



NOTICE

of

CORPORATE GOVERNANCE COMMITTEE MEETING

Pursuant to the provisions of Section 88(1) of the Local Government Act 1999

TO BE HELD IN

**COMMITTEE ROOM
PLAYFORD CIVIC CENTRE
10 PLAYFORD BOULEVARD, ELIZABETH**

MEMBERS MAY PARTICIPATE BY ELECTRONIC MEANS

ON

TUESDAY, 7 OCTOBER 2025 AT 5:00 PM

A handwritten signature in blue ink, appearing to read "S Green".

**SAM GREEN
CHIEF EXECUTIVE OFFICER**

Issue Date: Thursday, 2 October 2025

MEMBERSHIP

MR MARK LABAZ – PRESIDING MEMBER

Mr Peter Brass

Mayor Glenn Docherty

Cr Shirley Halls

Mr Martin White

City of Playford
Corporate Governance Committee Meeting

AGENDA

TUESDAY, 7 OCTOBER 2025 AT 5:00 PM

1 ATTENDANCE RECORD

1.1 Present

1.2 Apologies

Mr Martin White

1.3 Not Present

2 CONFIRMATION OF MINUTES

RECOMMENDATION

The Minutes of the Corporate Governance Committee Meeting held 5 August 2025 be confirmed as a true and accurate record of proceedings.

3 DECLARATIONS OF INTEREST

4 DEPUTATION / REPRESENTATIONS

Nil

5 STAFF REPORTS

Matters to be considered by the Committee and referred to Council

Matters which cannot be delegated to a Committee or Staff

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STAFF REPORTS

MATTERS TO BE CONSIDERED BY THE COMMITTEE AND REFERRED TO COUNCIL

***Matters which cannot be
delegated to a Committee or Staff***

5.1 ADOPTION OF 2024/25 ANNUAL FINANCIAL STATEMENTS

Responsible Executive Manager : Luke Culhane

Report Author : Janey Yang

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments :

- 1. Financial Statements 2024/25
- 2. Annual Audit Completion Report 2024/25
- 3. Management Representation Letter 2024/25
- 4. Reports on Financial Results 2024/25
- 5. Management Fraud Risk Questionnaire 2024/25

PURPOSE

To present the 2024/25 Annual Financial Statements for Council endorsement in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

STAFF RECOMMENDATION

1. Council notes that the Corporate Governance Committee has reviewed the 2024/25 Annual Financial Statements for the year ended 30 June 2025, including questions of the External Auditor and management, and is satisfied with the process to ensure that they present fairly the state of affairs of the Council.
2. Council notes that Mr Andrew Tickle of BDO provided an Audit Clearance letter on 12 September 2025, stating the intention to issue an unmodified audit opinion.
3. Council receives and adopts the Annual Financial Statements for the year ended 30 June 2025.
4. Council authorises the Mayor and CEO to sign the Annual Financial Statements for the year ended 30 June 2025.

EXECUTIVE SUMMARY

The 2024/25 Annual Financial Statements present Council's financial performance during the year and the overall financial position at 30 June 2025.

The 2024/25 Annual Financial Statements have been prepared in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* as prescribed by the LGA's model Financial Statements.

The 2024/25 Annual Financial Statements have been reviewed by Council's External Auditor and an unmodified audit opinion for both the Financial Statements and the Internal Controls has been issued.

1. BACKGROUND

Preparation, audit and adoption of Annual Financial Statements ensures compliance with the following legislative requirements:

- Section 127(1) of the *Local Government Act 1999* requires Councils to prepare Annual Financial Statements and notes in accordance with standards prescribed by the Regulations.
- Section 127(3) of the *Local Government Act 1999* requires the Annual Financial Statements to be reviewed by Council's External Auditor.
- Section 10 of the *Local Government (Financial Management) Regulations 2011* requires Council to consider a report comparing the Financial Result against the Original Budget adopted by Council.
- Section 140 of the *Local Government Act 1999* requires Council to review the performance of its investments at least on an annual basis.

Adoption of the Annual Financial Statements completes the financial regulatory and legislative reporting requirements for the 2024/25 financial year.

2. RELEVANCE TO STRATEGIC PLAN

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

The 2024/25 Annual Financial Statements provide transparent financial reporting to demonstrate to the community that Council is following its Finance Strategy to achieve long-term financial sustainability while still delivering planned services, responsible management of debt and promoting the growth of the city.

3. PUBLIC CONSULTATION

Council is not required to consult the community regarding the 2024/25 Annual Financial Statements.

Copies of the 2024/25 Annual Financial Statements will be made available at Customer Service Centres and on Council's website. A full copy of the 2024/25 Annual Financial Statements will also be included in the Council's Annual Report for 2024/25.

4. DISCUSSION

4.1 2024/25 Annual Financial Statements

The 2024/25 Annual Financial Statements are provided in Attachment 1.

The Annual Financial Statements have been prepared in accordance with Australian Accounting Standards, *Local Government (Financial Management) Regulations 2011* and within the format of the Model Financial Statements.

Council recorded an operating surplus of \$21.8M partially attributed to \$9.2M of the 2025/26 Commonwealth Government Financial Assistance Grant received in advance during late June 2025, also including cost savings, interest savings and short-term operational savings related to delays in capital project completion.

Council's performance against key financial indicator targets for the year ended 30 June 2025 demonstrates sound financial performance, asset sustainability and responsible debt management. Performance against both the prescribed financial indicators, as

disclosed in the 2024/25 Annual Financial Statements, and three (3) other Council approved financial indicators is provided in the table below.

Three (3) of the six (6) ratios (adjusted) are within the target range, one is marginally above the range, one (1) is above and two (2) are below. The Operating Surplus ratio, Structural Surplus ratio, Net financial liabilities and Cash Flow from Operations are all affected by the receipt in advance of \$9.2M Commonwealth Government Grants in June 2025. Employee cost savings, interest savings from lesser borrowings (multi-year capital projects) and short-term operational savings also improved the actual Operating Surplus Ratio and Structural Surplus results.

The Asset Renewal Funding Ratio is lower than the target range caused by annual variation in the asset management plan requirements (the average long-term target is 100% of asset management plan forecast expenditure).

Financial Indicator	Explanation	2024/25 Actual	2024/25 Adjusted* Actual	2024/25 Revised Budget	2024/25 Target	Comments
Operating Surplus Ratio	Gives an indication of Council's ability to service its operations from expected income, while maintaining long term financial sustainability.	13.4%	8.2%	5.3%	1%-10%	Adjusted ratio within target range
Structural Surplus Ratio	Gives an indication of Council's ability to service its operations from expected income, while maintaining long term financial sustainability excluding once-off operating grants and contribution which will be spent on future capital infrastructure.	10.0%	4.0%	0.8%	1%-4%	Adjusted ratio above target range
Cash Flow from Operations Ratio	Measures whether Council is generating enough cash from its operations to cover the replacement of assets over time.	186.7%	135.3%	102.7%	Between 90% and 110%	Above target range
Asset Renewal Funding Ratio	Shows if Council is replacing assets at the rate as required in the Asset Management Plan.	77.9%	N.A.	115%	Between 90% and 110%	Below target range
Net Financial Liabilities Ratio	Shows the extent to which Council is managing its debt (borrowings).	57.1%	69.6%	80%	50%-160%	Within target range
Interest Expense Cover Ratio	This ratio shows how much discretionary income is used to pay interest on borrowings	2.3%	N.A.	5.5%	0%-8%	Within target range

**Adjusted ratio corrects the distortion for the receipt of Financial Assistance Grants in advance. Adjustments are also made for developer contributions and grant payments that are recognised as operating income under accounting standards but utilised for capital and future capital spend.*

Local Government Finance Authority (LGFA) variable cash advance debenture (CAD) borrowing interest rates steadily declined in the second half of the financial year. In the first half of the year the rate was steady at 6.15%, but during this period there was reduced use of CAD borrowing due to the receipt of the first two (2) rates instalments. The CAD interest rate reduced to 6% in February, then 5.75% and finally 5.5% in June thus reducing during the cycle of greater use of CAD borrowing.

In accordance with Section 10 of the *Local Government (Financial Management) Regulations 2011*, a detailed comparison of the 2024/25 financial result to the original budget is provided in the Report on Financial Results 2024/25 (Attachment 4).

In accordance with Section 140 of the *Local Government Act 1999* a review of annual investment performance has also been undertaken. Consistent with Council's Treasury Policy, Council uses the maximum cash available on hand to offset Council's borrowings. This cash management approach reduces interest expenditure but also reduces interest income earned as deposits are kept to a minimum. Even with declining interest rates this remains the most effective method of reducing interest costs for Council. As a result, interest earned during 2024/25 was only \$199K based on the range of interest rates detailed in the table below.

<i>Investment Performance from 1/7/2024 to 30/6/2025</i>			
	Highest Interest Rate	Lowest Interest Rate	Average Interest Rate %
LGFA 24-hour account	4.55%	4.30%	4.47%
Commonwealth Bank Operating Account	4.25%	4.00%	4.17%

4.2 External Audit

The 2024/25 Annual Financial Statements have been audited by Council's External Auditor, BDO.

BDO's Annual Audit Completion Report to the Corporate Governance Committee is provided in the Audit Completion Report 2024/2025 (Attachment 2). The purpose of the Annual Audit Completion Report is to communicate significant matters arising from the audit to the Corporate Governance Committee.

BDO expect to issue an unmodified audit report and have provided the proposed audit report at Appendix 1 of the Annual Audit Completion Report. One minor internal control finding is included in the Annual Audit Completion Report relating to a review and offboarding of a casual staff member. There is minimal financial risk as casual staff require an approved timesheet to be paid.

In forming their final opinion BDO will rely on the following management representations:

- **Fraud Questionnaire** - As part of the internal controls audit in March 2025 and Annual Financial Statements audit in August 2025 management have completed the Fraud Questionnaire with responses provided in Attachment 5.
- **Management Representation Letter** - This letter will be provided to BDO prior to the final Audit Opinion being issued. It provides assurances around the financial report, the books, records and documentation, related parties, litigation/claims and compliance with laws and regulations. The Draft Management Representation Letter is provided in Attachment 3.

4.3 Adoption of Statements

The Management Representation Letter provided at Attachment 3 will be signed by the Chief Executive Officer, General Manager for Corporate Services (CFO) and issued to the Audit Partner of BDO, Mr Andrew Tickle.

Following endorsement by Council the final signed copy, including the Audit Opinion, will be included in the 2024/25 Annual Report.

5. OPTIONS

Recommendation

1. Council notes that the Corporate Governance Committee has reviewed the 2024/25 Annual Financial Statements for the year ended 30 June 2025, including questions of the External Auditor and management, and is satisfied with the process to ensure that they present fairly the state of affairs of the Council.
2. Council notes that Mr Andrew Tickle of BDO provided an Audit Clearance letter on 12 September 2025, stating the intention to issue an unmodified audit opinion.
3. Council receives and adopts the Annual Financial Statements for the year ended 30 June 2025.
4. Council authorises the Mayor and CEO to sign the Annual Financial Statements for the year ended 30 June 2025.

Option 2

Council does not adopt the 2024/25 Annual Financial Statements and seeks further information.

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

Adoption of the 2024/25 Annual Financial Statements ensures transparent financial information is presented to our community and that legislative provisions are met.

Risk Appetite

Regulatory Compliance

Council has a zero tolerance for non-compliance with applicable legislation including but not limited to: Local Government Act (LGA) 1999; Independent Commissioner Against Corruption (ICAC) Act 2012; Work Health & Safety (WHS) Act 2012; Environment Protection Act (EPA) 1993; Development Act 1993; Equal Employment Opportunity legislation; and Public Consultation legislation.

This decision will ensure compliance with all relevant legislation.

6.1.2 Financial Implications

There are no financial or resource implications arising from the adoption of the 2024/25 Annual Financial Statements.

6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

Any changes made by Council will be referred to the Corporate Governance Committee for consideration. These changes will also be required to be reviewed by Council's External

Auditor to ensure they are still satisfied in providing an audit certificate to Council. The effect of this may result in Council missing its statutory deadline in relation to the 2024/25 Financial Statements with the potential to be reported to the Minister.

6.2.2 Financial Implications

There may be short term resource implications arising from any amendments to the 2024/25 Financial Statements.



City of Playford General Purpose Financial Statements

For the year ending 30 June 2025



City of Playford

Financial Statements 2025

General Purpose Financial Statements
for the year ended 30 June 2025

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City of Playford

Financial Statements 2025

General Purpose Financial Statements

for the year ended 30 June 2025

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 2025 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.

Sam Green
Chief Executive Officer

28 October 2025

Glenn Docherty
Mayor

28 October 2025

City of Playford

Financial Statements 2025

Statement of Comprehensive Income
for the year ended 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
Income			
Rates	2a	113,073	102,176
Statutory charges	2b	4,011	3,034
User charges	2c	4,634	4,161
Grants, subsidies and contributions - capital	2g	6,719	8,789
Grants, subsidies and contributions - operating	2g	31,570	5,290
Investment income	2d	199	319
Reimbursements	2e	1,353	1,123
Other income	2f	542	467
Total income		162,101	125,359
Expenses			
Employee costs	3a	50,877	46,249
Materials, contracts and other expenses	3b	50,040	45,385
Depreciation, amortisation and impairment	3c	34,074	30,173
Finance costs	3d	2,739	3,695
Net loss - equity accounted council businesses	18(a)i	2,599	496
Total expenses		140,329	125,998
Operating surplus / (deficit)		21,772	(639)
Physical resources received free of charge	2h	53,977	37,167
Asset disposal and fair value adjustments	4	(4,867)	(2,584)
Amounts received specifically for new or upgraded assets	2g	9,527	8,733
Net surplus / (deficit)		80,409	42,677
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I, PP&E	9a	262,554	248,166
Share of other comprehensive income - equity accounted council businesses	9a	—	6,582
Other equity adjustments - equity accounted council businesses	18(a)i	(269)	(3)
Total amounts which will not be reclassified subsequently to operating result		262,285	254,745
Total other comprehensive income		262,285	254,745
Total comprehensive income		342,694	297,422

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

City of Playford

Financial Statements 2025

Statement of Financial Position

as at 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	2,871	1,751
Trade and other receivables	5b	7,734	9,210
Other financial assets	5c	27	26
Inventories	5d	223	266
Other current assets	5e	1,280	1,185
Non-current assets held for sale	19	362	362
Total current assets		12,497	12,800
Non-current assets			
Financial Assets	6a	196	223
Equity accounted investments in council businesses	6b	16,492	16,969
Other non-current assets	6c	35,815	30,683
Infrastructure, property, plant and equipment	7	2,242,831	1,918,154
Total non-current assets		2,295,334	1,966,029
TOTAL ASSETS		2,307,831	1,978,829
LIABILITIES			
Current liabilities			
Trade and other payables	8a	19,639	18,039
Borrowings	8b	4,559	5,364
Provisions	8c	6,376	6,363
Total current liabilities		30,574	29,766
Non-current liabilities			
Borrowings	8b	71,351	86,067
Provisions	8c	1,441	1,225
Total non-current liabilities		72,792	87,292
TOTAL LIABILITIES		103,366	117,058
Net assets		2,204,465	1,861,771
EQUITY			
Accumulated surplus		580,781	495,110
Asset revaluation reserves	9a	1,606,478	1,350,798
Other reserves	9b	17,206	15,863
Total equity		2,204,465	1,861,771

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

City of Playford

Financial Statements 2025

Statement of Changes in Equity
for the year ended 30 June 2025

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2025					
Balance at the end of previous reporting period		495,110	1,350,798	15,863	1,861,771
Net surplus / (deficit) for year		80,409	—	—	80,409
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	262,554	—	262,554
Transfer to accumulated surplus on sale of I,PP&E	9a	6,874	(6,874)	—	—
Other equity adjustments - equity accounted council businesses	18(a)ii	(269)	—	—	(269)
Other comprehensive income		6,605	255,680	—	262,285
Total comprehensive income		87,014	255,680	—	342,694
Transfers between reserves		(1,343)	—	1,343	—
Balance at the end of period		580,781	1,606,478	17,206	2,204,465
2024					
Balance at the end of previous reporting period		447,720	1,100,688	15,941	1,564,349
Net surplus / (deficit) for year		42,677	—	—	42,677
Other comprehensive income					
Share of OCI - equity accounted council businesses		—	6,582	—	6,582
- Gain (Loss) on Revaluation of I,PP&E	7a	—	248,166	—	248,166
Transfer to accumulated surplus on sale of I,PP&E	9a	4,638	(4,638)	—	—
Other equity adjustments - equity accounted council businesses	18(a)ii	(3)	—	—	(3)
Other comprehensive income		4,635	250,110	—	254,745
Total comprehensive income		47,312	250,110	—	297,422
Transfers between reserves		78	—	(78)	—
Balance at the end of period		495,110	1,350,798	15,863	1,861,771

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

City of Playford

Financial Statements 2025

Statement of Cash Flows

for the year ended 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
Cash flows from operating activities			
<u>Receipts</u>			
Rates receipts		113,126	101,220
Statutory charges		4,011	3,034
User charges		4,952	4,442
Grants, subsidies and contributions		32,842	5,493
Investment receipts		199	319
Reimbursements		1,456	1,189
Other receipts		11,086	14,988
<u>Payments</u>			
Payments to employees		(51,089)	(46,432)
Payments for materials, contracts and other expenses		(56,077)	(55,078)
Finance payments		(2,739)	(3,695)
Net cash provided by (or used in) operating activities	11b	57,767	25,480
Cash flows from investing activities			
<u>Receipts</u>			
Amounts received specifically for new or upgraded assets		7,110	8,024
Grants utilised for capital purposes		3,905	6,468
Sale of replaced assets		1,104	934
Sale of surplus assets		780	571
Repayments of loans by community groups		26	23
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(23,618)	(23,577)
Expenditure on new/upgraded assets		(30,326)	(21,516)
Net cash provided (or used in) investing activities		(41,019)	(29,073)
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from loans		60,427	84,719
Proceeds from bonds, deposits and retentions		26	—
<u>Payments</u>			
Repayments of loans		(75,918)	(94,659)
Repayment of lease liabilities		(163)	(104)
Repayment of bonds and deposits		—	(15)
Net cash provided by (or used in) financing activities		(15,628)	(10,059)
Net increase (decrease) in cash held		1,120	(13,652)
plus: cash & cash equivalents at beginning of period		1,751	15,403
Cash and cash equivalents held at end of period	11a	2,871	1,751

Additional information:

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

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical cost convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

(2) The local government reporting entity

City of Playford is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 12 Bishopstone Road, Davoren Park. 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.

Other entities in which Council has an interest but does not control are reported in Note 18.

(3) Income recognition

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

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

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

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation as shown in the table below:

continued on next page ...

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

	Cash Payment Received \$ '000	Annual Allocation \$ '000	Difference \$ '000	Net Timing Adjustments \$'000
2022/23	\$19,257	\$14,126	-\$10,216 +\$15,345	\$5,131
2023/24	\$888	\$16,233	-\$15,345 \$0	-\$15,345
2024/25	\$26,065	\$16,884	\$0 +\$9,181	\$9,181

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 14 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

(4) Cash, cash equivalents and other financial instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition, 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 12.

(5) Inventories

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

5.1 Other Real Estate Held for Resale

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

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.

5.2 Non-current assets or disposal groups classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

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Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately on the face of the statement of financial position, in current assets.

(6) Infrastructure, property, plant and equipment

6.1 Initial recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and other overhead cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner determined by management.

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 included in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent recognition

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

6.4 Depreciation of non-current assets

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

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

Major depreciation periods for each class of asset are listed in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but records covering the entire life cycle of these assets are not available, and care should be used in interpreting financial information based on these estimates.

6.5 Impairment

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

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

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

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

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.

(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 recorded initially at fair value, being the cost of the borrowings, net of transaction costs. The measurement basis subsequent to initial recognition is at amortised cost. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

(9) Employee benefits**9.1 Salaries, Wages & Compensated Absences**

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

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

Weighted avg. discount rate 6.47% (2024, 5.83%)

Weighted avg. settlement period 2.2 years (2024, 1.84 years)

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the nominated fund selected by employees under the "Choice of Fund" legislation.

No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 17.

(10) Leases

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

10.1 Council as a lessee

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

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

i) Right-of-Use-Assets

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

Building, plant, equipment and other	2 to 5 years
--------------------------------------	--------------

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - 6.5 Impairment.

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 certain services and facilities.

Council's equity in the Northern Adelaide Waste Management Authority (NAWMA) and Gawler River Floodplain Management Authority (GRFMA) are accounted for in accordance with AASB 128 and set out in detail in Note 18.

(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 AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2025, 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 will be provided in the relevant 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 statements that could be applicable to councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability

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

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025**Note 1. Summary of Material Accounting Policies (continued)**

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB2015-10, AASB 2017-5 and AASB 2022-7)

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

Effective for NFP annual reporting periods beginning on or after 1 January 2026

- AASB 2022-9, Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector
- AASB 2024-2, Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments
- AASB 2024-3, Amendments to Australian Accounting Standards - Annual Improvements Volume 11
- AASB 2025-1, Amendments to Australian Accounting Standards - Contracts Referencing Nature-dependent Electricity
- AASB 2025-2, Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments: Tier 2 Disclosures
- New Accounting Standard, AASB 17 - Insurance Contracts

(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 Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 2. Income

	2025 \$ '000	2024 \$ '000
(a) Rates		
General rates		
General rates	116,183	105,666
Less: mandatory rebates	(4,683)	(4,647)
Less: discretionary rebates, remissions and write-offs	(941)	(929)
Total general rates	110,559	100,090
Other rates (including service charges)		
Regional Landscape Levy	1,537	1,289
Total other rates (including service charges)	1,537	1,289
Other charges		
Penalties for late payment	718	585
Legal and other costs recovered	259	212
Total other charges	977	797
Total rates	113,073	102,176
(b) Statutory charges		
Planning, Development and Infrastructure Act fees	2,216	1,605
Animal registration fees and fines	836	727
Parking fines / expiation fees	410	222
Environmental control fines	236	188
Other licences, fees and fines	313	292
Total statutory charges	4,011	3,034
(c) User charges		
Commercial activity revenue	383	218
Hall and equipment hire	2,581	2,362
Sundry	168	184
Commercial Activity - Food Cooperative	271	330
Commercial Activity - Water	612	487
Home and Aged Care	527	507
Immunisation	43	27
Library	49	46
Total user charges	4,634	4,161

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 2. Income (continued)

	2025 \$ '000	2024 \$ '000
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	54	10
- Banks and other	138	302
- Loans to community groups	7	7
Total investment income	199	319
(e) Reimbursements		
Other	1,353	1,123
Total reimbursements	1,353	1,123
(f) Other income		
Insurance and other recoupments - infrastructure, property, plant and equipment	245	33
Sundry	297	434
Total other income	542	467
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts Received Specifically for New or Upgraded Assets	7,110	8,733
Amounts Received Specifically for New or Upgraded Assets (Joint ventures)	2,417	—
Total amounts received for new or upgraded assets	9,527	8,733
Other grants, subsidies and contributions - capital		
Developer Contributions	4,223	4,218
Local Roads and Community Infrastructure Program Grant	1,100	1,501
Roads to Recovery	—	1,378
Special Local Road Program Grant	630	930
Subsidies	63	74
Supplementary Local Road Grant	703	688
Total Other grants, subsidies and contributions - capital	6,719	8,789
Other grants, subsidies and contributions - Operating		
Brought Forward Financial Assistance Grant	9,181	—
Developer Contributions	556	261
Financial Assistance Grant (remaining allocation)	16,884	888
Home and Community Care Grant	2,376	2,273
Sundry	2,573	1,868
Total other grants, subsidies and contributions - operating	31,570	5,290

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 2. Income (continued)

	2025 \$ '000	2024 \$ '000
Total grants, subsidies and contributions	47,816	22,812
(i) Sources of grants		
Commonwealth Government	4,060	8,350
State Government	34,417	8,578
Other	9,339	5,884
Total	47,816	22,812
(ii) Individually significant items		
Brought Forward Financial Assistance Grant Recognised as Income	9,181	—
Developers Contribution	4,779	4,479
Local Roads and Community Infrastructure Program Grants	1,100	1,501
Supplementary Local Road Funding	703	688
 (h) Physical resources received free of charge		
Land and improvements	1,983	486
Stormwater drainage	3,114	10,573
Infrastructure	48,148	25,687
Parks	732	421
Total physical resources received free of charge	53,977	37,167

Note 3. Expenses

	2025 \$ '000	2024 \$ '000
(a) Employee costs		
Salaries and wages	36,486	33,718
Employee leave expense	6,163	5,864
Superannuation	4,635	4,068
Workers' compensation insurance	1,862	1,640
Other employee related costs	2,975	2,067
Less: capitalised and distributed costs	(1,244)	(1,108)
Total operating employee costs	50,877	46,249
Total number of employees (full time equivalent at end of reporting period)	440	421
 (b) Materials, contracts and other expenses		
(i) Prescribed expenses		
Auditor's remuneration - Auditing the financial reports	39	37
Bad and doubtful debts	13	23
Elected members' expenses	513	491
Lease expense - low value assets / short term leases	25	43
Subtotal - prescribed expenses	590	594

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 3. Expenses (continued)

	2025 \$ '000	2024 \$ '000
(ii) Other materials, contracts and expenses		
Advertising	207	147
Bank Fee	250	260
Contractors	13,995	12,344
Contributions	576	416
Energy	3,795	3,787
Insurance Premiums	1,446	1,314
Legal expenses	925	902
Levies - other	243	212
Levies Paid to Government - Regional Landscape Levy	1,537	1,289
Maintenance	4,728	4,162
Parts, accessories and consumables	3,647	3,880
Professional services	2,014	1,601
Recruitment	161	225
Sundry	1,371	1,083
Waste Collection	12,917	11,779
Water	1,638	1,390
Subtotal - Other material, contracts and expenses	49,450	44,791
Total materials, contracts and other expenses	50,040	45,385
 (c) Depreciation, amortisation and impairment		
Buildings and other structures	4,729	4,228
Infrastructure	18,205	17,162
Stormwater drainage	5,285	4,144
Parks & Sport Fields	3,639	2,351
Right-of-use assets	166	104
Plant and equipment	2,050	2,184
Total depreciation, amortisation and impairment	34,074	30,173
 (d) Finance costs		
Interest on loans	2,824	3,728
Interest on leases	18	6
Less: capitalised and distributed costs	(103)	(39)
Total finance costs	2,739	3,695

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 4. Asset disposal and fair value adjustments

	2025 \$ '000	2024 \$ '000
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	1,104	934
Less: carrying amount of assets sold	(6,635)	(4,089)
Gain (loss) on disposal	(5,531)	(3,155)
(ii) Assets surplus to requirements		
Proceeds from disposal	780	571
Less: carrying amount of assets sold	(90)	—
Gain (loss) on disposal	690	571
(iii) Assets movement from joint ventures		
Proceeds from disposal	3	—
Less: carrying amount of assets sold	(29)	—
Gain (loss) on disposal	(26)	—
Net gain (loss) on disposal or revaluation of assets	(4,867)	(2,584)

Note 5. Current assets

	2025 \$ '000	2024 \$ '000
(a) Cash and cash equivalent assets		
Cash on hand and at bank	2,871	1,751
Total cash and cash equivalent assets	2,871	1,751
(b) Trade and other receivables		
Rates - general and other	5,097	5,159
Council rates postponement scheme	121	112
Accrued revenues	340	315
Debtors - general	820	3,037
GST recoupment	1,146	455
Sundry	134	71
Debtors - Other	88	82
Subtotal	7,746	9,231
Less: Loss Allowance	(12)	(21)
Total trade and other receivables	7,734	9,210

(*) Minimum \$15,000 is likely to be collected in 2025/26

(c) Other financial assets

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 5. Current assets (continued)

	2025 \$ '000	2024 \$ '000
Loans to Community Organisations	27	26
Total Other Financial Assets	27	26

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

(d) Inventories

Stores and materials	223	266
Total inventories	223	266

(e) Other current assets

Prepayments	1,280	1,185
Total other current assets	1,280	1,185

Note 6. Non-current assets

	2025 \$ '000	2024 \$ '000
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(a) Financial Assets

Receivables

Loans to community organisations	196	223
Total financial assets	196	223

	Notes	2025 \$ '000	2024 \$ '000
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(b) Equity accounted investments in council businesses

NAWMA	18	4,112	4,138
GRFMA		12,380	12,831
Total equity accounted investments in Council businesses		16,492	16,969

(c) Other non-current assets

Other

Capital work in progress	35,815	30,683
Total other non-current assets	35,815	30,683

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

	Fair Value Level	as at 30/06/24				Asset movements during the reporting period						as at 30/06/25			
		At Fair Value \$ '000	At Cost \$ '000	Accumulated Depreciation \$ '000	Carrying amount \$ '000	Asset Additions New / Upgrade \$ '000	Asset Additions Renewals \$ '000	WDV of Asset Disposals \$ '000	Depreciation Expense (Note 3c) \$ '000	Adjustments & Transfers \$ '000	Revaluation Increments to Equity (ARR) (Note 9) \$ '000	At Fair Value \$ '000	At Cost \$ '000	Accumulated Depreciation \$ '000	Carrying amount \$ '000
Land	2	681,538	—	—	681,538	5,581	—	(90)	—	—	102,978	790,007	—	—	790,007
Buildings and other structures	3	188,092	—	(84,422)	103,670	2,907	2,142	(3)	(4,729)	118	836	200,364	—	(95,423)	104,941
Infrastructure	3	1,570,642	—	(498,791)	1,071,851	59,231	15,118	(4,575)	(18,205)	(368,323)	23,071	1,191,221	—	(413,053)	778,168
Stormwater drainage	3	—	—	—	—	6,446	310	(310)	(5,285)	337,477	133,277	604,453	—	(132,538)	471,915
Parks & Sport Fields	3	72,272	—	(27,402)	44,870	6,075	1,466	(325)	(3,639)	30,728	2,392	133,418	—	(51,851)	81,567
Right-of-use assets		—	1,144	(863)	281	133	—	—	(166)	—	—	—	1,277	(1,029)	248
Plant and equipment		—	26,439	(10,495)	15,944	444	3,069	(1,421)	(2,050)	(1)	—	—	27,598	(11,613)	15,985
Total infrastructure, property, plant and equipment		2,512,544	27,583	(621,973)	1,918,154	80,817	22,105	(6,724)	(34,074)	(1)	262,554	2,919,463	28,875	(705,507)	2,242,831
Comparatives		2,118,412	24,594	(522,309)	1,620,697	53,400	30,154	(4,089)	(30,173)	(1)	248,166	2,512,544	27,583	(621,973)	1,918,154

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Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Valuation of infrastructure, property, plant & equipment and investment property

Fair Value Measurement

Council measures certain assets and liabilities at fair value where required by Australian Accounting Standards. AASB 13 Fair Value Measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

This section explains the judgements and estimates made in determining the fair values of the assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Council has classified its property, plant and equipment into the three levels prescribed under the accounting standards. An explanation of each level 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).

