



Kaurna Acknowledgment

We acknowledge and pay respect to the Traditional Owners of the land on which we stand, the Kaurna People of the Adelaide Plains. It is upon their ancestral lands that the Port Adelaide Enfield Council meets. It is also the Place of the Kardi, the Emu, whose story travels from the coast inland. We pay respect to Elders past, present and emerging.

We respect their spiritual beliefs and connections to land which are of continuing importance to the living Kaurna people of today. We further acknowledge the contributions and important role that Aboriginal and Torres Strait Islander people continue to play within our shared community.

City of PAE Annual Report 2020-2021

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Mayor & CEO Message

Welcome to the City of Port Adelaide Enfield 2020-2021 Annual Report.

At the start of the financial year, and following a time like no other, we consulted with our community and developed our Annual Business Plan and Budget to deliver outcomes for the future. We are proud to share the results with our community.

We are a key region for the State's economic growth and hub for logistics, defence, manufacturing and new start-up businesses. Over the past year, we have increased our support for over 9,000 local businesses. We have identified opportunities for State and Federal Government partnerships to create jobs and enable these businesses and our economy to grow and prosper.

We have delivered major strategic projects, upgrades to facilities, and program reviews to improve our environment and spaces to bring us together and celebrate what we all enjoy about living, working, learning and playing in PAE.

As part of our commitment to accelerate our Living Environment strategy to green our City for the benefit of future generations, we planted over 2,500 trees across the region to increase the canopy and reduce the impact of urban heat. We are also planning initiatives to meet the zero net emissions target and supporting our residents and businesses to enable practical water, waste, and emission reductions.

Over the last financial year, we recycled more than 90 tonnes of plastics and rubber into playground surfaces and furniture. We plan to increase our recycling to grow our circular economy for future generations. To this end, the construction of the Materials Recovery Facility (MRF) at Kilburn is well underway. Our collaboration with the City of Charles Sturt means we can control the management of the processing and disposal of our recyclable material and demonstrate how we will be more accountable about rates spending.

The maintenance of our community facilities, parks, and playgrounds is a priority for the health and wellbeing of our community. We have upgraded eight playgrounds across PAE and commenced the \$7 million development of Regency Park Sporting Facility to support active and healthy living.

Over the past financial year, we have delivered \$49 million of capital work programs for roads, footpaths, and stormwater management.

This includes 25km of road network upgrades, a significant streetscape project at Jetty Road, Largs Bay, and streetscape improvements at McLaren Parade, Port Adelaide. We have also built new and completed upgrades to our footpaths and constructed local area traffic management improvements across PAE, including Rosewater, Largs Bay, Greenacres, Northfield, and Kilburn.



We have also started streetscaping works along Prospect Road, Kilburn to create vibrant, new hubs with landscaping and public art to increase opportunities for business and to strengthen local community connections.

We have adapted the way we plan and deliver events, with a focus on gatherings at the local level. Through our creation and delivery of targeted place-based activities we are bringing people together to celebrate, share cultural knowledge, and foster a sense of cohesion and belonging, including for our newly arrived residents. Our libraries, halls and community centres continue to be important places for groups to gather.

To keep homes and businesses safe and maintain PAE's liveability, we continue significant stormwater infrastructure works on Lefevre Peninsula, including the upgrade to Birkenhead Naval Reserve.

At PAE, we value our rich cultural heritage, and we are engaging with groups and individuals to scope and plan for an Aboriginal Cultural Centre, which will be an inclusive place to recognise and pay respect to the significant contribution made by Aboriginal people to our City.

We are a unique Council in South Australia, with a rich history, a busy maritime trading gateway, and many natural environmental attractions. We continue to see an increase in investor confidence

in the region, so we are ensuring that developments are value-based and preserve our heritage, protect our environment and provide facilities for the ongoing health and wellbeing of our community.

We thank our Elected Members and staff, who have a very positive and collaborative relationship and commitment to PAE.

We acknowledge the unexpected passing of Outer Harbor Ward Councillor Peter Jamieson in June this year. Over the past 18 years, Peter has been widely regarded in the community for his advocacy and work for environmental and coastal matters, his career in education, and his 48-year service to the North Haven Surf Life Saving Club.

We want to thank our residents, stakeholders and volunteers in PAE for your ingenuity, kindness and compassion. We have all learned a lot during the past 12 months, and we have become nimbler, more adaptable and more resilient, with a better understanding of the strength of our combined community spirit.

We will continue to listen to you, advocate on your behalf, and make decisions and plans for our shared goal of creating a more sustainable and inclusive community with the best possible future for the more than 129,000 people who live here.

Claire Boan | Mayor **Mark Withers** | CEO



1 : Our City





City Plan 2030 Vision

The City Plan 2030 captures and presents the vision and aspirations for PAE and encapsulates what we believe is important for our future development.

Our Plan is organised under five main themes: Economy, Community, Environment & Heritage, Placemaking, and Leadership. Each theme has an outcome statement; strategies and outlines what we will deliver to achieve on each outcome statement.

Economy

We are a thriving economy and a business-friendly City

Community

We are a safe, vibrant, inclusive and welcoming City for our residents, businesses and visitors

Environment & Heritage

We are a low carbon, water sensitive and climate resilient City and our built heritage is protected, embraced and celebrated

Placemaking

We are a unique and distinctive collection of active places, created and cared for through strong partnerships

Leadership

We are an innovative, collaborative and high performing leader within local government

Our Planning Framework

The PAE Strategic Management Framework demonstrates how our plans deliver on our vision. We will undertake regular performance reporting and reviews of our plans to ensure that we deliver on our commitments and that we are accountable to our community.

The City Plan 2030 captures our vision and aspirations for PAE. It is organised under five main themes: Economy; Community; Environment & Heritage; Placemaking; and Leadership. Each theme has an outcome statement and strategies. Each theme also outlines how we intend to deliver on our vision for its outcome statement.

The City Plan is underpinned by a suite of strategic, financial and asset management plans. These plans have more detailed objectives and activities aimed at ensuring that we deliver

important services, program and facilities for the community and are sustainable in the long term. A full list of our plans can be found at:

 cityofpae.sa.gov.au/council/corporate-documents/plans

Each year we develop an Annual Business Plan and Budget that outlines how we will deliver on our vision. We track our progress and report back to our community through quarterly reviews to ensure that we will deliver this plan and budget.

The Annual Report enables us to close the loop on our actions and present a summary of what has been achieved for the year. It provides information to our community about what services, facilities and programs we are delivering for ratepayers, residents and visitors.

Strategic Management Framework

City Plan

- Economy
- Community
- Environment & Heritage
- Placemaking
- Leadership

Four yearly
review

Strategic Plans

- Long Term Financial Plan
- Asset Management Strategy
- Public Health and Wellbeing Plan
- Development Plan
- Emergency Response Plan
- Inclusive Communities Plan
- Strategic Management Plans

Annual review
City Scorecard

Annual Business Plan & Budget

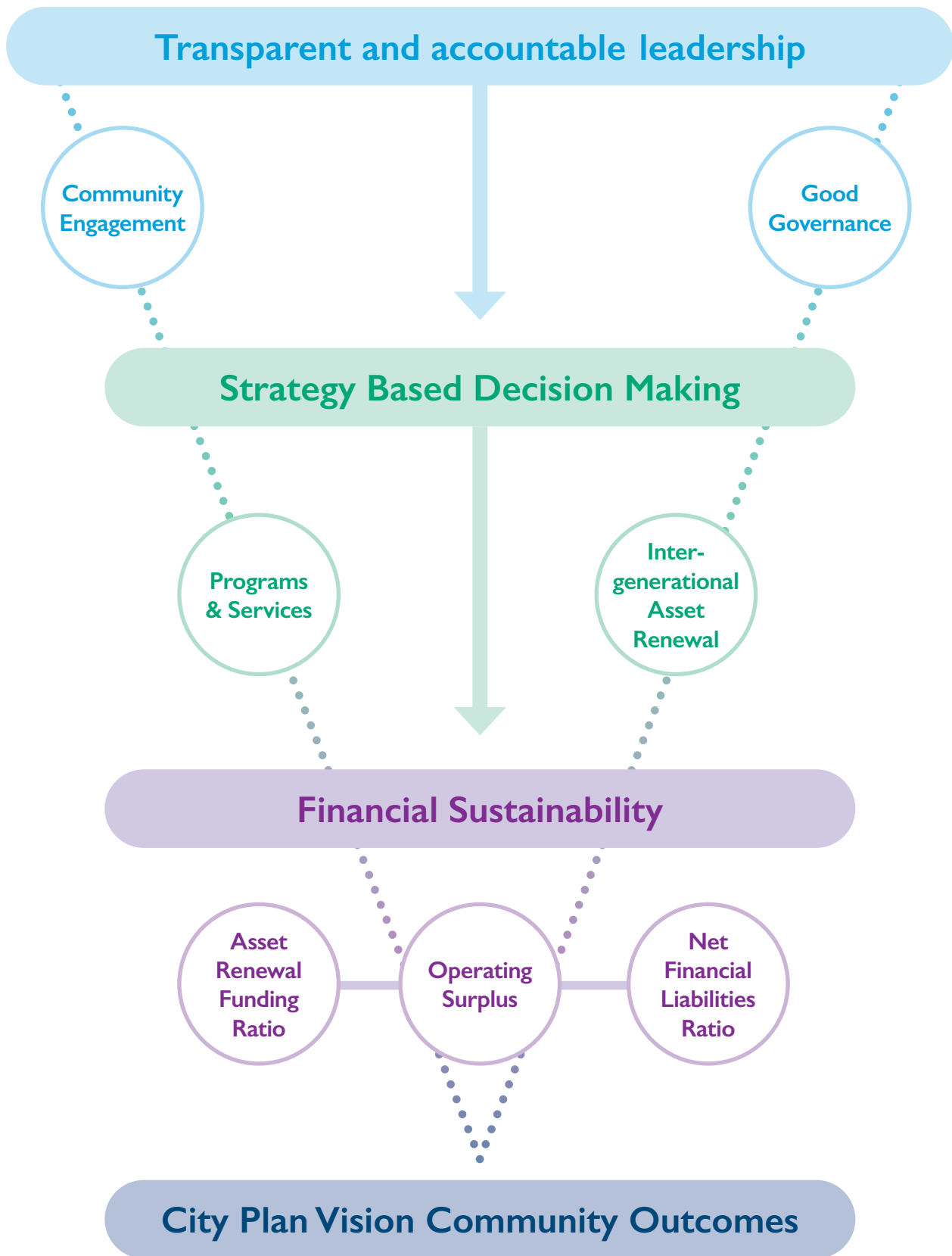
Annual Report
Quarterly Review

Operational Plans

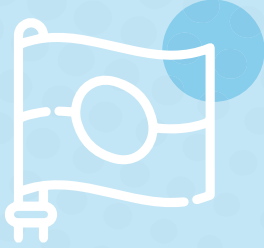
- Section Plans
- Performance Development Review

Corporate
Scorecard

Delivering Value



Our City at a glance...



2.3%

Aboriginal and Torres
Strait Islander population



129,530

Estimated resident population



81,680

Local Jobs**



87,314

Electors*



33%

Residents born overseas



9,412^{ha}

Total land area



\$9.7b

Gross Regional Product**



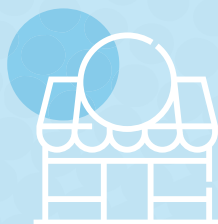
37 years

Median age



8,342

Persons needing assistance



9,803

Local businesses**



35%

Housholds renting

*Electoral Commission SA
**Economy ID
Profile ID for all other stats



Connecting with Council

We are always working to make it easier for our ratepayers and community to get in touch. To contact us you can:

- visit one of our Council offices at:
 - **Civic Centre**
163 St Vincent Street, Port Adelaide
 **(08) 8405 6600**
 - **Greenacres Library Council Office**
2 Fosters Road, Greenacres
 **(08) 8405 6540**
 - **Enfield Library Council Office**
1 Kensington Crescent, Enfield
 **(08) 8405 6530**
- call our friendly Customer Relations Team on
 **(08) 8405 6600**
- lodge an online request or comment via our website
- connect via social media
- chat with us via webchat

When you contact us, we will:

- treat you with courtesy and respect
- assist and facilitate communication with you where this is needed (for example, by arranging an interpreter or involving an advocate)
- advise you that we have received your query and provide you with a timeframe in which you can expect a response
- consider your query quickly and fairly
- handle your query confidentially where appropriate
- give you information about other options that are available
- advise you on the outcome to your query

Ways to Have Your Say

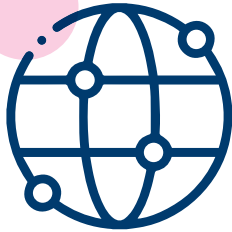
We are focusing on getting a better understanding of what our community thinks. We seek feedback from our community about the level of service they have received and reflect on how we can improve.

We are committed to providing more opportunities for our community to tell us what they think about our services, facilities and programs.

The Have Your Say online engagement platform uses interactive maps, surveys, conversation tools and more to provide opportunities for everyone who lives, works, learns or plays in the City of PAE to contribute to our projects, planning and decisions.

To stay updated on new projects, to share ideas and to have your say on projects in areas as diverse as transport, community art and placemaking, register on Have Your Say PAE at  haveyoursay.cityofpae.sa.gov.au

Get Connected



1.28M

Website page views



100,331

Inbound phone calls



1,978

Online consultation contributions



73,969

Emails received by
service@cityofpae.sa.gov.au



46,322

Customer requests



356

Compliments



10M

Social media views



91%

Incoming calls answered
within 30 seconds



1,238

Contributors to
Have Your Say

Voice of the Community

The most important and valuable information to shape the direction of our services, facilities and programs is the information provided by our community – the people who live, work and enjoy our City. We assess the feedback received from a combination of engagement activities, community forums, perception surveys, the data we hold and our day-to-day contact with residents, businesses, groups, clubs, government and visitors. Here is what our community has told us:

Economy

The relationship between Council and the business community has strengthened by working together during COVID-19. Our community values the relationship between Council and businesses and we will continue to work together to support our economy to thrive, especially those who have been impacted by COVID-19. Our community supports local sourcing and employment, particularly for young people in industries such as hospitality, recreation, tourism and the arts.

Community

The Voice of the Community indicates that community connections have continued to improve over the past four years. COVID-19 has impacted people's perception of connection, with some feeling less connected, some more connected. Many people are connecting in different ways (e.g. virtually). The issues of loneliness and disconnection have been more pronounced for older residents and young people. Our COVID-19 recovery efforts will continue to address and support community wellbeing. Community safety continues to be an issue, which we are working to address in a number of ways.

Environment and Heritage

Heritage Management and the protection of heritage buildings is a priority for our community. Council will be developing a Heritage Strategy to ensure our efforts in this area are well coordinated and targeted where they are most needed. The Voice of the Community strongly supports Council taking action in response to Climate Change, Waste Management and greening our cities.

Placemaking

Ensuring people feel connected to, and can participate in, Arts and Cultural activities is important to our community. Community-led initiatives have proven to be popular amongst our community and an important way to continue our connection to each other and the places we value in our City.

Leadership

Our community values transparency and participation in decision making. From listening to the Voice of the Community, Council continues to focus on community engagement as a priority, to ensure services and programs are meeting community need.



City Scorecard

We continually strive to lead the way as a City of opportunity that supports community wellbeing, cares for our natural environment and heritage and is a place where people love to be. We want our city to be a vibrant and inclusive place, well positioned to meet the opportunities and challenges of a growing and changing city for decades to come.

Since 2016 we have been surveying our community to seek feedback to help inform our decision making for the year ahead and help us ensure we are delivering the programs, services and facilities that you value most. Community surveys are now conducted biennially, with the next survey occurring in mid-2021. The City Scorecard enables us to track our community's perception of our performance against the City Plan.

City Scorecard

Tracking our community's perception of performance of the PAE City Plan

OUTCOME	INDICATOR	2016 Baseline	2017	2018	2019	change from prev. year
ECONOMY A City of opportunity						
Prosperous	gross regional product	\$8.8 billion	\$9.0 billion	\$9.3 billion	\$9.3 billion	-
Growing	proportion who feel that they can easily access information and organisation	3.4	3.8	3.8	3.8	-
Connecting	number of local jobs	74,831	76,330	77,048	80,637	-
COMMUNITY A City that supports community wellbeing						
Healthy	proportion who say they are healthy	3.4	3.9	3.9	3.9	-
Inclusive	proportion who feel they are part of their local community	3.4	3.5	3.5	3.5	-
Cohesive	proportion who say they feel safe in their neighbourhood or community	73%	3.6	3.7	3.6	-0.1
ENVIRONMENT & HERITAGE A City which cares for its natural environment and heritage						
Distinctive	proportion who say the City's heritage is effectively managed	3.2	3.1	3.0	2.9	-0.1
Sustainable	proportion who say the City's natural environment is effectively protected	3.3	3.3	3.2	3.1	-0.1
PLACEMAKING A City where people love to be						
Belonging*	City net promoter score		+25	+19	+15	-4
Accessible	proportion who say they can easily access places and services across the City	4.1	3.8	3.8	3.8	-
Creative [‡]	proportion who feel they had an opportunity to participate/experience local arts and cultural activities	57%	62%	62%	57%	-5%
LEADERSHIP A City confident in its leaders						
Strategic	proportion who say Council delivers value for the rate dollar	3.1	3.2	3.2	3.2	-
Accountable	proportion who are satisfied with Council services	3.5	3.5	3.5	3.5	-
Engaged	proportion who say Council is engaging with residents and ratepayers	3.1	3.0	3.0	3.0	-
	proportion who say Council is engaging with organisations	3.0	3.3	3.0	3.3	+0.3
	proportion who say Council is engaging with businesses	2.9	3.0	2.7	3.1	+0.4

Note: City Scorecard indicators are perception based and provide a range from 1 to 5 with 5 being strongly agree with each statement

* This indicator represents the willingness of people to promote PAE to others and is taken from -100 to 100 range

‡ This indicator represents the actual percentage of respondents who had the opportunity to engage in arts and cultural activities across PAE



Major Projects

Materials Recovery Facility (MRF)

Built a Materials Recovery Facility (MRF) in conjunction with Charles Sturt Council to reduce landfill and generate employment within the circular economy.

The Central Adelaide Waste and Recycling Authority (CAWRA) is a Local Government Regional Subsidiary established by the Cities of Charles Sturt and Port Adelaide Enfield to oversee the construction and operation of a new, state-of-the-art Materials Recovery Facility (MRF), located in Kilburn.

This collaborative project between two neighbouring councils enables us to directly demonstrate to our ratepayers how we process and sell our recyclable materials, so we can be more accountable about how their rates are spent and where their recycling goes.

Construction work commenced in 2020–2021 and the MRF is scheduled to be operational in late 2021.

MRF plant and equipment includes an ultra-modern optical sorter that will process recyclables from the yellow lid kerbside bins using a combination of advanced optical sorting technology and manual sorting methods.

The MRF will incorporate an elevated viewing platform with full disability access for safe and direct viewing of operations, providing the best possible recycling education experience.

The \$23 million project has been funded through CAWRA, with grants from the Cities of Charles Sturt and Port Adelaide Enfield, \$4.11 million from the Australian Government (State and Federal) through the Recycling Modernisation Fund, plus an additional \$250,000 funding from Green Industries SA.



Stormwater infrastructure

Invested \$13.2 million for stormwater infrastructure to keep homes and businesses safe from flooding.

- We continued upgrades of our stormwater network, including major projects at the Finsbury Railway Corridor detention basin and Hack, Lulu and Mersey Pump Stations
- We commenced the upgrade of Birkenhead Naval Reserve stormwater infrastructure

Road network upgrades

Invested \$16.3 million for road network upgrades.

- We resealed, reconstructed and rejuvenated 25km of roads in PAE, including a significant streetscape project at Jetty Road, Largs Bay, and the first stage of a streetscape upgrade at McLaren Parade, Port Adelaide.



Traffic management

Completed Traffic Management improvements for better access and parking.

- We completed 'black spot' projects in Rosewater and Largs Bay to address road safety concerns at these sites
- We completed the Greenacres and Northfield Local Area Traffic Management Schemes, and partially completed one in Dudley Park
- We completed State Bike Fund Projects at North Haven, Semaphore and Kilburn

Facility upgrades

Upgraded facilities at LJ Lewis, Edward Smith, and Eastern Parade Reserves.

