY RATIO

Net Asset Renewals
Depreciation Expense

2016	2015	2014
84%	76%	57%

Net asset renewal expenditure is defined as net capital expenditures on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

This ratio indicates whether the Council is renewing or replacing existing assets at the rate of consumption. A long term average ratio of 95-100% would indicate that Council is investing adequately in maintaining its asset base.

Comment:

Council's Long Term Financial Plan (LTFP) is set to achieve a target of 95-100% in future years by providing increased funding for renewal of assets.

ASSET CONSUMPTION RATIO	2016	2015	2014
<u>Carrying value of depreciable assets</u>	78%	80%	81%
Gross value of depreciable assets			

This ratio shows the consumption of the asset stock at a point in time (or the percentage of useful life remaining). Depreciation represents the reduction in value of the assets each year and therefore accumulated depreciation is the total reduction in the carrying value of the assets. The ratio reflected above indicate on average a relatively high remaining useful life for assets.

Council's target for this ratio is between 80-100%.

Comment:

A ratio higher than 80% indicates that Council's overall asset base has on average a relatively high remaining useful life. A result of between 40% and 80% is considered acceptable.

Borrowings

In assessing Council's financial position it is appropriate to consider liabilities in relation to borrowings. Borrowings are required by Council from time to time to finance strategic long-term assets for the orderly development of the City. Council's total borrowings as at the 30 June 2016 were \$10.2m a net decrease of \$1.7m over the level of borrowings in June 2015.

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

Key Debt Ratios

NET FINANCIAL LIABILITIES RATIO	2016	2015	2014
<u>Net Financial Liabilities</u>	(8%)	(2%)	(8%)
Total Operating Revenue			

This ratio indicates the extent to which net financial liabilities of the council can be met by the council's total operating revenue and is based on the Net Financial Liabilities above.

Comment:

This result is due to a substantial holding of cash and other financial assets allocated for unexpended grants and funding for capital projects carried over or retimed to 2016/17 and beyond totalling \$10.506m. Without these holdings this ratio would be 4%. Council's capacity to meet its financial obligations from operating revenues is strong and it has capacity to meet future requirements identified in its Long Term Financial Plan.

INTEREST COVER RATIO	2016	2015	2014
<u>Net Interest Expense</u>	0.0%	(0.1%)	(0.5%)
Total Operating Revenue			

Net interest costs are defined as total interest expenses less total interest revenues. This ratio indicates the extent to which Council's commitment to interest expenses are met by total operating revenues.

Comment:

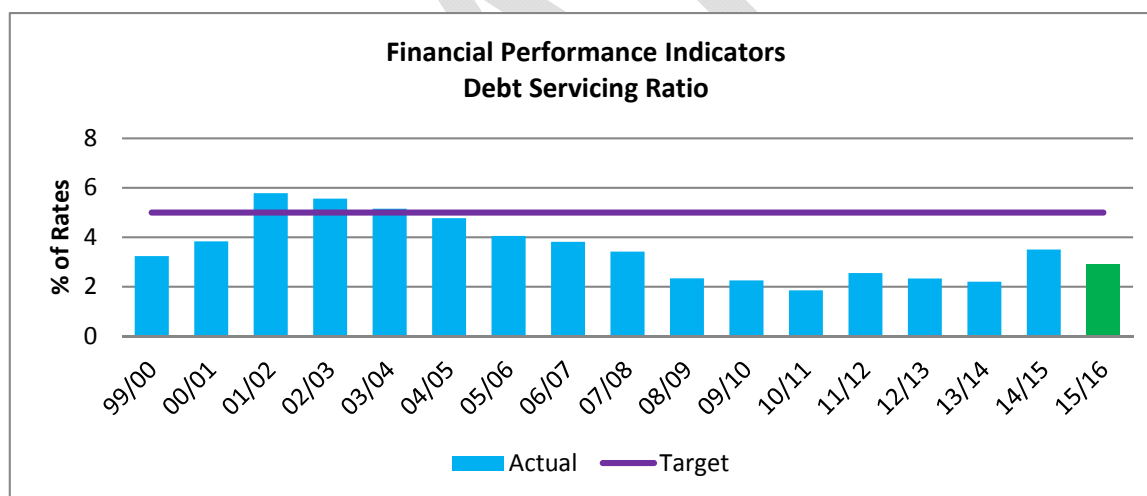
Negative ratios have been recorded for the past 3 years reflecting interest revenues being greater than interest expenses.

DEBT SERVICING RATIO	2016	2015	2014
<u>Principal + Interest</u>	2.9%	3.5%	2.2%
Total Rate Revenue			

This ratio identifies Council's ability to service its debt obligations from rate revenues, with a maximum target set at 5%.

Comment:

The ratio confirms that Council has a low debt holding and is well positioned for the borrowing program as outlined in its Long Term Financial Plan. The 2.9% result is below the maximum target of 5% as illustrated in the graph below.



Statement of Changes in Equity

The Statement of Changes in Equity reconciles the opening and closing balances of Council's equity over the reporting period.

The balance of equity represents Council's net worth of \$1,126.8m as reflected in the Statement of Financial Position.