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

Council re-assesses level categorisation and determines whether transfers have occurred between levels in the hierarchy, based on the level of inputs that is significant to the fair value measurement as a whole for the asset class.

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

Valuation Techniques

Council undertakes a formal valuation of land, buildings and infrastructure assets at least every five years. The valuations are performed by independent experts engaged by Council with inhouse desktop valuation undertaken all other years.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Council considers information from a variety of sources including:

- current prices in an active market for properties of a different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- income projections based on a property's estimated net market income
- current replacement cost, being the cost to construct the asset at current prices less the depreciation that would have accumulated since original construction.

Highest and best use

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

Highest and best use - For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land. Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

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.

Capitalisation Thresholds

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

	\$
Office Furniture & Equipment	2,000
Plant & Equipment	2,000
Buildings and Other Structures	5,000
Infrastructure - Stormwater	5,000
Infrastructure - Streetscape	5,000
Parks & Sport Fields	5,000

Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below:

Building & Other Structures	10 to 100 years
Infrastructure - Stormwater	10 to 120 years
Infrastructure - Streetscape	10 to 100 years
Parks & Sport Fields	10 to 100 years
Plant and Equipment	2 to 15 years
Office Furniture & Equipment	2 to 15 years
Right-of-Use Assets	2 to 3 years
Land	infinite
Infrastructure - Formation	infinite

Land & Land Improvements

- Basis of valuation: Fair Value / Market Value / Written down current replacement cost
- Date of valuation: 01 December 2024. All acquisitions made after the respective date of valuation are recorded at cost.
- Valuer: Valuation undertaken by Liquid Pacific as at 01 July 2021. Council has undertaken a subsequent desktop valuation and update of unit rates as at 01 December 2024.
- Determination of unit rates based on recent average Capital Value & Land tax index value movement.

Buildings & Other Structures

- Basis of valuation: Fair Value / Market Value / Written down current replacement cost
- Date of valuation: 01 December 2024. All acquisitions made after the respective date of valuation are recorded at cost.
- Valuer: Valuation undertaken by Public Private Property as at 01 December 2023. Council has undertaken a subsequent desktop valuation and update of unit rates as at 01 December 2024.
- Indexation of unit rates using industry indexes such as the Local Government Price Index.

Infrastructure

Streetscape

- Basis of valuation: Written down current replacement cost
- Date of valuation: 01 December 2024. All acquisitions made after the respective date of valuation are recorded at cost.
- Valuer: Valuation undertaken by Liquid Pacific as at 01 July 2021. Council has undertaken a subsequent desktop valuation and update of unit rates as at 01 December 2024.
- Determination of unit rates based on recent Council contracts in place.

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Stormwater

- Basis of valuation: Written down current replacement cost.
- Date of valuation: 01 December 2024. All acquisitions made after the respective date of valuation are recorded at cost.
- Valuer: Valuation undertaken by Rider Levett Bucknall (RLB) as at 01 December 2024.

The rate development methodology used by Rider Levett Bucknall (RLB) in the stormwater revaluation project for the City of Playford involved three main approaches, depending on the level of detail available for each asset type:

1. First Principles Estimating

- Used when: Detailed scope and specifications were available.
- Approach: Built up rates from the ground up using:
 - Material costs
 - Labour costs
 - Plant and equipment usage
- Advantage: Most accurate and tailored to actual construction practices.

2. Benchmark Rates

- Used when: The scope was generally understood but lacked detailed specifications.
- Approach: Applied industry-standard rates or historical data from similar projects.
- Advantage: Efficient and reasonably accurate when full detail is unavailable.

3. Escalated Allowances

- Used when: Minimal or no detail was available about the asset.
- Approach: Applied a general allowance based on similar asset types, adjusted for inflation or market trends.
- Advantage: Provides a placeholder value to ensure completeness, though less precise.

Each rate also included:

- Direct Costs: Materials, labour, plant.
- Indirect Costs:
 - Contractor Preliminaries
 - Contractor Margin and Overheads

Parks and Sport Fields

- Basis of valuation: Written down current replacement cost.
- Date of valuation: 01 December 2024. All acquisitions made after the respective date of valuation are recorded at cost.
- Valuer: Valuation undertaken by Liquid Pacific as at 01 July 2021. Council has undertaken a subsequent desktop valuation and update of unit rates as at 01 December 2024.
- Indexation of unit rates using industry indexes such as the Local Government Price Index.

Structures, Bridges, Car Parks

- Basis of valuation: Market Value / Written down current replacement cost.
- Date of valuation: 01 December 2024. All acquisitions made after the respective date of valuation are recorded at cost.
- Valuer: Valuation undertaken by Liquid Pacific as at 01 July 2021. Council has undertaken a subsequent desktop valuation and update of unit rates as at 01 December 2024.
- Indexation of unit rates based on recent Council contracts in place.

Plant & Equipment

- Basis of valuation: Cost
- Date of valuation: not revalued, carried at cost less accumulated depreciation

Furniture & Fittings

- Basis of valuation: Cost
- Date of valuation: not revalued, carried at cost less accumulated depreciation

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 8. Liabilities

	2025 Current \$ '000	2025 Non Current \$ '000	2024 Current \$ '000	2024 Non Current \$ '000
(a) Trade and other payables				
Goods and services	8,755	—	6,406	—
Payments received in advance	—	—	—	—
- Grants, subsidies, contributions - operating	1,576	—	428	—
- Grants and contributions - capital	3,180	—	5,994	—
Accrued expenses - other	4,001	—	3,096	—
Bonds, deposits & retentions	32	—	6	—
Other	2,095	—	2,109	—
Total trade and other payables	19,639	—	18,039	—

	Notes	2025 Current \$ '000	2025 Non Current \$ '000	2024 Current \$ '000	2024 Non Current \$ '000
(b) Borrowings					
Loans	12	4,413	71,242	5,260	85,886
Lease liabilities	16b	146	109	104	181
Total Borrowings		4,559	71,351	5,364	86,067

(c) Provisions

Employee Benefits (Annual Leave)	2,968	—	2,802	—
Employee Benefits (Long Service Leave)	3,408	1,441	3,561	1,225
Total provisions	6,376	1,441	6,363	1,225

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 9. Reserves

	as at 30/06/24				as at 30/06/25
	Opening Balance \$ '000	Increments (Decrements) \$ '000	Transfers \$ '000	Impairments \$ '000	Closing Balance \$ '000

(a) Asset revaluation reserve

Land	606,392	102,978	(1,044)	—	708,326
Buildings and other structures	94,441	836	(1,275)	—	94,002
Infrastructure	637,966	23,071	(3,976)	—	657,061
Stormwater drainage	—	133,277	(1,556)	—	131,721
Parks & Sport Fields	3,007	2,392	977	—	6,376
JV's / associates - other comprehensive income	8,992	—	—	—	8,992
Total asset revaluation reserve	1,350,798	262,554	(6,874)	—	1,606,478
Comparatives	1,100,688	254,748	(4,638)	—	1,350,798

	as at 30/06/24				as at 30/06/25
	Opening Balance \$ '000	Tfrs to Reserve \$ '000	Tfrs from Reserve \$ '000	Other Movements \$ '000	Closing Balance \$ '000

(b) Other reserves

Developer Contributions	13,977	5,407	(4,710)	—	14,674
Other reserves	91	4	—	—	95
Supplementary Local Roads	1,795	799	(157)	—	2,437
Total other reserves	15,863	6,210	(4,867)	—	17,206
Comparatives	15,941	5,776	(5,854)	—	15,863

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).

Developer Contributions

Where developers elect to make a cash contribution to Council in lieu of installing a physical asset, the cash must be paid to Council at the time of processing the planning application. Council sets these funds aside in the Developer Contribution Reserve for construction of the assets after development is completed.

Supplementary Local Roads

The Supplementary Local Road Funding program is an additional allocation of road funding provided by Federal Government. Any unspent funds from the financial year are set aside in the Reserve for construction of future local roads.

Note 10. Assets subject to restrictions

The nature of some of the Council's 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.

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 11. Reconciliation to Statement of Cash Flows

	Notes	2025 \$ '000	2024 \$ '000
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(a) Reconciliation of cash

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

Total Cash & Cash Equivalents Assets	5	2,871	1,751
Balances per Statement of Cash Flows		2,871	1,751

(b) Reconciliation of Operating Result

Net surplus/(deficit)		80,409	42,677
Non-cash items in income statements			
Depreciation, amortisation and impairment	3c	34,074	30,173
Equity movements in equity accounted investments (increase)/decrease	18(a)i	2,599	496
Non-cash asset acquisitions		(53,977)	(37,167)
Grants for capital acquisitions treated as investing activity	2g	(16,246)	(17,522)
Net (gain)/loss on disposals	4	4,867	2,584
		51,726	21,241
Add (less): changes in net current assets			
Net (increase)/decrease in receivables	5b	1,485	5,165
Change in allowances for under-recovery of receivables	5b	(9)	9
Net (increase)/decrease in inventories	5d	43	(12)
Net (increase)/decrease in other assets	5c,5e	(95)	(288)
Net increase/(decrease) in trade and other payables	8a	4,388	(665)
Net increase/(decrease) in other provisions	8c	229	30
Net cash provided by (or used in) operations		57,767	25,480

(c) Non-cash financing and investing activities

Acquisition of assets by means of:			
Physical resources received free of charge	2h	53,977	37,167
Total non-cash financing and investing activities		53,977	37,167

(d) Financing arrangements

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

Corporate credit cards	255	255
LGFA cash advance debenture facility	36,616	35,435

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

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025Note 12. 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 at call have a returning interest rate between 4.10% to 4.50% (2024: 4.17% to 4.47%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges (including legals and penalties for late payment)**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 2.00% (2024: 2.00%). Each month thereafter a further interest penalty of 0.76% (2024: 0.75%) is added. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - fees and other charges**Accounting Policy:**

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 12. Financial instruments (continued)

Liabilities - creditors and accruals**Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms & 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 maturity or Annual Principal & Interest); interest is charged at fixed or variable rates between 3.40% and 5.50% (2024: 3.40% and 6.15%).

Carrying Amount:

Approximates fair value.

Liabilities - leases**Accounting Policy:**

At the commencement date, a lessee shall measure the right-of-use asset at cost and the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Terms and conditions:

During 2024/25, 6 leases were acquired for community fleets. The incremental borrowing rate for the new leases is between 5.75% and 6.15%.

The remaining 5 active leases were acquired for community fleets from prior years. The incremental borrowing rate is between 5.50% and 6.15%.

Carrying Amount:

Approximates fair value.

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Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 12. Financial instruments (continued)

	Notes	Due < 1 year \$ '000	Due > 1 year and ≤ 5 years \$ '000	Due > 5 years \$ '000	Total Contractual Cash Flows \$ '000	Carrying Values \$ '000
Financial assets and liabilities						
2025						
Financial assets						
Cash and cash equivalents	5a	2,871	–	–	2,871	2,871
Receivables	5b	7,740	16	3	7,759	7,734
Other financial assets	5c, 6a	27	124	72	223	223
Total financial assets		10,638	140	75	10,853	10,828
Financial liabilities						
Payables	8a	16,473	7,026	7,347	30,846	14,878
Current borrowings	8b	4,413	–	–	4,413	4,413
Non-current borrowings	8b	–	30,357	40,885	71,242	71,242
Lease liabilities	16b	146	109	–	255	255
Total financial liabilities		21,032	37,492	48,232	106,756	90,788
Total financial assets and liabilities		31,670	37,632	48,307	117,609	101,616
2024						
Financial assets						
Cash and cash equivalents	5a	1,751	–	–	1,751	1,751
Receivables	5b	9,216	19	6	9,241	9,210
Other financial assets	5c, 6a	26	118	105	249	249
Total financial assets		10,993	137	111	11,241	11,210
Financial liabilities						
Payables	8a	13,344	7,563	8,912	29,819	11,574
Current borrowings	8b	5,260	–	–	5,260	5,260
Non-current borrowings	8b	2,500	26,571	56,815	85,886	85,886
Lease liabilities	16b	104	181	–	285	285
Total financial liabilities		21,208	34,315	65,727	121,250	103,005
Total financial assets and liabilities		32,201	34,452	65,838	132,491	114,215

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

	2025		2024	
	Weighted Avg Interest Rate \$ '000	Carrying Value \$ '000	Weighted Avg Interest Rate \$ '000	Carrying Value \$ '000
Other variable rates	5.50%	17,023	6.06%	22,285
Fixed interest rates	3.66%	58,887	3.79%	69,146
		75,910		91,431

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.

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 12. 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. 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 its financial liability obligations. Council consider borrowings as an organisational response to the need for funds for capital projects or cashflow, without specifically borrowing for a particular project. The term of any borrowings, whether fixed interest or floating interest rate borrowings are sought with a range of maturity dates and standby borrowing facilities to ensure a base level of liquidity is available at all times. This is in accordance with Council's Treasury Policy.

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

Expected credit losses (ECL)

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

	ECL Rate	Gross carrying amount \$ '000	Expected Loss \$ '000
2025			
Current (not past due)	0.0%	497	—
Past due 1-30 days	0.2%	120	—
Past due 31-60 days	0.6%	43	—
Past due 61-90 days	2.2%	9	—
Past due 91 days +	9.3%	123	11
		<u>792</u>	<u>11</u>
2024			
Current (not past due)	0.2%	2,219	4
Past due 1-30 days	0.9%	671	6
Past due 31-60 days	2.7%	112	3
Past due 61-90 days	8.0%	16	1
Past due 91 days +	16.3%	41	7
		<u>3,059</u>	<u>21</u>

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 12. Financial instruments (continued)

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

	2025 \$ '000	2024 \$ '000
As at 1 July	21	12
Provisions	13	23
Write-off	(22)	(14)
As at 30 June	12	21

Note 13. Capital expenditure and investment property commitments

	2025 \$ '000	2024 \$ '000
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Capital commitments

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

Land	143	1,080
Buildings	300	166
Infrastructure	5,352	2,255
Plant and equipment	137	1,352
Stormwater	537	146
	6,469	4,999

These expenditures are payable:

Not later than one year	6,469	4,999
	6,469	4,999

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 14. Financial indicators

\$ '000	Amounts	Indicator	Indicators	
	2025	2025	2024	2023

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.

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. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison. Adjustments are also made for Developer Contributions & Grant payments that are recognised under accounting standards as operating income but utilised for capital & future capital spend.

1. Operating Surplus Ratio

Operating surplus	21,772	13.4%	(0.5)%	12.8%
Total operating income	162,101			

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

Adjusted Operating Surplus Ratio

Operating surplus	5,872	4.0%	5.5%	2.7%
Total operating income	146,201			

2. Net Financial Liabilities Ratio

Net financial liabilities	92,538	57%	84%	75%
Total operating income	162,101			

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.

Adjusted Net Financial Liabilities Ratio

Net financial liabilities	101,719	70%	79%	96%
Total operating income	146,201			

3. Asset Renewal Funding Ratio

Asset renewals	22,514			
Infrastructure and Asset Management Plan required expenditure	28,883	78%	114%	65%

Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 15. Uniform presentation of finances

	2025	2024
	\$ '000	\$ '000

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

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

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

Income

Rates	113,073	102,176
Statutory charges	4,011	3,034
User charges	4,634	4,161
Grants, subsidies and contributions - capital	6,719	8,789
Grants, subsidies and contributions - operating	31,570	5,290
Investment income	199	319
Reimbursements	1,353	1,123
Other income	542	467
Total Income	162,101	125,359

Expenses

Employee costs	(50,877)	(46,249)
Materials, contracts and other expenses	(50,040)	(45,385)
Depreciation, amortisation and impairment	(34,074)	(30,173)
Finance costs	(2,739)	(3,695)
Net loss - equity accounted council businesses	(2,599)	(496)
Total Expenses	(140,329)	(125,998)

Operating surplus / (deficit)

Net timing adjustment for general purpose grant funding	(9,181)	15,345
Less: grants, subsidies and contributions - capital	(6,719)	(8,789)
Adjusted Operating surplus / (deficit)	5,872	5,917

Net outlays on existing assets

Capital expenditure on renewal and replacement of existing assets	(23,618)	(23,577)
Finance lease payments for right of use assets on existing assets	(116)	(93)
Add back depreciation, amortisation and impairment	34,074	30,173
Add back proceeds from sale of replaced assets	1,104	934
	11,444	7,437

Net outlays on new and upgraded assets

Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(30,326)	(21,516)
Finance lease payments for right of use assets for new and upgraded assets	(62)	(15)
Add back grants, subsidies and contributions - capital new/upgraded	6,719	8,789
Add back amounts received specifically for new and upgraded assets	7,110	8,024
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	780	571
	(15,779)	(4,147)

Annual net impact to financing activities surplus/(deficit)

	1,537	9,207
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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 16. Leases

(i) Council as a lessee

Terms and conditions of leases

Building

Community building leases include the Elizabeth Rise Community Centre.
The rent is increased by market rent review or CPI annually.

Plant and Equipment

Includes photocopiers and vehicles leasing. The leases are fixed repayments.

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

	Building \$ '000	Plant and Equipment \$ '000	Total \$ '000
2025			
Opening balance	41	240	281
Additions to right-of-use assets	5	128	133
Depreciation charge	(24)	(142)	(166)
Balance at 30 June	22	226	248
2024			
Opening balance	61	102	163
Additions to right-of-use assets	3	219	222
Depreciation charge	(23)	(81)	(104)
Balance at 30 June	41	240	281

(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:

	2025 \$ '000	2024 \$ '000
Balance at 1 July	285	167
Additions	133	222
Accretion of interest	18	6
Payments	(180)	(110)
Balance at 30 June	256	285
Classified as:		
Current	147	104
Non-current	109	181

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 16. Leases (continued)

	2025	2024
	\$ '000	\$ '000

The maturity analysis of lease liabilities is included in Note 12.

The following are the amounts recognised in the Statement of Comprehensive Income:

Depreciation expense of right-of-use assets	166	104
Interest expense on lease liabilities	18	6
Total amount recognised in profit or loss	184	110

(ii) Council as a lessor

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable). Rentals received from such leases are disclosed in user charges (hall and equipment hire) in Note 2.

	2025	2024
	\$ '000	\$ '000

Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:

Not later than one year	1,170	913
Later than one year and not later than 5 years	2,282	994
Later than 5 years	1,956	174
	5,408	2,081

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 17. Superannuation

Contribution to Superannuation Scheme

The Council makes employer superannuation contributions in respect of its employees to HostPlus Super (formerly Statewide Super 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 (11.50% in 2024/25; 11.00% in 2023/24). 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 2023/24) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% (3% 2023/24) 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 20 June 2022. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to 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 Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 18. 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.

	Council's Share of Net Income		Council's Share of Net Assets	
	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000
Council's share of net income				
Joint ventures	(2,599)	(496)	16,492	16,969
Total Council's share of net income	(2,599)	(496)	16,492	16,969

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

(a) Carrying amounts

	Principal Activity	2025	2024
		\$ '000	\$ '000
Northern Adelaide Waste Management (NAWMA)	Waste Management	4,112	4,138
Gawler River Flood Management Authority (GRFMA)	Floodplain Management	12,380	12,831
Total carrying amounts - joint ventures and associates		16,492	16,969

Northern Adelaide Waste Management (NAWMA)

The Northern Adelaide Waste Management Authority (NAWMA) manages recycling, waste collection and waste disposal for the City of Playford, City of Salisbury and Town of Gawler. Contributions are made towards waste collection, disposal and kerbside recycling and administration.

The City of Playford has a 34.37% equity interest in NAWMA for the year ended 30 June 2025 (2024: 33.92%). NAWMA has borrowings of \$5.05million (2024: \$7.21million) as at 30 June 2025. The City of Playford's share of borrowings is \$1.74million (2024: \$2.45 million).

Gawler River Flood Management Authority (GRFMA)

The Gawler River Floodplain Management Authority (GRFMA) was established in August 2002 to construct, operate and maintain flood mitigation infrastructure in the Gawler River area. Contributions are made to the administrative expenses of the Authority.

The City of Playford has a 29.56% equity interest in GRFMA as at 30 June 2025 (2024: 30.33%).

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2025	2024	2025	2024	2025	2024
Northern Adelaide Waste Management (NAWMA)	34.4%	33.9%	34.4%	33.9%	33.3%	33.3%
Gawler River Flood Management Authority (GRFMA)	29.6%	30.3%	29.6%	30.3%	17.0%	17.0%

continued on next page ...

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City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 18. Interests in other entities (continued)

(c) Movement in investment in joint venture or associate

	Northern Adelaide Waste Management (NAWMA)		Gawler River Flood Management Authority (GRFMA)	
	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000
Opening Balance	4,138	3,690	12,831	6,487
Share in Operating Result	(2,472)	(307)	(127)	(189)
Share in Amounts Received Specifically for New and Upgraded Assets	2,417	709	—	—
Share in Other Comprehensive Income	—	—	—	6,582
Adjustments to Equity	55	46	(324)	(49)
Share in Asset Disposal & Fair Value Adjustments	(26)	—	—	—
Council's equity share in the joint venture or associate	4,112	4,138	12,380	12,831

(d) Share of Joint Operations Expenditure Commitments

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

	2025	2024
	\$ '000	\$ '000
Not later than one year	13,647	10,722
Later than one year and not later than 5 years	47,698	1,025
Later than 5 years	38,601	—
	99,946	11,747

Note 19. Non-current assets held for sale and discontinued operations

	2025	2024
	\$ '000	\$ '000

Carrying Amounts of Assets and Liabilities

Assets

Asset Held for Sale	362	362
Total assets	362	362
Net assets	362	362

This asset was previously classified as part of Land in Note 7.

Prior to transferring to non-current assets held for sale, the land was revalued to reflect its fair value.

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 20. Contingencies and assets/liabilities not recognised in the balance sheet

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Land under roads

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

At reporting date, Council controlled 968 km of road reserves of average width 17.4 metres.

2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. Bank guarantees

Council may guarantee certain loans and other banking facilities advanced to community organisations and sporting bodies. As at 30 June 2025 the amount guaranteed was \$nil (2024: \$nil).

Council holds guarantee for certain procurement contracts. As at 30 June 2025 the amount held in guarantees was \$1.6M (2024: \$1.4M).

4. Legal expenses

Council is the planning consent authority for its area under the *Planning, Development & Infrastructure Act 2016* (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council, or the Council Assessment Panel may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of four (4) appeals against planning decisions made prior to reporting date. All known costs have been recognised for two (2) appeals. Two (2) appeals have yet to be resolved, and all known costs associated are yet to be determined. Council had notice of two (2) appeals against planning decisions lodged in the previous FY (23/24). These have now been resolved and all known costs have been recognised.

Note 21. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2025, 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 Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 22. 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, 46 persons were paid the following total compensation.

	2025	2024
	\$ '000	\$ '000

The compensation paid to key management personnel comprises:

Short-term employee benefits	5,112	4,879
Termination benefits	37	15
Councillor Allowances	481	463
Total	5,630	5,357

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:

Planning and building application Fees	1	1
Total	1	1

Two close family members of key management personnel are employed by Council in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the Local Government Act 1999.

Key management personnel or close family members (including related parties) lodged a total of one planning and building applications during the year. These people took no part in the assessment or approval process for this applications.

City of Playford

Financial Statements 2025

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 23. Council information and contact details

Principal place of business:

10 Playford Boulevard
Elizabeth SA 5112

Contact details**Mailing Address:**

12 Bishopstone Road
Davoren Park SA 5113

Telephone: 08 8256 0333**Facsimile:** 08 8256 0578**Opening hours:**

9am-5pm
Monday to Friday

Internet: www.playford.sa.gov.au**Email:** playford@playford.sa.gov.au**Officers****Chief Executive Officer**

Sam Green

AUDITORS

BDO

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Adelaide SA 5000

AUSTRALIA

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Fax: +61 8 7324 6111

www.bdo.com.au

Elected members**Mayor**

Glenn Docherty

Councillor

Cr Agapios (Peter) Rentoulis

Cr Akram Arifi

Cr Andrew Craig

Cr Chantelle Karlsen

Cr Clint Marsh

Cr David Kerrison

Cr Esperanza (Jane) Onuzans

Cr Gay Smallwood-Smith

Cr Katrina Stroet

Cr Marilyn Baker

Cr Misty Norris

Cr Rebecca Vandeppear

Cr Shirley Halls

Cr Tanya Smiljanic

Cr Zahra Bayani

Other information

ABN: 99 397 793 662

City of Playford

Financial Statements 2025

General Purpose Financial Statements for the year ended 30 June 2025

Independent Auditor's Report - Financial Statements

City of Playford

Financial Statements 2025

General Purpose Financial Statements for the year ended 30 June 2025

Independent Auditor's Report - Internal Controls

City of Playford

Financial Statements 2025

General Purpose Financial Statements

for the year ended 30 June 2025

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Playford for the year ended 30 June 2025, the Council's Auditor, BDO has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Sam Green
Chief Executive Officer

Mark Labaz
Presiding Member, Corporate Governance
Committee

Date: dd MMMM yyyy

City of Playford

Financial Statements 2025

General Purpose Financial Statements

for the year ended 30 June 2025

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Playford for the year ended 30 June 2025, 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*.

Auditor's Name

Audit Firm Name

Date: dd MMMM yyyy





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Internal control - <i>Better Practice Model</i>	7
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Dear Corporate Governance Committee

We are pleased to present this report to the Corporate Governance Committee of City of Playford in relation to the 30 June 2025 annual audit.

As at the date of this report, we have substantially completed our audit and subject to the satisfactory resolution of the matters outlined in the Executive Summary, we expect to issue an unmodified audit report.

We have set out in this document the significant matters arising from our audit. This summary covers those matters we believe to be material in the context of our work.

We look forward to the Corporate Governance Committee meeting on 7 October 2025 where we will have the opportunity to discuss this report.

Should you require clarification on any matter in this report before this date, please do not hesitate to contact me on +61 8 7324 6082.

We would like to take this opportunity to extend our appreciation to management for their assistance and cooperation throughout the course of our audit.

Yours faithfully



Andrew Tickle

Engagement Partner

Adelaide, 12 September 2025

Executive summary

Purpose

The purpose of this report is to communicate significant matters arising from our audit to the Corporate Governance Committee. This report has been discussed with management.

Scope

Our audit was conducted in accordance with Australian Auditing Standards and the *Local Government Act 1999 and Local Government (Financial Management) Regulations 2011* for the year ended 30 June 2025.

Status of the audit

Our audit of the financial report is substantially complete. We expect to issue an unmodified audit report, subject to satisfactory completion of the following:

- Review of events subsequent to 30 June 2025 to date of signing the audit report
- Receipt of written management representations on various matters
- Receipt of formally adopted financial statements and agreement of these to drafts previously provided

A draft of the proposed audit report is included at Appendix 1.

Summary of misstatements

We have identified misstatements during our audit. The list of corrected misstatements is included in the respective [section](#) of this report.

We have not identified any uncorrected misstatements that, in our judgement, either individually or in aggregate, could have a material effect on the financial report for the year ended 30 June 2025.

Areas of audit focus

In performing our audit, we have identified those matters that, in the auditor's judgement, were of the most significance in the audit of the financial report. Our audit procedures also focused on areas that were considered to represent significant and elevated risks of material misstatement. These areas of focus are outlined below:

- Revaluation of infrastructure, property, plant and equipment
- Accounting treatment of Capital Work in Progress (WIP)
- Cut-off of grant funding and accuracy of any amounts deferred at 30 June 2025
- Management override of controls

Refer to the relevant section for details on the significant risk areas and other areas focused on during the audit.

Areas of audit focus

In assessing the risks of material misstatement at the planning phase, we used a spectrum of risk based on the likelihood of a misstatement occurring and the magnitude of the misstatement in the context of our materiality. Our audit procedures focused on areas that were considered to represent risks of material misstatement.

We set out the areas that were considered key areas of focus along with an outline of the work performed and a summary of findings.

REVALUATION OF INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT		
Description	Audit work performed	Summary of findings
Council's infrastructure, property, plant and equipment is carried at valuation. There is a risk that these balances are misstated as a result of the application and inappropriate valuation methodologies, or incorrect underlying assumptions.	<p>This year Land / Buildings / Infrastructure / Parks and Sportfields were revalued by Council employees based on an indexation reflecting annual average movement value of like assets.</p> <p>We have obtained details of these calculations and tested their accuracy, including the appropriateness of the indexation.</p> <p>During the year, the Council's assets have been revalued by the Council's employees in conjunction with independent valuers.</p> <p>Also, during the year the unit rates for Stormwater assets were revalued using an independent valuer. We evaluated the competency, capability and objectivity of the independent valuers used in the valuation process. We obtained an understanding of their work and evaluate its appropriateness of conclusions reached.</p>	<p>We noted that the revaluation resulted in the following increments, rounded to the nearest '000:</p> <ul style="list-style-type: none">Land \$102,977,000Buildings \$831,000Infrastructure \$158,219,000 <p>There were no other findings noted during our testing.</p>

Areas of audit focus *continued*

ACCOUNTING TREATMENT OF CAPITAL WORK IN PROGRESS (WIP)		
Description	Audit work performed	Summary of findings
There is a risk that the accounting treatment of items captured within Capital WIP may not be in accordance with Australian Accounting Standards.	We obtained the Capital WIP schedule and reviewed in detail a sample of projects outstanding at the end of the year to ensure they are likely to generate assets. We also reviewed a sample of assets transferred out of Capital WIP to check that the categorisation and value allocated to the relevant fixed asset class was appropriate.	No issues were noted in relation to the accounting treatment of capital work in progress.
MANAGEMENT OF OVERRIDE OF INTERNAL CONTROLS		
Description	Audit work performed	Summary of findings
Australian Auditing Standards require that we presume there is a risk that management has the ability to manipulate accounting records and override control that otherwise appear to be operating effectively.	We reviewed key internal controls at the Council to mitigate the risk of management override. We tested the appropriateness of journal entries and other adjustments made in the preparation of the financial report. We also reviewed accounting estimates for bias, and evaluated the business rationale (or lack of) of any significant transactions that are outside of the normal course of business or that otherwise appeared to be unusual.	The was no evidence of misstatement due to management override of controls noted.