- We are near completion of upgrades to facilities for local sporting clubs at LJ Lewis and Eastern Parade Reserves, with unisex change rooms, umpire rooms, accessible public toilets, lighting, kiosk, terracing and landscaping
- The Edward Smith Reserve upgrade, with a budget of \$1 million, will be completed in 2022



Playground upgrades

Upgraded eight playgrounds to support active and healthy living.

- We completed playgrounds across PAE from Gilles Plains to Wingfield, Oakden to North Haven, to promote health and wellbeing, childhood skill development, youth engagement and social inclusion



Greening our City

Planted trees to green our City and increase canopy coverage to reduce the impact of urban heat.

- We planted 1,000 mature trees through Croydon Park, Dudley Park, Devon Park and Windsor Gardens
- We replanted over 1,500 trees in large-scale tree corridors on Lefevre Peninsula, along Victoria Road, Railway Terrace and Mersey Road
- We completed plantings in areas with low percentage canopy cover in Gepps Cross, Valley View, Lightsview and Hillcrest



Streetscaping works

Commenced \$2 million streetscaping works to activate Prospect Road, Kilburn.

- We completed the concept plan, traffic study and design drawings to bring revitalised energy to the vibrant, multicultural hub of Prospect Road. Construction, landscaping and public art for this project will continue next year, with a total spend of more than \$5 million on the project



Regency Park development

Commenced development of \$7 million Regency Park Sporting Facility Upgrade.

- We started development of Regency Park Oval as a high-quality soccer facility to replace loss of land and facilities at Polonia and Hotchkiss Reserves due to the South Road development project

COVID-19 Recovery Framework

During 2020–2021, we worked with our community to support the City's COVID-19 recovery, prioritising the health and wellbeing of our community during the pandemic. In July 2020, our Elected Members endorsed our COVID-19 Recovery Framework, which mapped out the innovative way we planned to support our community to take the lead in recovery.

The Framework helped us to balance the need for immediate action with time and resources to respond to emerging impacts and opportunities, including community participation. Through our recovery work, we demonstrated our capacity to approach things differently, to respond quickly and to innovate in the face of enormous challenges.

A Recovery Fund of \$2.4 million from the 2020–2021 budget helped us deliver support where it was needed most. A total of 45 individual projects were included in the Framework, some representing existing projects that were accelerated or brought forward, others representing new initiatives.

Our recovery included cultural, social, environmental and economic elements, all of which contribute to our overall wellbeing. Our work has helped us emerge as a stronger and more resilient community. We are continuing to support the community, and we are working to reinvigorate the City of PAE and to support residents to respond to changes as they happen.

Recovery at a glance...



\$147,000

COVID-19 grants to support our community to respond to the pandemic



610

Food businesses inspection fees waived



489

Residents assisted with Rates Relief



5,680kg
fresh fruit and vegetables
& **8,600kg**
dry goods

distributed at our Food Relief Market



\$110,000

Support to PAE Sporting Clubs



510

People walking the Lost Port Adelaide Tour between March and June 2021



711

Hours of library meeting spaces provided for free to students, job seekers and entrepreneurs



New murals installed in public places to colour our City



18

Local gatherings held to connect neighbours and build community bonds



City Plan Theme **Economy**

In 2030 PAE is a thriving economy and a business-friendly City. Existing and new businesses are growing, and we attract new investment and embrace innovation and start-ups. We are national leaders in waste minimisation, collaborating to create a local circular economy and green business opportunities. We purchase locally while maintaining value and quality for the community. Known as the home of Australia's defence ship building program and the State's sea freight hub, PAE boasts a range of employment opportunities and is the engine room of the South Australian economy.

Our City is an attractive and affordable place to live and work and has a range of training, education and learning opportunities.

Urban renewal has stimulated new economic activity and employment. Our public and private transport network is well integrated and supports economic growth. Our City's infrastructure and assets meet the needs of existing and new businesses and communities. As a preferred tourist destination, Port Adelaide's local tourism industry is booming. Adelaide Airport and the CBD are only 20 minutes away from this great waterfront City, which is also the gateway for cruise ship passengers to discover our maritime, cultural and built heritage.

The Port River estuary is home to ancient mangroves, the Adelaide Dolphin Sanctuary and Adelaide International Bird Sanctuary, and white, sandy beaches on our coast.



Business Advice Done Right

As a major manufacturing, defence and logistics hub for South Australia, the PAE region provides employment opportunities through over 9,800 businesses that are located here.

Many were significantly affected by the COVID-19 pandemic, so we expanded our business advisory service to support and guide local businesses to respond to the changing landscape.

A local consultancy firm, Omega Consulting Engineers, approached us for guidance on connecting with new markets to grow their business. We were able to provide marketing tools, information about State Government grants and business incentives, and connect them to the Adelaide Business Hub for free training, seminars, workshops and networking opportunities. "We found their advice and support very useful," said Principal Engineer Dr. Matthew Aladesaye. "The training they recommended to us gave us exposure to grant writing which we will recommend to others."

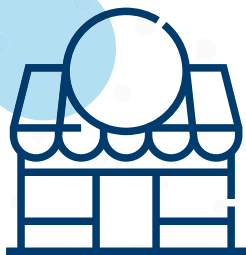
Our business-friendly culture means we continue to work beside local businesses and create investment and innovation opportunities and infrastructure for green industries, the circular economy, tourism and the defence supply chain.

We also continue to advocate for training in new industries for more employment opportunities; the future is looking bright for PAE businesses.

2020–2021 ABPB Priority	Achievements	Status
Support businesses and the local tourism industry in recovering from COVID-19 through Council's Recovery Framework	<ul style="list-style-type: none"> Subsidised access to local museums and cultural venues Promoted PAE as a region to visit and assisted local businesses with support and advice Launched new tourism branding – 'Experience SA the PAE Way' 	
Create a business-friendly culture in service delivery	<ul style="list-style-type: none"> Provided proactive support through our Business Advisors to businesses, including information around COVID-19 restrictions, business viability, grants and general business enquiries 	
Collaborate with the Adelaide Business Hub and local business networks	<ul style="list-style-type: none"> Collaborated to deliver COVID-19 Recovery workshops, information briefings and Digital Solutions training packages to PAE businesses 	
Actively encourage inward investment into the region, especially international Defence supply businesses	<ul style="list-style-type: none"> Sponsored the Virtual Defence Teaming Centre's Annual Defence Conference Hosted a defence networking event and site tour at Port Adelaide Worked closely with Defence SA to attract businesses supporting shipbuilding activities to the PAE region 	
Deliver a Council-owned and operated Materials Recovery Facility (MRF) in collaboration with the City of Charles Sturt to grow the circular economy	<ul style="list-style-type: none"> Commenced building the MRF, which will be fully operational by late 2021. See <i>page 18</i> Established a Circular Economy Framework 	
Explore options to develop a procurement strategy which supports 'Buy Local' principles whilst representing value for money	<ul style="list-style-type: none"> Amended our Procurement Policy to include Buy Local Principles 	
Engage with local schools on traineeships and future employment opportunities	<ul style="list-style-type: none"> Established and improved linkages between education providers and the Defence Industry partner, the Naval Shipbuilding College 	
Deliver annually up to \$15.5 million towards the renewal of our 695km road network to maintain our roads to an acceptable condition and to support industry and business	<ul style="list-style-type: none"> Delivered 25km of road reseal, reconstruction and rejuvenation including Jetty Road, Largs Bay — Streetscape project and McLaren Parade, Port Adelaide — Streetscape upgrade. See <i>page 19</i> 	
Develop an integrated transport and movement strategy for the City that meets current and future needs	<ul style="list-style-type: none"> The Integrated Transport and Movement Strategy will be presented for community consultation in the second quarter of 2021–2022 	
Develop the local tourism industry, including activation of the Port River	<ul style="list-style-type: none"> Launched new tourism branding — 'Experience SA the PAE way' — which includes a new website, billboards and bus shelter advertising to promote experiences across the City 	

Completed ■ Continuing ■ Ongoing ■

Economy at a glance...



9,803

Local businesses



93

Jobseekers supported through
Library programs



242

Hours provided in business
workshops and mentoring



81,680

Local jobs



4,432

Development applications



\$9.7b

Gross Regional Product



\$561,262

Total provided in grants



59,390

Employed residents



89

Businesses receiving mentoring



City Plan Theme **Community**

In 2030 residents, businesses and visitors describe PAE as a safe, vibrant, inclusive and welcoming City.

No matter your age, ability or stage of life PAE is a community where it's easy to be active, get involved, and enjoy a good life. There's a sense of care and cohesion as people look out for each other and the neighbourhoods in which they live. It's easy to connect with friends, neighbours, activities, opportunities, and services that support individual and community health, wellbeing, safety and aspirations.

We are proud of our diversity. The rich heritage of our First Nations people, together with those from countries around the globe, is reflected in our food, art, enterprise, traditions and celebrations. We are active in advocating for and on behalf of our community, and work with agencies and tiers of government to address individual and community needs and aspirations.

Our green open spaces, sporting facilities, libraries, centres, halls and hubs are places where people come together and learn skills for life and employment. They are contemporary, high quality, well maintained examples of community infrastructure, which are well positioned across PAE.

New and old neighbourhoods are developed in ways which reflect an expectation of good lives for individuals and communities. Our City offers a range of affordable housing choices and essential health services are easily accessible. Our community is resilient and faces challenges together.



Supporting our Sporting Communities

Being active, getting involved and enjoying time outdoors is integral to how we want people to enjoy life here in PAE.

Our vision is to provide sustainably managed and quality sports infrastructure, facilities and programs to support and encourage everyone to lead active and healthy lifestyles.

Improvements to our open spaces and infrastructure and the creation of places where local communities and groups can connect, play and get fit provide many benefits for our overall health and wellbeing.

To this end, we developed a 10-year master plan for a shared sports precinct at LJ Lewis and Edward Smith Reserves at Northfield, that offers two ovals, a landscaped ornamental park, a play space and a dog park.

In the 2020–2021 financial year we partnered with the Office for Sport and Recreation to build unisex change rooms, accessible public toilets, a terraced viewing area, and amenities at LJ Lewis Reserve to cater for and recognise women in sport, cultural diversity and inclusion for everyone in local sport.

2020–2021 ABPB Priority	Achievements	Status
Support community recovery following COVID-19	<ul style="list-style-type: none"> Provided 45 new and accelerated programs to assist recovery, right across our community. <i>See page 21</i> 	
Become accredited as a Welcoming City	<ul style="list-style-type: none"> Supported our Culturally and Linguistically Diverse (CALD) groups to return to their usual activities Partnered with Red Cross on programs for asylum seekers, refugees and migrants Increased resources to assess possible Welcoming City accreditation 	
Explore the development of an Aboriginal Cultural Centre	<ul style="list-style-type: none"> Appointed a project manager; undertook site assessment and completed stakeholder mapping activities with a commitment from Council to deliver this project 	
Commence \$7 million Regency Park Sporting Facilities Upgrade	<ul style="list-style-type: none"> Completed one synthetic soccer pitch and began construction of the second synthetic soccer pitch Building designs completed and currently under review, with the project to be completed by mid-2022. <i>See page 20</i> 	
Progress with the delivery of the LJ Lewis and Eastern Parade and Edward Smith Reserve master plans	<ul style="list-style-type: none"> Invested \$1 million to provide female change rooms at Eastern Parade Reserve and opened them on 3 June 2021. <i>See page 19</i> 	
Advocate for vulnerable people in our community	<ul style="list-style-type: none"> Participated in a State Government Taskforce focused on the wellbeing and safety of Aboriginal remote area visitors to Adelaide Worked with local agencies to respond to the needs of Aboriginal people sleeping rough Established the Wisdom and Wonder intergenerational playgroup Worked with the State Government and other service providers to transition residents under 65 years of age to appropriate services 	
Implement Sports Development Plan (2017–2022) actions and undertake an Inclusive Sports Facilities Review to prioritise works	<ul style="list-style-type: none"> Consulted with clubs and completed the Inclusive Sports Facilities Review to provide a foundation for evidence-based planning and decision making for future investment in the redevelopment of sporting facilities across the City Delivered well-attended governance and coaching workshops for clubs Won the LG Professionals Community Partnerships and Collaboration Award for involvement in the Northern Sport and Recreation Network 	

Completed  Continuing  Ongoing 

Community at a glance...



17,257

Dogs registered



8,345

Community transport
volunteer hours



10,858

Hours of attendance at our
social support programs



5,140

Vaccines administered at
community and school clinics



123

At risk young people
supported



13

Young people sponsored to
participate in Youth Parliament



\$233,557

Total provided in grants



483,272

Library items loaned



423,823

Visits to our libraries



City Plan Theme Environment and Heritage

In 2030 PAE is a low carbon, water sensitive and climate resilient City and our built heritage is protected, embraced and celebrated throughout the region.

Green streets are a dominant feature of our urban landscapes, and our tree canopy on private and public land is healthy, connected and expanding. Our green corridors and conservation areas also create habitat for wildlife and our biodiversity is improving.

We manage our energy, water and waste resources wisely and we strive to find new ways to keep reducing our greenhouse gas emissions. Our transport networks encourage environmentally sensitive modes of transport.

Our coast, estuaries, waterways and wetlands are healthy. We collaborate to protect and restore the ecological and cultural values of our coastal environments and the catchments of the Port River and Torrens River.

Existing and new communities continue to come together to share their knowledge about our natural and built heritage. We also work with our community to ensure that we are well prepared to manage the impacts and mitigate the risks of natural hazards and disasters.



Take a Walk on the Portside

At PAE, we recognise and value Port Adelaide as our state's original trading port, and home to a rich, seafaring history.

This great waterfront heritage city has world-class maritime, railway and aviation museums and tall sailing ships all within walking distance, so last year we launched the new Visit Port Adelaide app, which features several self-guided walks here.

These interactive tours provide a peek into the fascinating history of the Port using historical photographs, augmented reality technology, and content researched and created by our Library's Local History team.

Local PAE resident Pixie downloaded the app and spent a day discovering more about historic Port Adelaide.

"I think sometimes people don't realise how amazing the community is down here," she said.

"It's really great to see Council investing in these things, so people understand the history and can be a bit more engaged with where they live."

The Visit Port Adelaide app enhances the visitor experience and is one way we have supported our local tourism industry during the 2020–2021 financial year.

2020–2021 ABPB Priority	Achievements	Status
Advocate for heritage protection and conservation in our built environment	<ul style="list-style-type: none"> Managed heritage grant programs and curated a local history collection Considered heritage matters and provided advice through our Heritage Advisor Commenced a Heritage Strategy in June 2021 Continued the rollout of our Heritage Plaque Scheme Advocated strongly for heritage protection under the new Planning, Development and Infrastructure Act 2016 	
Encourage adaptive reuse of heritage buildings and deliver heritage incentives and promotions	<ul style="list-style-type: none"> Received 40 applications for our Heritage Grants program Provided advice on heritage and character-related matters, including alterations and additions to heritage properties, adaptive reuse and cosmetic improvements to the fabric of heritage buildings 	
Deliver the AdaptWest climate change adaptation priorities	<ul style="list-style-type: none"> Completed the Climate Change Adaptation Governance Assessment for Councils, where PAE was deemed to be in the top 10% of councils nationally Secured funding from National Disaster Resilience Grants to deliver an event on building community-based climate resilience Undertook a community survey to identify future directions to support community action on climate change 	
Deliver on our waste minimisation and greenhouse emissions reductions commitments	<ul style="list-style-type: none"> Trialled distributing mulch from household bulk garden waste drop off onto verges Established a Zero Net Emissions initiative to reduce the greenhouse gas emissions from our buildings, public lighting and fleet Developed a Sustainable Buildings Policy to drive the greening of Council's buildings Installed 30kw of solar panels and batteries on community sport club facilities 	
Participate in the national Cities Power Partnership to drive emissions reduction	<ul style="list-style-type: none"> As part of our participation in the Cities Power Partnership, formally adopted five pledges to drive emissions reduction in the City and in our organisation 	
Increase the City's tree canopy coverage and greening in hot spots and public spaces	<ul style="list-style-type: none"> Secured funding from Green Adelaide's Greener Neighbourhoods Grant program to plant an additional 1,000 street trees in 2021 Set an urban canopy target to increase the canopy by 35% by 2050 and to plant 3,000 trees a year in public streets and parks 	
Collaborate to improve the management of the Port River, the Torrens River and the City's wetlands as healthy living ecosystems	<ul style="list-style-type: none"> Allocated an additional \$50,000 to undertake wetland and creek restoration works (weed control and revegetation) in the Magazine Creek and Range Wetlands and along River Torrens 	
Deliver a Council-owned and operated Materials Recovery Facility (MRF) in collaboration with the City of Charles Sturt to reduce landfill	<ul style="list-style-type: none"> Commenced building the MRF, which will be fully operational by late 2021. See page 18 	
Ensure our procurement practices support energy, water and waste efficiency outcomes	<ul style="list-style-type: none"> Updated tender response schedules to include environment and sustainability Sustainability is now a focused element of our updated procurement policy and procedure 	
Invest a minimum \$13.2 million annually in stormwater to assist in reducing the flood impact of our City	<ul style="list-style-type: none"> Completed programmed upgrades of our stormwater network, including a range of projects undertaken by our construction crews. See page 19 	
Partner with community groups, government and the private sector to support the Green Adelaide priorities	<ul style="list-style-type: none"> Funded production of a Nature Connect booklet featuring 20 local nature-based experiences in partnership with Green Adelaide and the Port Environment Centre Provided grant funding to the Port Environment Centre and to support local biodiversity plantings Established a volunteer citizen science project to monitor local birdlife and the condition of vegetation 	

Completed ■ Continuing ■ Ongoing ■

2020–2021 ABPB Priority	Achievements	Status
Provide opportunities for our community to become informed and learn about climate change and its impact	<ul style="list-style-type: none"> Delivered eight Port Environment Forum information sessions on local climate change environmental issues Delivered Climate Ready Champions and Communities training in partnership with the Red Cross Delivered environmental education with local schools and in our libraries 	
Develop a strategic approach to coastal adaptation, protection and management	<ul style="list-style-type: none"> Participated in a national pilot project with the CSIRO, Value Advisory Partners and the Department of Environment and Water to develop a business case for investment in flood hazard mitigation in Port Adelaide to reduce the risks associated with sea level rise and flood events Secured funding to develop a governance framework for coastal adaptation in Port Adelaide Advocated for an environmental impact assessment of sand management on beaches and dunes 	

Environment and Heritage at a glance...



25,570

Tonnes general waste collected



4,539,554

Bins emptied



70

Students involved in wetlands education programs



15,738

Tonnes green waste collected



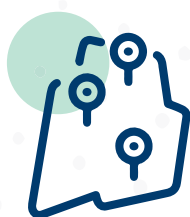
100

People involved in Landcare 'Friends' groups



3,800

Seedlings planted at Community Planting Days



>49ha

Land area improved



49.8%

Material from wheelie bins recycled or composted



\$34,567

Heritage grants provided



City Plan Theme Placemaking

In 2030 PAE is a unique, creative and distinctive collection of places, created, and cared for through strong partnerships between Council, community and other stakeholders.

Our places enable people to connect with each other, with nature and through their unique, local identity. We are also recognised for supporting and empowering local artists, and their creative and artistic expressions can be found throughout PAE.

Our places attract people to PAE because they are well planned, designed, and maintained to encourage activity. They are places where our community connects through recreation, business and pleasure to support individual and community wellbeing and prosperity.

The people of PAE have a strong sense of ownership in their places because they have a say in how they are imagined, shaped and transformed.

We use placemaking as a way to focus our work and to ensure strong community, economic and environmental benefits are derived from the places we own and manage for the community.



Improving Public Spaces

Jetty Road in Largs Bay is one of our most loved local streets, and during 2020–2021 we delivered a major upgrade from the Esplanade to Military Road to make it even more welcoming and accessible.

We narrowed the road, widened the footpath, reconstructed existing kerbs, planted new trees to improve shade, and created more spaces for outdoor dining, with extensive landscaping and verge planting.

In partnership with SA Power Networks, we removed unsightly stobie poles and powerlines. We also installed a lower 40km/hr speed limit and upgraded the median strip to improve safety for pedestrians. An electric vehicle charging station was installed, and more parking spaces added to the car park near the Largs Bay kiosk.

South Australian artist Quentin Gore was selected to develop a creative centrepiece that highlighted the history and future of Largs Bay. Quentin's artwork, called Home, celebrates our rich cultural diversity and our connection to PAE's Aboriginal heritage through the words of Senior Kaurna Man Mickey Kumatpi Marrutya O'Brien.