Cash Flow Statement

The Cash Flow Statement details the cash movements for the year ended and reconciles with Note 11 of the Annual Financial Statements.

The Statement indicates a cash surplus of \$16.3m compared with \$19.7m in 2014/15. As previously mentioned a significant portion of the cash position is committed to unexpended grants, carryovers and retimed works (\$10.5m).

Key Cash Ratios

OPERATING CASH FLOW COVERAGE	2016	2015	2014
	108%	134%	101%

Cash Flows from Operations – (Loan Principal Repayments)

Average Annual Optimal Level of Expenditure per Council's Asset Management Plans

This ratio identifies Council's abilities to fund its operating and capital expenditure requirements without the need for significant sudden rate increases or service reductions, and whilst continuing to maintain intergenerational equity and the sustainable and responsible use of borrowings.

Council's target for this ratio is between 100% and 105%.

Comment:

Council's operating cash flow coverage is sufficient to meet its asset renewal requirements.

RESERVE FUNDS

A review of the balances of these reserves indicates that they are at a level sufficient to meet their purpose and intent which are listed in *Note 9 Reserves* in Appendix 3. Council's current Reserve funds are made up of the following:

Grants and Carryovers Reserve: \$10.506m

This is made up of and grant funded carryover projects and capital works carried over to 2016/17 or to be retimed as required.

Open Space Reserve: \$1.014m

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

Asset Sustainability Reserve – General \$3.127m

The current balance in this fund is considered by management to be adequate to provide Council with the funding capacity to not only respond to a major infrastructure failure (\$2m is retained in this reserve for this specific purpose) but to also assist Council in managing its long term asset management objectives.

Asset Sustainability Reserve – Community Facility Partnership Fund (CFPP) \$7.120m

Funding has also been specifically set aside in the Asset Sustainability Reserve for the renewal, upgrade and purchase of Council assets as specifically resolved by Council. It includes a balance set aside to encourage organisations leasing council facilities to seek partnership funding for the required renewal and upgrade of those facilities in addition to funding quarantined by Council for its contribution to major new projects.

LONG TERM FINANCIAL PLAN

Council has a Long Term Financial Plan framework that has been prepared under the following framework:

- Support the achievement of the City of Marion's Strategic Directions
- Addresses issues arising and opportunities identified from internal audit reviews, service reviews and business excellence assessments
- Maintain an Operating Surplus ratio of between 0 – 5% over any five consecutive years, with a primary focus being on Cash Flow and Funding

- Continue to improve the maintenance of assets in accordance with Council's Asset Management Plans, with a priority on maintenance before renewal, and renewal before new when it is cost effective to do so
- Reviews existing services and assets to ensure they meet prioritised community needs
- Council only approve new Major Projects where it has the identified funding capacity to do so
- Maintain Council's position for an average residential rate which remains among the lower rating metropolitan councils
- Implements responses for progressing liveable cities strategies and funding opportunities within Marion.

DRAFT

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Originating Officer: Tania Baldock, Executive Assistant to CEO & Mayor

Manager: Kate McKenzie, Manager Corporate Governance

General Manager: Vincent Mifsud, General Manager Corporate Services

Subject: Election for Representative Members of the LGFA Board of Trustees

Report Reference: GC111016R13

REPORT OBJECTIVES & EXECUTIVE SUMMARY:

The purpose of this report is for Council to determine which two candidates it wishes to elect for the two representative board member positions on the Local Government Finance Authority (LGFA) Board.

In addition, the General Council meeting held on 27 September, Council resolved the following:

1. The Mayor writes to all the candidates for the LGFA Board and the LGA Board seeking their view on the following City of Mitcham motion to the LGFA General meeting.

‘That the Local Government Finance authority investigates whether it is appropriate for a non local government association member to access the Local Government Finance Authority services’

It was requested by Council for the Mayor to write to all candidates of the LGFA and LGA Board.

As the candidates for the LGA Board had not yet been released, responses were sought by the LGFA candidates only.

Responses were received by the following candidates at the writing of the report (Appendix 2)

- ◆ Colin Davies (Chief Executive Officer, The Flinders Ranges Council)
- ◆ Cr John Woodward (City of West Torrens)
- ◆ Cr John Sanderson (City of Mitcham)
- ◆ Annette Martin (Manager Financial Services, City of Charles Sturt)
- ◆ Cr Houssam Abaid (Adelaide City Council)

RECOMMENDATION (1)	DUE DATES
That Council notes the responses from the LGFA Candidates.	11 Oct 2016
That Council votes for the appointment of;	14 Oct 2016
1.	
2.	
to the Local Government Finance Authority Representative Board.	

BACKGROUND

A ballot has been called by the Local Government Association (LGA) for the election of two representative board members of the Local Government Finance Authority (LGFA). A report was presented to the General Council meeting on the 27 September 2016 with Council requesting the views of the candidates in relation to the City of Mitcham motion.