Areas of audit focus *continued*

CUT-OFF OF GRANT FUNDING AND ACCURACY OF ANY AMOUNTS DEFERRED AT 30 JUNE 2025		
Description	Audit work performed	Summary of findings
There is a risk of error in the calculation of grant income recognised and deferred at the end of the year by reference to grant agreements and Australian Accounting Standards.	We obtained the schedule of grant income recognised and deferred at year end. We selected a sample of grants and obtain the agreements to test that funding had been recognised in accordance with AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities.	<p>We noted that the treatment of one capital grant was recognised based on milestone payments rather than when the Council satisfied its performance obligations of constructing the asset. This resulted in grant funding being overstated and unexpended grants understated by \$850,775. This misstatement was corrected and appears on our Summary of Misstatements.</p> <p>As a result of the above, we have reviewed other significant capital expenditure grants to ensure that the appropriate accounting treatment had been applied, no other issues were noted in relation to the accounting treatment of grant funding.</p>

Summary of misstatements

Corrected misstatements

We identified the following misstatements during the course of our audit which have been corrected:

DESCRIPTION	ASSETS	(LIABILITIES)	RESERVES	(PROFIT)/LOSS
Correction of revenue recognition for the Minister for Education Mark Oliphant Kiss and Drop funding	-	(850,775)	-	850,775
	-	(850,775)	-	850,775

Internal control

Current year

In accordance with ASA 265 *Communicating Deficiencies in Internal Control to Those Charged with Governance and Management*, we are required to communicate in writing, significant deficiencies in internal control identified during our audit to those charged with governance on a timely basis.

The standard defines a deficiency in internal control as:

1. A control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial report on a timely basis; or
2. A control necessary to prevent, or detect and correct, misstatements in the financial report on a timely basis is missing.

Significant deficiency in internal control means a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgement, is of sufficient importance to merit the attention of the Corporate Governance Committee.

Our audit procedures did not identify any significant deficiencies that in our professional judgment are of sufficient importance to merit the attention of the Corporate Governance Committee.

Internal control - *Better Practice Model*

We have completed the testing of internal controls for the purpose of providing an audit opinion on Council’s internal controls. This work focuses on controls exercised by the Council in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are sufficient to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law.

Our assessment of internal controls is based on the criteria in the Better Practice Model - Financial Internal Control for South Australian Councils as issued by the Local Government Association of South Australia.

The Better Practice Model emphasises a risk based approach to internal financial controls. It states that a Council should design and implement internal financial controls activities and monitoring systems that prioritise extreme and high financial risk as identified by the Council’s risk tolerance framework.

We have been advised by the management that no risk assessment was performed for this financial year. Instead, self-assessment was performed over all ‘core controls’ that are suggested per Better Practice Model.

For the purpose of our internal control audit opinion, we have performed our own risk assessment to identify the key financial risks facing the Council, determine the inherent risk level and evaluate core controls activities to address this risk. Based on this work, we have not noted any material exceptions that would lead to a qualification to the audit report on internal controls.

Below is a table that shows the results of the work completed on internal controls in 2025:

RISK CATEGORY	CONTROLS TESTED	EFFECTIVE	INEFFECTIVE
Strategic Financial	-	-	-
Assets	20	20	-
Liabilities	8	8	-
Revenue	15	15	-
Expenses	29	28	1
External Services	-	-	-
Financial Governance	-	-	-
Total	72	72	-

Internal control - *Better Practice Model continued*

Current period

As noted in the above, during our testing of internal controls, we identified a control operating ineffectively in the payroll business cycle within the expenses risk category, which we have noted in the below table. While we do not consider this deficiency to be significant, we believe it is important to bring it to management’s attention to support continuous improvement in the control environment.

DEFICIENCY IN INTERNAL CONTROL		POTENTIAL EFFECTS	RECOMMENDATION	MANAGEMENT COMMENTS
1	We noted one instance whereby there was a lack of timely review of employee status and formal offboarding procedures in relation to an inactive casual staff member.	The lack of timely review of employee status and formal offboarding procedure could result in inaccurate employee records, potential payroll errors, and increased risk of inappropriate system access.	It is recommended to implement periodic reviews of inactive employees and a formal offboarding process, including timely system deactivation and documentation.	We did identify the issue when this case first happened. We have communicated with OD about how we can improve the process in the future, especially for some casual staff when they are not engaged for an extended period.

Other reporting requirements

Independence and ethics

In conducting our audit, we are required to comply with the independence requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) 2011* and Part 4A of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

We have obtained independence declarations from all staff engaged in the audit.

We also have policies and procedures in place to identify any threats to our independence, and to appropriately deal with and if relevant mitigate those risks.

We have not become aware of any issue that would cause any member of the engagement team, BDO or any BDO network firm to contravene any ethical requirement or any regulatory requirement that applies to the audit engagement.

BDO has not provided any other services during the audit to City of Playford.

The *Local Government Act 1999* and the *Local Government (Financial Management) 2011* requires the lead auditor to make a declaration to the directors regarding independence. We are in a position to make this declaration, a draft of which has been included at Appendix 3.

Non-compliance with laws and regulations

We have made enquiries in relation to any non-compliance with laws and regulations during the course of our audit. We have not identified any instances of non-compliance with laws and regulations as a result of our enquiries.

We have not identified any reportable matters during the course of our audit.

Fraud

Management have confirmed that there were no matters of fraud identified for the period under audit, or subsequently. It should be noted that our audit is not designed to detect fraud however should instances of fraud come to our attention we will report them to you.

We have not identified any instances of fraud during the course of our audit.

Appendix 1 Proposed audit report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF PLAYFORD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of City of Playford (the Council), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information and the declaration by those charged with governance.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Council as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

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

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

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report Northern Adelaide Waste Management Authority, and Gawler River Floodplain Management Authority for the year ended 30 June 2025, 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.

Appendix 1 Proposed audit report *continued*

Council's Responsibility for the Financial Report

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

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

This description forms part of our auditor's report.

BDO Audit Pty Ltd

Andrew Tickle
Director

Adelaide, XX September 2025

Appendix 1 Proposed audit report *continued*

INDEPENDENT ASSURANCE REPORT OF THE INTERNAL CONTROLS OF THE CITY OF PLAYFORD

Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by City of Playford ('the Council') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2024 to 30 June 2025 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, in all material respects:

- a) The controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- b) The controls operated effectively as designed throughout the period from 1 July 2024 to 30 June 2025.

Basis for opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3150 Assurance Engagements on Controls issued by the Auditing and Assurance Standards Board.

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

The Council's responsibilities for the internal controls

The Council is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

Our independence and quality management

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

Assurance practitioner's responsibilities

Our responsibility is to express an opinion, in all material respects, on the suitability of the design to achieve the control objectives and the operating effectiveness of controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities. ASAE 3150 requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operated effectively throughout the period.

Appendix 1 Proposed audit report *continued*

An assurance engagement to report on the design and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the control objectives and the operating effectiveness of controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to achieve the control objectives identified. An assurance engagement of this type also includes evaluating the suitability of the control objectives.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with compliance requirements may occur and not be detected.

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

BDO Audit Pty Ltd

Andrew Tickle
Director

Adelaide, XX September 2025

Appendix 2 Auditor independence declaration

CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the City of Playford for the year ended 30 June 2025, I have maintained my independence in accordance with the requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code), Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Andrew Tickle
Director

BDO Audit Pty Ltd

Adelaide, XX September 2025

Appendix 3 New developments

Upcoming changes in financial reporting

AASB 18 *Presentation and Disclosure in Financial Statements*

On 9 April 2024, the International Accounting Standards Board issued IFRS 18 *Presentation and Disclosure in Financial Statements* (AASB 18 in Australia), a new financial statements presentation standard to replace IAS 1 *Presentation of Financial Statements*. Our [bulletin](#) contains a high-level summary of the amendments.

The changes require income and expenses to be classified into five categories - investing, financing, income taxes, discontinued operations and operating ('operating' being the residual or 'catch all' category). Classification follows an entity's 'main business activities' so AASB 18 is likely to result in different presentations across entities. The Statement of Profit or Loss also includes two mandatory subtotals:

- Operating profit or loss - this is a sub-total of all income and all expenses classified as operating
- Profit or loss before financing and income taxes - this is the sub-total of operating profit or loss, and all income and expenses classified as investing.

Our [publication](#) provides in-depth guidance for classifying income and expenses in the Statement of Profit or Loss.

There are also changes to the Statement of Cash Flows, including how interest and dividend cash inflows and interest cash outflows are classified.

Lastly, the financial statements must include new disclosures in single note about 'management-defined performance measures' such as earnings before interest, taxes, depreciation and amortisation (EBITDA), 'adjusted profit', operating profit excluding recurring items, etc.

The new disclosures apply to 'management-defined performance measures' if they are used in public communications outside the financial statements, to communicate to users of financial statements, management's view of an aspect of the entity's financial performance.

They do not apply to certain specific sub-totals in the Statement of Profit or Loss such as gross profit. They also do not apply to social media posts and oral communications, and to non-IFRS information based on financial measures that are not performance-related (such as measures based only on the financial position of the entity). Also, they do not apply if an entity makes no public communications (as may be the case for private companies).

The changes are effective for annual periods beginning on or after 1 January 2027.

If you have any questions or require more information regarding upcoming changes in financial reporting, please contact our [IFRS & Corporate Reporting team](#).

AASB 2024-2 *Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments*

These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

DATE FOR DERECOGNISING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The first amendment clarifies the appropriate date for derecognising financial assets and financial liabilities. It is likely to have the most widespread impact in practice.

- Financial assets must be derecognised on the date on which the contractual rights to the cash flows expire or the asset is transferred (date when it receives cash in its bank account)

Appendix 3 New developments *continued*

- Financial liabilities are generally derecognised on the settlement date (the date when cash is credited into the supplier's bank account). However, for financial liabilities settled with cash using an electronic payment system, there is an option to deem discharge before the settlement date if the entity has initiated a payment instruction that resulted in:
 - a. The entity having no practical ability to withdraw, stop or cancel the payment instruction
 - b. The entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction, and
 - c. The settlement risk associated with the electronic payment system being **insignificant**.

If an entity elects the option to deem discharge before the settlement date, it is required to do so for all settlements made through the same electronic payment system.

Entities using cheques may be significantly affected by these changes if they derecognise the financial liability when the cheque is issued, rather than on settlement date.

APPLICATION GUIDANCE TO CLARIFY THE 'SPPI TEST'

The second amendment adds Application Guidance to help entities assess whether contractual cash flows are solely payments of principal and interest (that is, whether they meet the 'SPPI test' to be classified and measured at amortised cost). The additional guidance relates to:

- Financial assets with ESG or similar contingent features and non-recourse features
- Investments in contractually linked instruments.

ADDITIONAL DISCLOSURES

There are new disclosures about fair value gains or losses on investments in equity instruments designated at fair value through other comprehensive income (FVOCI).

Additional information is also required in respect to financial assets and financial liabilities measured at amortised cost, and financial assets measured at FVOCI with specific contractual features. This information is to be disclosed on a class-by-class basis and concerns the contractual terms that could change the timing or amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs (such as the time value of money or credit risk). An example of this could be an instrument with an ESG-linked feature such as where contractual cash flows change if the entity achieves a reduction in its carbon emissions.

Our [bulletin](#) contains further information about the amendments.

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We have prepared this report solely for the use of City of Playford. As you know, this report forms part of a continuing dialogue between the company and us and, therefore, it is not intended to include every matter, whether large or small, that has come to our attention. For this reason we believe that it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy of this report without prior consent, we would not accept any responsibility for any reliance they may place on it.

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BDO



Mr Andrew Tickle
BDO Audit Pty Ltd
Level 7, BDO Centre
420 King William Street
ADELAIDE SA 5000

October 2024

Dear Mr Tickle

AUDIT FOR YEAR ENDED 30 JUNE 2025 OF THE CITY OF PLAYFORD

This representation letter is provided in connection with your audit of the financial report of City of Playford for the year ended 30 June 2025, for the purpose of expressing an opinion as to whether the financial report presents fairly in accordance with the Australian Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purposes of appropriately informing ourselves:

Financial report

1. We have fulfilled our responsibilities for the preparation for the financial report in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. In particular that the financial report presents fairly in accordance therewith.
2. We have established and maintained adequate internal controls to facilitate the preparation of a reliable financial report and adequate records have been maintained. Any and all deficiencies in internal control of which we are aware have been communicated to you.
3. We confirm that the selection and application of accounting policies remains appropriate, and that there have been no changes to the accounting policies applied in the previous annual financial statements or the methods used in applying them.
4. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
5. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets that have not been disclosed, nor has any asset been pledged as collateral.
6. All significant judgments related to accounting estimates have taken into account all relevant information of which management is aware and the selection or application of the methods,

City of Playford

Call — 08 8256 0333
playford@playford.sa.gov.au
playford.sa.gov.au

Post

12 Bishopstone Road
Davoren Park SA 5113

Visit

Playford Civic Centre
10 Playford Boulevard
Elizabeth SA 5112

Stretton Centre
307 Peachey Road
Munno Para SA 5115

assumptions and data used by management in making the accounting estimates are consistent and appropriate.

7. The assumptions used in determining accounting estimates and related disclosures appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity.
8. Disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and reasonable within the context of the applicable financial reporting framework.
9. The appropriate specialised skills or expertise has been applied in making the accounting estimates as applicable.
10. We acknowledge that valuations of Infrastructure, Property, Plant & Equipment have been appropriately undertaken so as to ensure that the carrying amounts do not differ materially from that which would be determined using fair value at the end of the reporting period. Individual classes of Infrastructure, Property, Plant & Equipment are assigned to the appropriate level in the AASB 13 fair value hierarchy.

Books, records and documentation

11. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - All minutes of meetings held by the Board of Directors, Committees and shareholders since the end of the previous reporting period have been given to you for your inspection;
 - Additional information that you have requested from us for the purpose of the audit;
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
12. All transactions have been recorded in the accounting records and are reflected in the financial report.

Uncorrected misstatements

13. No uncorrected misstatements have been brought to our attention.

Related parties

14. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions.
15. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with Australian Accounting Standards in the financial report.

Fraud

16. We acknowledge our responsibility for the design, implementation and maintenance of accounting and internal control systems that are designed to prevent and detect fraud.
17. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
18. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where fraud could have a material impact on the financial report.

19. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.

Litigation and claims

20. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered in the financial report; and accounted for and disclosed in accordance with Australian Accounting Standards.

Compliance with laws and regulations

21. We have disclosed to you all known actual or possible non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
22. There have been no instances of non-compliance of laws and regulations involving management or employees who have a significant role in internal control.
- There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.

Subsequent events

23. All events occurring subsequent to the date of the financial report and for which adjustment or disclosure are required, including but not limited to accounting estimates have been adjusted or disclosed.

Other information

24. We have informed you of all the documents that we expect to issue which may comprise other information accompanying the financial report.
25. The financial report and any other information obtained by you prior to the date of the auditor's report are consistent with one another, and the other information does not contain any material misstatements.
26. The final version of the other information will be provided to you when available, and prior to issuance to allow you to complete your procedures over this other information.

Electronic presentation of Financial Report

27. We are responsible for the electronic presentation of the financial report.
28. We will ensure that the electronic version of the audited financial report and the auditor's report on the web site will be identical to the final signed hard copy version.
29. We will clearly differentiate between audited and unaudited information in the construction of the entity's web site as we understand the risk of potential misrepresentation.
30. We have assessed the controls over the security and integrity of data on the web site and that adequate procedures are in place to ensure the integrity of the information published.
31. We will not present the auditor's report on the full financial statements with extracts only of the full financial statements.

Yours faithfully

Sam Green
Chief Executive Officer

Luke Culhane
General Manager, Corporate Services

City of Playford
Statement of Comprehensive Income
For the year ended 30 June 2025

Attachment 4

2023/24 Actual	2024/25 Original Budget	2024/25 Actual	Variance Fav/ (Unfav) Budget	Variance Fav/ (Unfav) Result %	Explanation of variance where considered material
\$000's	\$000's	\$000's	\$000's		
INCOME					
102,176 Rates	113,041	113,073	32	0.0%	
3,034 Statutory Charges	3,134	4,011	877	28%	Additional planning application fees and section 7 searches, dog registrations, building and compliance fines
4,161 User Charges	6,243	4,634	(1,609)	(26%)	Internal ASR revenue impact
319 Investment Income	72	199	127	176%	Additional interest income from better than forecast net cash inflow, e.g. debtors
1,123 Reimbursements	677	1,353	676	100%	Aquadome electricity, onbilled SA Water and tree services reimbursements
467 Other Income	173	542	369	213%	Insurance reimbursements
5,290 Grants, Subsidies and Contributions - operating	21,859	31,570	9,711	44%	Early receipt of 50% of FY 26 Financial assistance grants \$9.2m in June 25
8,789 Grants, Subsidies and Contributions - capital	6,255	6,719	464	7%	Special Local Roads grant for Elizabeth Way offset by LRCI Phase 4
125,359 TOTAL INCOME	151,454	162,101	10,647		
EXPENSES					
46,249 Employee costs	50,391	50,877	(486)	(1%)	
45,385 Materials, Contracts & Other Expenses	51,893	50,040	1,853	4%	Categorised ASR water expense to internal expenditure
3,695 Finance costs	6,363	2,739	3,624	57%	Lower borrowings
30,173 Depreciation, Amortisation and Impairment	34,479	34,074	405	1%	Additional developer contributed assets
496 Net Loss - Equity Accounted Council Businesses	599	2,599	(2,000)	(334%)	Share in operating result for NAWMA
125,998 TOTAL EXPENSES	143,725	140,329	3,396		
(639) Operating Surplus / (Deficit)	7,729	21,772	14,043		
(2,584) Asset Disposal & Fair Value Adjustments	-	(4,867)	(4,867)	(100%)	Loss from infrastructure asset disposals
8,733 Amounts Received Specifically for New or Upgraded Assets	13,932	9,527	(4,405)	(32%)	Grants to be carried forward for capital projects completed in 25/26
37,167 Physical Resources Received Free of Charge	39,460	53,977	14,517	37%	Actual value of assets received is dependant on the progress of developments
42,677 NET SURPLUS / (DEFICIT)	61,121	80,409	19,288		
Other Comprehensive Income					
248,166 Changes in Revaluation Surplus - I,PP&E	31,664	262,554	230,890	729%	Revaluation completed Dec 2024 - Land \$103m, Stormater \$133m
6,582 Share of Other Comprehensive Income - Equity Accounted Council Businesses	-	-	-		
(3) Other Equity Adjustments - Equity Accounted Council Businesses	-	(269)	(269)	(100%)	Non budgeted line
- Impairment (Expense) / Recoupments Offset to Asset Revaluation	-	-	-		
254,745 Total Other Comprehensive Income	31,664	262,285	230,621		
297,422 TOTAL COMPREHENSIVE INCOME	92,785	342,694	249,909		

City of Playford
Year End Financial Position
For the year ended 30 June 2025

Attachment 4

2023/24 Actual		2024/25 Original Budget	2024/25 Actual	Variance Fav/ (Unfav) Budget	Variance Fav/ (Unfav) Budget	Explanation of variance where considered material
\$000's		\$000's	\$000's	\$000's	%	
	CURRENT ASSETS					
1,751	Cash & Cash Equivalents	1,500	2,871	1,371	91%	Target \$1.5m, Y/E creditor payments less than forecast
9,210	Trade & Other Receivables	8,233	7,734	(499)	(6%)	Budget was an estimate based on the best available information at the time.
266	Inventories	255	223	(32)	(13%)	Budget was an estimate based on the best available information at the time.
26	Other Financial Assets	-	27	27	100%	Budget was an estimate based on the best available information at the time.
1,185	Other current assets	878	1,280	402	46%	Budget was an estimate based on the best available information at the time.
362	Non-current assets classified as Held for Sale	8,011	362	(7,649)	(95%)	Timing of Land sale budget
12,800	TOTAL CURRENT ASSETS	18,877	12,497	(6,380)		
	NON-CURRENT ASSETS					
223	Financial Assets	195	196	1	1%	
16,969	Equity Accounted Investments in Council Businesses	8,994	16,492	7,498	83%	Low budget - refer 2023/24 balance
1,918,154	Infrastructure, Property, Plant & Equipment	1,866,599	2,242,831	376,232	20%	Stormwater revaluation
30,683	Other Non-Current Assets	12,726	35,815	23,089	181%	Low budget - refer 2023/24 balance
1,966,029	TOTAL NON-CURRENT ASSETS	1,888,514	2,295,334	406,820		
1,978,829	TOTAL ASSETS	1,907,391	2,307,831	400,440		
	CURRENT LIABILITIES					
18,039	Trade & Other Payables	23,101	19,639	(3,462)	(15%)	Y/E creditor payments less than forecast
5,364	Borrowings	4,442	4,559	117	3%	Reduction in use of CAD at 30 June (financial assistance grant)
6,363	Provisions	6,637	6,376	(261)	(4%)	
29,766	TOTAL CURRENT LIABILITIES	34,180	30,574	(3,606)		
	NON-CURRENT LIABILITIES					
86,067	Long Term Borrowings	126,553	71,351	(55,202)	(44%)	Carry out capital projects - lower borrowings
1,225	Long Term Provisions	1,413	1,441	28	2%	Staff leave provision increase from 30 June 2024
87,292	TOTAL NON-CURRENT LIABILITIES	127,966	72,792	(55,174)		
117,058	TOTAL LIABILITIES	162,146	103,366	(58,780)		
1,861,771	NET ASSETS	1,745,245	2,204,465	459,220		
	EQUITY					
495,110	Accumulated Surplus	556,110	580,781	24,671	4%	Refer Comprehensive Income Statement
1,350,798	Asset Revaluation Reserves	1,178,377	1,606,478	428,101	36%	Stormwater revaluation
15,863	Other Reserves	10,758	17,206	6,448	60%	Low budget - refer 2023/24 balance 88% are developer contributions)
1,861,771	TOTAL EQUITY	1,745,245	2,204,465	459,220		

City of Playford
Statement of Cash Flows
For the year ended 30 June 2025

Attachment 4

2023/24 Actual	2024/25 Original Budget	2024/25 Actual	Variance Fav/ (Unfav) Budget	Variance Fav/ (Unfav) Budget	Explanation of variance where considered material
\$000's	\$000's	\$000's	\$000's	%	
Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)	Inflows / (Outflows)		
CASHFLOWS FROM OPERATING ACTIVITIES					
Receipts					
101,220 Rates Receipts	112,630	113,126	496	0.4%	
3,034 Statutory Charges	3,104	4,011	907	29%	Additional planning application fees, section 7 searches, dog registrations, building & compliance fines
4,442 User Charges	6,219	4,952	(1,267)	(20%)	Re categorise ASR user charge income to internal income
5,493 Grants, Subsidies and Contributions	21,555	32,842	11,287	52%	Early receipt of 50% of FY 26 Financial assistance grants \$9.2m in June 25
319 Investment Receipts	71	199	128	180%	Increased interest rates.
1,189 Reimbursements	672	1,456	784	117%	Aquadome electricity, onbilled SA Water and tree services reimbursements
14,988 Other Receipts	179	11,086	10,907	6093%	Gross up of GST not budgeted.
Payments					
(46,432) Payments to Employees	(50,139)	(51,089)	(950)	2%	
(55,078) Payments for Materials, Contracts & Other Expenses	(50,873)	(56,077)	(5,204)	10%	Gross up of GST not budgeted.
(3,695) Finance Payments	(6,363)	(2,739)	3,624	(57%)	Lower debt balance
25,480 NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	37,055	57,767	20,712		
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
84,719 Proceeds from Borrowings	36,413	60,427	24,014	66%	Budget at net amount, Actual at gross amount. Corrected in FY26
- Proceeds from Bonds & Deposits	-	26	26		Non budgeted line/immateral
Payments					
(94,659) Repayments of Borrowings	(5,260)	(75,918)	(70,658)	1343%	Budget at net amount, Actual at gross amount. Corrected in FY26
(15) Repayment of Bonds and Deposits	-	-	-		
(104) Repayment of Finance Lease Liabilities	(52)	(163)	(111)	213%	Additional new leases
(10,059) NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	31,101	(15,628)	(46,729)		
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Receipts					
934 Sale of Replaced Assets	-	1,104	1,104	100%	Proceeds from vehicle disposals
571 Sale of Surplus Assets	11,211	780	(10,431)	(93%)	Delay land sale
8,024 Amounts Received Specifically for New or Upgraded Assets	9,227	7,110	(2,117)	(23%)	Grants to be carried forward for capital projects completed in 25/26
6,468 Grants utilised for capital purposes	6,468	3,905	(2,563)	(40%)	Grants to be carried forward for capital projects completed in 25/26
23 Repayments of Loans by Community Groups	26	26	-	0%	
Payments					
(23,577) Expenditure on Renewal/Replacement of Assets	(34,125)	(23,618)	10,507	(31%)	Multi year projects continuing into 2025/26
(21,516) Expenditure on New/Upgraded Assets	(60,963)	(30,326)	30,637	(50%)	Multi year projects continuing into 2025/26
(29,073) NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES	(68,156)	(41,019)	27,137		
(13,652) NET INCREASE (DECREASE) IN CASH HELD	-	1,120	1,120		
15,403 CASH AT BEGINNING OF REPORTING PERIOD	1,500	1,751	251	17%	Target \$1.5m, Y/E creditor payments less than forecast
1,751 CASH AT END OF REPORTING PERIOD	1,500	2,871	1,371		

City of Playford^{^^}
Statement of Changes in Equity
For the year ended 30 June 2025

Attachment 4

2023/24 Actual		2024/25 Original Budget	2024/25 Actual	Variance Fav/ (Unfav) Budget	Variance Fav/ (Unfav) Budget	Explanation of variance where considered material
\$000's		\$000's	\$000's	\$000's	%	
ACCUMULATED SURPLUS						
447,720	Balance at end of previous reporting period	492,340	495,110	2,770	1%	
42,677	Net Surplus / (Deficit) for Year	61,121	80,409	19,288	32%	See Statement of Comprehensive Income explanations
(3)	Other Equity Adjustments - Equity Accounted Council Businesses	-	(269)	(269)	(100%)	Non budgeted line
4,638	Transfer to Accumulated Surplus on Sale of I,PP&E	-	6,874	6,874	100%	Non budgeted line
78	Transfers between Reserves	2,649	(1,343)	(3,992)	(151%)	Less reserve funded projects in 24/25
495,110	Balance at end of reporting period	556,110	580,781	24,671		
ASSET REVALUATION RESERVE						
1,100,688	Balance at end of previous reporting period	1,146,713	1,350,798	204,085	18%	
6,582	Other Comprehensive Income	-	-	-		
248,166	Gain(Loss) on revaluation of infrastructure, property, plant & equipment	31,664	262,554	230,890	729%	Stormwater revaluation
-	- Impairment (expense) / recoupments offset to asset revaluation reserve	-	-	-		
(4,638)	Transfers to accumulated surplus	-	(6,874)	(6,874)	(100%)	Non budgeted line
-	- Transfers between Reserves	-	-	-		
1,350,798	Balance at end of reporting period	1,178,377	1,606,478	428,101		
OTHER RESERVES						
15,941	Balance at end of previous reporting period	13,407	15,863	2,456	18%	
(78)	Transfers to accumulated surplus	(2,649)	1,343	3,992	(151%)	Less reserve funded projects in 24/25
-	- Transfers from accumulated surplus	-	-	-		
-	- Transfer between Reserves	-	-	-		
15,863	Balance at end of reporting period	10,758	17,206	6,448		
1,861,771	TOTAL EQUITY AT END OF REPORTING PERIOD	1,745,245	2,204,465	459,220		
495,110	Accumulated Surplus	556,110	580,781	24,671	4%	
1,366,661	Reserves	1,189,135	1,623,684	434,549	37%	Stormwater revaluation
1,861,771	TOTAL EQUITY AT END OF REPORTING PERIOD	1,745,245	2,204,465	459,220		

City of Playford
Uniform Presentation of Finances
For the year ended 30 June 2025

Attachment 4

2023/24 Actual	2024/25 Original Budget	2024/25 Actual	Variance Fav/ (Unfav) Budget	Variance Fav/ (Unfav) Budget	Explanation of variance where considered material
\$000's	\$000's	\$000's	\$000's	%	
INCOME					
102,176 Rates	113,041	113,073	32	0%	
3,034 Statutory Charges	3,134	4,011	877	28%	Additional planning application fees and section 7 searches, dog registrations, building and compliance fines
4,161 User Charges	6,243	4,634	(1,609)	(26%)	Re categorise ASR user charge income to internal income
319 Investment Income	72	199	127	176%	Additional interest income from better than forecast net cash inflow, e.g. debtors
1,123 Reimbursements	677	1,353	676	100%	Aquadome electricity, onbilled SA Water and tree services reimbursements
467 Other Income	173	542	369	213%	Timing of Land sale budget
8,789 Grants, Subsidies and Contributions - capital	6,255	6,719	464	7%	Special Local Roads grant for Elizabeth Way offset by LRCI Phase 4 10% withheld until annual report approved
5,290 Grants, Subsidies and Contributions - operating	21,859	31,570	9,711	44%	50% of Financial assistance grants \$9.2m received in advance in 24-25
- Net Gain - Equity Accounted Council Businesses	-	-	-		
125,359 TOTAL INCOME	151,454	162,101	10,647		
EXPENSES					
46,249 Employee costs	50,391	50,877	(486)	(1%)	
45,385 Materials, Contracts & Other Expenses	51,893	50,040	1,853	4%	Categorised ASR water expense to internal expenditure
3,695 Finance costs	6,363	2,739	3,624	57%	Lower borrowings
30,173 Depreciation, Amortisation and Impairment	34,479	34,074	405	1%	Additional developer contributed assets
496 Net Loss - Equity Accounted Council Businesses	599	2,599	(2,000)	(334%)	Share in operating result for NAWMA and GRFMA
125,998 TOTAL EXPENSES	143,725	140,329	3,396		
(639) Operating Surplus / (Deficit)	7,729	21,772	14,043		
15,345 Net timing adjustment for general purpose grant funding	-	(9,181)	(9,181)	(100%)	Non budgeted line
(7,411) Less: grants, subsidies and contributions - capital	-	(6,719)	(6,719)	(100%)	Non budgeted line
7,295 Adjusted Operating surplus/ (deficit)	7,729	5,872	5,873		
Net outlays on existing assets					
(23,577) Capital expenditure on renewal and replacement of existing assets	(34,125)	(23,618)	10,507	(31%)	Capital projects carryout to 2025/26
(93) Finance lease payments for right of use assets on existing assets	-	(116)	(116)	(100%)	Non budgeted line
30,173 add back Depreciation, Amortisation and Impairment	34,479	34,074	(405)	(1%)	
934 add back Proceeds from Sale of Replaced Assets	-	1,104	1,104	100%	Non budgeted line
7,437 Net Outlays on Existing Assets	354	11,444	11,090		
Net outlays on new and upgraded assets					
(21,516) Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(60,963)	(30,326)	30,637	(50%)	Multi year projects continuing into 2025/26
(15) Finance lease payments for right of use assets for new and upgraded assets	-	(62)	(62)	(100%)	Non budgeted line
7,411 add back Grants, subsidies and contributions – Capital New/Upgraded	-	6,719	6,719	100%	Non budgeted line
8,024 add back Amounts Received Specifically for New and Upgraded Assets	9,227	7,110	(2,117)	(23%)	Grants to be carried forward for capital projects completed in 25/26
571 add back Proceeds from Sale of Surplus Assets : (including Investment Property, Real Estate Developments & non-current assets held for sale)	11,211	780	(10,431)	(93%)	Delay land sale
(5,525) Outlays on New and Upgraded Assets	(40,525)	(15,779)	24,746		
9,207 NET LENDING / (BORROWING) FOR FINANCIAL YEAR	(32,442)	1,537	41,709		

City of Playford
Financial Indicators
For the year ended 30 June 2025

Attachment 4

2023/24 Actual	Financial Indicator	Explanation	2024/25 Original Budget	2024/25 Actual	Target	Comments - Non Adjusted
-0.5%	Operating Surplus Ratio	Performance Indicator This ratio expresses Council's operating result as a percentage of Council's total income	5.1%	13.4%	1%-10%	It is not within target due to 50% of financial assistance grants prepaid in 24-25
5.5%		<i>Adjusted for prepaid FA Grants that are recognised as income</i>	N/A	8.2%		Within target
-7.3%	Structural Surplus Ratio	Performance Indicator This ratio expresses Council's ability to service its operations from expected income, while maintaining long term financial sustainability excluding once-off operating grants and contribution which will be spent on future capital infrastructure.	1.5%	10.0%	1%-4%	It is not within target due to 50% of financial assistance grants prepaid in 24-25
-0.5%		<i>Adjusted for prepaid FA Grants that are recognised as income</i>	N/A	4.0%		Lower debt balance
84.4%	Net Financial Liabilities Ratio	Debt Indicator This ratio shows net financial liabilities as a percentage of Total Operating Income.	100.5%	57.1%	50%-160%	Within target
79.4%		<i>Adjusted for FAGS prepaid grants and capital grants that recognised as income</i>	N/A	69.6%		
3.3%	Interest Expense Ratio	Debt Indicator Shows how much discretionary income is used to pay interest on borrowings	5.6%	2.3%	Between 0% and 8%	Within target
114.1%	Asset Renewal Funding Ratio	Infrastructure Indicator This ratio shows whether or not Council is replacing assets at the rate as required in the Asset Management Plan.	118.1%	77.9%	Between 90% and 110%	Below target range due to delayed AMP
103.5%	Cash Flow from Operations Ratio	Infrastructure Indicator Measures whether Council is generating enough cash from its operations to cover the replacement of assets over time.	119.8%	186.7%	Between 90% and 110%	Above target due to short term higher level cash available from operating
135.8%		<i>Adjusted for prepaid FA Grants and capital grants that are recognised as income</i>	N/A	135.3%		



BDO	
CLIENT NAME	City of Playford
DOCUMENT NAME	Fraud questionnaire - Management and others
PERIOD END	30 June 2025
DOCUMENT REF	Template version: 2022 - 10

Background

In conducting our audit, we are required to make enquiries of management regarding fraud. These enquiries form part of our risk assessment process and are critical in performing a risk based audit.