The project was completed in late 2020 so that locals and visitors alike could enjoy this popular beachside destination during the summer.

2020–2021 ABPB Priority	Achievements	Status
Support local artists to recover from COVID-19 through arts and cultural activities programmed across our City	<ul style="list-style-type: none"> Delivered the Tiny Gems initiative to bring art to local neighbourhoods Delivered the Colour Our City initiative to public art spaces and adorned them with colourful murals Supported local artists and artisans to deliver live music events and community markets and fairs 	
Develop and implement an Events Strategy	<ul style="list-style-type: none"> Delivered a diverse range of COVID-19 safe activities, including Fringe@5085, Adelaide Film Festival screenings and Santa Visits to our Libraries and Community Centres The Events Strategy will be part of the Placemaking and Activation Strategy to be delivered in 2021–2022 	
Encourage and enable temporary activations, street celebrations, and vibrant business precincts to create 'buzz' and bring people together in neighbourhood places	<ul style="list-style-type: none"> Delivered many community events, including a Family Movie Day at the Odeon Cinema, May Day Celebrations in the Port, a children's theatre event at the Parks Theatre, community planting days, Drive In Cinema events at Mainline at Gepps Cross, the Port Laneway Markets and other community events in Semaphore Upgraded the Port Laneways with the installation of public seating and art Began upgrades to footpaths and public seating for local businesses in Port Adelaide and Semaphore to encourage activity 	
Implement the Arts and Culture Strategy and Action Plan	<ul style="list-style-type: none"> Launched the Art of Reconciliation exhibition in May in partnership with the City of Charles Sturt Commissioned/completed murals or other public art at multiple sites to create and activate distinctive and vibrant public spaces that are enjoyed by locals and attract visitors Provided professional development opportunities in partnership with arts agencies Supported local artists to be involved with the Fringe Festival, Adelaide Food Fringe and SALA by subsidising their registration fee 	
Develop and implement frameworks and strategies for placemaking and events to drive the implementation of our 'place first' approach	<ul style="list-style-type: none"> The Placemaking and Activation Strategy will be delivered in 2021–2022 Delivered the place aspects of the Port River Public Realm Project Completed the Jetty Road, Largs Bay upgrade Began the Prospect Road and McLaren Parade upgrades Commissioned several murals 	
Maintain and creatively activate our parks and public spaces to create beautiful places, increase utilisation, support community connections and active healthy living.	<ul style="list-style-type: none"> Replaced eight playgrounds. See <i>page 20</i> Completed works at the Eastern Parade and Parkway Reserves Restored the historic shelter on the Port Road Median Upgraded Montpelier Square and Kapoola Street Reserves 	
Deliver \$2 million streetscape works to enliven the retail precinct on Prospect Road and strengthen community connections	<ul style="list-style-type: none"> Undertook community engagement, developed designs and commenced construction of this streetscape project which we anticipate will be completed in early 2022. See <i>page 20</i> 	

Completed ■ Continuing ■ Ongoing ■

2020–2021 ABPB Priority	Achievements	Status
Invest in upgrades to community infrastructure that build active participation and promote social inclusion	<ul style="list-style-type: none"> Completed refurbishment of the Greenacres Library Installed new bathrooms at the Enfield and Semaphore Libraries Upgraded the Taperoo Family Centre, Semaphore RSL, Osborne Community Hall, Glanville Golf Course and Beefacres Hall 	
Engage with stakeholders to develop a design narrative for the Port Adelaide inner harbour waterfront, to support high quality public realm and future activation	<ul style="list-style-type: none"> The Port River Public Realm Design Guidelines were adopted by Council on 10 August 2021 	

Placemaking at a glance...



\$146,138

Placemaking & events grants provided



4,600

Hours booked on reserves



\$8,000

Fringe artist subsidies provided



162

Poles painted as part of Paint Ya Pole



1,358

Library events and activities offered



2,000

Attendees at Fringe@5085



6,918

PAE event attendees



9

Artists commissioned for Tiny Gems



12,312

Hours booked in halls



City Plan Theme Leadership

In 2030, PAE is known as an innovative, collaborative and high performing leader within local government. We are innovative in the ways in which we connect, engage with and listen to our community in order to make good decisions.

Our community is empowered and has trust in our decisions and we deliver on our promises. We communicate with our community on a regular basis, in a variety of ways using clear and consistent messages that reflect who we are.

We are responsive in addressing current community needs whilst also planning for future generations and requirements. We have well established relationships at all levels of government and effectively advocate for the current and future needs of our community.

We excel in providing an exceptional customer experience, offering services which are responsive, inclusive and provide choice.

We make responsible financial decisions, and invest prudently for the future of PAE. Our assets and infrastructure are planned for and managed sustainably with equity of provision across the region. We use technology and data to enable us to work smarter and deliver value. We continue to attract and retain highly skilled and motivated staff and volunteers, who are passionate about working with and for our community.



Creating Opportunities for Young People

We put people first at PAE, and we are widely recognised as an Employer of Choice.

With a commitment to providing family-friendly policies, a safe workplace and professional development opportunities, last year we expanded our trainee program and for the first time welcomed a total of 21 young people to join us for intensive on-the-job education.

The program offered training, development and networking opportunities for young people across all areas of the organisation to learn skills in outdoor field work, horticulture and construction, and office-based work in project management, customer service and administration. It also provided a fantastic opportunity for our existing staff to gain experience in mentoring and coaching trainees and means that young people can gain skills before entering the job market.

Diesel mechanic Tom was one of the apprentices we took on during the 2020–2021 year. “Going through a program like this makes me feel really positive about my future and what it holds,” he said.

Our commitment to our trainees was acknowledged when Maxima Employment Services recognised the City of PAE as Host Employer of the Year.

2020–2021 ABPB Priority	Achievements	Status
Develop performance metrics to understand and manage our operations	<ul style="list-style-type: none"> Participated in cross-council collaboration on data improvements, data governance and business analytics, which will continue into 2021–2022 	
Implement our Community Engagement Framework including website and social media engagement tools	<ul style="list-style-type: none"> The Communications and Engagement Framework will be presented for community consultation in the second half of 2021–2022 	
Develop and implement a Marketing and Communications Plan to share our vision and achievements	<ul style="list-style-type: none"> A Communications and Engagement Framework will be presented in the second half of 2021–2022 	
Collaborate with other councils and key stakeholders	<ul style="list-style-type: none"> Collaborated with the Cities of Charles Sturt and Marion on ICT improvements, utilities management, strategic procurement, irrigation construction and the MRF 	
Strengthen our audit functions to achieve quality assurance	<ul style="list-style-type: none"> Refreshed Audit Committee Membership with three suitably qualified independent members, including an independent Chair Utilised an external auditor to strengthen the independence of Council's audit program 	
Implement a service review program to ensure we deliver value to our community	<ul style="list-style-type: none"> Through collaborative service reviews, improved the management of fleet, capital construction and civil construction 	
Develop and deliver an ICT strategy to inform future investment	<ul style="list-style-type: none"> Deployed Microsoft Office 365 Completed the migration to cloud-based services (including an email archive, expiation system and service desk) Set up the Azure Microsoft Active Directory 	
Implement our People & Culture Strategy to develop our people and drive performance	<ul style="list-style-type: none"> Began work on a WHS Training Framework Continued work on our Aboriginal Employment Strategy and the development of a broader Diversity and Inclusion Strategy Invested in a People Leadership Development program 	

Completed ■ Continuing ■ Ongoing ■

Leadership at a glance...



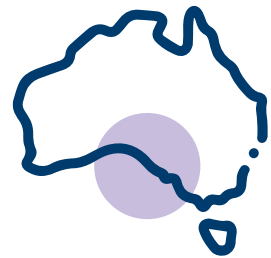
472

Total FTE employees



10

Deputations heard



809

New Australian
Citizens conferred



500

Council resolutions



\$1.6b

Assets managed



2,784

Minutes spent at workshops
and informal gatherings



23,411

Volunteer hours



1,768

Minutes of Council
meetings live-streamed



44

PAE Have Your Say
engagement opportunities



2 : Our Council





Our Council

The City of PAE is one of 68 local government authorities in South Australia.

Local government is integral to the democratic system of government in Australia. It provides vital economic, social, cultural and environmental support to communities.

The legal context

The following pieces of legislation create the legal framework that we operate within. These laws also outline the four-yearly election process underpinning the representative nature of local councils:

- Constitution Act 1934 (SA)
- Local Government Act 1999 (SA)
- Local Government (Elections) Act 1999 (SA)

The role of Elected Members

Our community elects the Council, consisting of the Mayor and 17 Ward Members, who regularly connect with our community and represent its interests.

As a decision-making body, the Mayor and Elected Members set the strategic direction to make the City of PAE a better place in which to live, work and play. While Elected Members receive an allowance for their expenses, they act in a voluntary capacity.

Our Elected Members are responsible for:

- civic leadership and setting the strategy for the future of the City
- managing the natural and built environment
- fostering economic development in partnership with other local government authorities and with state and federal governments
- creating and developing meaningful social and cultural services and programs to enhance the wellbeing of residents and visitors
- making decisions about the complex and important matters that are brought before Council and determining the action to be taken

They are assisted by the Chief Executive Officer and administrative staff, who carry out Council decisions in line with the relevant legislation.

Elected Members Representing Our Community

The City of PAE currently has approximately 87,314 electors across seven wards, equating to one Elected Member per 4,851 electors. In comparison, other councils of a similar size and type have average representation quotas ranging from 5,192 to 6,454 electors per Elected Member.

We conducted an Elector Representation Review during 2016 and 2017, as required under Chapter 3, Part 1, Division 2 of the Local Government Act 1999. In line with the eight-year review cycle, the next Elector Representation Review will occur in 2025.

At this time, the Council will examine:

- whether the principal member of Council should be a Mayor elected by the community or a chairperson selected by (and from amongst) the Elected Members
- the division of the Council area into wards, or the abolition of wards
- the number of Elected Members required to provide fair and adequate representation
- the need for area Councillors in addition to ward Councillors (under a ward structure)
- the identification of an appropriate ward structure (if required) and the level of ward representation
- the naming/identification of any proposed future wards

Local Government Reform

The City of PAE has been active in the Local Government Reform discussions from 2019 to date. The key reform areas are:

1. stronger Council member capacity and better conduct
2. lower costs and enhanced financial accountability
3. efficient and transparent Local Government representation
4. simpler regulation

We continue to work collaboratively with other councils and the Local Government Association (LGA) to achieve service improvements and efficiencies. We have been recognised by the SA Productivity Commissioner for our innovative and cost-saving initiatives delivered in partnership with the Cities of Marion and Charles Sturt.

Active participation in appropriate and meaningful reform is part of our commitment to driving and leading improved outcomes for our PAE community.

Council Decision-Making Structure

Council's principal power to make decisions is delegated through the Local Government Act 1999. A significant number of other Commonwealth and State Acts also provide Council with the power to make decisions.

Council and Committee Meetings

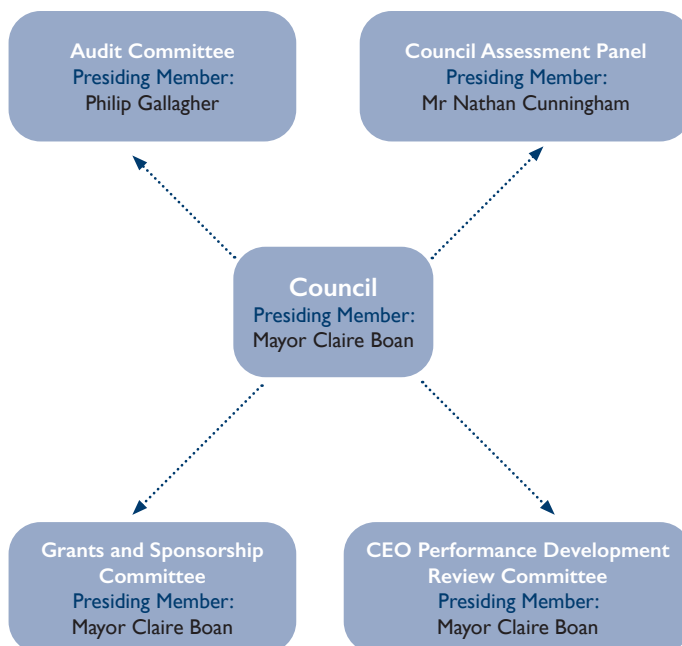
Our Elected Council meets monthly to carry out the ordinary business of the City of PAE. Special meetings are held when required, in accordance with the Local Government Act 1999. We have established four committees to assist in streamlining our work.

All Council and committee meetings are open to the public and we encourage community members to attend. Meeting dates and times are available on our website. Council, Committee and Council Assessment Panel Agendas are placed on public display no less than three days prior to meetings. Minutes of the meetings are on display at the principal office and at all Council libraries within five days of that meeting. The agenda, reports and minutes for each meeting are public documents. They are available at the Council Office, at our libraries and on our website at

 cityofpae.sa.gov.au/council/council-meetings/agendas-and-minutes

During 2020, the Minister issued a Notice which enabled councils to hold Council, Committee and Council Assessment Panel (CAP) meetings electronically. We live streamed all Council meetings on our YouTube channel:

 youtube.com/cityofpae



Council and Committee Roles and Functions

Committee/Panel	Roles and Functions	Membership
Council	<ul style="list-style-type: none"> 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 under this and other Acts in relation to the area for which it is constituted 	Mayor and all 17 Elected Members
Audit Committee	Monitors and makes recommendations to Council about a range of matters related to financial reporting, internal controls, risk management systems and other relevant functions, as set out in the Audit Committee's Terms of Reference.	Jul 2020 – Feb 2021 Mayor, two Elected Members and two Independent Members
		Feb – Jun 2021 Independent Chair, two Elected Members and two Independent Members
Chief Executive Officer Performance Review Committee (CEO PDR Committee)	Established for the purpose of determining, in conjunction with the Chief Executive Officer (CEO), relevant Key Performance Indicators (KPIs) for the CEO and for undertaking the formal review process of the performance of the CEO against agreed KPIs.	Mayor and 17 Elected Members
Grants and Sponsorship Committee	Established for the purposes of assessing the appropriate structure and allocation of grants, sponsorship and partnership arrangements for Council-approved programs. The Committee has delegation to make decisions within its Council approved Terms of Reference.	Mayor and 17 Elected Members
Council Assessment Panel (CAP)	<p>Established for the purpose of acting as the relevant authority in respect of development control matters, the CAP is separate from Council and has its own procedures, terms of reference and protocols. The role of the CAP is to:</p> <ul style="list-style-type: none"> Consider all development applications referred by Council Officers for decision. Provide advice and reports to the Council on trends, issues and other matters relating to planning or development that have become apparent or arisen through its assessment of applications under this Act 	One Elected Member and four Independent Members

Type Regulatory/Decision making/Advisory	Meetings	Delegation
Regulatory/Decision-making	Held on second Tuesday of every month at 7pm in the Council Chamber at 62 Commercial Road, Port Adelaide, and other locations through the City, as advertised from time to time	Established under the Local Government Act 1999
Advisory	Held quarterly in February, May, August and October at 7pm in the Town Hall, 34 Nile Street, Port Adelaide	Established under Section 41 and 126 Local Government Act 1999. Recommendations referred to Council
Decision-making	Review occurs annually, with meetings scheduled as required at 7pm in the Town Hall, 34 Nile Street, Port Adelaide	Established under Section 41 Local Government Act 1999. Delegated authority from Council
Decision-making	Held in May and November of each year or as required at 7pm in the Council Chamber at 62 Commercial Road, Port Adelaide	Established under Section 41 Local Government Act 1999. Delegated authority from Council
Regulatory/Decision-making	Held on fourth Wednesday of every month at 6.30pm in the Town Hall, 34 Nile Street, Port Adelaide	Established under Section 83 Planning, Development and Infrastructure Act 2016



Strategic Planning and Development Policy Committee

The Strategic Planning and Development Policy Committee (SPDPC) was established under Section 101A of the Development Act 1993 (SA), and Section 41 of the Local Government Act 1999 (SA). The primary function of this committee is to undertake strategic planning and monitoring to achieve orderly and efficient development within the area.

On 19 March 2021, the Planning, Development and Infrastructure Act 2016 (SA) repealed the Development Act 1993 (SA). As a result, the Strategic Planning and Development Policy Committee officially wound up in April 2021.

CAWRA – Central Adelaide Waste and Recycling Authority

CAWRA was established by the Cities of Charles Sturt (CCS) and Port Adelaide Enfield (PAE). Its Charter was endorsed by both councils in late 2019 and gazetted by the Minister for Local Government in early 2020. The CAWRA Annual Report for 2020-2021 forms part of this Annual Report and is available on page 120.

Informal Gatherings

Informal gatherings are held for Elected Members in the form of a workshop or information briefing. Informal gatherings are usually open to the public, but they may occasionally be closed if the information being presented is confidential.

Informal gatherings are not held for decision-making purposes. Rather, they provide an opportunity for Elected Members to learn more about a topic before making decisions about it at a Council meeting. We publish the details of upcoming informal gatherings on our website weekly.

Attendance at Meetings

	Council	Audit Committee	CEO Professional Development Committee	Grants and Sponsorship Committee	Council Assessment Panel	Special Council Meetings	Strategic Planning and Development Policy
Mayor Boan	12	4	2	3	-	4	2
Cr Barca	12	-	2	3	-	4	2
Cr Basham	12	-	2	2	4	4	2
Cr Clayton	11	-	2	3	-	4	2
Cr Colombo	12	2	2	3	-	4	2
Cr Croci	10	-	2	2	-	4	2
Cr den Hartog	11	-	1	2	-	4	2
Cr Dinh	10	-	1	2	-	2	0
Cr Evans	11	-	2	3	-	4	1
Cr Jamieson	12	3	1	2	-	3	2
Cr Martin	12	-	1	2	-	3	2
Cr Mitchell	10	2	2	3	1	4	2
Cr Osborn	12	-	2	3	-	4	2
Cr Russell	12	-	2	3	-	4	2
Cr Tulloch	12	-	2	3	6	4	2
Cr Vines	11	-	1	3	-	4	2
Cr Wilkins	12	3	2	3	-	4	2
Cr Wright	11	-	2	3	2	4	2

- Not appointed to the panel/committee and not required to attend

Elected Member Allowances

The Remuneration Tribunal sets Elected Member allowances, which are reviewed every four years prior to the Local Government General Election. The following allowances were paid to members:

- **Mayor:** \$97,526 per annum
- **Deputy Mayor:** \$30,551 per annum
- **Councillors:** \$24,381 per annum

Members of the Council Assessment Panel received a sitting fee of \$580 for each meeting they attended, while the Presiding Member received \$690.

Independent Members of the Audit Committee received a sitting fee of \$740 for each meeting they attended, while the Independent Chair received \$900.

Elected Member Training and Development

The Elected Members' Conferences, Seminars, Training and Development Policy was endorsed on 27 November 2018. The following training programs were completed in 2020–2021. Due to COVID-19, which resulted in fewer training opportunities, Elected Member attendance at training and development sessions was lower than normal.

Date	Training Program	Number of Attendees
14 September 2020	Murray Darling Association's 76 th National Conference and Annual General Meeting	2
9 – 11 February 2021	2 nd Sustainable Cities Urban Regeneration and Sustainability Development Forum	1
30 April 2021	2021 LGA Ordinary General Meeting	2
16 – 19 May 2021	Murray Darling Association's 77 th National Conference and Annual General Meeting	1

Confidential Items

The Local Government Act 1999 specifies that Council meetings be held in a public place. However, on occasion, this principle is outweighed by the need to keep the information or discussion confidential for reasons predetermined under the Local Government Act 1999.

Through the period of 2020–2021, there were 11 instances in which Council or a Committee was satisfied of the necessity to consider an agenda item in confidence. These items were considered in accordance with Section 90(2) and Section 90(3) of the Local Government Act 1999. In all 11 instances, Council resolved under section 91(7) of the Local Government Act 1999 that these documents were to remain confidential for either a specified period of time or until an event occurs.

These matters are listed in the following table on page 51.

During 2020–2021, a total of 11 orders lapsed or were released, meaning that Council determined to remove the confidential order over the information and made it available to the public. Meanwhile, 32 orders remained in confidence.