LGFA Board Nominations have been received from:

- ◆ Cr Houssam Abaid (Adelaide City Council)
- ◆ Colin Davies (Chief Executive Officer, The Flinders Ranges Council)
- ◆ Cr John Frogley (City of Norwood Payneham & St Peters)
- ◆ Annette Martin (Manager Financial Services, City of Charles Sturt)
- ◆ Cr Michael Rabbitt (City of Unley)
- ◆ Cr John Sanderson (City of Mitcham)
- ◆ Cr John Woodward (City of West Torrens)

Council are required to select two candidates for the election of two representative board members of the Local Government Finance Authority (LGFA).

Accordingly, an election is necessary to determine the appointment of two candidates. The election will be conducted by postal vote and strict guidelines must be adhered to when completing and returning the ballot paper.

Council needs to determine which two candidates it wishes to elect.

The LGFA Annual General Meeting will be held on Friday 21 October 2016, at the Adelaide Entertainment Centre, Port Road, Hindmarsh.

The LGFA has received seven candidate nominations for two positions and as such an election will be conducted in accordance with the provisions of the Local Government Finance Authority Act 1983.

Ballot papers have now been received along with information on the seven candidates (refer **Appendix 1**).

ANALYSIS:

Each Council is entitled to vote. Council needs to determine which two candidates it wishes to elect.

Council's delegate to the LGFA Annual General Meeting (Mayor Hanna) will then be required to complete the ballot paper in accordance with Council's resolution and submit Council's vote to the LGFA by 5pm on Friday 14 October 2016.

The successful candidates will be announced at the LGFA Annual General Meeting.

CONCLUSION:

The LGFA is a statutory authority established for the benefit of councils and other prescribed local government bodies within South Australia. Every South Australian council is a member of the Authority.

Participating in the governance of the Authority is an important role of member Councils. Accordingly voting on the election of Board members is highly recommended.

Appendix 1: Copy of ballot papers & candidate details
Appendix 2: Responses from LGFA Candidates

LOCAL GOVERNMENT FINANCE AUTHORITY OF SOUTH AUSTRALIA

BALLOT PAPER

REPRESENTATIVE BOARD MEMBER

Two (2) Required:-

Place "X" next to two names you wish to vote for.

ABIAD, H.

☐

DAVIES, C.

☐

FROGLEY, J.W.

☐

MARTIN, A.

☐

RABBITT, M.J.

☐

SANDERSON, J.L.

☐

WOODWARD, J.

☐

CLOSING DATE: 5.00 PM at the office of the LGFA, Friday 14 October 2016

NAME: HOUSSAM ABIAD

OCCUPATION: Self Employed, Boards, etc.

QUALIFICATIONS & AWARDS: BSc Health Science
B Engr Biomedical Engineering (Hons)
Member, AICD
Fellow, Governors leadership foundation

**CURRENT POSITION IN
LOCAL GOVERNMENT:** Councillor, Adelaide City Council

PERIOD IN LOCAL GOVERNMENT 6 Years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

City of Adelaide
Deputy Lord Mayor

Rundle Mall Management Authority
Board Member

SA Motor Sports Board
Board Member

Present:

City of Adelaide, Finance & Business services
Chairperson

Australia Day Council of South Australia
Chairperson

Department of Foreign Affairs and Trade
Board Member

Development Assessment Panel
Panel Member

NAME: COLIN DAVIES

OCCUPATION: Chief Executive Officer/ Chief Finance Officer

QUALIFICATIONS & AWARDS: Justice of Peace in SA 25540
Fellow Institute of Public Accountants
Fellow Institute of Financial Accountants (UK)
Fellow Local Government Professionals

CURRENT POSITION IN LOCAL GOVERNMENT: CEO, The Flinders Ranges Council

PERIOD IN LOCAL GOVERNMENT 15 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Many and various usually as Treasurer

Present:

Regional Development Australia Far North
Board Member

Pichi Richi Railway Preservation Society
Treasurer

Rotary International District 9500 Inc
Treasurer

Rotary E-club of Greater South Oz
Treasurer

Local Government Systems Inc
Vice Chair

SA Local Government Financial Managers Group
Local Government Professionals
Institute of Public Administration Australia
Local Government Information Technology SA
Revenue Professionals SA
Emergency Management Committee Far North
Bushfire Management Committee

NAME: JOHN WREFORD FROGLEY

OCCUPATION: Semi-retired Company Director/
Chartered Accountant
Semi-retired

QUALIFICATIONS & AWARDS: Bachelor of Economics (Adelaide University)
Chartered Accountant
Recently retired Fellow AICD

**CURRENT POSITION IN
LOCAL GOVERNMENT:** Councillor, City of Norwood Payneham & St Peters

PERIOD IN LOCAL GOVERNMENT 10 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

City of Norwood Payneham & St Peters
Development Assessment Panel
Business & Economic Development Committee
CEO Performance Review Committee
Payneham Rd Precinct Committee
Board Member, Eastside Business Enterprise Centre Inc
Deputy Board Member – Waste Care SA

South Australian Government

Trustee, SA Superannuation Investment Trust
Director, Enterprise Investments Limited
Director, various Government commercial entities
Secretary, Industries Development Committee (SA Parliament)
Executive Director, Department of State Development

Present:

Local Government Finance Authority of SA
Deputy Chairman, Board of Trustees
Chairman, Audit Committee

City of Norwood Payneham & St Peters

Strategic Planning & Development Policy Committee
Chairman, Audit Committee

NAME: ANNETTE MARTIN

OCCUPATION: Manager Financial Services

QUALIFICATIONS & AWARDS: B.A. Accountancy
Certified Practising Accountant (CPA)

**CURRENT POSITION IN
LOCAL GOVERNMENT:** Manager, City of Charles Sturt

PERIOD IN LOCAL GOVERNMENT 16 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Executive of SALGFMG for 16 years including President from 2010 to 2014
Chair and/or active member of numerous SALGFMG working parties on projects such as development of internal financial controls framework, asset management and financial management addressing updates of information papers, development of model financial statements and harmonisation of reporting, development of long term financial plans, industry ratios for financial sustainability.