This questionnaire has been developed to assist in these discussions.

Questions

Please address the following questions:

Questions	Management response
Questions to gain an understanding of historical frauds perpetrated and the commitment of management regarding fraud prevention, deterrence and detection.	
Do you have any knowledge of any fraud perpetrated, alleged or suspected that could result in a material misstatement of the entity's financial statements?	No.
Do you have any knowledge of any other perpetrated, alleged or suspected fraud (regardless of value)?	No.
Have you received any letters or communications from employees, former employees or others concerning allegations of fraud?	No.
What is the process undertaken by management when such fraud is suspected or perpetrated?	All reports or complaints of suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration will be dealt with in accordance with relevant legislation including but not limited to the Independent Commissioner Against Corruption Act 2012 and the Public Interest Disclosure Act 2018.
Questions to gain an understanding of management's fraud risk assessment and responses to identified risks.	
What process do you as management undertake to assess the risk of fraud in the entity?	Risk assessment conducted as part of the process of reviewing the City of Playford's Fraud and Corruption Policy. Internal Audit program assesses risk in audit areas and external Audit conducted



Questions	Management response
	every year. Audit reports reviewed by Executive, Corporate Governance Committee and Council.
What is your understanding about the risks of fraud in the entity, including any specific fraud risks the entity has identified or any account balances or classes of transactions for which a risk of fraud may be more likely to exist, and why?	The risk of significant fraud within the City of Playford is low. Council has in place policies, procedures and processes that are designed to mitigate the risk of fraud generally and also in regard to specific activities, balances and classes of transactions.
What programs and controls have you, as management, established to mitigate specific fraud risks that have been identified, or that otherwise help to prevent, deter and detect fraud?	<p>The City of Playford has implemented a variety of controls to prevent, deter and detect fraud including:</p> <ul style="list-style-type: none"> • Controls around recruitment (e.g. mandatory police checks) • Strong foundation principles and corporate culture • Internal controls such as segregation of duties, budgeting, regular reporting and investigation of variances, internal audit etc • Establishment of an Integrated Risk Management Framework.
Describe any general policies or procedures in place to discourage fraudulent activities and encourage whistle blowing (e.g. severe punishment of perpetrators, rewards for whistle blowing, guarantees to remain anonymous once reporting suspected fraud, training, etc.)	The City of Playford has a Worker Code of Conduct policy that sets expected standards for employee behaviour including acting with integrity and honesty. It also contains a requirement that employees report workplace behaviour that they suspect is a breach of the Code of Conduct, any other policy or procedure, or breaches of the law. The City of Playford also has a dedicated intranet page enabling employees (and external parties) to report issues by making public interest disclosure.
How do you as management monitor those programs or controls?	The Executive team are advised of any breaches of policies including breaches of the Worker Code of Conduct, or any breach of the law.
Has anyone asked you or others within the entity to withhold information from us, alter documents, or make fictitious entries in the books?	No.



Questions	Management response
Are you aware of any inappropriate or unusual activity relating to the processing of journal entries and other adjustments?	No.
Questions to gain an understanding about how communication around fraud risks is undertaken	
How do you, as management, communicate to employees your views on business practices and ethical behaviour?	New employees undertake a comprehensive corporate induction process which includes mandatory orientation modules. Management also have regular 1:1 and MOR meetings with staff. The CEO conducts monthly Q&A sessions open to all staff. Managers also send out Memos and updates to staff as required.
Have you reported to Those Charged with Governance regarding your processes for identifying and responding to the risks of fraud?	Yes, Council's Finance, Risk and Internal Audit teams and External Audit report regularly to the Corporate Governance Committee and Council.
How have Those Charged with Governance communicated their views on fraud risks to you?	Review and endorsement of the City of Playford's Integrated Risk Management Framework, policies and procedures and Internal Audit plan.
Completed by	Luke Culhane
Position title	General Manager Corporate Services
Signature	
Date	14/3/2025



BDO	
CLIENT NAME	City of Playford
DOCUMENT NAME	Fraud questionnaire - Those charged with governance
PERIOD END	30 June 2025
DOCUMENT REF	Template version: 2022 - 10

Background

In conducting our audit, we are required to make enquiries of Those charged with governance regarding fraud. These enquiries form part of our risk assessment process and are critical in performing a risk based audit.

This questionnaire has been developed to assist in these discussions.

Questions

Please address the following questions:

Questions	TCWG response
Questions to gain an understanding of historical frauds perpetrated and the commitment of Those charged with governance regarding fraud prevention, deterrence and detection.	
Do you have any knowledge of any fraud perpetrated, alleged or suspected that could result in a material misstatement of the entity's financial statements?	No
Do you have any knowledge of any other perpetrated, alleged or suspected fraud (regardless of value)?	No
Have you received any letters or communications from employees, former employees or others concerning allegations of fraud?	No
What incentives and pressures do you perceive to be on management and how are the related fraud risks managed?	All local governance agencies are under pressure to deliver more services to their communities, without increasing rates. Organisational policies, procedures and processes, Councils committee structure (including Corporate Governance Committee) and the Elected Member Body (Council) having to endorse the budget and any adjustments ensures a robust framework is in place to prevent fraud. The Corporate Governance Committee also provides Council with recommendations in relation to budget, compliance, risk and fraud matters as per their Charter. This provides Council with an additional layer of assurance.
Questions to gain an understanding of the role of those charged with governance in terms of management's fraud risk assessment and related controls	



Questions	TCWG response
What process do you undertake to assess the risk of fraud in the entity?	<p>The Governance Team undertake some tasks relating to the prevention of fraud specifically within our area which are:</p> <ul style="list-style-type: none"> • Managing the policy and procedure framework; • responsibility for the fraud and corruption policy and Public Interest Disclosure Procedure • training and liaison with staff and Council Members in relation to legislative compliance • ensuring payments to Council Members are made in accordance with the Remuneration Tribunal of SA determinations and legislative requirements • Facilitating the delegation process which is in line with the legislative requirements and robust systemised approach including internal role changes and onboarding and offboarding employees There is also a Quarterly strategic risk review conducted by executive in which subject matter experts are required to report/respond to as needed.
What is your understanding about the risks of fraud in the entity, including any specific fraud risks the entity has identified or any account balances or classes of transactions for which a risk of fraud may be more likely to exist, and why?	Council has policies, procedures and processes in place designed to mitigate the risk of fraud. This includes specific activities, balances, and classes of transactions.
What controls are in place to ensure that management has implemented the necessary programs and controls to mitigate specific fraud risks that have been identified, or that otherwise help to prevent, deter and detect fraud?	<p>In addition to the above:</p> <ul style="list-style-type: none"> • Policy Governance Framework is the mechanism to ensure all Policies and Procedures are updated and reviewed in line with best practice. • Regular reporting on compliance and hierarchy controls in place with regard to procurement in particular Purchase Orders • Regular reporting to the Corporate Governance Committee • Internal Auditor to ensure fraud controls and risk mitigation mechanisms are in place
Describe any general policies or procedures in place to discourage fraudulent activities and encourage whistle blowing (e.g. severe punishment of perpetrators, rewards for whistle blowing, guarantees to remain anonymous once reporting suspected fraud, training, etc.)	<ul style="list-style-type: none"> • Fraud and Corruption Control Policy • Public Interest Disclosure Procedure • Behavioural Standards for Council Members • Behavioural Management Policy • Worker Code of Conduct



Questions	TCWG response
What controls are in place to ensure that management monitor those programmes or controls?	<ul style="list-style-type: none"> • The Policy Governance Framework is the mechanism to ensure all Policies and Procedures are updated and reviewed in line with best practice. • Regular reviews in addition to internal auditing. • Online mandatory induction training for all new staff to complete which includes information relating to the ICAC and PID Act. • Mandatory Training program for Council Members
Questions to gain an understanding about how those charged with governance exercise oversight of management's processes in relation to fraud risks.	
How do you communicate your views on business practices and ethical behaviour?	Governance works in partnership with Executive, Senior Leaders and workers to provide best practice and contemporary advice. There is an executive commitment and strong expectation that all workers adhere with the Policy Governance Framework in which Governance partner with the Policy Owners throughout the process
Has management reported to you on the entity's internal control and how management believes internal control serves to prevent, deter, or detect material misstatements due to fraud?	Council's internal auditor, along with the Manager Risk & WHS and risk staff regularly communicate with the management team regarding internal controls.
What controls are in place to ensure that management demonstrate behaviour consistent with your views?	Governance partner with the Executive Team and Council (as required) to ensure consistent messaging and behaviours are demonstrated

Completed by	Zoey Squires
Position title	Manager Governance
Signature	
Date	18/03/2025

5.2 CORPORATE GOVERNANCE COMMITTEE ANNUAL REPORT 2024/25

Responsible Executive Manager : Luke Culhane

Report Author : Sarah Schutz

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments : 1¹. Corporate Governance Committee Annual Report 2024/25

PURPOSE

For Council to receive and note the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) for inclusion in the City of Playford Annual Report 2024/25 in accordance with Section 126(9) of the *Local Government Act 1999*.

STAFF RECOMMENDATION

1. Council receives and notes the Corporate Governance Committee Annual Report 2024/25 (Attachment 1).
2. Council authorise the CEO to make further minor amendments to the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) that do not alter the intent of the document.
3. In accordance with Section 126(9) of the *Local Government Act 1999*, the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) be included in the City of Playford Annual Report 2024/25.

EXECUTIVE SUMMARY

In accordance with Section 126(8)(b) of the *Local Government Act 1999* (the Act) and the Corporate Governance Committee Charter, the Committee will provide an annual report to the Council on the work of the Committee.

The Corporate Governance Committee Charter requires members of the Committee to complete an annual self-assessment regarding the ongoing role and effectiveness of the Committee. Following the completion of the annual self-assessment, the Corporate Governance Committee Annual Report for 2024/25 (Attachment 1) has been developed for inclusion in Council's Annual Report.

Section 126(9) of the Act states that a council must ensure that the annual report of its audit and risk committee is included in its annual report.

1. BACKGROUND

Section 126(8)(b) of the Act requires Council's audit and risk committee to provide an annual report to the Council on the work of the Committee. To assist in the development of the annual report, and in accordance with the Corporate Governance Committee Charter, the Committee has undertaken the 2024/25 annual self-assessment to determine the ongoing role and effectiveness of the Committee with regards to:

- The membership and composition of the Committee
- Effectiveness of meetings
- The review process of financial information
- The role and effectiveness of internal controls, internal audit, and risk management systems
- Other activities undertaken by the Committee.

The online self-assessment survey was circulated to Committee Members on 12 August 2025 providing them with the opportunity to provide their feedback on the activities of the Committee and suggesting any areas for improvement. At the request of the Committee, the Executive team were also invited to complete the self-assessment.

The results of the self-assessment are presented within the Corporate Governance Committee Annual Report 2024/25 (Attachment 1). In accordance with Section 126(9) of the Act, the Corporate Governance Committee Annual Report 2024/25 will be included in the City of Playford Annual Report.

2. RELEVANCE TO STRATEGIC PLAN

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

The completion of the annual self-assessment and development of the Corporate Governance Committee Annual Report can be used to demonstrate the Committee is fulfilling the role of Council's audit and risk committee in accordance with Section 126 of the Act.

3. PUBLIC CONSULTATION

There is no requirement to consult the community on the Corporate Governance Committee Annual Report 2024/25.

4. DISCUSSION

- 4.1 In accordance with the Corporate Governance Committee Charter, the Committee review their activities on an annual basis in relation to relevance and effectiveness, best practice principles and legislation.
- 4.2 The Committee's role is to:
 - Fulfill the role of Council's audit and risk committee as required under Section 126 of the *Local Government Act 1999*.
 - Assist the Council in reviewing the principal risks facing the Council, including those that threaten the Council's strategic direction.
 - Assist in the effective management of financial and other risks and the protection of Council assets.
 - Review developments and adequacy of principles, policies and practices of financial planning and reporting, corporate governance, risk management, and internal control and make recommendations to Council as appropriate.

- 4.3 Undertaking the annual self-assessment has enabled the Corporate Governance Committee Annual Report 2024/25 to be developed and presented to the Committee for review and subsequently, to Council for inclusion in Council's Annual Report.
- 4.4 The report details the role, structure, and self-assessed effectiveness of the Committee for the information of the Council.
- 4.5 In accordance with Section 126(9) of the Act, the Corporate Governance Committee Annual Report will be included in the City of Playford Annual Report 2024/25.

5. OPTIONS

Recommendation

1. Council receives and notes the Corporate Governance Committee Annual Report 2024/25 (Attachment 1).
2. Council authorise the CEO to make further minor amendments to the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) that do not alter the intent of the document.
3. In accordance with Section 126(9) of the *Local Government Act 1999*, the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) be included in the City of Playford Annual Report 2024/25.

Option 2

1. Council receives and notes the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) subject to the following amendments:
 - _____
 - _____
 - _____
2. Council authorise the CEO to make further minor amendments to the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) that do not alter the intent of the document.
3. In accordance with Section 126(9) of the *Local Government Act 1999*, the Corporate Governance Committee Annual Report 2024/25 (Attachment 1) be included in the City of Playford Annual Report 2024/25.

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

The Corporate Governance Committee Annual Report 2024/25 supports the evaluation of the Committee's activities against its Charter. This assessment promotes accountability and transparency regarding the operations of the Committee. The receipt of the Corporate

Governance Committee Annual Report 2024/25 by Council, and subsequent inclusion in the City of Playford Annual Report 2024/25 ensures that Council meets legislative requirements.

Risk Appetite

Financial Sustainability

Council has a low appetite for short-term financial risk that adversely impacts on the delivery of the long term financial plan and the Council's overall stability and sustainability.

This role of the Corporate Governance Committee is to assist the Council in the effective management of financial and other risks.

Regulatory Compliance

Council has a zero tolerance for non-compliance with applicable legislation including but not limited to: Local Government Act (LGA) 1999; Independent Commissioner Against Corruption (ICAC) Act 2012; Work Health & Safety (WHS) Act 2012; Environment Protection Act (EPA) 1993; Development Act 1993; Equal Employment Opportunity legislation; and Public Consultation legislation.

This decision can be used to demonstrate that Council is meeting the requirements of Section 126 of the *Local Government Act 1999*.

6.1.2 Financial Implications

There are no financial or resource implications resulting from this recommendation.

6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

The Council may choose to amend the recommendation and consider alternative changes to the Corporate Governance Committee Annual Report 2024/25.

6.2.2 Financial Implications

There are no financial or resource implications resulting from this recommendation.



Corporate Governance Committee

2024/25 Annual Report

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1. Introduction

This Annual Report documents the operation and activities of the City of Playford Corporate Governance Committee from 1 July 2024 to 30 June 2025.

The Corporate Governance Committee fulfils the role of Council's audit and risk committee as required by Section 126 of the *Local Government Act 1999*. The Committee monitors the integrity of Council's financial statements, internal controls, audit and risk management systems and strategic management plans.

The Committee is made up of five members consisting of the Mayor, one Council Member and three Independent Members.

The term of the Council Members' appointment is generally for two years but does not exceed the next General Election. Independent Members appointed to the Committee may carry over past an election term.

The Presiding Member must be an Independent Member and will be determined by the Committee for a period of two years, after which they may stand for re-election.

Independent Members of the Committee are appointed to bring current and relevant experience and their capacity to act as a mentor to the Council Members of the Committee.

Independent Members of the Corporate Governance Committee are paid for their services and are remunerated in accordance with the Committee's Charter.

During the 2024/25 financial year, the Committee's membership remained unchanged, with Council reappointing Mr Peter Brass as an Independent Member representative in February 2025. Mr Mark Labaz continues in the position of Presiding Member, as resolved by the Committee on 3 October 2023 (Resolution 5585).

Mayor Glenn Docherty continues his role as Mayor representative, with Cr Shirley Halls re-appointed as the Council Member representative in November 2024.

The table below provides a summary of current Committee Membership and Term of Office details.

Term of Office

Appointed Member	Endorsed by Council	Term Concludes
Mr Mark Labaz	27 February 2024	31 March 2026
Mr Martin White	27 February 2024	31 March 2026
Mr Peter Brass	25 February 2025	31 March 2027 <i>(reappointed – initial term expired on 31 March 2025)</i>

City of Playford

2024/25 Corporate Governance Committee Annual Report

Appointed Member	Endorsed by Council	Term Concludes
Mayor Glenn Docherty	29 November 2022	November 2026
Cr Shirley Halls	26 November 2024	November 2026
Cr Jane Onuzans (<i>Deputy</i>)	29 November 2022	30 November 2024

In November 2024, Council did not appoint a Deputy Member for the Corporate Governance Committee. Cr Onuzans' term concluded on 30 November 2024.

2. Role of the Committee

In accordance with Section 126 of the *Local Government Act 1999*, Council must have an audit and risk Committee. The Corporate Governance Committee is to provide independent assurance and advice to Council on accounting, financial management, internal controls, risk management and governance matters.

3. Charter review and update

The Charter was reviewed by Council in November 2024 to ensure it accurately reflects the role of the Committee and continues to meet legislative requirements. In January 2025, an amendment to the Charter was endorsed by Council, providing the Committee the ability to vary the meeting schedule to assist in ensuring scheduling conflicts and consideration of critical items could be managed effectively.

4. Meetings

The Corporate Governance Committee meetings are held on the first Tuesday of the month, commencing at 5:00pm. The Committee meets a minimum of six times per annum and meetings occur at least quarterly. The schedule is determined by the Committee in their work plan.

During the 2024/25 period, the Committee held nine meetings with the average meeting lasting 1 hour and 18 minutes. In accordance with the Committee Charter, three of these meetings were held outside of the work plan schedule to consider critical items.

The Committee considered 41 reports and 12 informal discussion items from 1 July 2024 to 30 June 2025. The Committee went into confidence on thirteen occasions to discuss matters that the Committee considered necessary to consider in confidence. A list of items considered by the Committee is provided at Appendix 1.

4.1 Presiding Member

The Presiding Member oversees the conduct of the Corporate Governance Committee meetings in accordance with the *Local Government Act 1999* and Code of Practice for Council and Committee Meetings. Their role ensures that all Committee Members have the opportunity to participate in debate and discussions in an open and encouraging manner.

At the October 2023 Corporate Governance Committee meeting, the Committee appointed Mr Mark Labaz as Presiding Member for a 2-year period.

4.2 Record of attendance

The below table provides the record of attendance for Corporate Governance Committee meetings (including Special meetings) held from 1 July 2024 to 30 June 2025.

Appointed Member	Total Number of Meetings	Attendance	Attendance Rate
Mr Mark Labaz	9	9	100%
Mr Martin White	9	8	88.88%
Mr Peter Brass	9	8	88.88%
Mayor Glenn Docherty	9	8	88.88%
Cr Shirley Halls	9	9	100%
Cr Jane Onuzans (Deputy Member until 30 November 2024)	0	0	N/A

During this period, the Deputy Member was not required to attend any meetings where the Mayor, or appointed Council Member were unable to attend.

4.3 Administration support

An Executive Officer is appointed by the CEO to support the administration and operation of the Committee. The Executive Officer and relevant staff are available to provide advice during the meeting as required to aid informed decision making. The General Manager Corporate Services held this position during 2024/25.

The CEO has appointed a Minute Taker and Council's Governance team provide administration support, preparing and distributing agendas and meeting papers in advance of the meetings and ensuring minutes are publicly available within five days of the meeting in accordance with the requirements under the *Local Government Act 1999*.

5. 2024/25 Self-assessment

In accordance with the Committee's Charter, members undertook their annual self-assessment for the 2024/25 financial year in August 2025 to assess the ongoing role and effectiveness of the Committee and to report any recommendations to Council as required.

Members of the Executive team were invited to undertake the self-assessment to provide feedback on the performance of the Committee.

All Committee members completed the self-assessment in accordance with 11.1 of the Charter. Three members of the Executive team also completed the assessment.

Activities of the Committee as outlined in the Terms of Reference in the Corporate Governance Committee Charter and a summary of feedback provided via the self-assessment are provided below.

The self-assessment responses are positive with majority of responses rated 'strongly agree' or 'agree'.

A breakdown of the survey responses is provided in Appendix 2.

5.1 Committee members and meetings

Self-Assessment feedback:

- All respondents strongly agreed that the Committee has a sufficient understanding of Council's business to effectively perform its responsibilities. Respondents also strongly agreed that meeting agendas and supporting papers are clear, comprehensive and of sufficient quality to enable informed decision-making.
- The diverse skill mix of the independent Committee members, covering finance, risk management, corporate governance, policy and audit, was noted as a key strength that supports effective Committee performance.
- While no formal training or development opportunities were provided to the Committee during the reporting period, the majority of respondents agreed that Committee Members continue to maintain relevant skills, knowledge and experience.

On average, 89% of respondents expressed strong agreement in this area.

5.2 Committee planning and reporting

At each meeting, the Committee reviewed the work plan which outlines the priorities and objectives guiding the activities of the Committee. In November 2023, following the introduction of new reporting requirements as part of legislative reform, the Committee commenced providing a Communique to Council after each meeting. The Communique summarises the Committee's work during the period preceding the meeting and the key outcomes of the meeting.

Self-Assessment feedback:

- 87.5% of respondents strongly agreed that the Committee's work plan sets out achievable priorities and objectives for the year, with good progress made against the plan.
- All respondents agreed or strongly agreed that recommendations and decisions were monitored, actioned and implemented within agreed timeframes.

The Committee reviews and adjusts its work plan at each meeting to ensure objectives and priorities continue to be met. Looking ahead, the Committee will seek feedback from Council on the usefulness and content of the Communiques to ensure they remain relevant and informative.

5.3 External audit

In October 2024, the Committee met in confidence with the External Auditor, without staff present, to discuss the auditor's remit and matters arising from the external audit process.

During the same month, the Committee also considered Council's contract with the External Auditor in confidence and subsequently made a recommendation to Council regarding the terms of the contract renewal.

The Committee received the External Audit Plan for the 2024/25 financial year from representatives of BDO in preparation for the interim audit scheduled for March 2025. At its February 2025 meeting, the Committee sought clarification on the internal controls risk assessment, provided feedback on the proposed audit scope and formally endorsed the Audit Plan.

In addition, the Committee reviewed Council's 2023/24 annual financial statements, questioning both the External Auditor and management to ensure the statements accurately presented Council's financial position prior to adoption by Council.

Self-Assessment feedback:

- All respondents strongly agreed that the annual financial reports comply with applicable legislation and Australian Accounting Standards and are supported by appropriate management sign-off on the financial statements.

- All respondents agreed or strongly agreed that the Committee has reviewed the processes in place to ensure that financial information included in the annual report is consistent with the signed financial statements.

5.4 Internal audit

The Internal Auditor is responsible for developing a flexible annual strategic audit plan using appropriate risk and consequence-based methodology, including any risks or control concerns for the Committee to review and provide recommendations on any changes.

During the 2024/25 financial year, the Committee received several internal audit reports including financial controls, payroll project scope review and Software as a Service (SaaS) Audit Report.

Self-Assessment feedback:

- The majority of respondents strongly agreed that the Committee has reviewed and approved the internal audit plan.
- Whilst most respondents agreed or strongly agreed that the Committee reviews the effectiveness of the system for monitoring Council's compliance with relevant laws and regulations, one respondent disagreed.

Respondents noted that internal audit resources were sufficient, with bespoke audits outsourced to specialist providers. However, staff turnover and resource constraints have delayed the implementation and updating of the Risk Management Framework, limiting the Committee's opportunity to review and comment on its effectiveness. A respondent noted that the Committee has not yet been briefed on the system used to monitor Council's compliance with relevant laws and regulations and is therefore unable to comment on its effectiveness.

5.5 Other matters

During the 2024/25 financial year, the Committee reviewed and provided feedback on two Prudential Management reports prepared in accordance with Section 48 of the *Local Government Act 1999*, commending staff on the quality of the reports.

The Committee also reviewed several Council policies and procedures providing input and making recommendations that were subsequently endorsed by Council.

The Committee engaged in detailed discussion on the proposed Fraud and Corruption Control Policy and accompanying Guideline, providing amendments and feedback to assist administration in further defining reporting mechanisms prior to considering the Policy for endorsement.

Advice was also provided to Council to support the preparation of the 2025/26 Annual Business Plan, including detailed feedback on financial sustainability. The Committee recommended a proposed funding pathway, highlighted key financial assumptions and

identified cost pressures to assist Council's consideration of the draft Annual Business Plan and Long Term Financial Plan.

At the 22 April 2025 Ordinary Council meeting, Mr Mark Labaz addressed the Chamber on the draft 2025/26 Annual Business Plan and Budget, Long Term Financial Plan and Strategic Asset Management Plan for public consultation. The Committee made a recommendation supporting the proposed rate rise prior to Council's endorsement of public consultation.

Self-Assessment feedback:

- 87.5% of respondents strongly agreed that the Committee reviewed and provided commentary on Prudential Management reports prepared in accordance with Section 48 of the *Local Government Act 1999*.
- All respondents strongly agreed that the Committee demonstrates a thorough understanding of Council's strategic management plans including the Annual Business Plan and provides informed review and recommendations on the sustainability of Council's financial performance, taking into account Council's financial indicators.

5.6 Committee feedback

The Committee was provided the opportunity to reflect on its work over the 2024/25 financial year, including identifying areas that could strengthen its effectiveness, recognising work that has been particularly valuable, and noting areas for improvement. A summary of the feedback is provided below.

Aspects of the Committee's work that have been most effective or valuable:

- Review of the 2025/26 Long Term Financial Plan and draft Annual Business Plan.
- Keeping the Council finances on track with the agreed Annual Business Plan.
- Review of policies.
- Examination of audit results, including significant adjustments, uncorrected misstatements and any difficulties or unresolved disagreements with management.
- Review of Prudential Reports.
- Cyber Security incident updates.
- Receiving CEO updates, which have been highly valuable in understanding the organisation's risks and challenges.
- Providing advice on the Strategic Risk Register and advising on the CBD strategy.
- Overseeing the External Audit tender process.
- Committee Members consistently asking insightful questions to understand and assess Council's risk environment.