Meeting and Date	Item	Title	Reference from the Act	Confidentiality Order Applied
Ordinary Council Meeting 14 July 2020	16.2	Prudential Review Update — Material Recovery Facility (MRF)	90(2) and 90(3)(b)(i)(ii)	Yes
Chief Executive Officer's Performance Development Review Committee Meeting 28 July 2020	4.6	CEO Performance Update, Presentation and Discussion with the Committee 2019–2020	90(2) and 3(a)	Yes
Ordinary Council Meeting 11 August 2020	16.2	Port Adelaide Land Tenure Matters	90(2) and 90(3)(b)(I)(II)	Yes
Ordinary Council Meeting 8 September 2020	16.2	Proposed Land Acquisition — Dover Street, Blair Athol	90(2) and 90(3)(b)(I)(II)	Yes
Ordinary Council Meeting 13 October 2020	16.2	Examination of Council's Cyber Security	90(2) and 90(3)(j)(i)(ii)	Yes
Ordinary Council Meeting 8 December 2020	16.2	Queenstown Land Purchase Opportunity	90(2) and 90(3)(b)(I)(II)	Yes
Ordinary Council Meeting 9 February 2021	16.2	Independent Membership Selection for the City of Port Adelaide Enfield Audit Committee	90(2) and 90(3)(a)	Yes
Ordinary Council Meeting 11 May 2021	16.2	Land Transfer Matters	90(2), 90(3)(d)(i) and 90(3)(d)(ii)	Yes
	16.5	Winter Oasis Event	90(2), 90(3)(d)(i) and 90(3)(d)(ii)	Yes
Ordinary Council Meeting 8 June 2021	16.2	CAWRA 2021–2022 Draft Operating Budget	90(2), 90(3)(b)(i)(ii) and 90(3)(d)(i)(ii)	Yes
Chief Executive Officer's Performance Development Review Committee Meeting 30 June 2021	5.4	CEO Performance Update, Presentation and Discussion with the Committee 2020–2021	90(2) and 3(a)	Yes

Confidential Provisions

The table below details the number of times that each section of the Local Government Act 1999 was used as the basis to consider confidential matters in private.

Relevant item in the Local Government Act 1999	Description	Number of Times
90(2)	A council or council committee may order that the public be excluded from attendance at a meeting to the extent (and only to the extent) that the council or council committee considers it to be necessary and appropriate to act in a meeting closed to the public in order to receive, discuss or consider in confidence any information or matter listed in subsection (3)	11
90(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
90(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	5
90(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	3
90(3)(j)	Tenders for the supply of goods, the provision of services or the carrying out of works	1

Opportunities to be Heard by Council

Petitions

A petition is a formal written request or submission to Council with multiple signatories. The Local Government (Procedures at Meetings) Regulations 2000 require that a petition should:

- be legibly written or typed
- be an original document
- set out the request/submission of the petitioners
- be delivered to the principal office of the Council

During 2020–2021, Council received 11 petitions.

Deputations

A deputation is an address made to the Council or to a Council committee by a person or group on a particular matter. Following a written request to Council, and with the permission of the Mayor and/or Committee Presiding Member, a member of the public can address the Council/Committee personally or on behalf of a group of residents, in line with Council's Code of Practice — Meeting Procedures.

During 2020–2021, Council considered 10 deputations.

A standard petition form is available on Council's website at cityofpae.sa.gov.au/council/corporate-documents/forms

Review of Council Decisions under Section 270 of the Local Government Act 1999

During 2020–2021, six applications were received for a review of a Council decision under Section 270. The applications and their outcomes are outlined in the table below:

Matter	Outcome
Half Basketball Court and Ball Wall – Kapoola Street Reserve	Decision Remains
Development Approval Condition	Decision Remains
COVID-19 Grant Refusal	Decision Remains
Tree Management	Decision Remains
Control Dog Order	Decision Remains
Local Nuisance	Decision Remains

Applicants were notified that if they were dissatisfied with the findings of the Section 270 review, they had the option to apply to the Ombudsman for assistance.

Our Elected Members

Outer Harbor Ward



Cr Vanessa Tulloch 0427 480 790
vanessa.tulloch@cityofpae.sa.gov.au

Councillor Peter Jamieson sadly passed away on Wednesday 16 June 2021. He was a longstanding member of Council, having been elected in 2003. Peter represented the Outer Harbor Ward for 18 years.

Semaphore Ward



Cr David Wilkins 0444 501 539
david.wilkins@cityofpae.sa.gov.au



Cr Helen Wright 0439 485 737
helen.wright@cityofpae.sa.gov.au



Cr Joost den Hartog 0416 845 204
joost.denhartog@cityofpae.sa.gov.au



Cr Steve Vines 0413 975 064
steve.vines@cityofpae.sa.gov.au



Cr John Croci JP 0481 091 022
john.croci@cityofpae.sa.gov.au



Cr Kim Dinh 0410 729 255
kim.dinh@cityofpae.sa.gov.au



Cr Kat Mitchell 0430 275 922
kat.mitchell@cityofpae.sa.gov.au



Mayor City of PAE



Mayor Claire Boan ● 8405 6773
claire.boan@cityofpae.sa.gov.au

Northfield Ward



Cr Mark Basham JP ● 0418 809 364
mark.basham@cityofpae.sa.gov.au



Cr Hannah Evans JP ● 0433 385 002
hannah.evans@cityofpae.sa.gov.au



Cr Matt Osborn ● 0402 760 028
matt.osborn@cityofpae.sa.gov.au

Klemzig Ward



Cr Tony Barca ● 0418 891 321
tony.barca@cityofpae.sa.gov.au



Cr Paul Russell ● 0407 500 881
paul.russell@cityofpae.sa.gov.au



Cr Carol Martin OAM JP
○ 0417 828 195
carol.martin@cityofpae.sa.gov.au



Cr Barbara Clayton ○ 0411 816 800
barbara.clayton@cityofpae.sa.gov.au



Cr Olivia Colombo ○ 0448 258 279
olivia.colombo@cityofpae.sa.gov.au



3 : Our Organisation



Corporate Services

The Corporate Services Directorate performs a diverse range of functions, many of which are business-enabling services. Internally, the Directorate supports the organisation to be transparent and accountable to our community; to develop its people; to be effective in its governance and decision making; to plan for our future; and to effectively engage and communicate with our communities.

Externally, the Directorate provides Customer Service and the Visitor Information Centre along with services to positively influence environmental sustainability, our local economy and the urban development of our City.

The services provided by the Corporate Services Directorate include:

- Communications & Engagement
- Corporate & Civic Governance
- Customer Relations
- Economic Development
- Elected Member Support
- Environmental Sustainability
- Finance & Property Rating
- ICT & Records Management
- Internal Audit
- People & Culture
- Policy & Strategy
- Risk Management
- Urban Planning & City Development
- Valuations
- Visitor Information Centre
- Work Health & Safety

Our Organisation

The function of Council Administration is to support and carry out the decisions of the Council. Each of our employees contributes to our constructive workplace culture by being supportive, taking on challenges, seizing opportunities and building great relationships.

Our workplace culture supports employees to achieve great outcomes for our customers. We are proud of what we deliver with, and for, our community.

The structure of the City of PAE's Administration consists of three directorates – Corporate Services, Community Development and City Assets. Each of these three directorates reports through their Directors to the Chief Executive Officer.

In May 2020 we also appointed a Director Community and Business Recovery on a 12-month contract, to oversee the delivery of our COVID-19 Recovery Framework. This role finished up at the end of June 2021.

Community Development

The Community Development Directorate provides and promotes a range of opportunities for the community. Its services, programs, information and facilities enhance the community's quality of life, celebrate culture and support social growth and change.

The Directorate also manages activity that impacts many other aspects of community life, including the approval of dwellings, developments and a range of health services.

The services provided by the Community Development Directorate include:

- Animal Management
- Community Centres & Halls
- Community Grants
- Community Safety
- Community Transport
- Development & Building Assessment and Advice
- Food & Health Inspections
- Heritage Building Advice
- Home Support Services for Older People
- Immunisation
- Libraries
- Placemaking & Events
- Recreation & Sport
- Volunteers
- Waste Management
- Youth Programs

City Assets

Our City Assets Directorate plans, provides and maintains sustainable infrastructure to enable the community to enjoy a high quality of life. It works to support business to flourish in the City.

The services provided by the City Assets Directorate include:

- Asset Management Systems
- Car Parking
- Engineering & Planning Services
- Infrastructure Maintenance
- Linemarking
- New Infrastructure Projects
- Open Space Management & Construction
- Property Maintenance & Management
- Public Lighting
- Recreational Facilities
- Road & Footpath Upgrades
- Road Construction & Repair
- Road Safety Improvements
- Stormwater Management
- Streetscape Management
- Transport, Pedestrian & Cycling Infrastructure

Our Staff

	Female	Male	Total	Full Time Equivalent (FTE)
Contract Full Time	24	21	45	45.00
Contract Part Time	12	3	15	10.72
Full Time	97	276	373	373.00
Part Time	60	6	66	43.01
Total	193	306	499	471.73

Senior Executive Officers

There are four Senior Executive Officers at the City of PAE — the Chief Executive Officer and three Directors. Their salary packages include allowances and benefits such as a fully maintained vehicle, the ability to salary sacrifice, and statutory superannuation. No bonuses are payable.

Enterprise Bargaining

Two industrial instruments define the employment conditions for Council employees working under the Local Government Workers Award and the Salaried Municipal Officers Award.

Our Enterprise Agreements are created to ensure that our employees are productive and that they can perform the responsibilities of their role in a safe, positive and constructive work environment. These agreements provide direction and clarity for employees and Council to ensure great service outcomes to our community.

- The City of Port Adelaide Enfield Municipal Officers Workplace Agreement No. 5 - 2020 was certified on 17 June 2020 and will expire on 31 December 2022
- The City of PAE Field Staff Enterprise Agreement No. 11 - 2021 was certified on 7 June 2021 and will expire on 30 June 2024

Risk Management

We continue to work hard to refine and monitor Strategic Risks. The 22 Strategic Risks are those we see as having an impact on our ability to deliver on the 2030 vision for our community via the City Plan.

At least four times a year we present regular reports to the Audit Committee on the effectiveness of the controls we have applied to reduce the occurrence or impact of these strategic risks. We also scan our broader environment to ensure that we are aware of external changes that may impact our ability to deliver on our commitments to the community. We implement strategies to ensure that we stay on track.

Auditor

In accordance with Section 128(9) of the Local Government Act, during the 2020-2021 financial year, Council's external auditor was remunerated \$38,058 for the audit of Council's financial statements and \$2,000 for other services.

Work Health and Safety

Work Health and Safety (WHS) is a priority for the City of PAE. We strive to create an environment and culture where safety is at the forefront of everything we do.

WHS sits within the People & Culture section, which is part of the Corporate Services Directorate. WHS is supported by:

- the WHS and Return To Work Management Framework
- the Strategic Improvement Plan
- a suite of policies, procedures, task-specific risk assessments, guides and forms

Providing hands-on support to both field and administrative employees, the WHS team consults with those doing the work to ensure that we identify risks, minimise hazards and support safety awareness and practices. The WHS team also provides return to work support for employees injured at work.

All new employees are required to complete a WHS induction and are made aware of legislative responsibilities.

As a Council we participate in the Healthy Lifestyle program sponsored by Local Government Risk Services. This program includes employee skin screening, fitness assessments and seminars on health and nutrition.

Equal Opportunity

The City of PAE has an Equal Opportunity Policy and as required by the Local Government Act 1999, Section 107(2)(g), we facilitate an Equal Opportunity program. We currently have 10 trained Equal Opportunity Officers based in a range of workgroups and departments, all of whom have undergone training in Equal Opportunity Law.

Equal Opportunity Officers support their colleagues in many ways, including giving advice about the interpretation of policies and understanding expectations around the code of conduct. They are also available to be present in a neutral capacity at meetings. Our Recruitment and Selection Policy and recruitment training for employees guides equal opportunity employment.

During 2020–2021, we also continued work on our Aboriginal Employment Strategy and a broader Diversity and Inclusion Strategy.

Employee Training and Development

The City of PAE encourages and supports its employees' training and development. This includes support with and access to:

- further education
- job-relevant conference/seminar attendance
- leadership development programs
- industry-specific networking events
- internal training programs

Such opportunities enable employees to perform at their best within both the local government sector and their related discipline.

Investment in our people is key to continuous improvement, and it enhances our capability to deliver our City Plan priorities. We also collaborate with our Local Government partners to provide opportunities for our employees to participate in learning and development initiatives more broadly across the sector. These opportunities include the Local Government Professionals Emerging Leaders Program and the Management Challenge Program.

Our traineeships and work experience program offer young people residing or attending school within PAE an opportunity to study and learn 'on the job' through experiencing roles and functions across Council.

Our Constructive Culture

We continue to grow our workplace culture at PAE with initiatives that support and encourage a constructive workplace environment.

A constructive workplace environment focuses on being productive, positive, supportive and encouraging. We empower our employees to deliver the objectives of our City Plan in considered, effective and innovative ways. We strive for excellence, celebrate our successes and address issues in an open, honest and fair way.

We encourage our employees to build good relationships with our customers and to act in their best interests. We are committed to making decisions focused on the public good.

Working Parties and Groups

Our working parties and groups examine and investigate specific issues and facilitate or oversee a range of activities. These include the:

- Aboriginal Advisory Panel (comprising community members and Elected Members)
- Domestic and Family Violence Workgroup
- Emergency Planning Committee
- Executive Leadership Team
- Incident Management Team — COVID-19
- IT Strategy and Policy Group
- Major Projects Group
- Section Managers Group
- Workplace Health & Safety Committee (staff)

We also form internal workgroups focused on exploring specific topics as required.

Building Fire Safety Panel

The Building Fire Safety Panel investigates and ensures that owners are maintaining proper levels of fire safety in their buildings. Where the Panel identifies deficiencies, it requires owners to improve fire safety standards to a minimum acceptable level.

To achieve this, the Building Fire Safety Panel undertakes proactive inspections, responds to public concerns and takes action on South Australian Metropolitan Fire Service reports relating to identified deficiencies.

National Competition Policy

We do not operate any significant business activities within either Category 1 or Category 2 under the National Competition Policy. We received no complaints about the application of competitive neutrality during the 2019–2020 financial year.

Council By-Laws, which were adopted in July 2015, are subject to the requirements of Section 247 of the Local Government Act 1999 regarding avoiding restricting competition to any significant degree.

Delegations

Delegations are the powers that Council delegates to Committees (for example, the Council Assessment Panel) and to the Chief Executive Officer. They enable the delegate to conduct activities within their authorisation without referring to Council.

Under Section 44 of the Local Government Act 1999, Council may delegate a power or a function vested or conferred under this or another Act. Other Acts also contain specific powers of delegation. Delegations made by the Council under Section 44 of the Local Government Act 1999 can be made to a Council committee, a subsidiary of the Council, an employee of the Council occupying a particular office or position, or an authorised person.

Other Acts may specify different delegates from those specified in the Local Government Act 1999. A delegation made under Section 44 of the Local Government Act 1999 is revocable at will and does not prevent the Council from acting on a matter.

The PAE Delegations Manual contains all delegations to the Chief Executive Officer and committees by Council and is available on our website at:

 cityofpae.sa.gov.au/council/corporate-documents/delegations

We review the delegations throughout the year, ensuring consistency with legislative and organisational requirements.

Use of Local Goods and Services

Under Section 49(1) of the Local Government Act 1999, we have recently updated and strengthened the Council Policy — Procurement. Subject to the Competition Principles Agreement, as defined in the Competition and Consumer Act 2010 and as applicable to Local Government, Council will, wherever possible, adopt a policy of purchasing locally.

Our updated policy focuses more closely on utilising local goods manufacturers and local goods and services suppliers, along with a range of other factors, to assist us in delivering all contracted requirements. Through this policy we are giving local suppliers the opportunity to tender and quote for the supply of goods and services.

In late 2021 we will also implement an eMarketplace portal, to connect local businesses to deliver goods and services to meet our requirements.

Competitive Tendering

Our Procurement Policy meets the requirements of Section 49 of the Local Government Act 1999 in addressing competitive tendering and other measures to ensure cost-effective delivery of goods and services. In accordance with the policy, we will call for open or public tenders for the supply of goods, the provision of services, or the carrying out of works in circumstances where there is a competitive supply market and the level of the estimated gross value of expenditure exceeds \$100,000 (excluding GST).

Throughout the year, 27 tenders were released via Tenders SA to the market to support the deliverables of Council.

Reporting Required under the Local Nuisance and Litter Control Act 2016

One of our key responsibilities is to sustain and improve public and environmental health. We aim to achieve this by improving local amenities and the environment, in keeping with the Local Nuisance and Litter Control Act 2016.

During 2020–2021, a total of 2,955 littering and 925 local nuisance reports were received. The following table indicates the number and subject of abatement notices issued throughout the reporting period:

Reason	Abatement Notices Issued
Nuisance Animals	6
Unsightly Premises	7
Fixed Machine Noise	1

The following table illustrates the reason for, and number of, expiations issued by Council, in relation to local nuisance and litter matters throughout the 2020–2021 reporting period:

Matter	Number of Expiations
Litter Dispose of more than 50L of Class B or General Litter (<i>Body Corporate</i>)	1
Litter Dispose of more than 50L of Class B or General Litter (<i>Person</i>)	8
Litter Dispose of up to 50L of Class B Litter	9
Litter Dispose of up to 50L of General Litter	10
Fail to comply with nuisance abatement notice (<i>Person</i>)	5

Management Plans for Community Land

Community Land Management Plans (CLMPs) are fundamental documents that ensure that we are managing some of our most important community assets — open spaces. CLMPs demonstrate our commitment to the community to manage our land in an effective, transparent and orderly way.

In 2019 we reviewed our existing CLMPs, conducted consultation and chose to adopt new CLMPs, including those for:

- Active Recreation Reserves
- Commercial Property
- Community Facilities
- Folland Park
- Off-Street Car Parks
- Operational Assets
- Passive Recreation Reserves
- Pieces 9 and 10 in Deposited Plan 70468, North Haven
- Stormwater/Drainage Reserves
- The Lights Community & Sports Centre
- Wetlands

In 2020, we also adopted new CLMPs for:

- Coastal Reserves
- Beaches

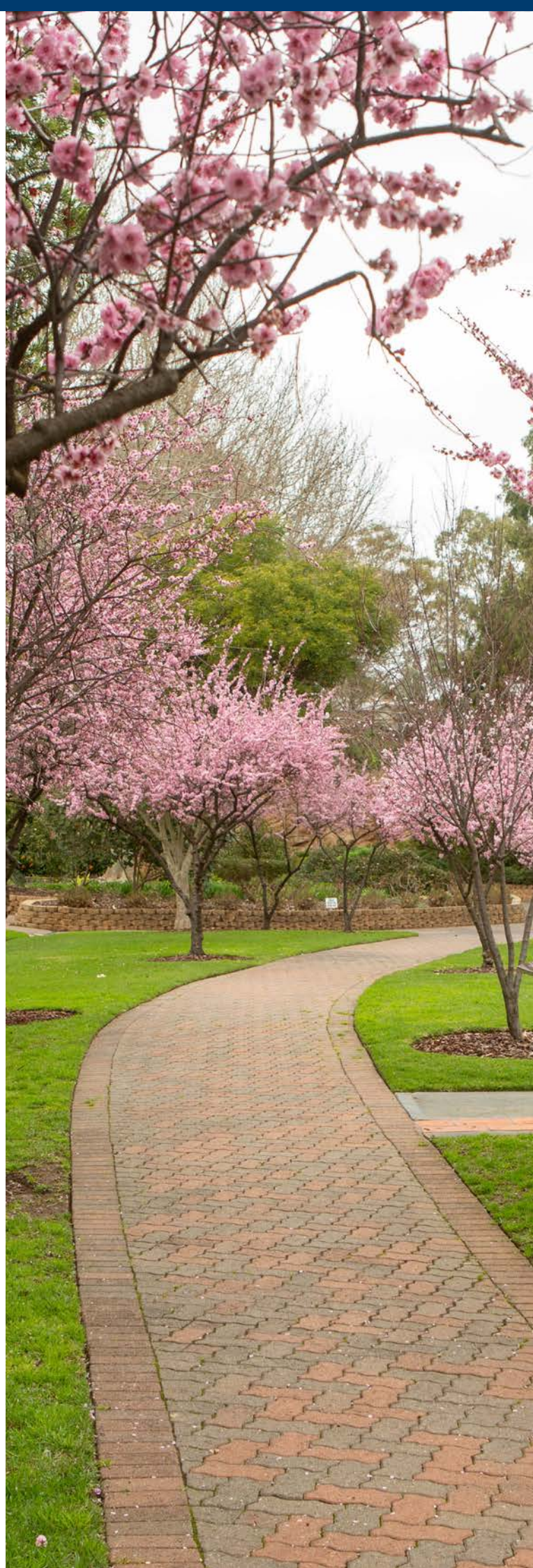
We continue to review our performance under the objectives of the CLMPs.