SALGFMG representative on work groups for grants commission methodology review and asset management with update of CPA guide.

Local government excellence awards for leadership in financial management for development of an industry wide internal controls framework and financial modelling for Bowden Urban Village Local Government IT Professionals Award for Digital transformation initiative in development of a budget bid solution.

Present:

Executive of SALGFMG

Chair of SALGFMG internal controls working party and review of internal controls framework

Member of current working parties on fees and charges, financial management and asset management for SALGFMG

Life member SALGFMG for services to industry

NAME: MICHAEL RABBITT

OCCUPATION: Retired

QUALIFICATIONS & AWARDS: Bachelor of Business (Banking and Finance)
Diploma of Financial Planning

**CURRENT POSITION IN
LOCAL GOVERNMENT:** Councillor, City of Unley

PERIOD IN LOCAL GOVERNMENT Elected November 2014

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Reserve Bank of Australia
Senior Management and member of Economic Liaison Committees with State
and Federal Government departments (1965 – 1987)

Financial Planning Industry (1988 – 2010)

University of SA (1994 – 1997)
Lecturer in Accounting/Personal Finance

Parliamentary Joint Committee on Corporations and Financial Services (2003)

Present:

City of Unley
Audit and Governance Committee
Community and Culture Committee
CEO Performance Review Panel
Deputy Mayor

NAME: JOHN LIDDELL SANDERSON

OCCUPATION: Retired Finance Consultant
(after 47 years in the Banking & Finance Sector)

QUALIFICATIONS & AWARDS: Land Managers Certificate

**CURRENT POSITION IN
LOCAL GOVERNMENT:** Councillor, City of Mitcham

PERIOD IN LOCAL GOVERNMENT 27 Years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Local Government Finance Authority of South Australia
Deputy Trustee

City of Mitcham
Alderman
Chairman, Planning Committee; Corporate & Community Services

Ashford Community Hospital Inc
Deputy Treasurer, Board Member

Local Government Purchasing Co-operative
Board Member

Present:

Local Government Finance Authority of South Australia
Member, Board of Trustees
Member, Audit Committee

City of Mitcham
Member, CEO Performance Review Committee
Member, Strategic Planning and Development Policy Committee
Member, Audit Committee
Member, Community Development Grants Committee

NAME: JOHN WOODWARD

OCCUPATION: Director

QUALIFICATIONS & AWARDS: MBA, GAICD

**CURRENT POSITION IN
LOCAL GOVERNMENT:** Councillor, City of West Torrens

PERIOD IN LOCAL GOVERNMENT 20 months

**OTHER COMMITTEES/ BODIES OF
LOCAL GOVERNMENT INVOLVEMENT:**

Present:
Statewide Super



The Flinders Ranges Council

Street Address 1 Seventh Street, Quorn SA 5433

Telephone +61 8 8620 0500

Postal Address PO Box 43, Quorn SA 5433

Email council@frc.sa.gov.au

29 September 2016

Mayor Kris Hanna
City of Marion
PO Box 21
Oaklands Park SA 5046

Dear Mayor Hanna,

Re: City of Mitcham notice of motion regarding LGFA membership

I acknowledge receipt of your correspondence of even date. On the assumption that the motion is intended to exclude the City of Marion I note the following:

- Section 5 of the *Local Government Finance Authority Act 1983* clearly states:

5—Councils to be members of the Authority

Every council is a member of the Authority.

- City of Marion is a Council pursuant to the *Local Government Act 1999* and therefore a member of the Local Government Finance Authority.
- Membership of the Local Government Association therefore has no relevance to membership of the Local Government Finance Authority.

Therefore my view is that the motion is *ultra vires*.

Please do not hesitate to contact me should you wish to discuss the matter further.

Yours faithfully

Colin Davies, JP FFA(UK) FIPA
Chief Executive Officer

CEOEA

Subject: FW: LGFA Motion

From: Cr John Woodward <jwoodward@wtcc.sa.gov.au>
Date: 29 September 2016 7:57:39 pm ACST
To: "mayor@marion.sa.gov.au" <mayor@marion.sa.gov.au>
Subject: FW: LGFA Motion

Dear Mayor Hanna

Thank you for your letter regarding the upcoming motion to the LGFA Annual General Meeting regarding potential LGFA clients.

Whilst I would need more information on this topic before committing completely, I can see merit in extending financial services outside the current LGA member base, particularly where this provides the LGFA with increased scale and offers better outcomes for existing members. I am not sure of any scale opportunities that may be present, hence my reluctance to commit 100%.