Aspects of the Committee's work that were less effective or could have been managed better:

- Provision of advice in respect to the Risk Management Framework and Strategic Risk Register was limited due to staff resourcing constraints.

Recommendations to strengthen the effectiveness of the Committee:

- Greater availability of Independent Committee Members to provide assistance on urgent matters as required, rather than waiting for scheduled meetings.
- Enhanced use of the Committee in considering commercial property-related matters during negotiation and consideration stages.
- Consideration of how quarterly financial reviews could be brought to the Committee prior to review by Council.
- Flexibility to amend meeting dates to avoid clashes with other Committee meetings.

In January 2025, Council endorsed an amendment to the Committee Charter enabling the Committee to vary its meeting schedule to better manage scheduling conflicts and ensure timely consideration of critical items.

City of Playford

2024/25 Corporate Governance Committee Annual Report

Appendix 1 | 2024/25 Committee Agenda Items

Meeting Date	Report Title	Report Type
August 2024	Asset Management Policy and Procedure	Decision Report
August 2024	Corporate Governance Committee Work Plan	Information Report
August 2024	Corporate Governance Committee Self-Assessment 2023/24	Information Report
August 2024	Strategic Risk Register	Information Report
August 2024	Risk Assessment Supporting Documents	Information Report
August 2024	Business Continuity Exercise Report	Information Report
August 2024	Financial Controls Audit report	Information Report
August 2024	Content for Corporate Governance Communique	Informal Discussion
August 2024	Munno Para Prudential Report	Confidential Decision Report
August 2024	Chief Executive Officer Update	Confidential Information Report
October 2024	Adoption of 2023/24 Financial Statements	Decision Report
October 2024	Corporate Governance Committee Annual Report 2023/24	Decision Report
October 2024	Corporate Governance Committee Work Plan	Information Report
October 2024	2024/25 Insurance Portfolio	Information Report
October 2024	Risk Evaluation Action Plans Status Update	Information Report
October 2024	Rolling Revaluation Update	Information Report

City of Playford

2024/25 Corporate Governance Committee Annual Report

Meeting Date	Report Title	Report Type
October 2024	Content for Corporate Governance Committee Communique	Informal Discussion
October 2024	External Audit Contract	Confidential Decision Report
October 2024	Findings of External Audit	Confidential Discussion Informal
November 2024 (Special)	Content for Corporate Governance Committee Communique	Confidential Discussion Informal
November 2024 (Special)	Cyber Security Incident Presentation	Confidential Discussion Informal
November 2024 (Special)	Cyber Security Incident Response	Confidential Information Report
December 2024	Content for Corporate Governance Committee Communique	Informal Discussion
December 2024	Corporate Governance Committee 2025 Meeting Schedule and Work Plan	Decision Report
December 2024	Corporate Governance Committee Work Plan	Information Report
December 2024	Fraud and Corruption Control Policy	Decision Report
December 2024	Revaluation of Assets	Decision Report
December 2024	Risk Assessment Supporting Documents	Information Report
December 2024	Strategic Management Plan Asset Audit Report	Information Report
December 2024	Strategic Risk Report – November 2024	Information Report
December 2024 (Special)	Riverlea Community Land Management Plan	Confidential Decision Report
February 2025	External Auditor Draft Audit Plan 2024/25	Decision Report

City of Playford

2024/25 Corporate Governance Committee Annual Report

Meeting Date	Report Title	Report Type
February 2025	Mid-Year Review – End of Year Forecast	Decision Report
February 2025	Corporate Governance Committee Work Plan	Decision Report
February 2025	Content for Corporate Governance Communique	Informal Discussion
February 2025	Chief Executive Officer Update	Confidential Information Report
February 2025	Long Term Financial Plan 2025/26	Confidential Informal Discussion
17 March 2025 (Special)	Prudential Report – CBD Strategy	Confidential Information Report
17 March 2025 (Special)	External Auditor Tender Process	Informal Discussion
1 April 2025	Corporate Governance Committee Work Plan	Decision Report
1 April 2025	Content for Corporate Governance Communique	Informal Discussion
1 April 2025	Fraud and Corruption Control Policy	Decision Report
1 April 2025	2025 Confidential Orders Review	Decision Report
1 April 2025	2025/26 Draft Annual Business Plan and Long Term Financial Plan	Confidential Decision Report
1 April 2025	SAAS Audit Report	Information Report
1 April 2025	Payroll Project Scope Review Report	Information Report
6 May 2025	Corporate Governance Committee Work Plan	Decision Report
6 May 2025	Content for Corporate Governance Communique	Informal Discussion

City of Playford

2024/25 Corporate Governance Committee Annual Report

Meeting Date	Report Title	Report Type
6 May 2025	Audit Tender Evaluation Criteria	Informal Discussion
6 May 2025	Chief Executive Officer Update	Confidential Information Report
6 May 2025	Internal Audit Work Plan	Information Report
6 May 2025	Interim Audit Management Letter	Information Report
6 May 2025	Strategic Risk Report – April 2025	Information Report

Appendix 2 | 2024/25 Self-Assessment

Committee Members & Meetings

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee understands the Council's business sufficiently to enable the Committee to fulfil its responsibilities.	0.00%	0.00%	0.00%	100.00%	0.00%
The mix of skills on the Committee allows it to effectively perform its responsibilities.	0.00%	0.00%	25.00%	75.00%	0.00%
Committee members have maintained relevant skills/knowledge/experience and undertaken relevant training and development.	0.00%	0.00%	25.00%	62.50%	12.50%
The Committee meets frequently enough to be effective.	0.00%	0.00%	0.00%	100.00%	0.00%
Meetings have been conducted in accordance with the agenda issued and allow sufficient time to discuss complex, critical and confidential issues.	0.00%	0.00%	12.50%	87.50%	0.00%
Meeting agenda and supporting papers are of sufficient clarity and quality to make informed decisions.	0.00%	0.00%	0.00%	100.00%	0.00%

City of Playford

2024/25 Corporate Governance Committee Annual Report

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee has received all information, presentations or explanations it considers necessary to fulfill its responsibilities.	0.00%	12.50%	0.00%	87.50%	0.00%
Meetings have been conducted to allow Committee members to raise any issue they believe relevant and allow for open, frank and robust discussion of all matters raised.	0.00%	0.00%	0.00%	100.00%	0.00%

Committee Planning & Reporting

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee work plan sets out achievable priorities and objectives for the year with appropriate progress against the work plan being achieved.	0.00%	0.00%	12.50%	87.50%	0.00%
Committee recommendations/decisions and agreed actions are monitored and have been implemented within agreed timeframes.	0.00%	0.00%	50.00%	50.00%	0.00%
The Committee reported to Council after each meeting summarising the work of the Committee during the period preceding the meeting and the outcomes of the meeting.	0.00%	0.00%	0.00%	100.00%	0.00%

External Audit

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee is satisfied that annual financial reports comply with applicable legislation and Australian accounting standards and are supported by appropriate management sign-off on financial statements.	0.00%	0.00%	0.00%	100.00%	0.00%
The Committee has reviewed the findings of the interim and annual audits with the external auditor.	0.00%	0.00%	12.50%	87.50%	0.00%
The Committee has reviewed the external auditor’s management letter and monitored the implementation of recommendations by management.	0.00%	0.00%	25.00%	75.00%	0.00%
The Committee has reviewed the external audit opinion, including whether appropriate action has been taken in response to audit recommendations and adjustments.	0.00%	0.00%	12.50%	87.50%	0.00%
The Committee has considered contentious financial reporting matters in conjunction with management and external auditors.	0.00%	0.00%	12.50%	75.00%	12.50%

City of Playford

2024/25 Corporate Governance Committee Annual Report

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee has reviewed the processes in place to ensure financial information included in the annual report is consistent with the signed financial statements.	0.00%	0.00%	0.00%	100.00%	0.00%
The Committee has met with the external auditor on at least one occasion on a confidential basis, with a majority of Committee members present and no members/employees of the council present (other than council members who are members of the Committee).	0.00%	0.00%	0.00%	100.00%	0.00%

Internal Audit

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee has reviewed and approved the internal audit plan.	0.00%	0.00%	12.50%	87.50%	0.00%
The Committee considers the internal audit resources were adequate for the completion of the internal audit program.	0.00%	0.00%	25.00%	75.00%	0.00%
The Committee has monitored the implementation of internal audit recommendations and obtained all information and/or explanations it considers relevant to the progress or implementation of audit recommendations.	0.00%	0.00%	37.50%	62.50%	0.00%

City of Playford

2024/25 Corporate Governance Committee Annual Report

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee considers the audit reports provided as appropriate for the business needs of the Council and:	0.00%	0.00%	25.00%	75.00%	0.00%
a) The reports were structured, concise and constructive	0.00%	0.00%	25.00%	75.00%	0.00%
b) The recommendations provided were realistic and resulted in improvements to current procedures	0.00%	0.00%	25.00%	75.00%	0.00%
c) The conclusions reached were adequately supported by relevant evidence and reflected a realistic understanding of the area under review	0.00%	0.00%	25.00%	75.00%	0.00%
The Committee adequately understands and reviews the Council's risk management framework and whether an effective approach is being followed to manage major risks.	0.00%	0.00%	25.00%	75.00%	0.00%
The Committee adequately understands and reviews the Council's financial reporting requirements.	0.00%	0.00%	0.00%	100.00%	0.00%
The Committee reviews the effectiveness of the system for monitoring Council's compliance with relevant laws and regulations.	0.00%	12.50%	25.00%	62.50%	0.00%

City of Playford

2024/25 Corporate Governance Committee Annual Report

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee understands and reviews management's systems and arrangements for maintaining effective internal controls.	0.00%	0.00%	12.50%	87.50%	0.00%
The Committee has reviewed the annual report prepared by the CEO in relation to policies and processes adopted to evaluate and improve effectiveness of internal control practices/procedures.	0.00%	0.00%	50.00%	50.00%	0.00%

Other matters

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee reviewed and provided comment on any Prudential Management reports prepared in accordance with section 48 of the <i>Local Government Act 1999</i> .	0.00%	0.00%	12.50%	87.50%	0.00%
The Committee appropriately proposed and reviewed the exercise of powers under section 130A (Other Investigations) of the <i>Local Government Act 1999</i> .	0.00%	0.00%	12.50%	25.00%	62.50%

City of Playford

2024/25 Corporate Governance Committee Annual Report

Question	Strongly disagree Below standard	Disagree Poor	Agree Good	Strongly agree Exceptional	Not Applicable this year
The Committee reviewed and provided feedback on relevant policies and procedures.	0.00%	0.00%	12.50%	87.50%	0.00%
The Committee understands and reviews Council's strategic management plans including the Annual Business Plan, and review and provide recommendations on the sustainability of Council's financial performance considering Council's financial indicators.	0.00%	0.00%	0.00%	100.00%	0.00%



5.3 FEES AND CHARGES POLICY AND PROCEDURE REVIEW

Responsible Executive Manager : Luke Culhane

Report Author : Janey Yang

Delegated Authority : Matters which cannot be delegated to a Committee or Staff

Attachments :

- 1[↓](#). Proposed Fees and Charges Policy
- 2[↓](#). Proposed Fees and Charges Procedure
- 3[↓](#). Tracked Changes - Fees and Charges Policy
- 4[↓](#). Tracked Changes - Fees and Charges Procedure

PURPOSE

The purpose of this report is to seek endorsement from the Council on the proposed Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2).

STAFF RECOMMENDATION

1. Council endorse the proposed Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2), noting that the next review is due in three years.
2. Council authorise the Chief Executive Officer to make further minor amendments to the Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2) that do not alter the intent of the documents.

EXECUTIVE SUMMARY

The Fees and Charges Policy sets the strategic intention to support and maintain a high level of financial management in accordance with the *Local Government Act 1999* and responds to the provision of Section 188 (Fees and charges). This Policy articulates the City of Playford's strategies to effectively manage the setting, waiving or amending of fees and charges.

1. BACKGROUND

Council creates and maintains a network of policies to set strategic direction and support effective decision making. Council's policies play an important role in communicating Council's intention and obligations and in setting our roles and responsibilities in decision making.

The Fees and Charges Policy and Procedure were adopted by Council on 26 April 2022 (Resolution 4968) and are due for review in March 2025.

2. RELEVANCE TO STRATEGIC PLAN

Decision-making filter: We will stick to our Finance Strategy to achieve long term financial sustainability while still delivering the planned services, responsibly managing debt and promoting the growth of the city.

The Fees and Charges Policy and Procedure articulates the City of Playford's strategies to effectively manage the setting, waiving or amending of fees and charges. Setting fees and charges that recover the cost of these services ensures a user pays approach, thereby minimising the impact for other ratepayers.

3. PUBLIC CONSULTATION

There is no requirement for community consultation regarding the review of this Policy and Procedure. Once endorsed, the updated Policy and Procedure will be made available on Council's website.

4. DISCUSSION

4.1 The content of the Fees and Charges Policy (Attachment 1) was reviewed to ensure it continues to provide an effective decision-making framework and clear principles for the setting, waiving or amending of fees and charges. No significant changes have been made except for grammatical and terminological updates and legislation updates.

4.2 Consistent with the Policy Governance Framework, feedback is sought from the Corporate Governance Committee, and option 2 allows for this to be considered.

5. OPTIONS

Recommendation

1. Council endorse the proposed Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2), noting that the next review is due in three years.
2. Council authorise the Chief Executive Officer to make further minor amendments to the Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2) that do not alter the intent of the documents.

Option 2

1. Council endorse the proposed Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2), noting that the next review is due in three years, and provides the following additional feedback:
 - _____
 - _____
 - _____
2. Council authorise the Chief Executive Officer to make further minor amendments to the Fees and Charges Policy (Attachment 1) and Fees and Charges Procedure (Attachment 2) that do not alter the intent of the documents.

6. ANALYSIS OF OPTIONS

6.1 Recommendation Analysis

6.1.1 Analysis & Implications of the Recommendation

The Fees and Charges Policy ensures the strategic intention to support and maintain a high level of financial management in accordance with the *Local Government Act 1999* and responds to the provision of Section 188 (Fees and Charges). This Policy articulates the City of Playford strategies to effectively manage the setting, waiving or amending of fees and charges.

Risk Appetite

Regulatory Compliance

Council has a zero tolerance for non-compliance with applicable legislation including but not limited to: Local Government Act (LGA) 1999; Local Government (General) Regulations 2013; Independent Commissioner Against Corruption (ICAC) Act 2012; Planning, Development and Infrastructure Act 2016; Environment Protection Act (EPA) 1993; Equal Employment Opportunity legislation; National Competition Policy and Public Consultation legislation.

This decision will ensure compliance with relevant legislation.

6.1.2 Financial Implications

There are no financial or resource implications.

6.2 Option 2 Analysis

6.2.1 Analysis & Implications of Option 2

The Policy and Procedure documents will be updated to include any additional amendments recommended by the Corporate Governance Committee and provided to Council for endorsement with the Fees and Charges Schedule, with the next review proposed in three (3) years.

6.2.2 Financial Implications

There are no financial or resource implications.



Fees and Charges Policy

Policy Author	General Manager – Corporate Services
Date of next review	TBC

1. Statement of Intent

The purpose of this Policy is to:

- Establish the principles for the setting, waiving or amending of all fees and charges.
- Ensure a consistent standard and equitable approach to setting of fees and charges.
- Consider the ability of the community to pay the fees and charges set by Council.

1.1. Setting of fees and charges

Section 188 of the *Local Government Act 1999* (the Act) empowers Council to impose fees and charges.

The key principles by which fees and charges are set include:

- the cost of providing the goods or service
- the collective users' ability to pay for the service
- the demand for the goods or services by the community
- comparative market pricing with other like enterprises performing similar services, including Competitive Neutrality principles if they are relevant to the goods or services being provided
- the environmental and social benefit of the goods or services provided
- the requirements of any act or regulations.

These principles will be applied consistently across the organisation to enhance accountability and provide transparency in the setting, waiving or amending of all fees and charges.

GST will be applied where appropriate in the Schedule of Fees and Charges.

1.2. Waiving or reducing fees and charges

The Council may waive or refund the whole, or any part, of any fee or charge if it is satisfied that there are exceptional circumstances that justify such a waiver or refund.

Any waiver (in part or in full) of fees and charges must be applied:

- in line with the *Local Government Act 1999*
- in accordance with the appropriate delegations in the delegations register
- in consideration of the desired outcomes of the Council
- taking into consideration the user pays principle as outlined in the associated procedures.

2. Scope

This Policy and the associated Fees and Charges Procedure apply to all workers with delegated authority within the organisation who are responsible for setting, waiving or amending a fee or charge. This applies to all functions delegated or sub-delegated in accordance with the delegations register.

This Policy applies to all fees and charges listed on Council's Fees and Charges Schedule over which Council is empowered to impose under Section 188 of the *Local Government Act 1999*.

3. Legislation and References

This Policy should be read in conjunction with the Fees and Charges Procedure.

Related documents include:

- *A New Tax System (Goods and Services Tax) Act 1999*
- *Australian Road Rules*
 - Division 7—Permissive parking signs and parking fees
- *Dog and Cat Management Act 1995*
 - Section 41 – Applications and fees
- *Environment Protection Act 1993*
 - Part 6, Division 4 & Part 6A
- *Expiation of Offences Regulations 2011*
 - Section 5 – Reminder notices
 - Section 6 – Expiation enforcement warning notices
- *Fines Enforcement and Debt Recovery Act 2017*
 - Section 5 – Delegation
- *Fire and Emergency Services Act 2005*
 - Section 143 – Fees
- *Food Act 2001*
 - Part 2—Offences relating to food
- *Freedom of Information Act 1991*
 - Section 53 – Fees and charges
- *Land and Business (Sales and Conveyancing) Regulations 2010*
 - Part 3—Dual representation
- *Local Government Act 1999*
 - Section 44 – Delegations
 - Section 188 – Fees and charges
 - Chapter 12, Part 1—By-Laws
- *Local Government (General) Regulations 2013*
 - Section 19 – Certificates of liabilities—fee
 - Section 20 – Fees and charges

- *Local Nuisance and Litter Control Act 2016*
 - Part 4—Offences
- *Planning, Development and Infrastructure Act 2016*
 - Section 56 – Fees and charges
- *Private Parking Areas Act 1986*
 - Section 6 – Offences
- *Road Traffic (Miscellaneous) Regulations 2014*
 - Part 7—Miscellaneous
- *South Australian Public Health (Legionella) Regulations 2013*
 - Section 21 – Fees relating to high risk manufactured water systems
- *South Australian Public Health (Wastewater) Regulations 2013*
 - Part 2—Establishment of community wastewater management systems
 - Part 3—Wastewater system requirements
- Government of South Australia Policy on Competitive Neutrality
- Food Inspection Fee Procedure
- Hardship Policy and Procedure
- City of Playford Schedule of Fees and Charges
- Delegations and sub-delegation registers
- City of Playford Global Glossary

This Policy should not be considered as the only document that may relate to fees and charges, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	Annual consideration of the Schedule of Fees and Charges for approval.
Chief Executive Officer	Annual consideration of the Schedule of Fees and Charges for approval.
General Managers	Responsible for approving the appropriate pricing methodology to be used to set discretionary fees and charges in their business unit.
Senior Managers	Responsible for notifying the Finance team of any new, or changes, to existing fees and charges as they occur.
Finance team	Responsible for coordinating and seeking approval for all fees and charges from the CEO or Council as required under the Act and ensuring accurate and accessible information is available regarding all fees and charges.

5. Relevance to Risk Appetite Statement

Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts the Council's income. The Fees and Charges Policy enables charges to be correctly set, applied and updated.

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation. The Policy enables the Council to apply a consistent and transparent approach to the setting and application of fees and charges.

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation including the legislation listed within this Policy.

6. Feedback

Your feedback on this Policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3978125
Version no.	5
Procedure link	Fees and Charges Procedure
Policy author	General Manager – Corporate Services
Endorsed by	Council
Resolution no.	TBC
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	Three years
Date of current version	TBC
Date of next review	TBC

Version history

Version no.	Approval date	Approval by	Change
1	May 2002	Council	



2	June 2019	Council	As per Fees & Charges Summary of Changes – June 2019.
3	25 May 2021	Council Resolution No. 4618	Updated in new template. Policy and procedure content separated into two separate documents.
4	26 April 2022	Council Resolution No. 4968	Reviewed document. No changes. New review schedule of three years.
5	TBC	Council Resolution No. TBC	Scheduled review updated for title changes and minor edits.

Fees and Charges Procedure



Policy Author	General Manager – Corporate Services
Date of next review	TBC

1. Purpose

This Procedure explains how Council determines and administers fees and charges.

The *Local Government Act 1999* (the Act) allows Council to impose fees and charges for:

- The use of any property or facility owned, controlled, managed or maintained by Council
- Services supplied at a person's request
- Carrying out work at a person's request
- Providing information or materials, or copies of, or extracts from, Council records
- Any application to Council
- Any authorisation, licence or permit granted by Council
- Any matter for which another Act provides that a fee is to be payable
- Any other prescribed matter.

Fees and charges will be reviewed and updated at least annually; however, changes can be made at other times throughout the year if required.

Any waiver of fees and charges, whether in part or in full, must be applied in accordance with Section 44(3)(j) and Section 188 of the *Local Government Act 1999*, as well as the relevant delegations in the Delegations Register. A request to waive a fee application form is available on the Finance Team SharePoint site and must be completed and submitted to an appropriate delegate for approval. A decision to waive a fee or charge must take into account the desired outcomes of the City of Playford and the user pays principle.

The *Local Government Act 1999* requires Council to take reasonable steps to bring the fee or charge, or variation to the fee or charge, to the notice of people who may be affected. Council publishes the Fees and Charges Schedule on its website annually to update the public with the latest fees and charges.

GST will be applied where appropriate in the Schedule of Fees and Charges.

2. References and Supporting Documentation

This Procedure should be read in conjunction with the Fees and Charges Policy.

Related documents include:

- *A New Tax System (Goods and Services Tax) Act 1999*
- *Local Government Act 1999*
 - Section 44 – Delegations
 - Section 188 – Fees and charges

- Chapter 12, Part 1—By-Laws
- *Local Government (General) Regulations 2013*
 - Section 19 – Certificates of liabilities—fee
 - Section 20 – Fees and charges
- Government of South Australia Policy on Competitive Neutrality
- Schedule of Fees and Charges
- Delegations and sub-delegation registers
- City of Playford Global Glossary

3. Application

Council	Annual consideration of the Schedule of Fees and Charges for approval.
Chief Executive Officer	Annual consideration of the Schedule of Fees and Charges for approval.
General Managers	Responsible for approving the appropriate pricing methodology, as set out below, to be used to set discretionary fees and charges in their business unit.
Senior Managers	Responsible for notifying the Finance team of any new, or changes to, existing fees and charges as they occur.
Finance team	Responsible for coordinating and providing the relevant Consumer Price Index and Wage Price Index that may be applied as part of the annual review, and taking into consideration the pricing principles and methodology.

4. Procedure

4.1 Categories

Fees and charges are categorised into two (2) key components:

Statutory fees and charges are those that are set and regulated under the provisions of legislation relevant to Council business. These fees are non-discretionary and must comply with the relevant statute or current Ministerial advice. They are not included in the Schedule of Fees and Charges but may be found in the relevant legislation.

Discretionary fees and charges are not set by legislation and are determined at Council's discretion. These are listed in the Schedule of Fees and Charges.

4.2 Pricing principles

In determining Discretionary fees and charges, the following factors are to be taken into account:

- legislative requirements (as outlined in 4.4 below)
- the cost of providing the goods or service
- the collective users' ability to pay for the service
- the demand for the goods or services by the community

- comparative market pricing with other like enterprises performing similar services, including Competitive Neutrality principles if they are relevant to the goods or services being provided (as defined in section 4.11 below)
- the environmental and social benefit of the goods or services provided.

4.3 Pricing methodology

The following methodology will be adopted when determining fees and charges:

- The principle consideration when determining a fee or charge is the cost of providing the goods or service.
- This determination will only apply when the cost of service provision and the ability of users to pay for that service can be accurately established.
- If neither of these factors can be accurately and efficiently established, the following methodologies are to be used to determine a suitable price level for goods or services provided for approval by the appropriate General Manager.
- The General Manager is responsible for approving the appropriate pricing methodology, as set out below, to be used to set discretionary fees and charges within their business unit.
- Where none of these methodologies are considered appropriate, Council approval must be sought to apply an alternative methodology for setting the specific fee or charge.
- The table below supports the process of determining a fee or charge in each case, based on the seven outlined methodologies.

	Pricing methodology	Guidelines
1	Full cost recovery	(a) the service benefits particular users, making a contribution to their individual income, welfare or profits or a private benefit being provided without any broader benefits to the community and; (b) Council has a monopoly over the provision of the service and there are no community service or equity obligations. The fee or charge is calculated on the full recovery of annual and maintenance costs, on-costs and overheads and debt servicing, if applicable.
2	Partial cost recovery	(a) the benefits from provision of the service accrue to the community as a whole, groups within the community or to individual users; (b) charging prices to recover full cost may result in widespread hardship or evasion; (c) the service targets low income users or a differential service fee is charged according to the classification of users to maximise access to the service and/or; (d) the service promotes or encourages local economic activity.
3	Comparative	(a) the service provided is in competition with that provided by another Council or agency (private or public) and there is pressure to set a price which will attract adequate usage of the service and/or; (b) the service is a profit-making activity and the price paid by users should recover an amount greater than the full cost of providing that service.

	Pricing methodology	Guidelines
4	Statutory	(a) the service is a regulatory or statutory service and the fee is determined by Council in accordance with a pricing principle prescribed in regulations (e.g. a maximum price). (b) the amount of the fees is prescribed in regulations, legislation or Council By-Laws. Council has no discretion to determine the amount of the fee for a service when the amount is fixed by regulation or by another authority.
5	Demand management	The fee or charge is determined at a level greater than the direct cost of the service to provide a disincentive for use, or to recognise indirect costs associated with the provision of the service.
6	No charge	Where the cost to provide the service are considered negligible, the ability to impose the fee is not practical or where a specific reason has been identified and approved by the Chief Executive Officer. Where no specific fee is charged, the overall cost to council is recovered via rates.
7	Security deposit	Refundable deposit against possible loss or damage to Council property.

4.4 Legislative requirements

Section 188(1) of the *Local Government Act 1999* allows Council to impose fees and charges for the following;

Fee type	Pricing methodology	Delegation permitted
The use of any property or facility owned, controlled, managed or maintained by Council – Section 188(1)(a)	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies (outlined in 4.3) may be employed.	Yes
Services supplied at a person's request – Section 188(1)(b)	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies (outlined in 4.3) may be employed.	Yes
Carrying out work at a person's request – Section 188(1)(c)	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies (outlined in 4.3) may be employed.	Yes
Providing information or materials, or copies of, or extracts from, Council records – Section 188(1)(d)	Fixed only (can be a numerical range). Must not exceed a reasonable estimate of direct costs to the Council in providing information, materials, copies or extracts. One or more of the pricing methodologies (outlined in 4.3) may be employed.	No*

Fee type	Pricing methodology	Delegation permitted
Any application to Council – Section 188(1)(e)	Fixed only (can be a numerical range). One or more of the pricing methodologies (outlined in 4.3) may be employed.	No*
Any authorisation, licence or permit granted by Council – Section 188(1)(f)	Fixed only (can be a numerical range). Statutory pricing methodology should be used.	No*
Any matter for which another Act provides that a fee under this Act is to be payable – Section 188(1)(g)	Fixed only (can be a numerical range). Section 188(4) of the Act stipulates that Council cannot set fees and charges when set by another Act or when an Act specifies that no fee or charge can be set. Statutory pricing methodology should be used.	No*
Any other prescribed matter – Section 188(1)(h)	Fixed only (can be a numerical range). One or more of the pricing methodologies (outlined in 4.3) may be employed.	No*

**Section 44(3)(j) of the Local Government Act 1999 states that Council cannot delegate the power to fix, vary or revoke a fee that is set under Sections 188(1)(d) to (h). Fees and charges set under Section 188(1)(d) must not exceed a reasonable estimate of the direct cost to the Council in providing the information.*

The provisions of Section 188(3) of the Act also state a council may provide for:

- specific fees and charges;
- maximum fees and charges and minimum fees and charges;
- annual fees and charges;
- the imposition of fees or charges according to specified conditions or circumstances;
- the variation of fees or charges according to specified factors;
- the reduction, waiver or refund, in whole or in part, of fees and charges.

The setting of fees and charges should take into account Council's pricing methodology (outlined in 4.3).

4.5 Annual review of fees and charges

Fees and charges must be endorsed by Council at least annually, prior to the 1st of July each year. Fees and charges can be amended, added or revoked at any time during the year by Council.

Fees and charges will be reviewed by the responsible manager of the service in conjunction with the Senior Manager of the service. The Finance team is responsible for coordinating and providing the relevant Consumer Price Index and Wage Price Index that may be applied as part of the annual review, and taking into consideration the pricing principles and methodology set out above. When a change is proposed by the responsible manager, the pricing principles as outlined in this document must be considered in conjunction with the relevant legislation to ensure any changes are compliant.

Any statutory fees or charges covered by a separate act or regulation will be updated when released by the appropriate government body.

Fees and charges often reflect the on charging of costs relating to both time and materials. Council may elect to increase fees and charges to adequately cover inflationary costs associated with the delivery of goods and services to the community.

4.6 New or varied fees and charges

- Under the provisions of the Act, Council is to take reasonable steps to bring all fees and charges, or variations to a fee or charge, to the notice of persons who may be affected.
- A new fee, or the methodology for setting a fee, may be approved by Council outside of the normal annual fees and charges review cycle.
- Once approved, these additions or variations should be added to the Fees and Charges Schedule for the attention of users.
- Council may also approve the variation of a current fee, or the methodology underpinning the fee, if it sees fit.
- Once approved by Council, the Fees and Charges Schedule should be amended to reflect any variation.
- The Fees and Charges Schedule will be placed on the Council website and will be available at Council's customer service counters.
- Associated systems and or external bodies (such as Dogs and Cats Online) will need to be updated in order to charge the appropriate fees from the 1st of July each year.

4.7 User charges – Council buildings

Council owned buildings that are available for lease have an attributed commercial rate value (GST inclusive) that is based on a square meterage rate that incorporates the asset valuation as well as the service, quality and functionality of the building. These stay fixed until the next valuation, usually for a period of 5 years.