Codes

We maintain codes of conduct or practice to provide guidelines and to support accountability as well as to meet various requirements under the Local Government Act 1999 and Local Government (Elections) Act 1999.

The list of codes is as follows:

- City of PAE Elected Members' Code of Conduct — Section 63
- City of PAE Employees' Code of Conduct — Section 110
- Code of Practice for the use of Confidentiality Provisions under the Local Government Act — Section 92
- Code of Practice — Meeting Procedures
- Ministers Code of Conduct — Council Assessment Panel





Registers and Other Documents

We maintain several registers to enable accountability and transparency. The list of registers required to be kept under the Local Government Act 1999 or Local Government (Elections) Act 1999 is as follows:

- Register of Allowance and Benefits (Section 79)
- Register of By-Laws (Section 251)
- Register of Community Land (Section 207)
- Register of Community Land Management Plans (Section 196)
- Register of Confidential Items (Section 92)
- Register of Declaration of Conflict of Interests — Elected Members (Section 74(5), 75A(4))
- Register of Fees and Charges (Section 118)
- Register of Interest (Members) (Sections 68 and 70)
- Register of Interest (Members) — Excerpt (Section 68)
- Register of Interests (Officers) (Section 116)
- Register of Public Roads (Section 231)
- Register of Remuneration, Salaries and Benefits (Section 105)
- Gifts & Benefits Register — Employee (Section 110(1))
- Gifts & Benefits Register — Elected Member (Section 63)
- Delegations Manual (Section 44(6))

We also maintain a Campaign Donations Returns Register, as required in compliance with the Local Government (Elections) Act 1999.

Council Policies

Council Policies are publicly accessible decision-making resources. They guide our activities and inform our customers and the community about the scope of decisions or actions relating to our programs, responsibilities and services. We regularly review each policy.

We also operate under a suite of administrative policies that are managed internally and do not require endorsement by the Council.


Policies are reviewed under the Framework against the following criteria:

- the need for, and role of, each policy in terms of the City Plan and Council's Strategic Management Framework
- the policy content and its ongoing relevance
- the need to update the policy to correspond with resolutions of Council or decisions of the Executive Leadership Team
- legislation changes that result in policy amendment and legislative criteria to be considered during a policy review
- whether there have been customer complaints about policy content and whether these concerns should be considered when reviewing the policy

Departments review relevant Council Policies, and the Executive Leadership Team confirms proposed amendments prior to the policies being forwarded to Council for endorsement.

Enquiries regarding accessing and inspecting procedures related to our policy documents or administrative policies should be made with our Customer Relations team.

Access to Council Documents

A range of documents are available for public inspection at our Civic Centre (163 St Vincent Street, Port Adelaide) between 8.30am and 5pm, Monday to Friday. Some documents are also available on our website at  cityofpae.sa.gov.au

We can provide many of these documents free of charge to the public. Where a fee is payable for a copy of a document, that fee is set out in the Schedule of Fees and Charges (subject to review by Council in June each year). During COVID-19, alternative arrangements were made for members of the public seeking access to documents.

A list of documents available for inspection is provided in our Freedom of Information Statement, which is available on our website at:

 cityofpae.sa.gov.au/connect/contact-us/freedom-of-information

Freedom of Information


We are pleased to provide information to residents and ratepayers wherever possible. Some information is available for viewing at no charge or for a nominal reproduction charge if no copyright exists. Charges may apply in cases where extraordinary staff time is required to comply with the information request.

Requests for other information are considered under the Freedom of Information Act 1991. Under this legislation, an application fee must be forwarded with the request, although exemptions may be granted in some cases. If the applicant requires copies of any documents requested under a Freedom of Information (FOI) request, fees may apply, as set out in the Request for Access to Information form.

Freedom of Information Request forms are available as follows:

- online at:
 cityofpae.sa.gov.au/connect/contact-us/freedom-of-information
- in person at the Civic Centre and Greenacres and Enfield Libraries

Forms and enquiries can be sent back in the following ways:

- by post: Freedom of Information Officer, City of Port Adelaide Enfield, PO Box 110, Port Adelaide SA 5015
- by email:  service@cityofpae.sa.gov.au

FOI applications will receive a response as soon as possible. It is a statutory requirement that we respond within 30 days of receiving the request together with either the application fee or proof of exemption.

Members of the public may also seek amendments to documents concerning their personal affairs by making a request under the Freedom of Information Act 1991. They may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date. To gain access to these Council records, a Freedom of Information Request for Access form must be completed (as described above), outlining the records that the applicant wishes to inspect. The completed form should be forwarded to the Freedom of Information Officer.

We received 23 applications under the Freedom of Information Act 1991 for the 12 months to 30 June 2021:

- **3 applications** were refused, as the information sought was publicly available
- **1 application** failed to find any documents in Council's systems relevant to the scope of the FOI request
- **1 application** was withdrawn by an applicant before information could be provided
- **1 application** resulted in a full refusal as the documents were exempt under Clause 4 (Documents affecting law enforcement and public safety) and Clause 6 (Documents affecting personal affairs)

Application outcomes:

- **4 applications** were determined to be released in full
- **12 applications** had partial release granted under Schedule 1 of the Act
- **9 applications** had partial release granted under Clause 6 (Documents affecting personal affairs)
- **2 applications** were partially released under both Clause 6 (Documents affecting personal affairs) and Clause 7 (Documents affecting business affairs)
- **1 application** was partially released under both Clause 7 (Documents affecting personal affairs) and Clause 10 (Documents subject to legal professional privilege)
- **1 application** remains open and is yet to be determined

The inclusion of this section of our Annual Report meets our responsibility under Section 9 of the Freedom of Information Act 1991.



4 :: Appendices



City of Port Adelaide Enfield

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021

*A City that values its diverse community and embraces change
through innovation, resilience and community leadership*



City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2021

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City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2021

Certification of Financial Statements

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

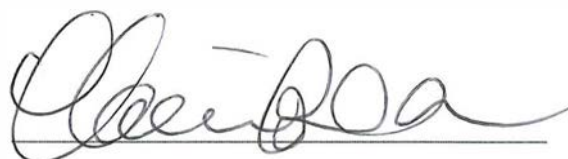
In our opinion:

- 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 2021 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.



Mark Withers
Chief Executive Officer

09 November 2021



Claire Boan
Mayor

09 November 2021

City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2021

Understanding Council's Financial Statements

Introduction

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

About the Certification of Financial Statements

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

What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

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

The Financial Statements incorporate 4 "primary" financial statements:

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

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 4 Primary Financial Statements.

About the Auditor's Reports

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

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

About the Independence Certificates

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

Who uses the Financial Statements?

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

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

City of Port Adelaide Enfield

Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Income			
Rates	2a	109,874	106,626
Statutory Charges	2b	4,120	3,516
User Charges	2c	2,485	2,006
Grants, Subsidies and Contributions	2f	10,293	12,792
Investment Income	2d	26	61
Reimbursements	2e	3,700	3,902
Net Gain - Equity Accounted Council Businesses	19(a)	804	—
Total Income		131,302	128,903
Expenses			
Employee costs	3a	47,058	45,132
Materials, Contracts and Other Expenses	3b	45,497	45,511
Depreciation, Amortisation and Impairment	3c	34,237	32,261
Finance Costs	3d	270	286
Net loss - Equity Accounted Council Businesses	19(a)	—	117
Total Expenses		127,062	123,307
Operating Surplus / (Deficit)		4,240	5,596
Physical Resources Received Free of Charge	2g	15,150	10,009
Asset Disposal & Fair Value Adjustments	4	(3,248)	(1,610)
Amounts Received Specifically for New or Upgraded Assets	2f	2,175	832
Net Surplus / (Deficit)		18,317	14,827
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I, PP&E	9a	(10,909)	5,814
Total Amounts which will not be reclassified subsequently to operating result		(10,909)	5,814
Total Other Comprehensive Income		(10,909)	5,814
Total Comprehensive Income		7,408	20,641

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

City of Port Adelaide Enfield

Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	2,185	6,771
Trade & Other Receivables	5b	4,059	5,303
Inventories	5c	302	280
Other Current Assets	5d	7,633	4,702
Total current assets		14,179	17,056
Non-current assets			
Financial Assets	6a	16	10
Equity Accounted Investments in Council Businesses		1,985	–
Other Non-Current Assets	6b	10,197	2,496
Infrastructure, Property, Plant & Equipment	7a(i)	1,618,189	1,611,001
Total non-current assets		1,630,387	1,613,507
TOTAL ASSETS		1,644,566	1,630,563
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	13,349	12,133
Borrowings	8b	1,362	954
Provisions	8c	12,083	11,931
Total Current Liabilities		26,794	25,018
Non-Current Liabilities			
Borrowings	8b	12,247	7,315
Provisions	8c	730	726
Liability - Equity Accounted Council Businesses	8d	–	117
Total Non-Current Liabilities		12,977	8,158
TOTAL LIABILITIES		39,771	33,176
Net Assets		1,604,795	1,597,387
EQUITY			
Accumulated surplus		849,392	832,660
Asset revaluation reserves	9a	739,608	752,597
Other reserves	9b	15,795	12,130
Total Council Equity		1,604,795	1,597,387
Total Equity		1,604,795	1,597,387

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

City of Port Adelaide Enfield

Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2021					
Balance at the end of previous reporting period		832,660	752,597	12,130	1,597,387
Restated opening balance		832,660	752,597	12,130	1,597,387
Net Surplus / (Deficit) for Year		18,317	—	—	18,317
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	(10,909)	—	(10,909)
- Land & Buildings Asset Revaluation Reserve		2,080	(2,080)	—	—
Other comprehensive income		2,080	(12,989)	—	(10,909)
Total comprehensive income		20,397	(12,989)	—	7,408
Transfers between Reserves		(3,665)	—	3,665	—
Balance at the end of period		849,392	739,608	15,795	1,604,795
2020					
Balance at the end of previous reporting period		823,476	745,618	6,995	1,576,089
Adjustments (due to compliance with revised Accounting Standards) - not retrospective		657	—	—	657
Restated opening balance		824,133	745,618	6,995	1,576,746
Net Surplus / (Deficit) for Year		14,827	—	—	14,827
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	5,814	—	5,814
- Land & Buildings Asset Revaluation Reserve		(1,165)	1,165	—	—
Other comprehensive income		(1,165)	6,979	—	5,814
Total comprehensive income		13,662	6,979	—	20,641
Transfers between Reserves		(5,135)	—	5,135	—
Balance at the end of period		832,660	752,597	12,130	1,597,387

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

City of Port Adelaide Enfield

Statement of Cash Flows

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Cash flows from operating activities			
<u>Receipts</u>			
Operating Receipts		141,177	136,347
Investment Receipts		26	61
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(101,675)	(100,669)
Finance Payments		(239)	(279)
Net cash provided by (or used in) Operating Activities	11b	<u>39,289</u>	<u>35,460</u>
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		3,147	2,707
Sale of Replaced Assets		1,839	684
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(30,455)	(24,855)
Expenditure on New/Upgraded Assets		(18,514)	(12,690)
Capital contributed to Equity Accounted Council Businesses		(1,297)	—
Net cash provided (or used in) investing activities		<u>(45,280)</u>	<u>(34,154)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		41,315	25,700
<u>Payments</u>			
Repayments of Borrowings		(38,974)	(30,952)
Repayment of Lease Liabilities		(936)	(184)
Repayment of Bonds & Deposits		—	(205)
Net Cash provided by (or used in) Financing Activities		<u>1,405</u>	<u>(5,641)</u>
Net Increase (Decrease) in Cash Held		<u>(4,586)</u>	<u>(4,335)</u>
plus: Cash & Cash Equivalents at beginning of period		6,771	11,106
Cash and cash equivalents held at end of period	11a	<u>2,185</u>	<u>6,771</u>
Additional Information:			
Total Cash, Cash Equivalents & Investments		<u>2,185</u>	<u>6,771</u>

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

City of Port Adelaide Enfield

Notes to and forming part of the Principal Financial Statements for the year ended 30 June 2021

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies

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

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

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention (except as stated below) 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 16 November 2021

1.2 Critical Accounting Estimates

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

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

1.3 Estimates and assumptions

The COVID-19 pandemic has impacted the 2020/21 financial statements, which may impact on the comparability of some line items and amounts reported in these financial statements and/or the notes. The financial impacts are a direct result of either Council's response to the pandemic or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

Council developed the COVID-19 Recovery Framework and allocated \$2.4 million in funding in its 2020/21 Annual Business Plan and Budget to support community response and recovery. A total of \$1.9 million was expended from this fund during the year across a wide range of programs events and activities, some of which included:

- \$0.4 million in rent abatement on commercial leases
- \$0.3 million in community grants and projects
- \$0.2 million in fee waivers
- \$0.2 million in additional traineeships

It is expected further financial impacts will flow into the 2021/22 financial year but these have been largely taken into account during the development of the budget process for 2021/22 including additional recovery funding of \$0.6 million. The budget assumptions for 2021/22 assume that no further harsher restrictions are put in place by the government. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

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 Port Adelaide Enfield is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 163 St Vincent Street, Port Adelaide. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

(3) Income Recognition

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

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

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

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation. On 9 June 2021, the Federal Government paid an amount of \$2,243,888 being untied financial assistance grants, which is recognised on receipt in advance of the year of allocation. In the previous financial year, grants received in advance were \$2,292,258. These advance payments represent approximately 50% of the amount expected for the respective year.

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

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

Construction Contracts

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

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

(4) Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

(5) Inventories

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

(5A) Other Assets - Real Estate Held for Sale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(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 is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$2,000
Other Plant & Equipment	\$1,500
Buildings - new construction/extensions	\$10,000
Road construction & reconstruction	\$5,000
Paving & footpaths, Kerb & Gutter	\$5,000
Drains & Culverts	\$5,000
Bridges	\$20,000
Bus Shelters	\$10,000

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

Other than land, all property and infrastructure 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. Plant and equipment assets are currently depreciated using the diminishing balance method.

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

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

Buildings and Building Improvements	10 to 160 years
Infrastructure - Roadways	20 to 300 years
Infrastructure - Footways	20 to 85 years
Infrastructure - Drainage	60 to 120 years
Equipment	2 to 24 years
Furniture and Fittings	3 to 20 years
Other – Library Book Stock	3 to 7 years
Other – Waste Bins	9 to 15 years

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

(7) Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days 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. Present values are calculated using government guaranteed securities rates with similar maturity terms.

9.2 Superannuation

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

9.3 Productivity Incentive Allowance

This is a payment on termination of an employee based upon 50% of available sick leave and their rate of pay applicable as at an agreed date in the Workplace Agreements. This applied to both Field staff and Administration staff and is recognised by Council as a liability in the manner described in 9.1 above.

(10) Leases

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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

12.1 Council as a lessee

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

i) Right-of-Use-Assets

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

ii) Lease Liabilities

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

iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(11) Equity Accounted Council Businesses

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

(12) GST Implications

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

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

(13) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 101 and AASB 108 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Council.

Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. This amendment had no impact on the consolidated financial statements of the Council.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards.

(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 Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income

\$ '000	2021	2020
(a) Rates		
General Rates		
General Rates	110,437	107,134
Differential General Fines / Interest	380	431
Less: Discretionary Rebates, Remissions & Write Offs	(3,711)	(3,672)
Total General Rates	107,106	103,893
Other Rates (Including Service Charges)		
Regional Landscape Levy (RLL)	2,818	2,785
Less: Discretionary Rebates, Remissions & Write Offs (RLL)	(84)	(85)
New Haven Village Water Management	38	36
Less: Discretionary Rebates, Remissions & Write Offs (New Haven)	(4)	(3)
Total Other Rates (Including Service Charges)	2,768	2,733
Total Rates	109,874	106,626
(b) Statutory Charges		
Credit Control Fees and Charges	191	67
Development Act Fees (Building)	345	372
Development Act Fees (Planning)	1,758	1,308
Dog Control Registration	753	750
Fire Protection Fees	12	14
Health	27	60
Licences - Supported Facilities	6	5
Other Licences, Fees & Fines	30	28
Parking Fines / Expiation Fees	740	694
Property Search Fees	257	216
Road Café Licences	1	2
Total Statutory Charges	4,120	3,516
(c) User Charges		
Commercial Activity Revenue	651	969
Community Centre Program Fees	105	70
Golf Course Fees	728	273
Health Food & Safety Fees	6	6
Immunisation Fees	76	87
Photocopying / Printing Fees	64	64
Sanitary and Garbage Fees	17	15
Sundry Sales	47	60
Sundry User Charges	29	28
Hall , Equipment & Facilities Hire Fees	762	433
Library Fines	-	1
Total User Charges	2,485	2,006

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	9	22
- Banks & Other	17	39
Total Investment Income	26	61

(e) Reimbursements

Commercial Activities	50	88
Drainage & Footway Maintenance	239	238
Environmental Management	354	136
Fuel Tax Rebate	191	129
General Administration	416	643
Halls & Community Centres	20	14
Home & Community Care Program	155	168
Human Resources	85	76
Insurance Recoveries	1,368	922
Lease Recoveries	11	24
LGFA Bonus	19	42
Library Activities	8	13
Private Works	321	81
Recreation Services	217	232
Street Lighting	–	996
Tourism Activities	1	13
Traffic Control	175	73
Other	70	14
Total Reimbursements	3,700	3,902

(f) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	2,175	832
Total Amounts Received Specifically for New or Upgraded Assets	2,175	832
Operating Grants, Subsidies and Contributions		
- Community Development	287	290
- Corporate Development	1,287	1,500
- Engineering Services	3,843	2,003
- Health & Community Services	2,632	2,703
Individually Significant Item	2,244	6,296
Total Other Grants, Subsidies and Contributions	10,293	12,792
Total Grants, Subsidies, Contributions	12,468	13,624

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

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
(i) Sources of grants		
Commonwealth Government	5,396	3,074
State Government	7,007	10,495
Other	65	55
Total	12,468	13,624
(ii) Individually Significant Items		
Grant Commission (FAG) Grant Recognised as Income	2,244	2,292
Contribution Recognised as Income	–	4,004

On 9th June 2021 the Federal Government advanced approximately half the instalment of the 2021-2022 annual Financial Assistance Grant (FAG).