If the intent of this motion is simply to allow non LGA Councils to continue to access financial services from the LGFA, I do not think I would support the motion, unless there was evidence of loss that would impact services to the remaining members.

Kind regards

Councillor John Woodward
Keswick Ward, City of West Torrens

Mobile: 0429 090 246
Email: jwoodward@wtcc.sa.gov.au
Web: Facebook / Twitter

From: CEOEA [ceoea@marion.sa.gov.au]
Sent: Thursday, 29 September 2016 2:23 PM
To: Cr John Woodward
Subject: LGFA Motion

Dear Mr Woodward

Please find attached correspondence from Mayor Kris Hanna.

Regards Tania
Tania Baldock
Executive Assistant to the CEO and the Mayor | City of Marion

P 08 8375 6878 | F 08 8375 6834
E ceoea@marion.sa.gov.au | W www.marion.sa.gov.au

PO Box 21 Oaklands Park SA 5046
245 Sturt Road Sturt SA 5047

CEOEA

From: Cr John Sanderson <jsanderson@mitchamcouncil.sa.gov.au>
Sent: Sunday, 2 October 2016 2:30 PM
To: CEOEA
Subject: Re: LGFA Motion

Dear Mayor Hannah,

Re the motion to the LGFA Annual General Meeting

I understand, as I had withdrawn my chair, due to a fee paid to Trustees I had a conflict of interest, I left the Chamber as my nomination was discussed at the same time.

With non-membership to any Association one is unable to access the benefits that are afforded to the fully paid Membership.

I trust this assists your enquiry and look to your favourable support with my nomination for a continuing return to the Board of Trustees.

Sent from my iPad

> On 29 Sep 2016, at 2:23 pm, CEOEA <ceoea@marion.sa.gov.au> wrote:

>

> Mr Sanderson

>

> Please find attached correspondence from Mayor Kris Hanna.

>

> Regards Tania

> Tania Baldock

> Executive Assistant to the CEO and the Mayor | City of Marion

>

> P 08 8375 6878 | F 08 8375 6834

> E ceoea@marion.sa.gov.au | W www.marion.sa.gov.au

>

> PO Box 21 Oaklands Park SA 5046

> 245 Sturt Road Sturt SA 5047

>

>

> We acknowledge we are part of Kaurna land and recognise the Kaurna people as the traditional and continuing custodians of the land.

>

> Cove Civic Centre – find out about our newest library, enterprise and community facility.

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Annette Martin

E: amartin@charlessturt.sa.gov.au

M: 0419 031 709

4 October 2016

Attn: Mayor Kris Hanna
City of Marion Council
PO Box 21 Oaklands Park;
South Australia 5046.

Dear Mayor Hanna,

Thank you for your letter 29 September 2016.

The Local Government Finance Authority of South Australia (LGFA (established under the Local Government Finance Authority Act 1983) has been set up exclusively to serve South Australian Councils and Local Government Bodies

All South Australian Councils are automatically Members of the Finance Authority and as, in accordance with Section 24 of the Local Government Finance Authority Act, 1983 the Treasurer of South Australia guarantees all of the Authority's liabilities, including monies accepted on deposit from clients.

Members who support the Authority with deposits or who use their loan facilities share in the LGFA's success with annual distributions based on deposit and loan support / utilisation.

The LGFA makes payments equivalent to Company Income Tax directly into a fund that is used exclusively for the benefit of South Australian Local Government. The funds in this account are available for local government development purposes based on recommendations by the Local Government Association of South Australia that have the support of the South Australian Minister for Local Government.

The City of Mitcham proposes a motion

"That the Local Government Finance Authority investigates whether it is appropriate for a non-Local Government Association member to access the Local Government Finance Authority services."

I would be cautious in supporting such a motion as it is contrary to the current terms of reference which make all SA councils entitled to automatic membership as per Clause 5 of the Local Government Finance Authority Act 1983.

Kind regards,

Annette Martin



CEOEA

From: Houssam Abiad <H.Abiad@adelaidecitycouncil.com>
Sent: Wednesday, 5 October 2016 4:19 PM
To: CEOEA
Subject: RE: LGFA motion

Dear Tania

CC: Mayor Hanna and Councilors

Thank you for your email and I am sorry for the delay in answering your question.

Thank you for reaching out to me with your motion below:

'That the Local Government Finance Authority investigates whether it is appropriate for a non-Local Government Association member to access the Local Government Finance Authority services.'

My views are as follows:

- 1) LGA and Local Government Finance Authority should be available to service the needs of all councils
- 2) I am not certain what the current position of the LGA or the LGFA is in relation to Non-Local Government Association Members
- 3) If elected, I would like to meet with your council so I can understand to why you decided to move away from being a member of the LGA
- 4) If elected, I will always advocate for local governments, members or non-members of the LGA.

I hope the summary above is adequate to assist you in your deliberations.

Best wishes



Clr Houssam Abiad

Former Deputy Lord Mayor, BSc, BEng Biomed Hons, FGLF, MAICD



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**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Question Received from: Councillor Luke Hutchinson

Subject: Elected Member Room, Computer and Telephone

Reference No: GC111016Q01

QUESTION:

Over the last 12 months can staff please advise:

What are the 5 most visited external websites on the Elected Member Computer?