The base community rate for use of such buildings is 50% of the commercial rate value.

Sporting clubs and community groups that meet the ATO definition as not for profit and are incorporated (or operating under the auspice of an incorporated body) are eligible for Council's community infrastructure licence pricing model. This pricing model allows the licensee a discount of up to 95% of the base community rate.

4.8 Discount fees and charges

Waste collection fees and charges may be discounted in the following instances:

(a) Charity and not for-profit organisations:

Registered charities and incorporated not for profit organisations may apply for a 25% discount on the first additional bin and collection of each type (red, yellow or green lidded). Any further bin collections are charged at the standard price.

(b) Medical conditions:

Eligible residents may apply for a 25% discount on the first additional red lidded bin and collection to assist with the removal of additional items due to a medical condition. Any further bin collections are charged at the standard price. Discounts based on medical conditions must be applied for annually.

4.9 Waiving of fees and charges

Under Section 188(1)(d) to (h) of the *Local Government Act 1999*, Council cannot delegate the power to fix, vary or revoke a fee.

Section 188(3)(f) of the *Local Government Act 1999* states that Council may provide for a reduction, waiver or refund, in whole or in part, of fees or charges set under Section 188(1)(a) to (c).

For fees and charges not set under Section 188 of the Act, relevant legislation or regulations may allow for fees and charges to be waived, reduced or withdrawn.

Any waiver (in part or in full) of fees and charges must be applied per the appropriate legislation or regulations and delegations in the Delegations Register. A decision to waive fees (in part or in full) must be made in consideration of the desired outcomes of City of Playford and the principles discussed in 4.3 of this Procedure.

4.10 Goods and services tax (GST)

Goods and services tax (GST) applies to a number of goods and/or services supplied by Council. Those goods and/or services that are subject to GST have been identified in the Schedule of Fees and Charges. In accordance with the A New Tax System (Goods and Services Tax) Act 1999, the final prices shown for those goods and/or services are the GST inclusive price.

Some goods and/or services supplied by Council have been declared "GST free" or are excluded under this legislation. Those goods and/or services excluded from GST are indicated in the Schedule of Fees and Charges.

4.11 Competitive neutrality

The South Australian Government Policy on Competitive Neutrality (The Policy) states that competitive neutrality ensures that government businesses should not enjoy any net competitive advantages over private businesses operating in the same market simply as a result of their public sector ownership.

Competitive neutrality applies to two categories of business activities (Section 5.2 of The Policy)

- Category 1 – revenue greater than \$2 million and assets more than \$20 million
- Category 2 – all other significant business activities, where:
 - It possesses market power to create a competitive impact in the market that is more than nominal or trivial *and*
 - Its size relative to the size of the market as a whole is more than nominal or trivial

To be considered a business activity, Section 5.1 of The Policy provides that:

- (a) The activity falls within the Australian Bureau of Statistics classification of "Public Trading Enterprise" and "Public Financial Enterprise" or
- (b) Where:
 - i. The activity is primarily involved in producing goods or services for sale in the market *and*
 - ii. The activity has a commercial or profit making focus *and*
 - iii. There is user charging for goods and/or services *or*
- (c) Where a Government agency submits a tender as part of a tendering process in competition with the private sector.

An activity is not a business activity if:

- (a) It provides goods or services to government, and, for reasons of policy or law, there is no competition with alternate suppliers or
- (b) It is clear that the intention of government is that the activity's predominant role is regulatory or policy-making, or where the achievement of public policy outcomes is the main priority of the activity.

Competitive neutrality can be achieved by Council through cost reflective pricing. Section 3.3 of The Policy sets out a two-stage process to achieve this:

- Calculation of the competitively neutral cost, accounting for various cost advantages and disadvantages arising from government ownership, to determine the net competitive advantage
- From that cost basis, determine an appropriate market price, which must be equal to or above the competitively neutral cost.

5. Feedback


Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3978188
Version no.	3
Policy link	Fees and Charges Policy
Procedure author	General Manager – Corporate Services
Endorsed by	Council
Resolution no.	TBC
Legal requirement	<i>Local Government Act 1999</i>
Review schedule	Three years
Date of current version	TBC
Date of next review	TBC

Version history

Version no.	Approval date	Approval by	Change
1	25 May 2021	Council Resolution No. 4618	New document. Procedure content moved out of policy into the new procedure document.
2	26 April 2022	Council Resolution No. 4968	Reviewed document. New review schedule of three years and additional clarity of when to set no charge.
3	TBC	Council Resolution No. TBC	Updated for minor changes and reflect current titles.



Fees and Charges Policy

Policy Author	General Manager – Strategy and Corporate Services
Date of next review	March-April-2028 TBC

1. Statement of Intent

The purpose of this [Policy](#) is to:

- Establish the principles for the setting, waiving or amending of all fees and charges.
- Ensure a consistent standard and equitable approach to setting of fees and charges.
- Consider the ability of the [Community](#) to pay the fees and charges set by Council.

1.1. [Setting of Fees-fees and Charges-charges](#)

Section 188 of the *Local Government Act 1999* ([the Act](#)) empowers Council to impose fees and charges.

The key principles by which fees and charges are set include:

- the cost of providing the goods or service
- the collective users' ability to pay for the service.
- the demand for the goods or services by the community.
- comparative market pricing with other like enterprises performing similar services, including Competitive Neutrality principles if they are relevant to the goods or services being provided.
- the environmental and social benefit of the goods or services provided.
- the requirements of any [Act](#) or [Regulations](#).

These principles will be applied consistently across the organisation to enhance accountability and provide transparency in the setting, waiving or amending of all fees and charges.

GST will be applied where appropriate in the [Schedule](#) of [Fees](#) and [Charges](#).

1.2. [Waiving or Reducing-reducing Fees-fees and Charges-charges](#)

The Council may waive or refund the whole, or any part, of any fee or charge if it is satisfied that there are exceptional circumstances that justify such a waiver or refund.

Any waiver (in part or in full) of fees and charges must be applied:

- in line with the *Local Government Act 1999* and
- in accordance with the appropriate delegations in the ~~Delegations~~ delegations register and
- in consideration of the desired outcomes of the Council and
- taking into consideration the user pays principle as outlined in the associated procedures.

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4.2. Scope

This Policy and the associated Fees and Charges Procedure apply to all workers with delegated authority within the organisation who are responsible for setting, waiving or amending a fee or charge. This applies to all functions delegated or sub-delegated in accordance with the delegations register.

This Policy applies to all fees and charges listed on Council's Fees and Charges Schedule over which Council is empowered to impose under Section 188 of the *Local Government Act 1999*.

5.3. Legislation and References

This Fees and Charges Policy should be read in conjunction with the Fees and Charges Procedure.

Related documents include:

- A New Tax System (Goods and Services Tax) Act 1999 (Cth)
- Australian Road Rules
 - Division 7—Permissive parking signs and parking fees
- Hardship Policy
- Food Inspection Fee Procedure
- City of Playford Global Glossary
- Delegations and Sub-Delegation Registers
- Government of South Australia Policy on Competitive Neutrality
- Local Government Act 1999
 - S44—Delegations
 - S188—Fees and charges
 - Chapt 12, Part 1—By Laws
- Local Government (General) Regulations 2013
 - S19—Certificates of liabilities—fee
 - S20—Fees and charges
- A New Tax System (Goods and Services Tax) Act 1999 (Cth)
- Fines Enforcement and Debt Recovery Act 2017
 - S5—Delegations
- Road Traffic (Miscellaneous) Regulations 2014
 - Part 7
- Development Regulations 2008

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- ~~S96~~ – Fees
- Dog and Cat Management Act 1995
 - Section 41 – Applications and ~~f~~Fees
- Environment Protection Act 1993
 - Part 6, Division 4 & Part 6A
- Expiation of Offences Regulations 2011
 - Section 5 – Reminder notices&
 - Section 6 – Expiation enforcement warning notices
- ~~Fines Enforcement and Debt Recovery Act 2017~~
 - Section 5 – Delegation
- Fire and Emergency Services Act 2005
 - Section 143 – Fees
- Food Act 2001
 - Part 2—Offences relating to food
- Freedom of Information Act 1991
 - Section 53 – Fees and ~~G~~charges
- Land and Business (Sales and Conveyancing) Regulations) 2010
 - Part 3—Dual representation
- ~~Local Government Act 1999~~
 - Section 44 – Delegations
 - Section 188 – Fees and charges
 - Chapter 12, Part 1—By-Laws
- ~~Local Government (General) Regulations 2013~~
 - Section 19 – Certificates of liabilities—fee
 - Section 20 – Fees and charges
- Local Nuisance ~~and~~& Litter Control Act 2016
 - Part 4—Offences
- ~~Planning, Development and Infrastructure Act 2016~~
 - Section 56 – Fees and charges
- ~~Private Parking Areas Act 1986~~
 - Section 6 – Offences
- ~~Road Traffic (Miscellaneous) Regulations 2014~~
 - Part 7—Miscellaneous
- ~~South Australian Public Health (Legionella) Regulations 2013~~
 - Section 21 – Fees relating to high risk manufactured water systems
- ~~South Australian Public Health (Wastewater) Regulations 2013~~

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- [Part 2—Establishment of community wastewater management systems &](#)
- [Part 3—Wastewater system requirements](#)
- [Public Health \(Legionella\) Regulations 2013](#)
- [S21—Fees relating to high risk manufactured water systems](#)
- [South Australia Road Rules](#)
- [Division 7—Permissive parking signs and parking fees](#)
- [Planning, Development and Infrastructure Act 2016](#)
- [Section 56—Fees and charges](#)
- [Private Parking Areas Act 1986](#)
- [Section 6—Offences](#)
- [Government of South Australia Policy on Competitive Neutrality](#)
- [Food Inspection Fee Procedure](#)
- [Hardship Policy and Procedure](#)
- [City of Playford Schedule of Fees and Charges](#)
- [Delegations and Subsub—Ddelegation rRegisters](#)
- [City of Playford Global Glossary](#)

This Policy should not be considered as the only document that may relate to fees and charges, other tiers of government, agencies or organisations may have legislation or policies that also apply.

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8.4. Application

Council	Annual consideration of the sSchedule of Fees and Charges for approval .
Chief Executive Officer	Annual consideration of the Sschedule of Fees and Charges for approval . Ensure accurate and accessible information is available regarding all fees and charges
General Managers	Responsible for approving the appropriate pricing methodology to be used to set discretionary fees and charges in their business unit.
Senior Managers	Responsible for notifying the Finance team of any new, or changes, to existing, fees and charges as they occur.
Finance team	Finance is rResponsible for coordinating and, seeking approval for all fees and charges from the CEO or Council as required under the Act, andAct and ensuring accurate and accessible information is available regarding all fees and charges.

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	Responsible for assisting Managers with the calculation and review of fees and charges
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11.5. Relevance to Risk Appetite Statement

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Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts the Council's income. The Fees and Charges Policy enables charges to be correctly set, applied and updated.

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation. The Policy enables the Council to apply a consistent and transparent approach to the setting and application of Fees and Charges.

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation including the legislation listed within this Policy.

12.6. Feedback

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Your feedback on this Policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

ECM document set no.	3978125
Version no.	5 4
Procedure link	Fees and Charges Procedure
Policy author	General Manager – Corporate Services Strategy & Corporate
Endorsed by	Council
Resolution no.	TBC
Legal requirement	Local Government Act 1999
Review schedule	Three years
Date of current version	March April 2025 TBC 2
Date of next review	TBC April March 2028 5

Version history

Version no.	Approval date	Approval by	Change
1	May 2002	Council	

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2	June 2019	Council	As per Fees & Charges Summary of Changes – June 2019.	Formatted: Line spacing: single
3	25 May 2021	Council Resolution No. 4618	Updated in new template. –Policy and procedure content separated into two separate documents.	Formatted: Line spacing: single
4	26 April 2022	Council Resolution No. 4968	Reviewed document. No changes. New review schedule of three years.	Formatted: Line spacing: single Formatted Table
5	April 2025 TBC	Council Resolution No. TBC	Scheduled review updated for title changes and minor edits.	Formatted: Line spacing: single

Fees and Charges Procedure



Policy Author	General Manager – Strategy & Corporate Services
Date of next review	March-April-2028TBC6

1. Purpose

This ~~P~~procedure explains how Council determines and administers fees and charges.

The ~~L~~*ocal Government Act 1999 (the Act)* allows Council to impose fees and charges for:

- The use of any property or facility owned, controlled, managed or maintained by Council
- Services supplied at a person's request
- Carrying out work at a person's request
- Providing information or materials, or copies of, or extracts from, Council records
- Any application to Council
- Any authorisation, licence or permit granted by Council
- Any matter for which another Act provides that a fee is to be payable
- Any other prescribed matter.

Fees and charges will be reviewed and updated ~~at least~~ annually ~~at a minimum~~; however, changes can be made at other times ~~during throughout~~ the year if required.

Any waiver ~~(in part or in full)~~ of fees and charges, ~~whether in part or in full~~, must be applied in line ~~accordance~~ with ~~Section 44(3)(j) and Section 188 of the Local Government Act 1999, as well as the appropriate relevant delegations in the Delegations register~~Register. ~~A request to waive a fee application form is available on the Finance Team sSharePoint site and must be completed and forwarded submitted to an appropriate delegate for approval.~~ A decision to waive a fee or charge must ~~take into account be made in consideration of~~ the desired outcomes of the City of Playford and ~~also taking into consideration~~ the user pays principle.

The ~~L~~*ocal Government Act 1999* requires Council ~~to keep a schedule of its fees and charges on public display during ordinary office hours at the principal office. Council is also required to take reasonable steps to bring the fee or charge, or the variation of to the fee or charge, to the notice of people who may be affected. Council publishes the Fees and Charges Schedule on its website annually to update the public with the latest fees and charges.~~

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GST will be applied where appropriate in the ~~s~~Schedule of ~~F~~Fees and ~~C~~Charges.

2. References and Supporting Documentation

This ~~Fees and Charges~~ Procedure should be read in conjunction with the Fees and Charges Policy.

Related documents include:

- *A New Tax System (Goods and Services Tax) Act 1999* ~~(Commonwealth)~~
- *Local Government Act 1999*
 - ~~Section 44~~ – Delegations
 - ~~Section 188~~ – Fees and charges
 - ~~Chapter 12, Part 1~~ – By-Laws
- *Local Government (General) Regulations 2013*
 - ~~Section 19~~ – Certificates of liabilities—fee
 - ~~Section 20~~ – Fees and charges
- *Government of South Australia Policy on Competitive Neutrality*
- *Schedule of Fees and Charges*
- *City of Playford Global Glossary*
- *Delegations and Subsub-Delegation-delegation Registers-registers*
- *City of Playford Global Glossary*

3. Application

Council	Annual consideration of the S chedule of ly- consider Fees and Charges schedule for approval.
Chief Executive Officer	Annual consideration of the S chedule of Fees and Charges for approval. Ensure accurate and accessible information is available regarding all fees and charges
General Managers	Responsible for approving the appropriate pricing methodology, as set out below, to be used to set discretionary fees and charges in their business unit.
Senior Managers	Responsible for notifying the Finance team of any new, or changes to, existing, fees and charges as they occur.

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Finance <u>team</u>	Finance is r Responsible for coordinating, and providing the relevant Consumer Price Index and Wage Price Index that may be applied as part of the annual review, and taking into consideration the pricing principles and methodology. Responsible for assisting Managers with the calculation and review of fees and charges.	Formatted: Space Before: 6 pt, After: 6 pt
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4. Procedure

4.1 Categories

Fees and Charges-charges are categorised into two (2) key components:

Statutory Fees-fees and Charges-charges are those that are set and regulated under the provisions of ~~the~~ legislation relevant to Council business. These fees are non-discretionary and must align comply with the relevant statute or current Ministerial advice. They are not included in the Schedule of Fees and Charges but may be found in the respective~~relevant~~ legislation.

Discretionary Fees-fees and cCharges are not ~~regulated set~~ by legislative-legislation statute and are determined at Council's discretion ~~to determine~~. These are listed in the Schedule of Fees and Charges.

4.2 Pricing Principles-principles

In determining Discretionary Fees-fees and Chargescharges, the following factors are to be taken into account:

- legislative requirements [as outlined in 4.4 below]
- the cost of providing the goods or service.
- the collective users' ability to pay for the service.
- the demand for the goods or services s by the community.
- comparative market pricing with other like enterprises performing similar services, including Competitive Neutrality principles if they are relevant to the goods s or services s being provided. (as defined in section 4.11 below).
- the environmental and social benefit of the goods or services provided.

4.3 Pricing Methodology-methodology

The following methodology will be adopted when determining fees and charges:

- Ithe principle consideration when determining a fee or charge is the cost of providing the goods or service.
- This determination will only apply when the cost of service provision and the ability of users to pay for that service can be accurately established.
- If neither of these factors can be accurately and efficiently established, the following methodologies are to be used to determine a suitable price level for goods or services provided for approval by the appropriate General Manager.

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- ~~The~~ General Manager is responsible for approving the appropriate pricing methodology, as set out below, to be used to set discretionary fees and charges within their business unit.
- ~~Where~~ none of these methodologies are considered appropriate, ~~then~~ Council approval ~~is~~ ~~must~~ be sought ~~to apply an alternative in regard to a different methodology for setting that the specific fee or charge.~~
- ~~The~~ table below ~~assists supports~~ the ~~determination process of determining in which a fee or charge is set in each case, according based to on the seven outlined methodologies outlined.~~

PRICING METHODOLOGY	GUIDELINES Guidelines
1 Full Cost-cost Recovery recovery	<p>(a) (a) the service benefits particular users, making a contribution to their individual income, welfare or profits or a private benefit being provided without any broader benefits to the community and;</p> <p>(b) (b) Council has a monopoly over the provision of the service and there are no community service or equity obligations. The fee or charge is calculated on the full recovery of annual and maintenance costs, on-costs and overheads and debt servicing, if applicable.</p>
2 Partial Cost-cost Recovery recovery	<p>(a) (a) the benefits from provision of the service accrue to the community as a whole, groups within the community or to individual users;</p> <p>(b) (b) charging prices to recover full cost may result in widespread hardship or evasion;</p> <p>(c) (c) the service targets low income users or a differential service fee is charged according to the classification of users to maximise access to the service and/or;</p> <p>(d) (d) the service promotes or encourages local economic activity.</p>
3 Comparative	<p>(a) (a) the service provided is in competition with that provided by another Council or agency (private or public) and there is pressure to set a price which will attract adequate usage of the service and/or;</p> <p>(b) (b) the service is a profit-making activity and the price paid by users should recover an amount greater than the full cost of providing that service.</p>
4 Statutory	<p>(a) (a) the service is a regulatory or statutory service and the fee is determined by Council in accordance with a pricing principle prescribed in regulations (e.g. a maximum price).</p> <p>(b) (b) the amount of the fees is prescribed in regulations, legislation or Council By-Laws. Council has no discretion to determine the amount of the fee for a service when the amount is fixed by regulation or by another authority.</p>
5 Demand Management management	The fee or charge is determined at a level greater than the direct cost of the service to provide a disincentive for use, or

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	<u>Pricing methodology</u> RICING METHODOLOGY	<u>GUIDELINES-Guidelines</u>
		to recognise indirect costs associated with the provision of the service.
<u>6</u>	<u>No Charge-charge</u>	Where the cost to provide the service are considered negligible, the ability to impose the fee is not practical or where a specific reason has been identified and approved by the Chief Executive <u>Officer</u> . Where no specific fee is charged, the overall cost to council is recovered via rates.
<u>7</u>	<u>Security Deposit-deposit</u>	Refundable deposit against possible loss or damage to Council property.

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4.4 Legislative Requirements-requirements

Section 188-(1) of the *Local Government Act 1999* allows Council to impose fees and charges for the following;

Fee Type	Pricing Methodology	Delegation permitted
The use of any property or facility owned, controlled, managed or maintained by Council – Section 188(1)(a)	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies outlined in 4.3 above may be employed.	Yes
Services supplied at a person's request – Section 188(1)(b)	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies outlined in 4.3 above may be employed.	Yes
Carrying out work at a person's request – Section 188(1)(c)	Need not be fixed by reference to the cost to Council. One or more of the pricing methodologies outlined in 4.3 above may be employed.	Yes
Providing information or materials, or copies of, or extracts from, Council records – Section 188(1)(d)	Fixed only (can be a numerical range). Must not exceed a reasonable estimate of direct costs to the Council in providing information, materials, copies or extracts. One or more of the pricing methodologies outlined in 4.3 above may be employed.	No*
Any application to Council – Section 188(1)(e)	Fixed only (can be a numerical range). One or more of the pricing methodologies outlined in 4.3 above may be employed.	No*
Any authorisation, licence or permit granted by Council – Section 188(1)(f)	Fixed only (can be a numerical range). Statutory pricing methodology should be used.	No*
Any matter for which another Act provides that a fee under this Act is to be payable – Section 188(1)(g)	Fixed only (can be a numerical range). Clause Section 188(4) of the Act stipulates that Council cannot set fees and charges when set by another Act or when an Act specifies that no fee or charge can be set. Statutory pricing methodology should be used.	No*
Any other prescribed matter – Section 188(1)(h)	Fixed only (can be a numerical range). One or more of the pricing methodologies outlined in 4.3 above may be employed.	No*

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*~~Section 44(3)(i) of the Local Government Act 1999~~ ~~s44(3)(i)~~ states that Council cannot delegate the power to fix, vary or revoke a fee that is set under Sections 188(1)(d) to (h). Fees and charges set under Section 188(1)(d) must not exceed a reasonable estimate of the direct cost to the Council in providing the information.

The provisions of Section 188(3) of the Act, also state a council may provide for:

- specific fees and charges;
- maximum fees and charges and minimum fees and charges;
- annual fees and charges;
- the imposition of fees or charges according to specified conditions or circumstances;
- the variation of fees or charges according to specified factors;
- the reduction, waiver or refund, in whole or in part, of fees and charges.

The setting of fees and charges should take into account Council's pricing methodology (outlined in 4.3) above.

4.5 Annual Review ~~review of Fees-fees and Chargescharges~~

Fees and charges ~~are required to~~ must be endorsed ~~at least annually~~ by Council ~~at least annually~~ prior to the 1st of July each year. Fees and charges can be amended, added or revoked at any time during the year by Council.

Fees and charges will be reviewed by the responsible manager of the service in conjunction with ~~the Senior Manager of the service. The Finance team is responsible for coordinating, and providing the relevant Consumer Price Index and Wage Price Index that may be applied as part of the annual review, and~~ taking into consideration the pricing principles and methodology set out above. ~~When a change is proposed by the responsible manager, the pricing principles as outlined in this document must be considered in conjunction with the relevant legislation to ensure any changes are compliant.~~

Any statutory fees or charges covered by a separate ~~a~~Act or ~~r~~Regulation will be updated when released by the appropriate government body.

Fees and charges often reflect the on charging of costs relating to both time and materials. Council may elect to increase fees and charges to adequately cover inflationary costs associated with the delivery of goods and services to the ~~c~~Community.

4.6 New or Varied ~~varied Fees-fees and Chargescharges~~

- Under the provisions of the Act, Council is to take reasonable steps to bring all fees and charges, or ~~the variations of to~~ a fee or charge, to the notice of persons who may be affected.
- A new fee, or the methodology for setting a fee, may be approved by Council outside of the normal annual fees and charges review cycle.
- Once approved, these additions or variations should be added to the Fees and Charges Schedule for the attention of users.
- Council may also approve the variation of a current fee, or the methodology underpinning the fee, if it sees fit.

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- Once approved by Council, the Fees and Charges Schedule should be amended to reflect any variation.
- The Fees and Charges Schedule will be placed on the Council website and will ~~also~~ be available at Council's customer service counters.
- Associated systems and or external bodies (such as Dogs and Cats Online) will need to be updated in order to charge the appropriate fees from ~~the 1st~~ of July each year.

4.7 ~~User Charges-charges~~ – Council Buildingsbuildings

Council owned buildings that are available for lease have an attributed commercial rate value (GST inclusive) that is based on a square meterage rates that incorporates the asset valuation as well as the service, quality and functionality of the building. ~~This-These~~ stays fixed until the next valuation, usually ~~for~~ a period of 5 years.

The base community rate for use of such buildings is 50% of the commercial rate value.

Sporting ~~Clubs-clubs~~ and ~~Community-community Groups-groups~~ that meet the ATO definition as not for profit and are incorporated (or operating under the auspice of an incorporated body) are eligible for Council's community infrastructure licence pricing model. This pricing model allows the licensee a discount of up to 95% of the base community rate.

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4.8 Discount Fees-fees and Chargescharges

Waste Collection-collection Fees-fees and charges may be discounted in the following instances:

(a) Charity and ~~Not-not~~ for-profit organisations:

Registered charities and incorporated not for profit organisations may apply for a 25% discount on the first additional bin and collection of each type (red, yellow or green lidded). Any further bin collections are charged at the standard price.

(b) Medical conditions:

Eligible residents may apply for a 25% discount on the first additional red lidded bin and collection, to assist with the removal of additional items due to a medical condition. Any further bin collections are charged at the standard price. Discounts based on medical conditions must be applied for annually.

4.9 Waiving of Fees-fees and Chargescharges

Under Section 188(1)(d) to (h) of the Local Government Act 1999, Council cannot delegate the power to fix, vary or revoke a fee-under Section s188 (1)(d) to (h).

Section 188(3)(f) of For fees and/or charges set under Section s188 (1)(a) to (c), the Local Government Act 1999 (s188(3)(f)) states that Council may provide for a reduction, waiver or refund, in whole or in part, of fees or charges set under Section 188(1)(a) to (c).

For fees and charges not set under s188-Section 188 of the Local Government Act 1999Act, relevant the Legislation or rRegulations that are relevant may allow for fees and charges to be waived, reduced or withdrawn.

Any waiver (in part or in full) of fees and charges must be applied per the appropriate legislation or regulations and delegations in the Delegations Register. A decision to waive fees (in full-part or in partfull) must be made in consideration of the desired outcomes of City of Playford and the principles discussed in section 4.3 of this Procedure.

4.10 Goods and Services-services Tax-tax (GST)

Goods and services tax (GST) applies to a number of goods and/or services supplied by Council. Those goods and/or services that are subject to GST have been identified in the Sschedule of Fees and Charges. In accordance with the tax legislationA New Tax System (Goods and Services Tax) Act 1999, the final prices shown for those goods and/or services are the GST inclusive price.

Some goods and/or services supplied by Council have been declared "GST free" or are excluded under the-this legislation. Those goods and/or services excluded from GST are indicated in the sSchedule of fFees and Ccharges.

4.11 Competitive Neutralityneutrality

The South Australian Government Policy on Competitive Neutrality (The Policy) states that Competitive-competitive Neutrality-neutrality ensures that government businesses should not enjoy any net competitive advantages over private businesses operating in the same market simply as a result of their public sector ownership.

Competitive Neutrality-neutrality applies to two categories of business activities (s5Section 5.2 of The Policy)

- Category 1 – revenue greater than \$2 million and assets more than \$20 million
- Category 2 – all other significant business activities, where:

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<ul style="list-style-type: none">○ It possesses market power to create a competitive impact in the market that is more than nominal or trivial <i>and</i>○ Its size relative to the size of the market as a whole is more than nominal or trivial	
<p>○</p>	Formatted: Font:
<p>To be considered a business activity, s6Section 5.1 of TheThe Policy provides that:</p>	
<p>(e)(a) The activity falls within the Australian Bureau of Statistics classification of "Public Trading Enterprise" and "Public Financial Enterprise" <u>or</u></p>	Formatted: Font: Not Italic
<p>(d)(b) Where:</p>	
<p>a-i. The activity is primarily involved in producing goods or services for sale in the market <i>and</i></p>	
<p>b-ii. The activity has a commercial or profit making focus <i>and</i></p>	
<p>c-iii. There is user charging for goods and/or services <i>or</i></p>	
<p>(e) Where a Government agency submits a tender as part of a tendering process in competition with the private sector.</p>	
<p>(c)</p>	Formatted: Font:
<p>An activity is not a business activity if:</p>	
<p>(a) It provides goods or services to government, and, for reasons of policy or law, there is no competition with alternate suppliers <u>or</u></p>	Formatted: Font: Not Italic
<p>(b) It is clear that the intention of government is that the activity's predominant role is regulatory or policy-making, or where the achievement of public policy outcomes is the main priority of the activity.</p>	
<p>(b)</p>	
<p>Competitive Neutrality-neutrality can be achieved by Council through cost reflective pricing. Section 35.3 of The Policy sets out a two-stage process to achieve this:</p>	
<ul style="list-style-type: none">• Calculation of the competitively neutral cost, accounting for various cost advantages and disadvantages arising from government ownership, to determine the net competitive advantage	Formatted: Font: Not Bold
<ul style="list-style-type: none">• From that cost basis, determine <u>an</u> appropriate market price, which must be equal to <u>or above</u> the competitively neutral cost.	
<p>5. Feedback</p>	Formatted: Font:
<ul style="list-style-type: none">• Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.	Formatted: Normal, Right: 0 cm, No bullets or numbering
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Administration use only

ECM document set no. 3978188

Version no. [32](#)

Policy link Fees and Charges Policy

Procedure author General Manager – [Strategy & Corporate Services](#)

Endorsed by Council

Resolution no. [TBC](#)

Legal requirement *Local Government Act 1999*

Review schedule Three years

Date of current version [March-April-2025TBC2](#)

Date of next review [April-March-2028TBC5](#)

Version history

Version no.	Approval date	Approval by	Change
1	25 May 2021	Council Resolution No. 4618	New document. Procedure content moved out of policy into the new procedure document.
2	26 April 2022	Council Resolution No. 4968	Reviewed document. New review schedule of three years and additional clarity of when to set no charge.
3	April-2025TBC	Council Resolution No. TBC	Updated for minor changes and reflect current titles.

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STAFF REPORTS

MATTERS TO BE CONSIDERED BY THE COMMITTEE ONLY

Matters for Information

5.4 ROLLING REVALUATION UPDATE

Responsible Executive Manager : Luke Culhane

Report Author : Janey Yang

Delegated Authority : Matters for Information

Purpose

The purpose of this report is to provide an update on the progress of the current revaluation as per cyclical asset revaluation five (5) year plan.