(g) Physical Resources Received Free of Charge

Stormwater Drainage	2,510	1,781
Land & Buildings	7,553	4,801
Roadways	2,481	1,067
Footways	1,621	1,963
Kerb & Water Table	985	397
Total Physical Resources Received Free of Charge	15,150	10,009

Note 3. Expenses

\$ '000	Notes	2021	2020
(a) Employee costs			
Salaries and Wages		38,288	36,693
Superannuation - Defined Contribution Plan Contributions	18	3,990	3,867
Workers' Compensation Insurance		1,978	1,647
Annual Leave Expense		3,912	3,653
Long Service Leave Expense		920	1,275
Less: Capitalised and Distributed Costs		(2,030)	(2,003)
Total Operating Employee Costs		47,058	45,132
Total Number of Employees (full time equivalent at end of reporting period)		472	476

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

\$ '000	2021	2020
(b) Materials, Contracts and Other Expenses		
(i) Prescribed Expenses		
Auditor's Remuneration		
- Auditing the Financial Reports	38	38
- Other Services	2	2
- Other Auditors	25	24
Bad and Doubtful Debts	4	(57)
Elected Members' Expenses	555	535
Election Expenses	32	72
Lease Expense - Low Value Assets / Short Term Leases	130	244
Subtotal - Prescribed Expenses	786	858
(ii) Other Materials, Contracts and Expenses		
Contractors	27,276	26,404
Legal Expenses	826	614
Parts, Accessories & Consumables	4,146	4,036
Professional Services	839	596
Levies Paid to Government - Dog & Cat Management Board Levy	171	168
Levies Paid to Government - Regional Landscape Levy	2,690	2,706
Levies Paid to Government - Emergency Services Levy	141	125
Levies Paid to Government - Other	118	36
Contributions and Donations - Economic Affairs & Tourism	131	246
Contributions and Donations - Recreation & Culture	143	106
Contributions and Donations - Other	636	483
Contract Labour	1,939	1,803
Fringe Benefits Tax	242	242
Electricity	3,291	2,803
Water & Sewerage Rates	2,733	3,423
Fuel, Gas & Lubricants	724	848
Advertising	132	190
Bank Charges	201	200
Insurance (excl. Workers Comp'n)	1,657	1,633
Local Govt. Assoc. Subscription	92	91
Licence Fees - Data Processing	1,362	1,076
Postage	228	263
Telephone Expenses	424	417
Training Expenses	321	298
Vehicle Registration & Insurance	220	226
Other	1,381	1,432
Less: Capitalised and Distributed Costs	(7,353)	(5,812)
Subtotal - Other Material, Contracts & Expenses	44,711	44,653
Total Materials, Contracts and Other Expenses	45,497	45,511

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

\$ '000	2021	2020
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings	8,863	8,401
Infrastructure	21,723	20,934
Right-of-use Assets	951	190
Plant & Equipment	1,776	1,877
Furniture & Fittings	470	360
Waste Bins	212	209
Software	242	290
Subtotal	34,237	32,261
<u>Total Depreciation, Amortisation and Impairment</u>	<u>34,237</u>	<u>32,261</u>

(d) Finance Costs

Charges on Finance Leases	86	14
Local Govt. Finance Authority	184	272
<u>Total Finance Costs</u>	<u>270</u>	<u>286</u>

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2021	2020
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	1,839	684
Less: Carrying Amount of Assets Sold	(5,087)	(2,294)
Gain (Loss) on Disposal	(3,248)	(1,610)
<u>Net Gain (Loss) on Disposal or Revaluation of Assets</u>	<u>(3,248)</u>	<u>(1,610)</u>

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Current Assets

\$ '000	2021	2020
(a) Cash & Cash Equivalent Assets		
Deposits with Local Govt. Finance Authority	1,669	3,019
Cash on Hand	5	7
Cash at Bank	511	3,745
Total Cash & Cash Equivalent Assets	2,185	6,771

(b) Trade & Other Receivables

Rates - General & Other	1,642	2,935
Debtors - General	1,514	1,794
GST Recoupment	650	399
Prepayments	511	435
Fuel Tax Claimable	11	12
Subtotal	4,328	5,575
Less: Allowance for Doubtful Debts	(269)	(272)
Total Trade & Other Receivables	4,059	5,303

Provision for Doubtful Debts

Opening Provision	272	342
Add: Increase/(Decrease) in Provision	(3)	(70)
Closing Provision for Doubtful Debts	269	272

Nature of Impaired Trade Receivables 90 Days and Over

Rates Receivable	192	178
Sundry Debtors	77	94
Closing Provision for Doubtful Debts	269	272

Rates are secured over the subject land and the balance outstanding represents 1.49% of gross rate income for the period. Rates were able to be paid in full on or before the due date, 14th September 2020, or over four instalments payable on or before the 14th day of September 2020, 1st December 2020, 1st March 2021 and 1st June 2021. Amounts unpaid after these dates were considered overdue. Fines and interest have been charged monthly at a rate of 2% and 0.433% respectively on any overdue amount excluding legal fees.

Sundry debtors have been charged in accordance with Council's Schedule of Fees & Charges. Majority are unsecured and do not bear interest. The balance outstanding represents 13% of fee income for the period (2019-2020: 23%). Collection is achieved on average in 46 days (2019-2020: 84 days). Of the outstanding balance, 29% of the invoices were raised in June 2021. 24% of the outstanding balance is greater than 90 days.

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Current Assets (continued)

\$ '000	2021	2020
(c) Inventories		
Stores & Materials	302	280
<u>Total Inventories</u>	<u>302</u>	<u>280</u>
(d) Other Current Assets		
Real Estate Held for Sale	7,633	4,702
<u>Total Other Current Assets</u>	<u>7,633</u>	<u>4,702</u>

Note 6. Non-Current Assets

\$ '000	2021	2020
(a) Financial Assets		
Receivables		
Rates & General	16	10
Subtotal	<u>16</u>	<u>10</u>
Total Receivables	<u>16</u>	<u>10</u>
<u>Total Financial Assets</u>	<u>16</u>	<u>10</u>
(b) Other Non-Current Assets		
Other		
Capital Works-in-Progress	10,197	2,496
Total Other	<u>10,197</u>	<u>2,496</u>
<u>Total Other Non-Current Assets</u>	<u>10,197</u>	<u>2,496</u>

Notes to the Financial Statements
for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment & Investment Property

(a(i)) Infrastructure, Property, Plant & Equipment

		Asset movements during the reporting period														as at 30/06/21		
Fair Value Level	\$ '000	as at 30/06/20				Transition adjustment - AASB 16	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Tf/s from/(to) "Held for Sale" category	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount													
Land	2	40,379	74	-	40,453	-	9,041	-	-	-	(18,684)	-	-	-	29,360	1,450	-	30,810
Land	3	363,535	-	-	363,535	-	-	-	(1,229)	-	18,684	(2,931)	(1,280)	18,392	395,169	-	-	395,169
Buildings	2	37,168	29,076	(26,041)	40,203	-	3,345	4,763	(8,863)	(1,978)	-	-	(21,699)	-	30,647	4,101	(22,065)	12,683
Buildings	3	290,296	-	(119,608)	170,688	-	-	-	-	-	1,978	-	-	-	320,834	-	(148,167)	172,667
Infrastructure	3	1,511,769	31,854	(562,665)	980,958	-	15,445	20,556	(21,723)	-	-	-	(6,322)	-	1,542,740	27,473	(581,300)	988,913
Right-of-Use Assets		759	-	(311)	448	-	-	3,935	(951)	-	-	-	-	-	4,694	-	(1,262)	3,432
Plant & Equipment		-	21,293	(10,394)	10,899	-	-	2,560	(590)	(1,776)	-	-	-	-	22,360	(11,267)	11,093	
Furniture & Fittings		-	6,826	(4,216)	2,610	-	12	507	(470)	-	-	-	-	-	6,882	(4,223)	2,659	
Waste Bins		-	4,818	(4,118)	700	-	125	-	(212)	-	-	-	-	-	4,943	(4,330)	613	
Software		-	2,254	(1,747)	507	-	20	24	(160)	(242)	-	-	-	-	1,734	(1,584)	150	
Total Infrastructure, Property, Plant & Equipment																		
		2,243,906	96,195	(729,100)	1,611,001	-	27,988	32,365	(5,087)	(34,237)	-	(2,931)	(29,301)	18,392	2,323,444	68,943	(774,198)	1,618,189
Comparatives																		
		2,183,211	84,571	(697,118)	1,570,664	141	43,469	25,468	(2,294)	(32,261)	-	-	(5,699)	11,513	2,243,906	96,195	(729,100)	1,611,001

Notes to the Financial Statements

for the year ended 30 June 2021

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

(b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

Valuation of Assets

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

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

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

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

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

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

Information on Valuations

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

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

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

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

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

Transfers between fair value hierarchy levels

In the course of revaluing Land & Buildings, the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

Other Information

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

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

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 and buildings 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 land, buildings, infrastructure and other assets: there is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

Land & Land Improvements

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

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, originally deriving from a valuation at 30 June 1997 at current replacement cost. 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.

A physical valuation of Land was undertaken by Mitch Ekonomopoulos - Certified Practising Valuer. Valuations were made on the basis of market value as at 30 June 2021 for AssetVal a business of Marsh Pty Ltd.

Land assets free of charge totalling \$6,067,000 were brought to account as at 30 June 2021 at Fair Value as determined by IMitch Ekonomopoulos - Certified Practising Valuer for AssetVal a Business of Marsh Pty Ltd. Land assets free of charge totalling \$1,450,000 were also brought to account as at 30 June 2021 at Valuer General value.

Buildings & Other Structures

A physical revaluation was carried out by independent valuation for this reporting period, 30 June 2021. Revaluations were undertaken by Mitch Ekonomopoulos - Certified Practising Valuer for AssetVal a business of Marsh Pty Ltd.

Site improvement assets free of charge totalling \$36,000 were brought to account as at 30 June 2021 at Fair Value as determined by IMitch Ekonomopoulos - Certified Practising Valuer for AssetVal a business of Marsh Pty Ltd

Valuations were made on the basis of written down replacement cost as at 30 June 2021.

Infrastructure

Notes to the Financial Statements

for the year ended 30 June 2021

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

Infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) were valued by Council Staff as at 30 June 2020.

A comprehensive independent revaluation was carried out for Pump Stations for the reporting period, ended 30 June 2021. Revaluations were undertaken by Mitch Ekonomopoulos - Certified Practising Valuer for AssetVal a business of Marsh Pty Ltd. Valuations were made on the basis of written down replacement costs as at 30 June 2021.

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

An Independent review and certification of units rates and total useful lives was undertaken by, Andrea Carolan, FAPI, Certified Practising Valuer API No 6398, as at 30 June 2020.

Valuations were made on the basis of written down replacement cost as at 30 June 2020.

Infrastructure assets received free of charge totalling \$7,596,698 (2019/20: \$5,208,808) were brought to account as at 30 June 2021 at a valuation consistent with other infrastructure valuations as determined by the Director City Assets.

Plant & Equipment

These assets are recognised on the cost basis.

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Liabilities

\$ '000	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(a) Trade and Other Payables				
Payments Received in Advance				
- Grants, Subsidies, Contributions - Operating	709	—	147	—
- Grants & Contributions - Capital	2,170	—	1,198	—
Deposits, Retentions & Bonds	93	—	93	—
Trade Creditors	9,448	—	8,915	—
Payroll	552	—	1,439	—
Accrued Expenses - Interest on Loans	31	—	38	—
Sundry Creditors	346	—	303	—
<u>TOTAL Trade and Other Payables</u>	<u>13,349</u>	<u>—</u>	<u>12,133</u>	<u>—</u>

Liabilities are recognised for amounts to be paid in the future for goods and services received. These liabilities are settled in 37 days on average (2019-20: 50 days).

Council has risk management policies in place to ensure that all payables are paid within credit timeframes.

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(b) Borrowings					
Lease Liabilities	17b	930	2,543	195	279
Local Government Finance Authority Debenture		432	204	759	636
Local Government Finance Authority Cash Advance		—	9,500	—	6,400
<u>TOTAL Borrowings</u>		<u>1,362</u>	<u>12,247</u>	<u>954</u>	<u>7,315</u>

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

(c) Provisions

Long Service Leave	6,492	730	6,519	726
Productivity Incentive	1,062	—	1,166	—
Annual Leave	4,529	—	4,246	—
<u>TOTAL Provisions</u>	<u>12,083</u>	<u>730</u>	<u>11,931</u>	<u>726</u>

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Liabilities (continued)

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(d) Liability Accounted Investments in Council Businesses					
CAWRA	19	—	—	—	117
<u>TOTAL Liability Accounted Investments in Council Businesses</u>		<u>—</u>	<u>—</u>	<u>—</u>	<u>117</u>

Note 9. Reserves

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land	57,646	17,112	(659)	—	74,099
Buildings	94,611	(21,699)	(1,421)	—	71,491
Infrastructure	600,340	(6,322)	—	—	594,018
<u>Total Asset Revaluation Reserve</u>	<u>752,597</u>	<u>(10,909)</u>	<u>(2,080)</u>	<u>—</u>	<u>739,608</u>
Comparatives	745,618	5,814	1,165	—	752,597

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Committed Projects	7,089	14,127	(7,089)	—	14,127
John Hart Reserve	118	8	—	—	126
Employee Services Reserve	500	—	(500)	—	—
Long Term Financial Plan Reserve	2,076	—	(2,076)	—	—
Open Space Development Special Fund	2,347	520	(1,325)	—	1,542
<u>Total Other Reserves</u>	<u>12,130</u>	<u>14,655</u>	<u>(10,990)</u>	<u>—</u>	<u>15,795</u>
Comparatives	6,995	7,506	(2,371)	—	12,130

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves (continued)

Purposes of Reserves

Asset Revaluation Reserve

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

Committed Projects Reserve

The Committed Projects Reserve has been established to provide funds for the completion of capital and other material projects carried over from one financial year to the next.

John Hart Reserve

The John Hart Reserve receives under an agreement, contributions from the Port Adelaide District Hockey Club Inc. to fund the future replacement of the synthetic hockey pitch located on the John Hart Reserve, Swan Terrace, Ethelton. Interest accrues throughout the year on the balance of the reserve. The pitch was last replaced during the 2012-13 financial year.

Employee Services Reserve

The Employee Services Reserve has been established to fund employee entitlements including long service leave, productivity and parenting leave not provided for in working capital. Council resolved in May 2021 that the Fund should be discontinued.

Long Term Financial Plan Reserve

The Long Term Financial Plan Reserve has been established to assist with funding of initiatives not identified in Council's Annual Budget and Long Term Financial Plan at the time of establishment. Council resolved in May 2021 that the Fund should be discontinued.

Open Space Development Special Fund

The Open Space Development Special Fund as required under section 50 of the Development Act 1993, receives contributions from Developers in lieu of the provision of open space as part of land sub-divisions. As required under the Act, the funds will be applied by the Council for the purpose of acquiring or developing land as open space as appropriate opportunities arise. Interest accrues throughout the year on the balance of the reserve.

Land Revaluation Reserve

Reserve movement is a result of current Revaluation and write-off portion of increment/decrement for disposed assets from Revaluation reserve.

Buildings Revaluation Reserve

Reserve movement is a result of current Revaluation and write-off portion of increment/decrement for disposed assets Revaluation reserve.

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 10. Assets Subject to Restrictions

\$ '000	2021	2020
<p>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.</p>		
Cash & Financial Assets		
Prospect Rd, Kilburn Streetscape Upgrade	1,250	–
Kilburn Blair Athol Renewal Projects	608	1,000
Grassroots Football, Cricket & Netball Facility Program	481	487
McLaren Parade Shared Space & Streetscape	302	573
EA Carlson Open Space & Places for People	225	–
Better Access to Public Transport Projects - Largs and Peterhead Railway Stations	150	–
Hotchkiss Playground Accommodation	130	130
Greening Our Streetscapes	92	–
Kerbside Performance (Food Waste) System	85	51
Ep Nazer Reserve Grassroots Program	78	–
Lyons/Tarton Rd, Windsor Gardens Traffic Improvements	57	–
St Albans Reserve Discus Circle	48	–
Alan Iverson Reserve Discus Circle	47	–
Home and Community Care - COVID Recovery	40	40
Home and Community Care - State	23	–
Mutton Cove Masterplanning	20	–
Ready to Play Cricket - Thomas Turner Reserve	14	–
Council Modernisation Grant 2020-21	12	–
Age Friendly SA Grant	9	–
Northridge Reserve Upgrades	7	–
Active Neighbourhood for Older Australians	2	2
Local Government Grants Commission Grant (Advance Payment)	–	2,292
Kilburn Blair Athol Public Realm Project	–	1,385
Kerbside Performance Food Waste Incentive	–	104
LGAWCS Risk Incentive Program	–	59
LGAMLS Risk Incentive Program	–	56
Home and Community Care - Commonwealth	–	25
Port Adelaide Organics Market Research	–	24
Contribution - Ottoway	–	23
Port River Public Realm Design Strategy	–	20
Black Spot Funding - Hookings Tce & Seventh Ave	–	8
Home and Community Care - State ILC NDIS Jurisdictional Funding	–	6
Fish Feeders SA Project	–	2
Total Cash & Financial Assets	3,680	6,287

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 10. Assets Subject to Restrictions (continued)

\$ '000	2021	2020
Grants which were recognised as revenues during the previous reporting period and which were expended in the current period in the manner specified by the grantor were:		
Local Government Grants Commission Grant (Advance Payment)	2,292	3,512
Kilburn Blair Athol Public Realm Project	1,385	1,500
Kilburn Blair Athol Renewal Projects	1,000	1,000
McLaren Parade Shared Space & Streetscape Upgrade	573	—
Grassroots Football, Cricket and netball facility program	487	—
Hotchkiss Playground Accommodation	130	—
Kerbside Performance Food Waste Incentive	104	—
LGAWCS Risk Incentive Program	59	—
LGAMLS Risk Incentive Program	56	—
Kerbside Performance (Food Waste) System	51	—
Home and Community Care - COVID Recovery	40	—
Home and Community Care - Commonwealth	25	56
Port Adelaide Organics Market Research	24	—
Contribution - Ottoway	23	—
Port River Public Realm Design Strategy	20	20
Black Spot Hookings Tce & Seventh Ave	8	—
Home and Community Care - State ILC NDIS Jurisdictional Funding	6	—
Active Neighbourhood for Older Australians	2	—
Fish Feeders SA Project	2	—
Men's Shed Project	—	148
Whicker Road/Magazine Creek GPT Upgrade	—	64
Safety Improvements Hardy St Rosewater	—	6
Port River East Maintenance	—	13
Total	6,287	6,319
Total Assets Subject to Externally Imposed Restrictions	9,967	12,606

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2021	2020
(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	2,185	6,771
Balances per Statement of Cash Flows		2,185	6,771

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

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

\$ '000	2021	2020
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities		
Net Surplus/(Deficit)	18,317	14,827
Non-Cash Items in Income Statements		
Depreciation, Amortisation & Impairment	34,237	32,261
Equity Movements in Equity Accounted Investments (Increase)/Decrease	(804)	117
Non-Cash Asset Acquisitions	(15,150)	(10,009)
Grants for capital acquisitions treated as Investing Activity	(2,175)	(832)
Net (Gain) Loss on Disposals	3,248	1,610
	37,673	37,974
Add (Less): Changes in Net Current Assets		
Net (Increase)/Decrease in Receivables	1,241	(251)
Change in Allowances for Under-Recovery of Receivables	3	70
Net (Increase)/Decrease in Inventories	(22)	(45)
Net (Increase)/Decrease in Other Assets	(6)	(140)
Net Increase/(Decrease) in Trade & Other Payables	244	(2,829)
Net Increase/(Decrease) in Other Provisions	156	681
Net Cash provided by (or used in) operations	39,289	35,460

\$ '000	Notes	2021	2020
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
Physical Resources Received Free of Charge	2g	15,150	10,009
Amounts recognised in Income Statement		15,150	10,009
Total Non-Cash Financing and Investing Activities		15,150	10,009

(d) Financing Arrangements

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

Bank Overdrafts	250	250
Corporate Credit Cards	190	190
Cash Advance Facilities	27,900	27,900

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

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).										
\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Functions/Activities										
Business Undertakings	214	177	101	52	113	125	—	—	(1)	—
Community Services	3,430	3,385	12,229	11,561	(8,799)	(8,176)	1,891	1,989	—	1
Culture	1,073	1,071	9,150	8,648	(8,077)	(7,577)	908	880	3	3
Economic Development	117	182	3,444	2,840	(3,327)	(2,658)	46	46	—	—
Environment	3,977	4,033	39,060	36,600	(35,083)	(32,567)	828	78	218,208	218,986
Recreation	2,768	5,463	21,390	20,689	(18,622)	(15,226)	609	4,045	625,994	644,869
Regulatory Services	3,280	2,799	7,898	7,172	(4,618)	(4,373)	—	—	271	128
Transport & Communication	3,824	3,035	23,205	22,850	(19,381)	(19,815)	3,336	2,866	778,136	742,346
Plant Hire & Depot/Indirect	788	513	517	3,143	271	(2,630)	—	—	11,406	11,191
Council Administration	111,831	108,245	10,068	9,752	101,763	98,493	2,675	2,888	10,548	13,039
Total Functions/Activities	131,302	128,903	127,062	123,307	4,240	5,596	10,293	12,792	1,644,565	1,630,563

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

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12(b). Components of Functions

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Private Works, Investment Property.

COMMUNITY SERVICES

Public Order and Safety, Crime Prevention, Emergency Services, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Preventive Health Services, Other Health Services, Community Support, Home Assistance Scheme, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Public Conveniences, Car Parking – non-fee-paying, and Other Community Amenities.

CULTURE

Library Services, Static Libraries, Other Library Services, Cultural Services, Cultural Venues, Heritage, and Other Cultural Services.

ECONOMIC DEVELOPMENT

Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

ENVIRONMENT

Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

RECREATION

Other Marine Facilities, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, and Other Recreation.