What are the telephone numbers of the 3 most dialled numbers on this telephone?

What are the telephone numbers of the 3 most frequent inbound calls received on this telephone?

What days and times were each of these numbers last dialled?

Are Elected Members able to use these resources for personal and/or commercial interests?

If not, what are the provisions that would be contravened if an Elected Member regularly and/or deliberately abused this facility?

COMMENTS: Phil Mattingly, Service Delivery and Infrastructure, Unit Manager ICT

What are the 5 most visited external websites on the Elected Member Computer?

Our Internet usage reporting has a number of firewall security restrictions that means we are unable to provide this level of detail requested. The Elected Member computer uses a generic PC only logon for all Elected Members and the network traffic is separated from being visible to the Staff PC network. Without this network connection and logon, historical traffic is not captured to our reporting services and the "internet browser history" is automatically deleted at each logoff. Instantaneous traffic is able to be monitored, but this is only available for a short period whilst occurring (ie. effectively requiring live monitoring).

COMMENTS: John Deally, Manager ICT

What are the telephone numbers of the 3 most dialled numbers on this telephone?

The 3 most dialled numbers on this telephone were all external and these details have been provided separately to Elected Members via email due to privacy.

What are the telephone numbers of the 3 most frequent inbound calls received on this telephone?

This information cannot be obtained from the telecommunications provider due to privacy legislation considerations.

What days and times were each of these numbers last dialled?

The 3 most dialled numbers on this telephone were all external and these details have been provided separately to Elected Members via email due to privacy.

COMMENTS: Jaimie Thwaites, Unit Manager Governance and Records

Are Elected Members able to use these resources for personal and/or commercial interests?

Section 78(3) of the *Local Government Act 1999* states that:

A member of a council must not use a facility or service provided by the council under this section for a purpose unrelated to the performance or discharge of official functions or duties (unless the use has been approved by the council and the member has agreed to reimburse the council for any additional costs or expenses associated with this use).

If not, what are the provisions that would be contravened if an Elected Member regularly and/or deliberately abused this facility?

Misuse of Council resources would be a breach of Part 3 of the Code of Conduct for Council Members published by the Minister for Planning for the purposes of Section 63(1) of the Local Government Act 1999. The Code of Conduct states that:

- 3.14 *Council members using Council resources must do so effectively and prudently.*
- 3.15 *Council members must not use Council resources, including services of Council staff, for private purposes, unless legally or properly authorised to do so, and payments are made where appropriate.*

The City of Marion's 'Elected Member Code of Conduct Procedure For Investigating Complaints' should be followed if a breach is suspected.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Notice Received from: Councillor Hull
Subject: Destination Playspace
Ref No: GC111016M01

MOTION 1:

That Council:

Amend the following resolution (GC140616R15):

Endorse Option 1 with resource allocation costing up to an additional \$40,000 to deliver the Destination Playspace investigation 2019/20.

to

- 1. Endorse Option 1 with a resource allocation costing up to an additional \$80,000 to deliver the destination playspace investigation in 2016/17.**

MOTION 2:

That:

- 1. The Oaklands reserve and playspace project is placed on hold pending the outcomes of the destination playspace investigation.**
- 2. A report is brought to council presenting the findings of the destination playspace investigation in May 2017.**

COMMENTS: Councillor Hull

Pursuant to Regulation 12 (3) of the Local Government (Procedures at Meetings) Regulations 2013, a member may bring a motion to the effect of which, if carried, would rescind or amend a resolution of the Council passed since the last general election. Therefore, I have brought this Motion with Notice to amend the resolution passed on 14 June 2016 to undertake an investigation on a destination playspace.

In June 2016 Council considered the potential to develop a Destination Playspace in the City of Marion. This Playspace would have the potential to attract visitors and tourists state wide, provide iconic play features, surrounding open space, community facilities and opportunities for local business to benefit from the attraction. It would be a space which celebrates the City of Marion, local community and sense of place. There are potentially a number of locations where a Destination Playspace could be developed, and we don't want to limit this potential by progressing smaller scale developments at some sites that have the potential to support a Destination Playspace. Rather than wait until 2019/20 to undertake the investigation into the

potential for a destination playspace, I propose this investigation is conducted as soon as possible so Council has the information to consider the opportunity for a Destination Playspace and can adjust its playspace program accordingly.

COMMENTS: Alicia Clutterham, Team Leader Open Space and Recreation

Council endorsed an open space works program in April 2016 (GC260416R10). The adopted 3 year works program includes the redevelopment of Oaklands Reserve and Playspace as one of the 17 projects – with planning, concept design and community consultation to begin early in 2016-17. A project plan and brief has been developed based on a service level of \$900,000 for this regional playspace and is awaiting the outcome of this Motion with Notice.

Council also considered a report on a Destination Playspace within the City of Marion in June 2016 (GC140616R15). In consideration of the large works program and resources required to commence this project, Council resolved to commence the Destination Playspace investigation in 2019/20 with \$40,000 allocated to this in Council's Long Term Financial Plan.