STAFF RECOMMENDATION

The Committee:

1. Note that the Council Assets – Infrastructure – Streetscapes will be externally revalued in 2025/26.
2. Note the indexations to be applied for asset classes that will have a desktop revaluation.

Relevance to Strategic Plan

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

The periodic external revaluation of Council assets:

- Ensures compliance with Section 127(2b) of the *Local Government Act 1999* and Australian Accounting Standard *AASB116 Property, Plant and Equipment*.
- Provides transparent financial reporting to the community to demonstrate long term financial sustainability.
- Enables progressive, rather than a sudden, adjustment to rates.

Relevance to Community Engagement Policy

There is no requirement to consult with the community.

Background

Australian Accounting Standards require assets to be periodically independently revalued. Generally accepted accounting practice is for this to occur at least once every five years. In February 2022 the Committee supported the change to a five (5) year cyclical external revaluation of Council assets rather than an external valuation across all asset classes in the same period. Based on the supported cycle, Infrastructure Streetscapes is scheduled for an external revaluation in 2025/26.

Current Situation

External Revaluation

Council's current process is to undertake a revaluation of its assets every year in December allowing sufficient time for any impacts to be included in the Annual Business Plan, Strategic Asset Management Plan and Annual Financial Statements. Those assets that are not due for an external revaluation assessment will have an internal desktop approach applied where management review the unit rates, changes in the market and any external data to support required changes to existing asset values.

Asset Revaluation Cycle

Rolling 5 year cycle													
Year of implementation 2022-23													
		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6	
Category	Revaluation	Current Reval Date	Reval Method	Next Reval Date	Reval Method	Next Reval Date	Reval Method	Next Reval Date	Reval Method	Next Reval Date	Reval Method	Next Reval Date	Reval Method
Land	Fair Value	1/07/2021	External	1/12/2022	Index	1/12/2023	Index	1/12/2024	Index	1/12/2025	Index	1/12/2026	External
Building & Other Structures	Fair Value	1/07/2021	External	1/12/2022	Index	1/12/2023	External	1/12/2024	Index	1/12/2025	Index	1/12/2026	Index
Infrastructure - Stormwater	Fair Value	1/07/2021	External	1/12/2022	Internal Replacement Cost	1/12/2023	Internal Replacement Cost	1/12/2024	External	1/12/2025	Internal Replacement Cost	1/12/2026	Internal Replacement Cost
Infrastructure - Streetscape	Fair Value	1/07/2021	External	1/12/2022	Internal Replacement Cost	1/12/2023	Internal Replacement Cost	1/12/2024	Internal Replacement Cost	1/12/2025	External	1/12/2026	Internal Replacement Cost
Infrastructure - Parks & Sportfields	Fair Value	1/07/2021	External	1/12/2022	N/A	1/12/2023	Index	1/12/2024	Internal Replacement Cost	1/12/2025	Index	1/12/2026	External
Right-of-use Assets	Carried at Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plant & Equipment	Carried at Cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Staff have undertaken a procurement process via a select request for quote and appointed an external estimator to undertake a review of unit rate to be used for the 2025/26 revaluation of streetscape assets with an application date of 1 December 2025.

For the 2025/26 valuation the following valuation approaches will be applied:

Asset Class	Valuation Approach
Land	Indexation
Building & Other Structures	Indexation
Infrastructure - Streetscapes	External Unit Price review with Bridge at Cost review
Infrastructure - Stormwater	Indexation
Parks & Reserves	Indexation
Plant & Equipment	At Cost
Office Furniture & Equipment	At Cost

The following indexations are proposed:

Asset Class	Inputs	Rate
Land	Average increase in VG site value, Land Tax increase in threshold	21.78%
Buildings	Annual 2024/25 Local Government Price Index Capital	2.7%
Infrastructure	Actual CPI as at March 2025 (used in major contracts aligned to CPI for 2025/26 pricing)	2.4%
Parks & Reserves	Annual 2024/25 Local Government Price Index Capital	2.7%

Future Action

On completion of the unit rate review, a report will be provided at the December Corporate Governance Committee meeting, detailing the impact that the revaluation has had on Council's assets and associated depreciation expense, along with any proposed budget adjustments.

5.5 STRATEGIC RISK REPORT - AUGUST 2025

Responsible Executive Manager : Tina Hudson

Report Author : Steven Thomson

Delegated Authority : Matters for Information

Attachments : 1 [↓](#). Strategic Risk Report - August 2025

Purpose

The purpose of this report is for the Corporate Governance Committee (CGC) to receive the Strategic Risk Report for August 2025.

STAFF RECOMMENDATION

The Corporate Governance Committee receive and note the Strategic Risk Report - August 2025 (Attachment 1).

Relevance to Strategic Plan

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

The effective management of risk is critical to ensuring we can achieve the objectives outlined in Council's Strategic Plan. Additionally, the regular review of our strategic risks aligns with Council's need to meet legislative compliance requirements and legal obligations.

Relevance to Community Engagement Policy

There is no requirement to consult the public on this matter.

Background

Clause 2.8 of the CGC Charter states that the Committee will receive and review strategic risk reports.

Strategic risk reports are reviewed by the City of Playford Executive Team on a quarterly basis with April and August Strategic Risk reports being provided to CGC.

Current Situation

In August 2025, the Executive Team reviewed the Strategic Risks. Commentary on each risk is provided in the Strategic Risk Report August 2025 (Attachment 1).

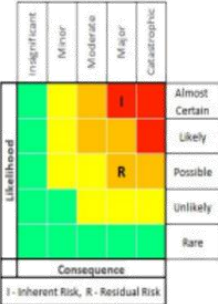
All likelihood ratings remain the same except for Strategic Risk 2: Failure to Plan for Natural Disasters (Flood, Fire and Heatwave). Since the last review was undertaken there have been noteworthy environmental events that have occurred nationally, including unexpectedly high

rainfalls and flooding. These were taken into consideration in this review. As such, the likelihood for Strategic Risk 2 has changed from 'Unlikely' to 'Possible'.

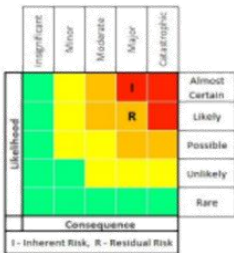
Future Action

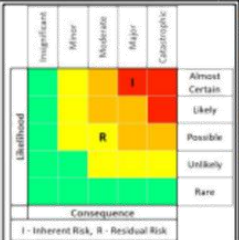
The City of Playford Executive Team will continue to review the strategic risks on a quarterly basis and an updated report will be presented to the CGC in April 2026 as per the CGC Work Plan.

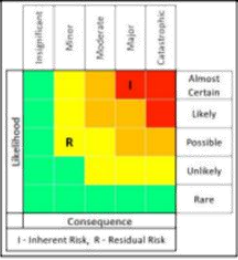
SR-1 Failure to plan for a hotter and drier climate.			
Risk Category: Environmental Impact, Reputation, Financial Sustainability	Risk Owner: CEO - Sam Green	Last Reviewed: August 2025	Next Review: November 2025
Context:	Council must consider the potential future impacts of a hotter and drier climate in all of its planning activities.		
Executive Comments:	<ul style="list-style-type: none"> •Tree planting for year 3 of the Local Amenity Trees Program (1500 trees) and the Linear Corridor Program (250 trees) underway. Researching trees that thrive in hotter, drier climates. Adding additional trees within vegetation corridors in unirrigated reserves. •Reviewing processes for how we manage all activities relating to new and existing trees. •Concern with the reliability of sourcing ongoing data to support implementation of risk mitigation activities. •City Assets have developed a workforce plan which focuses on staff resources and the qualifications that will be required for future work - funding included in the 25/26 plan. Water truck funding has been allocated. •As part of the Playford Water Efficiency Project Council proposes expanding the recycled water network to an additional 18 locations across the Council area providing an alternative water source for irrigation and further reducing reliance on SA Water drinking water supply. 		
<p>I - Inherent Risk, R - Residual Risk</p>		Causes	Consequences
		<ul style="list-style-type: none"> •Rapid growth •Lack of understanding and awareness of potential impacts •Climate not considered when planning future developments •Not planning for changed environmental conditions 	<ul style="list-style-type: none"> •Impeded access for emergency services to respond to emergencies •Increased operational costs (e.g.: electricity, irrigation, building materials) •Impact to community living standards •Damage to parks and Council owned buildings •Housing not suited to the climate •Re-fitting of Council facilities and other infrastructure •Loss of industry •Injury to workers
Risk Controls			
<ul style="list-style-type: none"> •Ongoing implementation of the Climate Adaptation Plan •Ongoing implementation of the Tree Canopy Strategy •Urban Design Guidelines •Maintenance plans factor in increased costs due to climate change •Asset Management Policy and Strategic Asset Management Plan gives considerations to climate change impacts •Consideration of climate change impacts within Strategic Planning Framework (includes Annual Business Plan, 4 Year Delivery Plan, City Strategy and Long Term Financial Plan) •Undertaking climate research which will provide information to assist planning process •Selection of appropriate plants and turfs •Recycled water network •Ongoing implementation of the Stormwater Management Plans (Adams Creek and Helps Road Drain, Greater Edinburgh Parks and St Kilda, Smith Creek, Gawler River) •Advocacy with other tiers of Government 			

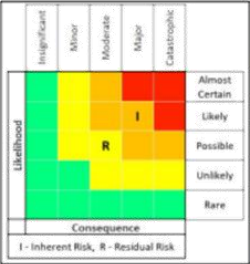
SR-2 Failure to plan for increased natural disasters (flood, fire and heatwave).			
Risk Category: Service Delivery, Financial Sustainability, Reputation	Risk Owner: CEO - Sam Green	Last Reviewed: August 2025	Next Review: November 2025
Context:	It is expected that the frequency and severity of natural disasters and extreme weather will increase in coming years.		
Executive Comments:	<ul style="list-style-type: none"> • Park Road drain project underway across multiple stages. Stages 1 and 2 detailed design underway, stages 3-7 construction tender awarded with work to commence. • Work on a Levee Management Framework for the Gawler River has commenced. • City of Salisbury has completed community consultation Adams Creek and Greater Edinburgh Parks Stormwater Management Plans (SWP) and endorsed the plan. Stormwater Management Authority (SMA) has provided feedback on another SMP to Salisbury which will require additional work on the GEP SMP. • Finalisation of AVS deed is a high priority to support completion of Broadacre Drain. • Urban design guidelines have been finalised. • Advocacy for the Gawler River flood Mitigation Authority via an election commitment from the Federal Government. • Appointment of Stormwater Planner has occurred. • State Government has expressed a view that all Councils should be involved in a holistic approach to catchment management. 		
 <p>I - Inherent Risk, R - Residual Risk</p>		Causes	Consequences
		<ul style="list-style-type: none"> • Climate change • Building out permeable land • Residential zoning of flood plains • Slow pace of rollout of stormwater infrastructure • Stormwater infrastructure not prioritised • Gawler River levees not maintained 	<ul style="list-style-type: none"> • Additional cost to repair/replace unfit infrastructure • Impact to tree canopy • Increased service delivery disruption • Infrastructure failure/damage • Infrastructure depreciates quicker than expected • Loss of community from major emergency events • Unliveable communities • Uninsurable housing • Loss of industry (crops and greenhouses) • Extensive emergency response requirements
Risk Controls			
<ul style="list-style-type: none"> • Ongoing implementation of the Stormwater Management Plans (Adams Creek and Helps Road Drain, Greater Edinburgh Parks and St Kilda, Smith Creek, Gawler River) • Crisis Management Response Framework • Community Emergency Management Plan • Urban Design Guidelines • Asset Management Policy and Strategic Asset Management Plan gives considerations to climate change impacts • Consideration of climate change impacts within Strategic Planning Framework (includes Annual Business Plan, 4 Year Delivery Plan, City Strategy and Long Term Financial Plan) • Council participates on the Gawler River Flood Management Authority • Staff prioritising work on development in growth areas • Rural tractor slashing program • A dedicated Fire Prevention Officer is employed by Council 			

SR-3 Council's financial position affects its decision making to invest appropriately in the community.			
Risk Category: Financial Sustainability, Reputation	Risk Owner: GM Corporate Services - Luke Culhane	Last Reviewed: August 2025	Next Review: November 2025
Context:	As a growing Council the community need investment in new assets and services. Council need to make sound financial decisions while ensuring long term financial sustainability.		
Executive Comments:	<ul style="list-style-type: none"> •25/26 ABP finalised targets met with a structural surplus 1.3% (within target). •The debt level continues to remain at sustainable levels. Interest rate risk remains to be managed appropriately. •Cost of resourcing growth related activities is challenging. •Continued strong focus on using money wisely and financial sustainability EMs have commitment to finance strategy. •Rating policy and procedure annual review has been completed and approved via the policy review committee and following the ordinary council meeting. •Tools exist that contribute to increased commercial and industrial investment as well as employment growth. •Long Term Financial Plan adopted noted as achieving target for life of the plan. 		
<p>1 - Inherent Risk, R - Residual Risk</p>		Causes	Consequences
		<ul style="list-style-type: none"> •Lack of financial understanding •Not following the finance strategy •Long Term Financial Plan is not accurate •Maladministration •Not planning for infrastructure 	<ul style="list-style-type: none"> •Inability to invest in assets and services that benefit the community •Higher cost for the community •Higher rates •Reputational damage
Risk Controls			
<ul style="list-style-type: none"> •Finance Strategy •Financial Sustainability Ratios and Targets Policy and Procedure •Strategic Planning Framework (includes Annual Business Plan, 4 Year Delivery Plan, City Strategy and Long Term Financial Plan) •City wide strategies •Elected Members have undertaken financial training •Monthly budget update reports to Council •Rating Policy and Procedure •Prudential Management Policy and Procedure •Processes in place to identify grant opportunities •Corporate Governance Committee have oversight of financial matters •Procurement Policy and Procedure 			

SR-4		Unauthorised malicious access to computer systems or disclosure of sensitive data.		
Risk Category: Reputation, Financial Sustainability, Service Delivery		Risk Owner: GM Corporate Services - Luke Culhane	Last Reviewed: August 2025	Next Review: November 2025
Context:		Council holds personal data for workers, including volunteers, contractors, clients and the community. Additionally, many of our critical functions rely on uninterrupted access to our computer systems.		
Executive Comments:		•Following the reporting cyber incident - Executive have endorsed the mandatory training of cyber security. •Sender, Content, Action, Manage (S.C.A.M.) training currently underway. •Organisational wide Friendly Phishing testing has been a focus of ICT - next Phishing campaign to be actioned on completion of S.C.A.M training. •Information management project is underway, phase 2 will review processes of files storage •An internal audit was completed and CGC have endorsed Management's action plans. •SAAS provider conducted a cyber threat assessment.		
 <p>I - Inherent Risk, R - Residual Risk</p>		Causes <ul style="list-style-type: none">•Cyber attack•Failure to identify and apply patches and version updates•Failure to maintain hardware or software•Human error•Legacy systems which have vulnerabilities•Staff misconduct•Vulnerabilities in third party systems•Sensitive data stored in unsecure places•Irregular cyber security training•Undefined records management practices and lack of user training		Consequences <ul style="list-style-type: none">•Data is compromised and obtained by threat actors•Financial impact of downtime, investigation and restoration•Loss of system access•Loss of productivity•Reportable breach which involves regulatory investigation and potential fine•Reputational damage•Unable to deliver services
Risk Controls <ul style="list-style-type: none">•Critical system information and data is regularly backed up•Remote access requires two factor authentication•Email and web browser filtering and protections•Business Continuity Plan and ICT Disaster Recovery Plan•Cyber security insurance•Software/hardware renewal program•Access request form must be completed for system access changes•Patches and updates applied as required•Network vulnerability assessments and penetration testing completed•Crowd Strike Intrusion Detection System•Cyber security training - is now mandatory for all employees•Phriendly Phishing Program•Police checks completed for identified positions•ICT Acceptable Use Procedure•ICT staff with appropriate knowledge, skills and experience•Adherence to Essential 8 (ICT best practice, strategies to mitigate cyber security incidents)•Cloud first strategy•Geofencing•System is removed until cyber and refresher training is undertaken				

SR-5 Inability to meet the needs of a rapidly growing community.			
Risk Category: Service Delivery, Reputation	Risk Owner: GM City Services - Tina Hudson	Last Reviewed: August 2025	Next Review: November 2025
Context:	As a growth Council there are significant challenges in providing the right services and infrastructure at the right time and the costs that are associated with it. We also need to consider how we extend existing services to new areas.		
Executive Comments:	<ul style="list-style-type: none"> • City Operations Workforce plan phase 1 is complete and phase 2 is being delivered in stages. • Have approved an additional growth focused project manager to support the execution of growth and deed related activity. • GMs and Senior Managers have identified growth drivers for the business and future workforce requirements. This will be a regular recurring exercise. • Investigations underway to determine our future operations/depot requirements for growth areas. • Strategic Plan has been reviewed and adopted. • Increased focus on project planning and delivery is helping us to understand the capacity of the organisation to deliver projects. • Transport Strategy in draft and Social Services and Infrastructure Strategy. • Continue to advocate with State Government for collective infrastructure work. • Partnering with SA Water regarding community consultation and infrastructure rollout. • Growth motion work in progress including an education piece with State MP's (Oct/Nov). • We have been undertaking trials of different service methodologies for some of our community services. • Greater Adelaide Regional Plan released March 2025. • Draft Northern Adelaide Transport Strategy going to cabinet in September 2025. 		
 <p>I - Inherent Risk, R - Residual Risk</p>		Causes <ul style="list-style-type: none"> • Investment required could be well beyond Council's capacity/appetite to borrow • Limited services available in new areas • Rapid growth and not adjusting service capacity to match • Government making decisions which impact local infrastructure 	Consequences <ul style="list-style-type: none"> • Infrastructure and service does not keep pace with community expectation • Increased costs of future infrastructure needs • Reputation damage
Risk Controls <ul style="list-style-type: none"> • Strategic Planning Framework (includes Annual Business Plan, 4 Year Delivery Plan, City Strategy, Strategic Asset Management Plan and Long Term Financial Plan) • Finance Strategy • Advocacy efforts with State and Federal Government • Strategic Marketing Communications Plan • Partnerships with neighbouring councils • Infrastructure deeds between Council, State Government and developers • Project Management Framework • Education with community and Elected Members • Membership of National Growth Areas Alliance • Staff prioritising work on development in growth areas • Ongoing monitoring of community sentiment through community surveys • Growth model for allocating new resources • Cross departmental collaborative work to monitor full range of city development activities • Strong appetite for confirming resource requirements through business needs 			

SR-6 The inability to attract and retain skilled and experienced employees.			
Risk Category: Service Delivery	Risk Owner: GM Corporate Services - Luke Culhane	Last Reviewed: August 2025	Next Review: November 2025
Context:	Labour market conditions are making it difficult to attract and retain staff with the right skills and experience.		
Executive Comments:	<ul style="list-style-type: none"> •EA negotiations are finalised. City of Playford salaries are highly competitive in comparison to the market. •City Operations workforce plan stage 1 complete, recognises qualifications with increased pay level which will help with attraction and retention. •Some positions are a challenge to recruit but for the most part we continue to attract quality candidates for positions. •Vacancy numbers have reduced. •Improvement in quality and quantity of candidates, and seeing an increase in Local and State Government candidates. Market continues to shift towards being more competitive although pockets of the business are still experiencing difficulty (e.g., Project Management). •Innovation is assisting attraction with satisfaction increasing and business is seeing return employees. 		
		Causes	Consequences
		<ul style="list-style-type: none"> •Classification leads to a lower pay rate than what market is offering •Location of Council offices •Lack of people with the right skills looking for employment •Unclear job advertisements or poor branding •Job opportunity offered elsewhere •Lack of quality and consistent exit interviews to understand the reasons for people leaving •Implications of grant funding in some areas 	<ul style="list-style-type: none"> •Inability to deliver work •Additional cost to engage contractors or temps •Impact on staff morale •High staff turnover •Loss of knowledge and experience •Inability to address issues related to retention •Temporary increase of workload - all levels of staff, including Executives
Risk Controls			
<ul style="list-style-type: none"> •Remuneration Policy and Procedure including market relativity •Implementation of Recruitment Business Plan •Pulse survey completed twice per year and report provided to senior management •Human Resource Partners work with managers on staff issues •Workforce planning including talent identification program ('People Day') •Employee value proposition (income protection, no forced redundancies, flexible work arrangements) •Work experience and cadet programs •Access to good training and development opportunities •Robust recruitment process to attract quality candidates •Exit interviews are offered to staff departing the organisation •Dedicated Learning & Development Partner with annual training budget 			

SR-7 Failure to keep up with technological advances.			
Risk Category: Service Delivery, Reputation, Financial Sustainability	Risk Owner: GM Corporate Services - Luke Culhane	Last Reviewed: August 2025	Next Review: November 2025
Context:	New technologies (including artificial intelligence) have the potential to change the way that we work, the services our customers want and the way in which we interact.		
Executive Comments:	<ul style="list-style-type: none"> •Senior Leadership Team have done further work to refine the planning and development of projects to prioritise ICT projects. •New positions including Systems Project Accountant and a Digital Project Manager have commenced with CoP to support delivery of digital projects. •Recruitment for a second Digital Project Manager is underway. •Recruitment of Senior Manager ICT is nearing completion. •Consideration of accessing skillset of a CIO/CTO role. •Continuing to manage Digital Program Management Framework. •Standard templates available to deliver project efficiency and high quality. •It remains a challenge to manage competing digital projects for end of life technology. •There are some challenges in understanding the business process side of software changes. •Investigations have commenced to timing and implications of the CiAnywhere upgrade. 		
 <p>I - Inherent Risk, R - Residual Risk</p>		Causes <ul style="list-style-type: none"> •Budget constraints •Insufficient scoping of requirements for technology •Insufficient skill sets to identify, implement and maximise benefit from technology •Resistance of end users to utilise new systems •Technological innovation outpacing the ability to adapt •Use of existing or preferred suppliers limiting capabilities •Legacy systems that impede adaptability •Inability to plan for software renewals 	Consequences <ul style="list-style-type: none"> •Not meeting the needs of the community •Missed business opportunities •Productivity stagnation or decline •Legal exposure •Job displacement •Failure of critical software/hardware •Increased costs to maintain outdated technology •Increased vulnerability to cyber attacks
Risk Controls			
<ul style="list-style-type: none"> •ICT Digital Project Factory •Information Technology Strategy and ICT Asset Management Plan •Regular reviews of systems architecture and software/hardware management •Budget bid process which includes ICT requirements •Business Continuity Plan and ICT Disaster Recovery Plan •Moving to SAAS solutions •Third party support software solutions, in house ICT Team underpinned by outsourced cyber managed services •Collaboration with technology partners and industry peers (local and state) •Project Management Framework which incorporates nuances of digital project management 			

5.6 2025-26 INSURANCE PORTFOLIO

Responsible Executive Manager : Tina Hudson

Report Author : Steven Thomson

Delegated Authority : Matters for Information

Attachments :

1. LGA Mutual Liability Scheme - Policy
2. LGA Asset Mutual Fund - Policy
3. LGA Workers' Compensation Scheme - Policy
4. LG Income Protection Fund - Inside Employees - Policy
5. LG Income Protection Fund - Outside Employees - Policy
6. Journey Injury - Policy
7. Personal Accident - Policy

Purpose

The purpose of this report is to provide the Corporate Governance Committee with an overview of Council's insurance portfolio for the 2025-26 financial year.

STAFF RECOMMENDATION

The Corporate Governance Committee receive and note the 2025-26 Insurance Portfolio Report.

Relevance to Strategic Plan

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

Maintaining adequate insurance coverage ensures that we are meeting our legislative obligations and enables us to respond, recover and return to normal business operations following an incident, so that we are able to achieve the objectives set out in Council's Strategic Plan 2025-28.

Relevance to Community Engagement Policy

There is no requirement to consult the public on this matter.

Background

As per the Corporate Governance Committee Work Plan, an overview of Council's insurance portfolio is provided to the Committee on an annual basis.

Current Situation

Council maintains a portfolio of insurance policies (including Local Government Self-Insured Schemes) to provide protection against various insurable losses.

A comprehensive review of the insurance portfolio is undertaken annually with Local Government Risk Services and internal stakeholders. This allows coverage amounts and listed assets to be amended according to changing insurance requirements and market conditions.

A summary of our insurance policies is provided in the table below. Details of each policy are described after the table, and in associated attachments.

Summary of Insurance Policies

Policy	Coverage Type	Coverage Amount	2024-25 Premium (ex GST)	2025-26 Premium (ex GST)	Change in Premium
LGA Mutual Liability Scheme	Civil liability	Unlimited	\$575,710	\$604,495	\$28,785 (5%)
LGA Asset Mutual Fund	Buildings, contents and other assets	Replacement value declared for each item on the asset schedule	\$832,024	\$785,853	\$46,171 (-6%)
	Motor vehicles	Market value (replacement value in some cases)			
	Loss of revenue, rentals and additional expenditure	\$3,900,000			
	Crime protection	Up to \$1,000,000			
	Machinery breakdown	\$350,000			
	Cyber security	\$2,000,000			
LGA Workers' Compensation Scheme	Return to Work	As per <i>Return to Work Act 2014*</i> (see note)	\$1,427,101	\$1,404,789* (see note)	\$22,312 (-1.5%)
Local Government Income Protection Fund	Income protection	100% of basic wage up to 104 weeks (or 26 weeks for psychological injury)	\$666,491	\$689,481* (see note)	\$22,991 (3%)
Journey Injury	Capital benefit	Up to \$100,000	\$26,013	\$26,685	\$672 (3%)
	Weekly benefits	100% of weekly earnings (maximum \$5,000) up to 104 weeks			

Policy	Coverage Type	Coverage Amount	2024-25 Premium (ex GST)	2025-26 Premium (ex GST)	Change in Premium
Personal Accident	Capital benefit	Up to \$500,000	\$1,769	\$1769	\$0 (0%)
	Weekly benefits	Maximum \$3,000 per week up to 156 weeks			
	Travel insurance	Various Limits			

*Note: The LGA Workers' Compensation Scheme and LG Income Protection Fund premiums are calculated as a percentage of the estimated annual wages for the 2025/26 financial year. A reconciliation to actual wages is completed at the end of the financial year and a credit or debit is issued to reconcile the premium payment.

Local Government Association Mutual Liability Scheme (LGAMLS)

Council is a member of the LGAMLS which provides civil liability protection. The LGAMLS is an indemnity scheme established under the *Local Government Act 1999* (the Act). Membership of the LGAMLS constitutes insurance for the purposes of Section 142 (Duty to insure against liability) of the Act.

The LGAMLS will indemnify Council for any civil liability claim brought against Council, subject to the rules of the scheme. For the purposes of the coverage, civil liability means any liability (including public liability, professional indemnity, directors', and officers' liability) not being criminal resulting from an obligation, function, power or duty of Council arising under law.

Coverage extends to liability claims made against Council Members and Independent Members of Council's Section 41 Committees and the Council Assessment Panel while undertaking their Council role. The coverage is unlimited (subject to the terms of the SA Government Treasurer's Indemnity) with nil exclusion. A \$3,750 excess applies for claims made under this policy. Further information is provided on the LGA Mutual Liability Scheme Policy (Attachment 1).

Local Government Association Asset Mutual Fund (LGAAMF)

Council is a member of the LGAAMF which is a mutual risk product that provides discretionary protection for Council property, assets, motor vehicles, machinery, computers, and electronic equipment. Crime protection and machinery breakdown coverage are also provided. The fund has been specifically tailored to the risk environment that local government operates in.

Excess amounts range from \$500 to \$100,000 depending on the type of claim. Motor vehicle and mobile plant excess has changed across the sector from \$500 to \$1000 or 1% of the sum insured whichever is the greater. The excess previously noted as a percentage of some cyber security related claims ranging from 15%-85% has been removed with increases also applied to the amounts covered around certain cyber extensions including expenses and IT hardware replacement.

The schedule of assets and motor vehicles requiring insurance coverage is reviewed with the LGAAMF on an annual basis. Asset values for the purposes of insurance coverage are generally increased by the construction industry CPI annually so that the declared values

reflect the replacement cost. Amendments to declared assets and motor vehicles are made during the year as assets are acquired or disposed of.

Currently, except for bridges and signalised pedestrian crossings, we do not insure civil infrastructure such as roads, footpaths, stormwater systems and street lighting. However, most other assets including buildings, contents, playgrounds, park furniture, sportsground lighting and irrigation systems are covered.

In addition to asset coverage, the fund provides cyber security and data protection coverage to all councils. Cyber security claims are currently capped at \$2,000,000 for any one claim and \$4,000,000 in the aggregate.

Further information is provided on the LGA Asset Mutual Fund Policy (Attachment 2).

Local Government Association Workers' Compensation Scheme (LGAWCS)

Council is a member of the LGAWCS which is a self-insured discretionary fund, providing unlimited liability protection for Council in respect of claims under the *Return to Work Act 2014*.

Claims made by injured employees are assessed by the LGAWCS against the *Return to Work Act 2014* and *Return to Work Regulations 2015* to determine the entitlements the injured worker can obtain and the maximum periods the entitlements apply.

Injuries must arise from employment and entitlements may include:

- Income Support – where an employee is unfit for work, they may be entitled to income support up to 100% of their Average Weekly Earnings for the first 52 weeks and 80% for weeks 53 to 104.
- Medical Expenses – reasonably incurred and necessary medical expenses, including hospital, health practitioners, chemist, therapeutic appliances, physiotherapy, chiropractic, and psychology, up to 12 months following the completion of weekly payment entitlements. Therapeutic services can be paid outside of the 12-month period, with approval. In some circumstances claims may be accepted for medical expenses only, the maximum entitlement for a claim accepted for medical expenses only is 12 months from the date of injury.
- Travel Expenses – reasonable travel expenses incurred whilst undertaking medical treatment or attendance at any return to work related activities.
- Economic & Non-Economic Loss Lump Sum – where permanent impairment occurs, the employee may be entitled to a lump sum payment, this lump sum is based on a series of factors.

The LGAWCS cover provides a nil excess for all claims. Further information is provided on the LGA Workers' Compensation Scheme Policy (Attachment 3).

Local Government Income Protection Fund (LGIPF)

Council has in place income protection coverage for all employees through the LGIPF. The coverage applies to injuries and illnesses not relating to the workplace, 24 hours a day, pursuant to the 'Fund Rules' and the following definitions:

Injury

“Any accidental injury to an employee caused by an accident which occurs during the Fund Period and results in a claim within 12 calendar months from the date of such injury. An injury does not include any condition which is also an illness or any degenerative condition.”