REGULATORY SERVICES

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

TRANSPORT

Bridges, Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

COUNCIL ADMINISTRATION

Governance, Administration, Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 0.3% and 0.6% (2020: 0.5% and 1.5%). Short term deposits have an average maturity of 1 days and an average interest rate of 0.45% (2020: 1 days and 1%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated Charges

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.433% (2020: 0.5083%). 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:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

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

Terms & 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Interest Bearing Borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable at varying intervals; interest is charged at fixed and variable rates between 1.3% and 7.65% (2020: 2.2% and 7.65%).

Carrying Amount:

Approximates fair value.

Liabilities - Leases

Accounting Policy:

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

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
2021					
Cash & Cash Equivalents	2,185	—	—	2,185	2,185
Receivables	2,898	16	—	2,914	2,914
Total Financial Assets	5,083	16	—	5,099	5,099
Financial Liabilities					
Payables	10,470	—	—	10,470	10,470
Current Borrowings	595	—	—	595	432
Non-Current Borrowings	—	816	11,050	11,866	9,704
Leases	996	2,621	—	3,617	3,473
Total Financial Liabilities	12,061	3,437	11,050	26,548	24,079
2020					
Cash & Cash Equivalents	6,771	—	—	6,771	6,771
Receivables	4,469	10	—	4,479	4,479
Total Financial Assets	11,240	10	—	11,250	11,250
Financial Liabilities					
Payables	10,788	—	—	10,788	10,788
Current Borrowings	986	—	—	986	759
Non-Current Borrowings	—	1,250	7,661	8,911	7,036
Leases	206	287	—	493	474
Total Financial Liabilities	11,980	1,537	7,661	21,178	19,057

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

\$ '000	2021		2020	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	1.30%	9,500	2.20%	6,400
Fixed Interest Rates	7.41%	635	7.09%	1,395
		10,135		7,795

Net Fair Value

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 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.

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2021	2020
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(a) Capital Commitments

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

Infrastructure	6,757	1,085
Plant & Equipment	169	1,553
	<u>6,926</u>	<u>2,638</u>

These expenditures are payable:

Not later than one year	4,695	2,488
Later than one year and not later than 5 years	2,231	150
	<u>6,926</u>	<u>2,638</u>

(b) Other Expenditure Commitments

Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:

Audit Services	—	36
Waste Management Services	59,564	65,970
Other Maintenance Contracts	4,957	5,152
	<u>64,521</u>	<u>71,158</u>

These expenditures are payable:

Not later than one year	14,865	15,572
Later than one year and not later than 5 years	38,507	44,908
Later than 5 years	11,149	10,678
	<u>64,521</u>	<u>71,158</u>

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators

\$ '000	Amounts 2021	Indicator 2021	Indicators 2020	Indicators 2019
Financial Indicators overview				
These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.				
1. Operating Surplus Ratio				
Operating Surplus	4,240	3.2%	4.3%	3.6%
Total Operating Income	131,302			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net Financial Liabilities	33,511	26%	16%	19%
Total Operating Income	131,302			
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.				
Adjustments to Ratios				
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.				
Adjusted Operating Surplus Ratio				
Operating Surplus	4,288	3.3%	5.1%	2.5%
Total Operating Income	131,350			
Adjusted Net Financial Liabilities Ratio				
Net Financial Liabilities	33,511	26%	16%	19%
Total Operating Income	131,350			
3. Asset Renewal Funding Ratio				
Net Asset Renewals	30,455	98%	102%	104%
Infrastructure & Asset Management Plan required expenditure	31,217			
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 Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 16. Uniform Presentation of Finances

\$ '000	2021	2020
<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	131,302	128,903
less Expenses	(127,062)	(123,307)
Operating Surplus / (Deficit)	4,240	5,596
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(30,455)	(24,855)
add back Depreciation, Amortisation and Impairment	34,237	32,261
add back Proceeds from Sale of Replaced Assets	1,839	684
	5,621	8,090
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(18,514)	(12,690)
add back Amounts Received Specifically for New and Upgraded Assets	3,147	2,707
	(15,367)	(9,983)
Net Lending / (Borrowing) for Financial Year	(5,506)	3,703

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Plant and Machinery

Plant and Machinery leases includes right of use assets such as Motor Vehicles.

Information Technology

Information Technology lease includes right of use assets such as Servers, Network Equipment and Printers.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

(a) Right of use assets

\$ '000	Plant and Machinery	Information Technology	Total
2021			
Opening balance	13	435	448
Additions to right-of-use assets	3,800	135	3,935
Depreciation charge	(770)	(181)	(951)
Balance at 30 June	3,043	389	3,432
2020			
Adoption of AASB 16 at 1 July 2019	10	131	141
Additions to right-of-use assets	14	483	497
Depreciation charge	(11)	(179)	(190)
Balance at 30 June	13	435	448

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2021	2020
Balance at 1 July	474	161
Additions	3,935	497
Accretion of interest	86	14
Payments	(1,022)	(198)
Balance at 30 June	3,473	474
Classified as:		
Current	930	195
Non Current	2,543	279

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

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	951	190
Interest expense on lease liabilities	86	14
Expense relating to leases of low-value assets	130	244
Total amount recognised in profit or loss	1,167	448

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases (continued)

(ii) Council as a lessor

\$ '000	2021	2020
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	508	242
Later than one year and not later than 5 years	1,148	1,320
Later than 5 years	3	—
	<u>1,659</u>	<u>1,562</u>

Note 18. Superannuation

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 2020/21; 9.50% in 2019/20). 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 2019/20) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19. Interests in Other Entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2021	2020	2021	2020
Council's Share of Net Income				
Joint Ventures	804	(117)	1,985	(117)
Total Council's Share of Net Income	804	(117)	1,985	(117)

((a)i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2021	2020
CAWRA	Waste Management and Recycling Services	1,985	(117)
Total Carrying Amounts - Joint Ventures & Associates		1,985	(117)

CAWRA

The Cities of Port Adelaide Enfield and Charles Sturt jointly established the Central Adelaide Waste and Recycling Authority (CAWRA) which came into operation from 30 January 2020. This regional subsidiary has been established for the purposes of providing and exploring options to deliver waste management and recycling services including a Materials Recovery Facility and to provide services to the Constituent Councils.

Note 20. Non-Current Assets Held for Sale & Discontinued Operations

Sale of Former Hillcrest Basketball Stadium

Council has resolved to sell the site of the former Hillcrest Basketball Stadium as a mixed-use development opportunity. At reporting date, a conditional contract for the sale had been executed, and settlement is expected to occur within the next 12 months.

Sale of Surplus Land Parcels

Council has resolved to sell 4 parcels of surplus land at Clearview, Windsor Gardens, Mansfield Park and Croydon Park. At reporting date, the properties were being actively marketed and were receiving a strong level of buyer interest. Contracts are expected to be executed within 6 months and settlement is expected to occur within the next 12 months.

Notes to the Financial Statements

for the year ended 30 June 2021

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. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of zero 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 2021, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

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

City of Port Adelaide Enfield

Notes to the Financial Statements

for the year ended 30 June 2021

Note 23. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 40 persons were paid the following total compensation:

\$ '000	2021	2020
The compensation paid to Key Management Personnel comprises:		
Salaries, Allowances & Other Short-Term Employee Benefits	4,447	3,931
Termination Benefits	30	—
Total	4,477	3,931

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

Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

Contributions for Fringe Benefits Tax purposes	47	46
Total	47	46

An employee is a board member on the LG Professionals board which is a not-for-profit based association representing professionals in Local Government in South Australia. Council pays the association for training programs, conference attendance and organisational membership fees. The amount paid to LG Professionals by Council during the year amounted to \$28,258.30.

An employee is an Environment Protection Authority (EPA) board member, which sets and enforces environmental standards and requirements that industries, companies and individuals must meet. Council receives legislative updates, training and refers some development applications to the EPA. The employee declares a conflict of interest to the board and does not take part in any decisions relating to Council.

An elected member is a board member on the Green Adelaide board, which is a South Australian Government supported organisation working towards improving Adelaide's living environment. The elected member declares a conflict of interest to the board and does not take part in any decisions relating to Council.

An elected member and an employee are both members on the Central Adelaide Waste and Recycling Authority (CAWRA) board, which is a regional subsidiary of City of Charles Sturt and City of Port Adelaide Enfield. The board consists of an elected member and staff member from each council, a person appointed by each council and an independent person that is the chair.

Each member has a vote in decisions with the Chair making the final decision should the votes be tied. The amount paid to CAWRA by Council during the year amounted to \$1,297,277, being Council's share of owner's contribution.

A staff member was appointed as an Executive Officer of CAWRA to guide CAWRA through the start up phase. The staff member remained as an employee of Council and CAWRA were invoiced for the staff's time on a cost recovery basis. During this appointment, the staff member had all their delegations removed and could not make any decisions related to Council.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF PORT ADELAIDE ENFIELD

Opinion

We have audited the accompanying financial report of the City of Port Adelaide Enfield, which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the City of Port Adelaide Enfield as of 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 16th day of November 2021

Bentleys SA Audit Partnership

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF PORT ADELAIDE ENFIELD

Opinion

We have audited the compliance of the City of Port Adelaide Enfield (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 financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2020 to 30 June 2021 are in accordance with legislative provisions.

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2020 to 30 June 2021.

Limitation on Use

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

Limitations of Controls

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

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

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities are in accordance with legislative provisions.

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the *Council* has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis on the assessed risks.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 16th day of November 2021

City of Port Adelaide Enfield

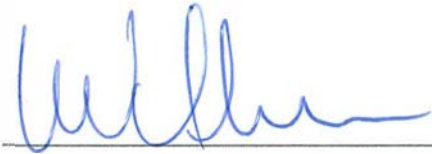
General Purpose Financial Statements

for the year ended 30 June 2021

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Port Adelaide Enfield for the year ended 30 June 2021, the Council's Auditor, Bentleys SA Audit Partnership has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Mark Withers
Chief Executive Officer



Philip Gallagher
Presiding Member, Audit Committee

Date: 09 November 2021

Bentleys SA Audit Partnership

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of City of Port Adelaide Enfield for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 30th day of September 2021

Central Adelaide Waste &
Recycling Authority
Annual Report
2020 - 2021



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We acknowledge and pay respect to the Kurna people, the traditional custodians whose ancestral lands we gather on. We acknowledge the deep feelings of attachment and relationship of the Kurna people to country and we respect and value their past, present and ongoing connection to the land and cultural beliefs.



Introducing Central Adelaide Waste and Recycling Authority

Central Adelaide Waste and Recycling Authority (CAWRA) is a Local Government Regional Subsidiary established to oversee the construction and operation of a new, state of the art Material Recovery Facility (MRF), located in Kilburn.

CAWRA's new MRF has been designed with the latest in optical sorting technology to produce clean commodities ideal for developing local markets. Its design future-proofs South Australia's kerbside recycling sector, while reducing fire risk. Centrally-located, it will be a 'destination of choice' for tours and school visits. A dedicated education room and elongated viewing platform allows for safe first-hand observation of the entire recycling process. CAWRA is partnering with a private operator, will grow the Circular Economy and take back control of our recyclables. From now on, we'll know where our recyclables go, and can direct it locally creating jobs in South Australia's recycling sector.

Charter

CAWRA's Charter governs the affairs of the Board by setting out its purpose, function and powers, including governance provisions of Schedule 2 of the Local Government Act. It also provides the Constituent Councils with a legally enforceable agreement specifying their rights and obligations in achieving common interest.

Legislation

Legislation relating to Central Adelaide Waste and recycling Authority and the powers and responsibilities of interested parties are contained in the Local Government Act 1999 (Central Adelaide Waste and Recycling Authority – Charter 2019 Cities of Port Adelaide Enfield and Charles Sturt).

CAWRA was established as a Regional Subsidiary pursuant to Section 43 of and Schedule 2 to the Local Government Act 1999. Section 43 allows two or more councils to form a separately incorporated entity ('Regional Subsidiary') to provide specified services and/or activities, subject to obtaining Ministerial approval. The provision relevant to a Regional Subsidiary are set out in Schedule 2 of the Act.



Report for the Independent Chairperson's

We're rethinking recycling.

CAWRA aims to restore confidence in kerbside recycling for residents by enabling councils to work more effectively with local recycling businesses, to recycle more of our materials here in South Australia. We want to increase transparency and reporting of the processing, and further support the circular economy through the sale of commodities and purchasing decisions.

2020-21 has been a busy year for Central Adelaide Waste and Recycling Authority (CAWRA) with the regional subsidiary in the establishment phase and construction of the Material Recovery Facility (MRF) well underway.

All members of the CAWRA Board and the CAWRA Audit Committee have been appointed. This level of governance will assist CAWRA during these initial stages and ongoing throughout the operations of the facility.

CAWRA's significant investment in new plant and equipment for the MRF incorporates high-end optical sorting technology to ensure maximum capture and purity rates are achieved for each recyclable commodity streams. CAWRA received grant funding from the two constituent Councils and \$4.11 million from the Australian Government and Green Industries SA through the *Recycling*

Modernisation Fund and additional funding from Green Industries SA to support this new technology with the remaining project funded by CAWRA.

2021-2022 will be a significant year for CAWRA with the Material Recovery Facility scheduled to be operational in late 2021. I look forward to the next 12 months as CAWRA moves into the operational phase of processing kerbside recyclables and supporting and encouraging the growth of the local circular economy.

I would like to take this opportunity to thank the CAWRA Board, Audit Committee, Constituent Councils (the City of Charles Sturt and the City of Port Adelaide Enfield) and CAWRA team for the commitment to the establishment of the Central Adelaide Waste and Recycling Authority.



Catherine Cooper
Independent Chairperson
Central Adelaide Waste and
Recycling Authority



Artist Impression courtesy of
Davidson Architecture



Report from the Executive Officer

CAWRA is not a business as usual option. We are transforming the way our recyclables are managed. Our focus is transparency, flexibility and a commitment to supporting the local circular economy.

CAWRA's new MRF will process the kerbside recyclables for the constituent Councils (City of Charles Sturt and City of Port Adelaide Enfield) using a combination of advanced optical sorting technology (for both paper and containers sorting) and manual sorting methods. The facility has been designed to process well beyond the 20,000 tonnes per annum provided by its two founding Councils, with the ability to accept and process 50,000 tonnes per annum if required.

It has taken adaptability, dedication, hard work and commitment from the Constituent Councils (City of Charles Sturt and City of Port Adelaide Enfield), CAWRA Board, Audit Committee, CAWRA team and contractors to be well progressed with the construction of the \$23 million state-of-the-art MRF.

Like all other industries CAWRA implemented measures to minimise potential risk and impacts from the Covid-19 pandemic on a local, national



and international level. Even with the impacts of Covid we have still managed to continue with the construction, arranging essential workers in SA, VIC and internationally to ensure the equipment and facility construction continues during the pandemic.

2020-21 has been filled with milestones and achievements. Tenders for the Design & Construct and the Operations were released. Local construction company Pascale Constructions were awarded the Design & Construct contract with equipment supplied by Wastech Engineering. At the end of this reporting period negotiations were underway to award a contract for the operations of the MRF.

The Development Application has been secured and construction is due for completion towards the end of 2021. CAWRA has taken a "beyond compliance" approach to the on-site fire safety systems.

The team have been busy with the development of priority programs including the Circular Economy Framework, kerbside auditing programs, the contamination protocol and education direction.

I look forward to the next 12 months which will see CAWRA enter an exciting new chapter of MRF operations.

Rebekah Schubert

Executive Officer
Central Adelaide Waste and Recycling Authority



Governance

CAWRA Board

CAWRA is governed by a Board of Management which is responsible for managing the business and other affairs of CAWRA and ensuring that CAWRA acts in accordance with this Charter and any delegations to it.

Functions of the Board

The Functions of the Board are to

- formulate plans and strategies aimed at improving the business of the Authority;
- provide professional input and policy direction to the Authority;
- monitor, oversee and measure the performance of the Executive Officer;
- assist in the development of the Business Plan;
- exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
- ensure that the Constituent Councils are advised, as soon as practicable, of any material development that affects the financial or operating capacity of the Authority.

CAWRA Board

CAWRA has engaged with industry expertise to complement skillsets within the Board. This provides a balanced viewpoint – understanding the needs of local government and of the waste and recycling industry, and the commercial aspects of CAWRA's business. In 2020-2021 the CAWRA Board had 12 Board meetings (including out of session):

- 27 July 2020
- 30 July 2020 (out of session)
- 14 August 2020 (out of session)
- 18 August 2020 (out of session)
- 31 August 2020
- 17 September 2020
- 20 October 2020 (out of session)
- 26 October 2020
- 1 December 2020
- 11 February 2021
- 20 April 2021
- 26 May 2021 (out of session)





Catherine Cooper

Independent Chair

Meeting Attendance: 4/4

Catherine is a highly experience Executive, with an extensive portfolio in excess of 50 Board positions over 20 years. In addition to Chairing the CAWRA Board, Catherine also Chairs the Environment Protection Agency of South Australia. After a professional career as a corporate lawyer, Catherine held a number of senior executive positions with large global companies including Fosters Brewing Group, Elders Australia Limited and Futuris Corporation. She has developed extensive knowledge and experience across a broad range of sectors such as agribusiness, food and health, energy and waste, and science and technology. Catherine's expertise in strategy, public policy, risk management, and corporate governance, combined with her ethical and strong solution orientated mindset, provides strong leadership for the CAWRA Board.



Alf Ianniello

Independent Member

Meeting Attendance: 4/4

Alf leads The Detmold Group, one of Australia's most established global manufacturing and sales packaging businesses, which manufacture paper and cardboard packaging products in Australia and Asia, with markets in 22 cities around the world. With extensive Board level experience, Alf can provide strong strategic and tactical direction on complex issues and strong stakeholder relationship skills that extend to key corporate customers, government and key packaging suppliers.



David Spear

Independent Member

Meeting Attendance: 4/4

David is an experienced professional Company Director and is currently a Director and Partner of VUCA, a national Governance Consulting firm. He is currently the Chair of Tyre Stewardship Australia, Independent Chairman of Office Brands Australia, Non-Executive Director of Unity Housing and Non-Executive Director of McLaren Vale Grape Wine & Tourism Association. A former State Director of the Australian Institute of Company Directors (AICD), David has a background in governance both in Australia and overseas and is an Alumni of Harvard University Business School where he completed their Governance program.



Mayor Claire Boan

Mayor Port Adelaide Enfield

Meeting Attendance: 3/4

Claire's involvement with Council committees spans 10 years and includes the Audit Committee, Development Assessment Panel/Council Assessment Panel, Grants and Sponsorship Committee, Aboriginal Advisory Panel as well as involvement with wider local government committees. She is committed to providing responsible governance, enhancing relationships and environmental sustainability whilst generating and influencing programs to connect individuals and community groups with one another.





Mayor Angela Evans
Mayor City of Charles Sturt
Meeting Attendance: 4/4

Angela's involvement with Council committees over 8 years includes participation in the Gender Matters Panel, SA Local Government Women's Association, Policy and Delegations, Strategic Development, and Audit and City Services. With experience in the business sector as a small business operator, Angela's key areas of interest include developing effective governance frameworks for Council, implementing long term financial stability, facilitating economic development, positioning Council as a leader by creating partnerships with other levels of government, the community and the private sector.



Mark Withers
CEO City of Port Adelaide Enfield
Meeting Attendance: 4/4

Mark is an experienced local government CEO, with tenures at the Cities of Unley, Charles Sturt and now Port Adelaide Enfield, and having spent the last 36 years working in this sector across nine Adelaide metropolitan councils. He served four terms on the board of Green Industries SA (formerly Zero Waste SA), and continues to serve on the board of the SA Environment Protection Authority, a role he has fulfilled continuously for the past seven years. Mark brings all of this experience and insight to the CAWRA Board, along with the strategic leadership required to effectively address South Australia's complex recycling challenges, while keeping CAWRA firmly grounded in the needs of councils and their communities. He is also a Board Member of LG Professionals SA, a past National President of LG Professionals Australia, and a current member of the CEO Advisory Group to the SA Local Government Association.



Paul Sutton
CEO City of Charles Sturt
Meeting Attendance: 4/4

Paul works collaboratively with the Elected Council and executive team to provide strategic leadership for the City. Paul has a passion for collaboration and working together across the Local Government sector to create a better South Australia. A past Governing Council member and Company Secretary of IPAA SA (Institute of Public Administration Australia SA) where he was a Board Member for 8 years, Paul was awarded a fellowship of IPAA in 2016.