To consider a destination playspace at Oaklands Reserve, the timing of the investigation of opportunities for a Destination Playspace in the City would need to be brought forward from 2019/20. The Oaklands Reserve and Playspace redevelopment would also be put on hold pending this investigation.

Retiming the destination playspace project would have an impact on resourcing and budget, as all resources are currently allocated to existing priority projects as per the 3-year Business Plan. The investigation of a destination playspace is a significant piece of work which would require additional resourcing, and an increase compared with what would be required if undertaken in 2019/20 (where internal resources will be freed up). The project management resources allocated to the Oaklands Reserve and Playspace project could be redirected to the destination playspace investigation project, with the remaining work to be conducted by a consultant in 2016/17.

The scope of this project in 2016/17 would include:

- Define a Destination Playspace level of service;
- Assess suitability of open space within City of Marion that could support a Destination Playspace viable site option (this may not be on Council land);
- Present to Council a shortlist of sites that meet defined criteria for recommendation to consult with community.

It is estimated that to undertake the destination playspace investigation in 2016/17 the following resources would be needed:

- Project Management: Nil as covered through redirecting PM resources from Oaklands Reserve and Playspace project
- Up to \$80,000 for consultants to undertake the following works:
 - Open space analysis and demographic profiles as well as review of the current Council play space and open space documents
 - Workshop with Elected Members destination playspace level of service, define criteria for site assessments and identify opportunities
 - Site audits on existing infrastructure assessment and site feasibility for development (include historical site analysis for soil issues, landscape architecture, engineering, quantity surveying)

- Identification and evaluation of potential economic development opportunities to support a local economy
- Schematic drawings to enable feasibility and site assessment
- Identification of potential partnerships and high level discussions with key stakeholders to be able to consider and seek support
- Investigate potential partnership models
- Investigate potential funding models
- Prepare overview of financial considerations and estimated WOL costs.

This project scope does not include the development of designs for the playspace. This would occur when Council has considered a report and considers proceeding to the Concept Design Development stage at a particular location.

Should Council wish to proceed with a Destination Playspace including steps such as Concept Designs, community engagement etc., there will be flow on effects for the open space works program resource requirements and project programming in 2017/18 and beyond.

Other options could be considered including:

- Proceed as is with the planning and consultation on Oaklands Reserve and Playspace on the current adopted scale/scope (\$900k project) in 2016/17 and not proceed with the Destination Playspace investigation in 2016/17. Remain with the current endorsed position of commencing investigations into a Destination Playspace in 2019/20.
- Retime Oaklands Reserve and playspace project, and Hallett Cove Beach detailed design project to free up in-house resources to undertake the destination playspace investigation in 16/17. This option would require \$40k in consultant's fees only, but would have major impacts on delivery of the 3 year adopted works program.
- Do not proceed with a Destination Playspace investigation which would require the resolution of GC140616R15 to be rescinded.

Funding

The previous resolution (GC140616R15) set aside \$40,000 in funding in the LTFP for 2019/20 with no funding allocated in the adopted budget for 2016/17. Council could fund this initiative from its reserve funds – either the Open Space Reserve or from funds contained in the Asset Sustainability Reserve.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Notice Received from: Councillor Crossland
Subject: Oaklands Round House
Ref No: GC111016M02

MOTION:

That Council:

1. Supports the demolition of the building known as the 'Round House' at Oakland's Reserve.
2. Notes the previous advice to Council of 22 March 2016 that demolition costs in 2015 were estimated at \$91,000.
3. Request administration seek updated quotations regarding the demolition works of the Round House.
4. Refers this matter to the next review of the unfunded initiatives for prioritisation.

COMMENTS: Councillor Crossland

Over the last 18 months we have unsuccessfully obtained State Government approval to consider commercial opportunities for this building. The building itself is in very poor condition and as well as being unsightly poses an ongoing community safety risk. Rate payers have been funding both additional security, insurance and staff time. It is now appropriate to make a decision regarding the future of this building.

COMMENTS: John Valentine, Manager Strategic Projects

The Oaklands Round House, wetland and recreation plaza are located on State owned land (Crown Land) which is under the care and control of Council for the purposes of a 'wetland and recreation'.

The legal instrument that transferred the care and control of the land to Council specifically allows Council to demolish existing improvements (structures / buildings) on the land.

During the time the land has been under Council's care and control a number of structures have been either demolished or removed. The 'Bali Hut' building was demolished to enable the recreation plaza to be developed, minor structures have previously been demolished, (ie freestanding shelter) and a substantial transportable building was removed and relocated to Council's southern depot.

The above mentioned structures were demolished or removed with the knowledge of the Crown Lands office that administers the care and control instrument between the State and Council.

A quote for \$91,000 to demolish the Round House was obtained in 2015. If Council resolves to demolish the Round House this quote will need to be updated and a budget allocation made to undertake the works.

Council has previously resolved the following in relation to the Round House:

GC2803016R09

1. *“Notes the letter received from the Department of Environment Water and Natural Resources outlining the processes involved in obtaining Ministerial approval for potential lessees for the Round House.*
2. *Pursues option 1 – Disposal of unencumbered titles over Allotments 1 and 2, DP55941 for a nominal consideration.*
3. *Advise the Member of Elder of this resolution.”*

GC280812R07

1. *“That the Round House Building be secured and retained by Council until the establishment of the Oaklands Wetland project during 2014 (and the adjoining recreational facilities), with estimated annual security costs of \$9,900, when the potential of the building in its ultimate setting can be properly assessed.”*

If Council supports the motion the Crown Lands would be advised of Council's decision, a competitive quotation process would be undertaken to gain a new demolition cost and the matter referred to Council's unfunded prioritisation process.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

Notice Received from: Councillor Veliskou
Subject: Illegally Dumped Rubbish
Ref No: GC111016M03

MOTION 1:

That:

Marion Council aims to reduce the frequency and volume of illegally dumped rubbish in the area.

Council recognise present arrangement with EPA-SA and endorse the use of cameras within City of Marion, to catch and deter people illegally dumping rubbish in our community.

Resident privacy is paramount in the set up and placement of any cameras and that they only are set up to capture activity on public land.

Further that council take other steps within its power to catch people wilfully dumping rubbish. Council support enhanced focus of its waste service awareness to include messages about our community not tolerating illegal dumping and that council is out to catch, identify and prosecute offenders.

Whilst recognising that the overwhelming majority of tenants (and homeowners) do the right thing; in locations of concern, council will continue to work with private, public and organisational landlords to get them to take responsibility for illegal dumping by their tenants.

Council continue to work with other councils and agencies in carrying out these listed objectives.

COMMENTS: Councillor Veliskou

The sooner council starts to focus on catching and deterring people from illegal rubbish dumping the better. The amount of illegal rubbish dumping is likely to increase as costs for waste disposal increase over the next few years.

This motion also seeks for landlords to take more responsibility for illegal rubbish dumping as a result of the behaviour of their tenants. But also recognises that overwhelming majority of tenants act responsibly and have pride in their community.

The rubbish dumped in our street includes; old appliances, chemicals, building materials, mattresses, unwanted furniture and home contents, automotive waste, garden waste, waste from marijuana cultivation, household waste and electronic waste.

COMMENTS: (Roger Belding, Unit Manager Operational Support)

Council have recently partnered with the Environment Protection Authority (EPA) SA to combat illegally dumped rubbish. Covert EPA surveillance cameras have been installed at known hot spots in a bid to reduce the more than 1,100 incidences a year of illegally dumped rubbish in Marion. The EPA has supplied and installed the cameras and will investigate to prosecute anyone filmed dumping rubbish illegally. Over the next year, the cameras will be rotated to undisclosed locations throughout the city and will complement existing enforcement activities. The placement and maintenance of these cameras has been applied with due consideration given to ensuring the privacy of local residents.

Marion have complimented the use of these cameras through placement of signage across the city, advising the community “No Dumping, Video Surveillance now in use” and that “People Caught Dumping will be Prosecuted”. The signage also advises that outcomes will be applied under the Environmental Protection Act, Local Nuisance and Litter Control Bill, and provisions within the Local Government Act. Under the EPA Act people caught illegally dumping risk fines of up to \$120,000 or two years’ imprisonment; or up to \$500,000 or four years’ imprisonment where the dumping causes environmental harm.

The process applied to illegally dumped rubbish on council land (footpath or road) includes investigation and advice to residents as to alternative disposal options, request for information if the offender is known, and information as to the outcome should an offender be identified. If information received from the investigation is sufficient to identify an offender Council’s Community Safety Inspectors address this accordingly, which may result in advice to the offender to remove the dumped rubbish and or the issuing of an Infringement Notice.

Administration also works closely with entities such as Housing SA and Junction Australia for publicly owned housing / facilities; and communicates directly with residents, owners, as well as Strata and or Leasing Agents in regards to privately owned properties / facilities. Where dumping has been identified as coming from a particular property (eg. as a result of an eviction), Council’s expectation is that the property owner clears the rubbish and then seeks retribution from the vacating resident. In other instances, on conclusion of the investigation process, where an offender is not identified Council will attend and remove the rubbish.

In the current 2016/17 year a “take back rate” (ie. where illegally dumped rubbish is subsequently removed by the offender) of 39% exists as a result of this investigation process being applied.

**CITY OF MARION
GENERAL COUNCIL MEETING
11 OCTOBER 2016**

CONFIDENTIAL REPORT

Corporate Manager: John Valentine, Manager Strategic Projects
General Manager: Abby Dickson, General Manager City Development
Subject: Administration Building and City Services Surplus Land
Reference No: GC111016F01

If the Council so determines, this matter may be considered in confidence under Section 90(3)(b)(i)(ii) of the *Local Government Act 1999* on the grounds that the report contains information that could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and, on balance, be contrary to the public interest.



Adrian Skull
Chief Executive Officer

RECOMMENDATION

That pursuant to Section 90(2)(i)(ii) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Tony Lines, Abby Dickson, Vincent Mifsud, John Valentine, Jaimie Thwaites and Yvette Zaric, be excluded from the meeting as the Council receives and considers information relating to Council land, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council, (d)(ii) would, on balance, be contrary to the public interest.