Rebekah Schubert

Executive Officer

Meeting Attendance: 4/4

With over 15 years specialising in the Local Government sector, Rebekah worked as the Manager of Waste and Resource Recovery for the City of Port Adelaide Enfield before taking up the role of Executive Officer for CAWRA in August 2020.

Rebekah holds tertiary qualifications in science, environmental health and business, and for over 15 years has specialised in managing environmental health and community safety operations within Councils. This background combines with a keen professional interest provides the skill set required for CAWRA to pursue the circular economy and employment opportunities to the region. Her ideal blend of skills and experience ensures CAWRA is provided the highest quality of professional leadership and management capability throughout its critical establishment phase.

Rebekah has direct experience and an in-depth understanding of the needs and drivers of the local government waste and recycling service provision. She is focussed on establishing relationships of mutual benefit and transparency in her leadership of CAWRA, with both the founding Councils of CAWRA for the processing of their kerbside recyclables and the local recycling sector.



Audit Committee

Under the CAWRA Charter:

The Authority is required to establish an audit committee which will comprise of three members as follows:

- (a) a person, who will be the Chair, appointed by the Constituent Councils (acting jointly) and who is neither an officer or member of a Constituent Council and who is not a member of the Board; and
- (b) two persons being one person appointed by each Constituent Council who is not a member of the Board and who is considered to have experience relevant to the Functions of the Authority or, financial experience relevant to the functions of the audit committee.

In September 2020 the CAWRA Audit Committee was appointed. Nicolle Rantanen has been appointed as Audit Chair with the Audit Members consisting of Peter Brass and Melissa Oors-L'estrage.

In 2020 / 21 the Audit Committee had five committee meetings:

- 23 September 2020
- 2 December 2020
- 24 March 2021
- 25 May 2021 (out of session)
- 23 June 2021

Key Achievements include:

- Review of CAWRA 2019-2020 Audited Financial Statements
- Approval and endorsement of the Risk Policy and Procedure
- Endorsement by the board of the Audit Committee Terms of Reference
- Endorsement by the board of the Audit Committee Terms of reference (after May 2021 Review)
- Fire Risk Assessment Review
- Adoption of the draft Annual Budget 2021 - 2022

External Auditor

BDO have been appointed as CAWRA's external auditors. BDO have completed 2019 – 2020 external audit and interim 2020 – 2021 audit.

2020 / 21 Achievements

It has been a busy year for the CAWRA team working through the requirements to establish a regional subsidiary whilst delivering the design, construction and operations model of the new MRF.

During the start up phase there has been an evolution of the project team with the current structure of the project team consisting of 4 part time staff and an industry expert consultant.

Design and Construction

In early, 2020 an Expression of Interest for the Design & Construction of the CAWR MRF was released. The feedback received in addition to an interstate study tour of Australian MRF's informed the concept designs allowing for a formal Request for Proposal to be released.

The Design & Construct contract was awarded to the local construction company Pascale Constructions with Wastech Engineering supplying the plant and equipment. CAWRA engaged the services of Moto Projects to ensure professional project management and superintendents for MRF design and construction process.

CAWRA is here to stay. CAWRA own'sits land and facility. CAWRA has been in negotiations for the purchase of land for the MRF with the settlement finalised in 2020 - 21.



The Development Application has been submitted and approved with approximately 70% of the MRF shed constructed.

The majority of equipment designed for the CAWRA MRF has been built in Victoria, as not all equipment can be locally sourced. The equipment has been arriving to site in preparation for installation and commissioning.

CAWRA incorporates recycled content wherever possible in the construction. To date, listed inclusions cover recycled rubble subgrade, recycled asphalt, and recycled plastic stormwater piping. Other items currently under assessment include recycled materials in the fit-out of internal spaces and offices.

CAWRA's education and administration facility have been designed to provide visitors with exceptional opportunities for direct observation of the MRF equipment while in operation, from unloading of the kerbside collection vehicles all the way through to baling of finished product.

Fire System Planning

CAWRA takes fire prevention planning very seriously and extensive planning to prevent and mitigate fire risk has been incorporated into the detailed design phase of the project. This has included the engagement of a fire systems design specialist to guide proposed upgrades to the MRF design to mitigate fire risk. Proposed upgrades to CAWRA's MRF reflect risk mitigation measures to reduce fire risk, with a focus on improving segregation of baled product (especially plastic), short-term storage of baled plastic external to the MRF building (rear storage block), automated water/foam cannons to the receival area (tip floor). This work continues and additional measures (both physical and operations) may be incorporated into the project as they identified and subject to risk assessment.

Operations

CAWRA has undertaken an extensive review of existing MRF operations around the country and developed a model that will deliver a high level of service. CAWRA released a tender for the operations of the CAWRA MRF. CAWRA is currently in the final stages of negotiations with the preferred operator.

While CAWRA will retain the ability to channel recyclable product to SA's recycling sector, this arrangement will ensure the day to day running of the MRF is undertaken by experience operators with specialist skills in MRF operations. The operators existing connections with recycling markets will also provide significant ongoing benefit to the project, and improved economies of scale.

CAWRA Board and Audit Committee

All members and the independent Chairperson have been appointed to the CAWRA Board. The Audit Committee was established and all positions have been filled. The Board and Audit Committee have worked with CAWRA staff to develop and endorse the annual budget and business plan, formalise the delegations, policies, procedures, frameworks.

CAWRA Team

To deliver the facility and establish CAWRA as its own entity a CAWRA team was established in 2021. The team consists of staff from the two constituent Councils and external consultancies specialising in the different areas.

Temporary appointments:

- Executive Officer – Rebekah Schubert (0.8 FTE)
- Manager Strategy and Programs – Fiona Jenkins (0.8 FTE)
- Project Management Leader – Michelle Arbon (0.4 FTE)
- Circular Procurement Project Officer – Amy Henshaw (0.4 FTE)

Outsourced Functions:

- Waste Industry Leader – Geoffrey Webster
- Finance – Nexia
- External Auditor - BDO



CAWRA Brand Establishment

Working with the communications teams at both Constituent Councils CAWRA has engaged a third party to develop our brand. CAWRA is actively using the selected logo and branding guidelines. The developed of the CAWRA Value Proposition highlights who CAWRA is and how we differ from a “Business as Usual” operation.

Commodities and supporting the Circular Economy

CAWRA was formed because its founding Councils wanted to take back control of recycling for their communities, reduce reliance on overseas commodity trading and grow the local Circular Economy. CAWRA is positioned to determine destinations of recyclables in collaboration with our private sector operators.

CAWRA is committed to supporting local reprocessing solutions that help our customers and the recycling industry develop a strong South Australian (and Australian) circular economy. CAWRA will prioritise local on-shore markets for our material in accordance with CAWRA’s circular economy hierarchy.

CAWRA Funding

The total project value is \$23 million and provides the latest in state-of-the-art MRF design of processing efficiency and safety. Majority funded through CAWRA on a 50:50 basis by the City of Charles Sturt and the City of Port Adelaide Enfield, establishment of the new MRF was also assisted by a \$4,110,000 grant from the Australian Government through its *Recycling Modernisation Fund* and additional grant funding has also been provided by Green Industries SA.



Audited Financial Statements

Central Adelaide Waste and Recycling Authority
General Purpose Financial Reports
for the year ended 30 June 2021

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Central Adelaide Waste and Recycling Authority
Certification of Financial Statements
for the year ended 30 June 2021

I have been authorised by the Central Adelaide Waste Recycling Authority Board to certify the financial statements of the Central Adelaide Waste Recycling 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 Central Adelaide Waste Recycling Authority's financial position at 30 June 2021 and the results of its operations and cash flows for the year ended 30 June 2021.
- 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 Central Adelaide Waste Recycling Authority's accounting and other records.



Ms Catherine Cooper
Chair of The Board

Dated: 9 September 2021

Central Adelaide Waste and Recycling Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
INCOME			
Investment income	2	8	-
Total Income		<u>8</u>	<u>-</u>
EXPENSES			
Materials, contracts & other expenses	3	392,012	232,690
Finance costs	3	45,841	-
Total Expenses		<u>437,853</u>	<u>232,690</u>
OPERATING SURPLUS / (DEFICIT)		<u>(437,845)</u>	<u>(232,690)</u>
Amounts received specifically for new or upgraded assets	2	2,045,000	-
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		<u>1,607,155</u>	<u>(232,690)</u>
Other Comprehensive Income			
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>1,607,155</u>	<u>(232,690)</u>

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

Central Adelaide Waste and Recycling Authority
Statement of Financial Position
as at 30 June 2021

		2021	2020
ASSETS	Notes	\$	\$
Current Assets			
Cash and cash equivalents	4	193,698	-
Trade & other receivables	4	3,129,672	-
Total Current Assets		3,323,370	-
Non-current Assets			
Infrastructure, property, plant & equipment	5	1,084,032	-
Other non-current assets	6	10,713,492	45,139
Total Non-current Assets		11,797,524	45,139
Total Assets		15,120,894	45,139
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,651,875	277,829
Total Current Liabilities		1,651,875	277,829
Non-current Liabilities			
Borrowings	7	9,500,000	-
Total Non-current Liabilities		9,500,000	-
Total Liabilities		11,151,875	277,829
NET ASSETS		3,969,019	(232,690)
EQUITY			
Accumulated Surplus		1,374,465	(232,690)
Capital Contributions of Councils		2,594,554	-
TOTAL EQUITY		3,969,019	(232,690)

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

Central Adelaide Waste and Recycling Authority
Statement of Changes in Equity
for the year ended 30 June 2021

		Accumulated Surplus	Capital Contributions of Councils	TOTAL EQUITY
2021	Notes	\$	\$	\$
Balance at end of previous reporting period		(232,690)	-	(232,690)
Capital Contributions of Councils		-	2,594,554	2,594,554
Net Surplus / (Deficit) for Year		1,607,155	-	1,607,155
Other Comprehensive Income		-	-	-
Balance at end of period		1,374,465	2,594,554	3,969,019

2020				
Net Surplus / (Deficit) for Year		(232,690)	-	(232,690)
Other Comprehensive Income		-	-	-
Balance at end of period		(232,690)	-	(232,690)

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

Central Adelaide Waste and Recycling Authority
Statement of Cash Flows
for the year ended 30 June 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
<i>Receipts:</i>			
Other revenues		8	-
<i>Payments:</i>			
Materials, contracts & other expenses		(482,050)	-
Finance payments		(45,841)	-
Net Cash provided by (or used in) Operating Activities		(527,883)	-
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Payments:</i>			
Expenditure on new/upgraded assets		(11,372,974)	-
Net Cash provided by (or used in) Investing Activities		(11,372,974)	-
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		9,500,000	-
Contributions from Constituent Councils		2,594,554	-
Net Cash provided by (or used in) Financing Activities		12,094,554	-
Net Increase (Decrease) in cash held		193,698	-
 Cash & cash equivalents at beginning of period	8	-	-
Cash & cash equivalents at end of period	8	193,698	-

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

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared 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.

Central Adelaide Waste Recycling 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:

City of Charles Sturt 50%

City of Port Adelaide Enfield 50%

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.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Central Adelaide Waste and Recycling Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 72 Woodville Road, Woodville SA 5011.

These financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

3 Income recognition

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

4 Cash and Cash Equivalents

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.

5 Other Financial Instruments

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

All financial instruments are recognised at fair value at the date of recognition.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

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.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021
Note 1 - SIGNIFICANT ACCOUNTING POLICIES

6 Infrastructure, Property, Plant & Equipment (cont)

6.2 Materiality

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

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. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

6.4 Depreciation of Non-Current Assets

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

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, are not assessed for impairment.

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

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

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021
Note 1 - SIGNIFICANT ACCOUNTING POLICIES

7 Payables

7.1 Goods and Services

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

8 Borrowings

Loans 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 GST Implications

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

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

10 Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

11 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.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

		2021	2020
INVESTMENT INCOME	Notes	\$	\$
Interest on investments:			
Banks & other		8	-
		<u>8</u>	<u>-</u>
GRANTS, SUBSIDIES AND CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets			
Amounts received specifically for new or upgraded assets		2,045,000	-
		<u>2,045,000</u>	<u>-</u>
Sources of grants			
State government		2,045,000	-
		<u>2,045,000</u>	<u>-</u>

Conditions over grants & contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes have been expended in accordance with these conditions.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE

	Notes	2021 \$	2020 \$
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		9,081	5,000
Subtotal - Prescribed Expenses		<u>9,081</u>	<u>5,000</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		181,678	92,356
Advertising		8,275	4,200
Consulting Fees		79,813	78,278
Maintenance		249	-
Legal Expenses		55,533	48,761
Sitting Fees		48,616	-
Sundry			
Bank Fees		64	
Employee Costs		1,073	
Entertainment		384	
Fees and Permit		3,034	
Insurance		1,034	
Office Expenses		321	
Travel - National		1,885	
Sundry Expenses		974	4,095
		<u>8,767</u>	<u>4,095</u>
Subtotal - Other Materials, Contracts & Expenses		<u>382,931</u>	<u>227,690</u>
		<u>392,012</u>	<u>232,690</u>
FINANCE COSTS			
Interest on Loans		45,841	-
		<u>45,841</u>	<u>-</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - CURRENT ASSETS

		2021	2020
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		193,698	-
		<u>193,698</u>	<u>-</u>
TRADE & OTHER RECEIVABLES			
Other levels of Government - State government grants		2,249,500	-
GST Recoupment		880,172	-
		<u>3,129,672</u>	<u>-</u>
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>		-	-

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

		2020				2021			
		\$'000				\$'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land		-	-	-	-	-	1,084,032	-	1,084,032
Total IPP&E		-	-	-	-	-	1,084,032	-	1,084,032

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 6 - NON-CURRENT ASSETS

	Notes	2021 \$	2020 \$
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		10,713,492	45,139
		<u>10,713,492</u>	<u>45,139</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 7 - LIABILITIES

		2021		2020	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Accrued expenses - other					
Interest on Loans		32,182	-	-	-
Auditor's Remuneration		10,750	-	5,000	-
Capital Works-in-Progress		1,424,882	-	-	-
		<u>1,467,814</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Other Payables					
City of Port Adelaide Enfield		25,601	-	94,634	-
City of Charles Sturt		-	-	178,195	-
Kelley Jones		1,571	-	-	-
Local Government Association of South Australia		2,750	-	-	-
Local Government Risk Services		986	-	-	-
Maxima Tempskill		794	-	-	-
Melissa Oors-L'Estrange		750	-	-	-
Mellor Olsson Lawyers		7,234	-	-	-
Moto Projects		16,500	-	-	-
Nexia Edwards Marshall		23,085	-	-	-
Nicolle Rantanen		940	-	-	-
O'Loughlins Lawyers		18,218	-	-	-
Waste & Management Services		85,272	-	-	-
Waste Management & Resource Recovery Association		360	-	-	-
		<u>184,061</u>	<u>-</u>	<u>272,829</u>	<u>-</u>
		<u>1,651,875</u>	<u>-</u>	<u>277,829</u>	<u>-</u>
<i>Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.</i>		-	-	-	-
BORROWINGS					
Loans		-	9,500,000	-	-
		<u>-</u>	<u>9,500,000</u>	<u>-</u>	<u>-</u>

All interest bearing liabilities are secured over the future revenues of the Authority.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2021 \$	2020 \$
Total cash & equivalent assets	4	193,698	-
Less: Short-term borrowings	7	-	-
Balances per Cash Flow Statement		<u>193,698</u>	<u>-</u>

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

Net Surplus (Deficit)	1,607,155	(232,690)
Non-cash items in Income Statement	-	-
	<u>1,607,155</u>	<u>(232,690)</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(2,084,201)	-
Net increase (decrease) in trade & other payables	(50,836)	232,690
Net Cash provided by (or used in) operations	<u>(527,883)</u>	<u>-</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 0.05%.</p> <p>Carrying amount: approximates fair value due to short term maturity.</p>
Receivables - other levels of government	<p>Accounting Policy: Other receivables are initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>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.</p> <p>Carrying amount: approximates fair value due to short term maturity.</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>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable in October 2030; interest is charged at fixed (or variable - describe) rates between 1% and 2%.</p> <p>Carrying amount: approximates fair value.</p>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2021	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	193,698	-	-	193,698	193,698
Receivables	3,129,672	-	-	3,129,672	3,129,672
Total	3,323,370	-	-	3,323,370	3,323,370
<u>Financial Liabilities</u>					
Payables	1,651,875	-	-	1,651,875	1,651,875
Non-Current Borrowings	-	-	9,500,000	9,500,000	9,500,000
Total	1,651,875	-	9,500,000	11,151,875	11,151,875

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Liabilities</u>	\$	\$	\$	\$	\$
Payables	277,829	-	-	277,829	277,829
Total	277,829	-	-	277,829	277,829

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

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	2.05%	9,500,000	0	-
		9,500,000		-

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

Risk Exposures:

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 4 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of 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 Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

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

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - COMMITMENTS FOR EXPENDITURE

	2021	2020
Notes	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Building project contract	8,629,454	-
	<u>8,629,454</u>	<u>-</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 11 - FINANCIAL INDICATORS

	2021	2020
Operating Surplus Ratio		
<u>Operating Surplus</u>	0%	0%
Total Operating Income		

This ratio expresses the operating surplus as a percentage of total operating revenue.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	0%	0%
Total Operating Income		

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

The financial indicators will be relevant once the authority is fully operational.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - CAPITAL CONTRIBUTIONS OF CONSTITUENT COUNCILS

	Notes	2021 \$	2020 \$
Contribution by Owners			
City of Charles Sturt		1,297,277	-
City of Port Adelaide Enfield		1,297,277	-
Total Contributions by Owners		<u>2,594,554</u>	<u>-</u>
 City of Charles Sturt Movement Table			
Opening balance		-	-
Contributions		1,297,277	-
Closing Balance		<u>1,297,277</u>	<u>-</u>
 City of Port Adelaide Enfield Movement Table			
Opening balance		-	-
Contributions		1,297,277	-
Closing Balance		<u>1,297,277</u>	<u>-</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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 simplified Uniform Presentation Framework basis.

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

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

	2021	2020
	\$	\$
Income	8	-
Expenses	(437,853)	(232,690)
Operating Surplus / (Deficit)	(437,845)	(232,690)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(11,372,974)	-
Amounts received specifically for New and Upgraded Assets	2,594,554	-
Proceeds from Borrowings	9,500,000	-
Net Lending / (Borrowing) for Financial Year	283,735	(232,690)

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Chair of the Board, the Board and the Executive Officer.

The Executive Officer of the Authority is employed by the City of Port Adelaide Enfield.
Payments were made during the year by the Authority to the City of Port Adelaide Enfield for the Executive Officer secondment costs.

The Authority also made payments during the year to directors for director fees.

Total payments to Key Management Personnel during the year ended 30 June 2021 were \$171,281 (2020: Nil)

CONSTITUENT COUNCILS

Amounts paid or payable to City of Charles Sturt during the year ended 30 June 2021 were \$490,898 (2020: \$178,000)

Amounts paid or payable to City of Port Adelaide Enfield during the year ended 30 June 2021 were Nil (2020: \$97,000)

Amounts received from the City of Charles Sturt during the year ended 30 June 2021 were \$1,297,000 (2020: Nil)

Amounts received from the City of Port Adelaide Enfield during the year ended 30 June 2021 were \$1,297,000 (2020: Nil)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL ADELAIDE WASTE RECYCLING AUTHORITY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Central Adelaide Waste Recycling Authority (the Authority), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Local Government Act 1999*, which has been given to the Authority, would be in the same terms if given to the Authority as at the time of this auditor's report.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Authority's Responsibility Financial Report

The Authority's officers are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as the Authority's officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.



BDO Audit (SA) Pty Ltd



Andrew Tickle
Director

Adelaide, 21 September 2021

Central Adelaide Waste and Recycling Authority

CERTIFICATION OF AUDITOR INDEPENDENCE for the year ended 30 June 2021

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Central Adelaide Waste and Recycling Authority for the year ended 30 June 2021, the Auditor, BDO Australia, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under the Act.

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



Nicolle Rantanen
Chair CAWRA Audit Committee
Date: 29 September 2021



Rebekah Schubert
Executive Officer - CAWRA
Date: 29 September 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the Central Adelaide Waste Recycling Authority for the year ended 30 June 2021, 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.



Andrew Tickle
Director

BDO Audit (SA) Pty Ltd

Adelaide, 21 September 2021



CITY OF
Port Adelaide Enfield

City of Port Adelaide Enfield

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