Illness

“Any sickness or disease contracted by an employee which results solely and directly and independently of any other cause in Temporary Total Disablement or Temporary Partial Disablement, provided such disablement commences during the Fund Period.”

Further information is provided on the LG Income Protection Fund - Inside Employees - Policy (Attachment 4) and LG Income Protection Fund - Outside Employees - Policy (Attachment 5).

Journey Injury

All employees are covered by a Journey Injury Policy which provides death and capital benefits as well as weekly benefits for any bodily injury to an employee whilst engaged in a journey.

Further information is provided on the Journey Injury - Policy (Attachment 6).

Personal Accident

A personal accident policy is in place to provide a range of benefits to Council Members, employees, volunteers and committee members whilst engaged in any activity directly or indirectly connected with or on behalf of Council, including travel to and/or from any such activity. This policy also provides travel insurance while engaged in travel connected with or on behalf of Council.

Further information on the benefit provided on the Personal Accident - Policy (Attachment 7).

Future Action

The insurance portfolio information report will be provided to the Committee on an annual basis.



Invoice # 095-116011
City of Playford

MEMBER	City of Playford
ABN AND ITC DETAILS	ABN: 99 397 793 662 ITC: 100.00%
PERIOD OF PROTECTION	From: 30 June 2025 at 4 PM Local Time (SA). To: 30 June 2026 at 4 PM Local Time (SA).
GEOGRAPHICAL SCOPE	Worldwide
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
SCOPE OF PROTECTION	All sums which the Member shall be legally liable to pay to third parties by reason of Civil Liabilities arising from and in connection with the Local Government business. Protection extended to LGAMLS Members meets the requirements of section 142 of the Local Government Act 1999 (Duty to insure against liability) and (Financial Management) regulation 24 requiring Council's to take out and maintain protection to cover its civil liabilities at a minimum level of cover of \$300 million. Council's membership of the LGA Mutual Liability Scheme complies with this requirement.
MEMBER EXCESS	Standard \$3,750 any one claim
SCHEME ADMINISTRATION	Local Government Risk Services
RESPONSIBLE PERSON	Scheme Manager, Kirsty Gold

DISCLOSURE NOTICE

The Local Government Association Mutual Liability Scheme (LGAMLS) is a Managed Investment Scheme and Mutual Risk Product as defined by ASIC under the Corporations Act 2001 (Cth) and is neither authorised under, nor subject to, the provisions of the Insurance Act 1973 (Cth). The LGAMLS is not a product regulated by APRA. The future liabilities of LGAMLS are estimated based upon procedures which are supported by both independent legal and actuarial experts. Specific financial provisions for late reported claims (IBNR) and future claim developments plus a prudential risk margin are maintained by LGAMLS. These provisions are amounts in addition to specific claim estimates.

The LGASA Mutual Board and representatives of JLT Risk Solutions Pty Ltd (JLT) as Scheme Manager have established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The LGASA Mutual Board

reviews the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to members.



Invoice # 094-122111
City of Playford

OUR REF: 000021

MEMBER	City of Playford
ABN AND ITC DETAILS	ABN 99 397 793 662 ITC 100.00%
PERIOD OF PROTECTION	From: 30 June 2025 at 4 PM Local Time (SA). To: 30 June 2026 at 4 PM Local Time (SA).
GEOGRAPHICAL SCOPE	Anywhere in Australia
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
SCOPE OF PROTECTION	All Real and Personal Property the Fund Member's own, in trust or on commission or for which the Fund Member is responsible or has assumed responsibility or for which the Fund Member has received instructions to protect or for which the Fund Member may acquire an interest (prior to the occurrence of any loss or destruction or Damage) during the Fund period, including but not limited to Buildings, Structures, Plant, Machinery, Contents of every description, Money, Motor Vehicles and Mobile Plant.
	(i) Material Loss or Damage - Property
MAXIMUM PAYMENT FUND WILL MAKE	Material Loss or Damage, Loss of Revenue, Rent and Additional Expenditure (any one loss, at any one location) Up to \$70,000,000 including protection for the following exposures a) Accidental Damage b) Burglary or Theft of Property c) Theft or loss of money - In transit - On any Council Premises - At the residence of any Employee or Authorised Person d) Personal Property of Elected Members and Employees e) Curiosities, Antiques, Works of Art, Paintings, Jewellery, Bullion, Furs, Precious Metals or Precious Stones f) Glass including wash basins, sinks, porcelain, mirrors, signwriting, and ornamentation (Replacement Cost) g) Extra Cost of Reinstatement h) Sporting Surfaces i) Property in (excluding money) Transit Additional Section (1)



Invoice # 094-122111
City of Playford

- Temporary Removal Sub Limit \$2,000,000
- j) Protection for important documents following a loss:
- i. Certificates of title
 - ii. Restoration cleaning costs

DECLARED VALUES

All member assets owned, hired, leased or for which the member has a responsibility to protect as declared on the Asset Schedule.

(ii) Loss of Revenue

Member revenue, rent and additional increased costs of working requiring protection as declared on the Asset Schedule (24 month indemnity unless stated otherwise)

- | | |
|--------------------------------------------|--------------|
| j. Failure of Supply from Public Utilities | \$10,000,000 |
| k. Prevention of Access | \$10,000,000 |
| l. Suppliers/Customers Premises | \$10,000,000 |

In terms of sub limits (j) - (l) limit is per event and in the annual aggregate per member. Indemnity Period:

Failure of supply from Public Utilities – 12 months

Prevention of Access – 12 months

Suppliers/Customers Premises – 12 months

MEMBER EXCESS Each and every loss

Applicable to all losses claimed under the Fund

- All claims \$1,000

With the exception of:

- Earthquake, Subterranean Fire or Volcanic Eruption
an amount equal to 1% of the value(s) for property
at the situation(s) where the damage occurs
but not exceeding \$20,000
- Material Recovery Facilities (MRF) including Plant and Equipment - As per
schedule \$100,000

Loss resulting from interruption of or interference with the business

- Failure of Supply from Public Utilities: 48 hour time
deductible
- Prevention of Access: 48 hour time deductible
- Suppliers &/or Customers 48 hour time deductible

(iii) Crime Protection

1: Crime – Limit of liability as per Schedule

Erroneous Fund Transfer Fraud – As per Schedule



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City of Playford

- 2: Expenses – As per Schedule
- 3: Data Reproduction Expenses -\$100,000
- 4: Telecommunications & Data Streaming Fraud - \$100,000
- 5: Social Engineering Fraud – As per Schedule
- Retroactive Date : Unlimited
- Excess: Clauses 1 – 5 – As per schedule
- (iv) MachineryBreakdown

SCOPE OF PROTECTION All electrical plant, machinery, boilers, pressure vessels, air receivers, associated pipe systems and spoilage of refrigerated goods owned, hired, leased or which is the responsibility of any LGA Asset Mutual Fund Member.

MAXIMUM PAYMENT FUND WILL MAKE

- 1. Machinery Breakdown (any one claim)
- 2. Boilers, Pressure Vessels (any one claim)
- 3. Spoilage of Stock (any one claim)

Limits of protection as declared on the Asset Schedule.

MEMBER EXCESS **Each and every loss**

Applicable to all losses claimed under the Fund

- Machinery Breakdown and Pressure Vessel \$500

(v) Computer and Electronic Equipment

SCOPE OF PROTECTION Loss of or damage to Computers and Electronic Equipment

MAXIMUM PAYMENT FUND WILL MAKE

Computer and electronic equipment (including data carrying media) requiring protection as declared on the Asset Schedule.

Reinstatement of records and additional increased costs of working requiring protection as declared on the Asset Schedule.

MEMBER EXCESS **Each and every loss**

Applicable to all losses claimed under the Fund

- Computer and Electronic Equipment \$500

(vi) Cyber Security and Data Protection

SCOPE OF PROTECTION Cyber Security and Privacy protection for:

First Party Protection

- Incident response



**LGA Asset
Mutual
Fund**

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- Business Interruption
- Data systems recovery
- Cyber extortion

Third Party Protection

- Privacy & Network Security Liability
- Media Liability

Extensions

- | | |
|-------------------------------|-----------|
| • Emergency Incident response | \$100,000 |
| • Costs | \$100,000 |
| • Crime | \$250,000 |
| • Expenses | \$250,000 |
| • Telecommunication Fraud | \$250,000 |
| • IT Hardware Replacement | \$500,000 |
- unless alternative limit specified in the schedule

**MAXIMUM PAYMENT
FUND WILL MAKE**

Limits of protection as declared on the Asset Schedule

MEMBER EXCESS

1.1 Incident Response Each event \$25,000

1.2 Business Interruption Each security event 8 Hours

1.3 Data and System Recovery Each security event \$25,000

1.4 Cyber Extortion Each cyber extortion threat \$25,000
Reward Payments \$Nil

1.5 Privacy and Network Security Liability Each claim \$25,000

1.6 Media Liability Each claim \$25,000

Please note members with revenue exceeding \$200m the excess applicable for each section above is \$50,000 and 10 hours for Business Interruption

(vii) Motor Vehicle

SCOPE OF PROTECTION

All Member vehicles owned, hired, leased or for which the Member has a responsibility to protect as declared on the Motor Vehicle Schedule

- Material Damage to the Member's vehicle
- Legal liability to third parties

**MAXIMUM PAYMENT
FUND WILL MAKE**

Material Damage:



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Repair

When your vehicle is damaged and is not a total loss we will pay for the reasonable cost of repairs to your vehicle.

Total Loss

When your vehicle is stolen and not recovered, lost and not recovered, or damaged and is a total loss, then if market value or sum insured value is stated in the schedule as the Basis of Settlement, the maximum amount

we will pay for your vehicle is:

- where you have not specified a sum insured value, the market value; or
- where you have specified a sum insured value, the lesser of:
 - (a) that value; or
 - (b) the market value

A new replacement vehicle including registration fees, delivery charges and stamp duty for a sedan, station wagon, 4WD, utility, van, mini bus, rigid body truck, rigid body tipper, table-top truck, prime mover including attached articulated trailer, being less than three years old from vehicle's first registration date, where replaceable. Other vehicles less than two year old from the vehicle's first registration date.; Payment up to an additional 20% limit of market value or sum insured value whichever is the lesser for replacement cost (including registration fees, delivery charges and stamp duty), where replaceable

Legal Liability to Third Parties: \$35,000,000

Automatic Repair Authority less than \$2,000

Automatic Additions up to \$75,000

MEMBER EXCESS

Each and every loss

Applicable to all losses claimed under the Fund

- Motor Vehicles and Mobile Plant \$1,000 or 1% of the sum insured whichever is the greater,
- Age Excess
In addition to the standard excess, you will have to contribute to one of the following additional amounts if at the time of the accident the person driving your vehicle is
 - (a) under 21 years of age - \$300
 - (b) aged 21 years but under 25 years of age - \$150
 and Your Vehicle is not being used for business purposes

Buses whilst being used for the conveyance of passengers for hire, fare or reward with exception of Community Transport purposes will be subject to the following excess \$2,000

FUND ADMINISTRATION

Local Government Risk Services

RESPONSIBLE PERSONS

Fund Manager

Anthony Genovese

Fund Trustee

Tony Gray



Invoice # 094-122111
City of Playford

DISCLOSURE NOTICE

The LGA Asset Mutual Fund (LGAAMF) is a Mutual Risk Product as defined by ASIC is neither authorised under, nor subject to, the Provisions of the Insurance Act 1973.

The LGAAMF is not a product regulated by APRA.

The LGAAMF estimates its future liabilities based upon procedures which are supported by both independent legal and actuarial experts. The LGAAMF also maintains specific financial provisions for Late Reported Claims and future claim developments plus a Prudential Risk Margin. These provisions are amounts in addition to specific claim estimates.

The LGAAMF and the Fund Manager have established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The Fund Overview Committee reviews the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to members.

The LGA Asset Mutual Fund pursuant to the Scheme Rules procures reinsurance for risks protected via the Fund. We draw your attention to the various Property Standard Mandatory Endorsements applicable which can be viewed via the LGRS Member Centre at <https://lgrs.com.au/pages/LGAAMFCover>



Invoice # 096-124291
City of Playford

MEMBER	City of Playford
ABN AND ITC DETAILS	ABN: 99 397 793 662 ITC: 100.00%
PERIOD OF PROTECTION	From: 30 June 2025 at 4 PM Local Time (SA). To: 30 June 2026 at 4 PM Local Time (SA).
GEOGRAPHICAL SCOPE	Worldwide
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
SCOPE OF PROTECTION	Legal Liability to employees in accordance with South Australian Return to Work Act, 2014
MEMBER EXCESS	Nil
SCHEME ADMINISTRATION	Local Government Risk Services
RESPONSIBLE PERSON	Scheme Manager, Tony Gray

DISCLOSURE NOTICE

The Local Government Association Workers Compensation Scheme (LGAWCS) is a Managed Investment Scheme and Mutual Risk Product as defined by ASIC under the Corporations Act 2001 (Cth) and is neither authorised under, nor subject to, the provisions of the Insurance Act 1973 (Cth). The LGAWCS is not a product regulated by APRA. The future liabilities of LGAWCS are estimated based upon procedures which are supported by both independent legal and actuarial experts. Specific financial provisions for late reported claims (IBNR) and future claim developments plus a prudential risk margin are maintained by the LGAWCS. These provisions are amounts in addition to specific claim estimates.

The LGASA Mutual Board and representatives of JLT Risk Solutions Pty Ltd (JLT) as Scheme Manager have established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The LGASA Board reviews the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to members.



Invoice # 094-121799
City of Playford

MEMBER	City of Playford - All Inside Employees		
ABN AND ITC DETAILS	ABN	99 397 793 662	ITC 100.00%
PERIOD OF PROTECTION	From: 30 June 2025 at 4 PM Local Time (SA).		
	To: 30 June 2026 at 4 PM Local Time (SA).		
GEOGRAPHICAL SCOPE	Worldwide		
JURISDICTIONAL SCOPE	Australia		
GOVERNING LAW OF CONTRACT	Australian		
SCOPE OF PROTECTION	Events	Each Person	
	A. Death and Permanent Total Disablement (Accidents other than Journey claims)	\$15,000	
	B. Weekly Benefit: Temporary total disablement: 100% of gross weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only.		
	C. Weekly Benefit: Temporary Partial Disablement: A minimum of 25% of gross weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only.		
WORKERS COMPENSATION TOP UP BENEFIT	Section B & C: Weekly Benefits Temporary total disablement: Up to 100% of weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only. Temporary Partial Disablement: Up to 100% of weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only.		
AGGREGATE LIMIT OF LIABILITY	\$10,000,000 for any one accident or series of accidents resulting from any one event		



Invoice # 094-121799
City of Playford

EXCLUDED CLAIM PERIOD All illness or injury resulting in Weekly Benefits claim – 10 working days, except for:

- Non-Professional Football Claims 20 working days
- Psychological Illness Claims 20 working days

Claims relating to the Workcover Top Up Benefit are not payable for the period of 52 weeks or until such time as the employee receives notification from the relevant statutory workers compensation scheme that weekly entitlements will be reduced pursuant to Section 39 1A & B of the Return to Work Act 2014, whichever occurs later.

ESTIMATED WAGES ASU As declared at renewal
AWU As declared at renewal

ADJUSTABLE COVER **This Fund is subject to an Adjustable Contribution**
An Adjustable Contribution requires the Member to pay an Initial Contribution which is then adjusted at a set rate at the end of the Fund period based on the adjustable factor.

The Contribution applicable to this policy is adjustable each year and is subject to declaration of Actual Gross Wages paid to the Member's employees during the policy period.

FUND ADMINISTRATION Local Government Risk Services

LOCAL GOVERNMENT INCOME PROTECTION FUND – PDS 06-25

RESPONSIBLE PERSONS Fund Manager Anthony Genovese
Fund Trustee Tony Gray

DISCLOSURE NOTICE

The Local Government Income Protection Fund (LGIPF) is a Mutual Risk Product as defined by ASIC is neither authorised under, nor subject to, the Provisions of the Insurance Act 1973.

The LGIPF is not a product regulated by APRA.

The LGIPF estimates its future liabilities based upon procedures which are supported by both independent legal and actuarial experts. The LGIPF also maintains specific financial provisions for Late Reported Claims and future claim developments plus a Prudential Risk Margin. These provisions are amounts in addition to specific claim estimates.

The LGIPF and the Fund Manager have established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The Trustee and Fund Manager reviews the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to members.



Invoice # 094-121798
City of Playford

MEMBER	City of Playford - All Outside Employees			
ABN AND ITC DETAILS	ABN	99 397 793 662	ITC	100.00%
PERIOD OF PROTECTION	From: 30 June 2025 at 4 PM Local Time (SA).			
	To: 30 June 2026 at 4 PM Local Time (SA).			
GEOGRAPHICAL SCOPE	Worldwide			
JURISDICTIONAL SCOPE	Australia			
GOVERNING LAW OF CONTRACT	Australian			
SCOPE OF PROTECTION	Events		Each Person	
	A. Death and Permanent Total Disablement (Accidents other than Journey claims)		\$15,000	
	B. Weekly Benefit: Temporary total disablement: 100% of gross weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only.			
	C. Weekly Benefit: Temporary Partial Disablement: A minimum of 25% of gross weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only.			
WORKERS COMPENSATION TOP UP BENEFIT	Section B & C: Weekly Benefits Temporary total disablement: Up to 100% of weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only. Temporary Partial Disablement: Up to 100% of weekly basic wage payable for up to 104 weeks from the date of accident or illness except Psychological illness claims which are payable for a maximum period of 26 weeks only.			
AGGREGATE LIMIT OF LIABILITY	\$10,000,000 for any one accident or series of accidents resulting from any one event			



Invoice # 094-121798
City of Playford

EXCLUDED CLAIM PERIOD All Illness or Injury resulting in Weekly Benefits claim – 10 working days, except for:

- Non-Professional Football Claims 20 working days
- Psychological Illness Claims 20 working days

Claims relating to the Workcover Top Up Benefit are not payable for the period of 52 weeks or until such time as the employee receives notification from the relevant statutory workers compensation scheme that weekly entitlements will be reduced pursuant to Section 39 1A & B of the Return to Work Act 2014, whichever occurs later.

ESTIMATED WAGES ASU As declared at renewal
AWU As declared at renewal

ADJUSTABLE COVER **This Fund is subject to an Adjustable Contribution**
An Adjustable Contribution requires the Member to pay an Initial Contribution which is then adjusted at a set rate at the end of the Fund period based on the adjustable factor.

The Contribution applicable to this policy is adjustable each year and is subject to declaration of Actual Gross Wages paid to the Member's employees during the policy period.

FUND ADMINISTRATION Local Government Risk Services

LOCAL GOVERNMENT INCOME PROTECTION FUND – PDS 06-25

RESPONSIBLE PERSONS Fund Manager Anthony Genovese
Fund Trustee Tony Gray

DISCLOSURE NOTICE

The Local Government Income Protection Fund (LGIPF) is a Mutual Risk Product as defined by ASIC is neither authorised under, nor subject to, the Provisions of the Insurance Act 1973.

The LGIPF is not a product regulated by APRA.

The LGIPF estimates its future liabilities based upon procedures which are supported by both independent legal and actuarial experts. The LGIPF also maintains specific financial provisions for Late Reported Claims and future claim developments plus a Prudential Risk Margin. These provisions are amounts in addition to specific claim estimates.

The LGIPF and the Fund Manager have established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The Trustee and Fund Manager reviews the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to members.



Invoice # 051-967141
City of Playford

INSURED	City of Playford for and on behalf of All Employees.
ABN AND ITC DETAILS	ABN 99 397 793 662 ITC 100.00%
BUSINESS	Principally Principally Local Government Authority
INSURED PERSON(S)	All declared Employees of the Insured
TERRITORIAL LIMITS	Worldwide
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
PERIOD OF INSURANCE	<p>From: 30 June 2025 at 4 PM Local Time ().</p> <p>To: 30 June 2026 at 4 PM Local Time ().</p> <p>SCOPE OF COVER:</p> <p><u>Category A</u></p> <p>Coverage under this policy shall apply whilst an Insured person is on a journey undertaken in the course of their employment with the Insured. Such cover shall commence from the time the Insured Person undertakes direct travel and ceases upon arrival at either their normal residence or place of employment, whichever is their destination.</p> <p>Coverage also extends to include coverage for activities undertaken during lunchtimes and meal breaks and provided that no coverage is granted by any relevant Workers Compensation legislation or Traffic Accident Act or equivalent.</p> <p><u>Category B</u></p> <p>Coverage under this policy shall apply whilst an Insured person is on a journey undertaken in the course of their employment with the Insured. Such cover shall commence from the time the Insured Person undertakes direct travel and ceases upon arrival at either their normal residence or place of employment, whichever is their destination.</p> <p>Coverage also extends to include coverage for all Private Journeys on a 24-Hour basis (as defined), activities undertaken during lunchtimes and meal breaks provided that no coverage is granted by any relevant Workers Compensation legislation or Traffic Accident Act or equivalent.</p>
POLICY WORDING:	<p>AFA Group Journey Injury Insurance Policy Wording and Product Disclosure Statement (PDS)</p> <p>(Version No. 5: 1 Oct 2022 – PDS-GJOUR-10096(B))</p>



Invoice # 051-967141
City of Playford

SCHEDULE OF BENEFITS:

PART A - Accidental Death and Capital Benefits

<u>Capital Benefit Sum Insured</u>	<u>Each Insured Person</u>
Death & Capital Benefits (Event 1 – 19):	\$100,000

PART B – Weekly Injury Benefits

Weekly Injury Benefit:	100% of Basic Weekly Earnings (as defined)
Maximum Weekly Benefit:	\$5,000
Maximum Benefit Period:	104 Weeks
Excess Period:	Nil Working Days

Part C – Injury Resulting in Fractured Bones

Sum Insured:	\$5,000
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Part D – Injury Resulting in Loss of Teeth or Dental Procedures

Sum Insured:	\$2,000 \$250 per Tooth
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EXTENSION OF COVER:

Exposure:	Included in PDS
Disappearance:	Included in PDS
Escalation of Claim Benefit:	Included in PDS
Guaranteed Payment:	Included in PDS
Tuition Expenses:	\$500 per Month Up to a maximum of 6 months

ADDITIONAL BENEFITS:

Accommodation & Transport Expenses:	\$3,000
Bed Care Benefit:	\$500 per Week Up to a maximum of 26 weeks
Carjacking Assault Benefit:	\$5,000
Carjacking Excess & Vehicle Hire Benefit:	\$5,000
Chauffeur Benefit:	\$200 per Week Up to 26 weeks
Childcare Benefit:	\$10,000
Coma Benefit:	\$100 per Day Up to a maximum of 180 Days
Corporate Image Protection:	\$15,000
Dependent Child Assistance:	
Education Fund Supplement:	\$10,000 per dependent child Up to \$30,000 per family
Orphaned Benefit:	\$10,000 per dependent child Up to \$30,000 per family
Emergency Home Help Benefit:	\$500 per Week Up to 26 weeks
Executor Emergency Cash Advance:	\$25,000
Funeral Expense:	\$10,000



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City of Playford

Home and/or Motor Vehicle Modification Benefit:	\$15,000
Independent Financial Advice:	\$5,000
Miscarriage / Premature Childbirth Benefit:	\$10,000
Out of Pocket Expenses:	\$5,000
Partner Retraining Benefit:	\$10,000
Permanent Replacement Employee:	\$5,000
Reconstructive / Cosmetic Surgery Benefit:	\$20,000
Recruitment Expense Benefits Temporary Replacement Employee:	\$2,500
	\$25,000 Aggregate
Return to Work Assistance:	\$20,000
Road or Air Rage Benefit:	\$5,000
Terrorism Injury Benefit:	\$20,000
	\$200,000 Aggregate
Trauma Counselling Benefit:	\$5,000
Unexpired Membership Benefit:	\$3,000
Work Experience Benefit:	\$5,000

LIMIT OF LIABILITY:	Any One Period of Insurance:	\$5,000,000
	(Aggregate Limit applies to each Insured Entity)	
	Any Non-Scheduled Flights	\$500,000

EXCESS PERIOD:	Weekly Benefits Claims:	Nil Working Days
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2025/2026 ESTIMATED NUMBER OF EMPLOYEES	473
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INCLUDING ALL PRIVATE JOURNEYS	Yes
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ENDORSEMENTS:

PRIVATE JOURNEY DEFINITION:	The definition "Private Journey" means any travel undertaken whilst the Insured Person is driving or riding as a passenger in a registered motor vehicle or motorcycle, bicycle or wheelchair on a public thoroughfare; or riding as a fare paying passenger in any form of public transport, including but not limited to, trains, trams, buses and taxis or any properly licensed aircraft travelling over recognised air routes."
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DIFFERENCE IN CONDITIONS / DIFFERENCE IN LIMITS (DIC/DIL):	It is hereby declared and agreed that we guarantee to provide as a minimum no less cover in conditions and limits than the expiring cover in operations through QBE Journey Injury Insurance Policy Wording and PDS (Ref: QM206-0521).
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City of Playford

**WORDS WITH SPECIAL MEANING –
DEFINITION OF 'PRE-DISABILITY
EARNINGS' is replaced with:**

Your basic weekly base rate of pay, inclusive of overtime payments, bonuses, commission, or allowances during your time of disablement. If you are an employee who has elected to salary sacrifice income, your basic weekly base rate of pay will be deemed to mean the total cost of employment, inclusive of such income salary sacrificed. If the Insured pays you an increased base rate of pay whilst you suffer temporary total or partial disablement, the compensation we will pay will be adjusted accordingly.



Invoice # 051-967112
Policy #AS A009920 PAD
City of Playford

INSURED	City of Playford
ABN AND ITC DETAILS	ABN: 99 397 793 662 ITC: 100.00%
BUSINESS	Principally Local Government and related activities including all associated activities incidental to or associated therewith, past or present, and/or Property Owners
GEOGRAPHICAL SCOPE	Worldwide
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
PERIOD OF INSURANCE	From: 30 June 2025 at 4 PM Local Time (). To: 30 June 2026 at 4 PM Local Time ().
INTEREST INSURED	Covering Insured persons whilst engaged in any activity directly or indirectly connected with or on behalf of the Authority/Corporation including travel to and/or from any such activity.
AGGREGATE LIMIT OF LIABILITY	\$20,000,000 in respect of all claims any one Period of Insurance
DEDUCTIBLE	Nil
INSURED PERSONS:	<p><u>Category 1:</u></p> <p>(a) The Mayor, Chairperson, Elected Members, Councillors, Commissioners, Directors, Presidents and Board Members of the Insured</p> <p>(b) Employees of the Insured</p> <p>(c) Accompanying Spouse/Partner and Dependent Children of Category 1(a) & (b)</p> <p>(d) Authorised Guests and Personnel</p> <p><u>Category 2:</u></p> <p>Voluntary Workers of the Insured</p> <p><u>Category 3:</u></p> <p>Members of any Committees, Panels and Trusts of the Insured</p> <p><u>Category 4:</u></p>



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Policy #AS A009920 PAD
City of Playford

Persons engaged in Work Experience placements, any Government Labour Market, Training or Job Creation Projects on behalf of the Insured.

TIME OF OPERATION OF COVER: Category 1:

Cover under this Policy will apply while you are engaged in travel authorised by and undertaken on behalf of the Insured, provided such travel does not exceed six (6) months duration, and involves a destination which is overseas or more than fifty (50) kilometres from your usual residence or business premises.

Cover also applies for your private travel undertaken in association with such travel authorised by the Insured.

Cover will commence from the time you leave your usual residence or business premises, whichever is the point of departure for your travel, and will continue on a twenty-four (24) hour basis until you return to your usual residence or business premises, whichever occurs first.

Cover will not apply for normal commuting or travel between your usual residence and business premises for the purpose of attending and returning from work.

Categories 1(a) and 1(d):

Cover under this Policy will also apply whilst the Insured Person is actually engaged in unpaid voluntary work performed on behalf of the Insured provided always that such work is officially organised by and under the control of the Insured including necessary direct travel to, from or during such voluntary work.

Category 2 & 3:

Cover under this Policy shall only apply whilst the Insured Person is actually engaged in unpaid voluntary work performed on behalf of the Insured provided always that the Policy shall apply only in respect of such work officially organised by and under the control of the Insured including necessary direct travel to, from or during such voluntary work.

Category 4:

Cover under this Policy shall only apply whilst an Insured Person is engaged in Work Experience, any Government Labour Market, Training or Job Creation Projects officially organised by and under the control of the Insured, including direct travel between the Insured Person's normal residence and place of work or during such activities.

POLICY WORDING & CONDITIONS: Local Government Personal Accident & Corporate Travel Insurance (SA) Policy Wording & Product Disclosure Statement (PDS)
(Ref: QM692-0625)



Invoice # 051-967112
Policy #AS A009920 PAD
City of Playford

SCHEDULE OF BENEFITS:

Section A - Capital Benefits		Sum Insured
Category 1 (a)		\$500,000
Category 1 (b)		\$300,000
Category 1 (c)		\$300,000
Category 1 (d)		\$300,000
Category 2, 3 & 4		\$300,000
Subject to a Maximum Sum Insured for 90 years and older		\$10,000
Section B – Weekly Injury		Category 1(a), 1(b), 1(c), 1(d), 2, 3 & 4
	Insured Person(s)	
	Maximum Sum Insured	\$3,000 per Week
	Benefit Period	156 weeks
	Excluded Period	Nil
Section C– Injury Assistance Benefits		Category 1(a), 1(d), 2, 3 & 4
	Insured Person(s)	
	Maximum Sum Insured	\$770 per Week
	Benefit Period	26 weeks
	Excluded Period	Nil
	Additional Lump Sum*	\$500
*(Subject to Terms and Conditions of the Policy Wording)		
Section D – Non-Medicare Medical Expenses		Category 2 & 4
	Insured Person(s)	
	Maximum Sum Insured	\$20,000

Insured Person(s)	Category 1 (a) (b) (c) & (d)
Section F – Overseas Medical and Additional Expenses	\$2,000,000
Emergency Dental Expenses – Injury Only	\$5,000
Emergency Optical Expenses – Injury Only	\$5,000
Burial Expenses	\$25,000
Section G – Emergency Travel Assistance	Yes
Section H – Baggage and Personal Effects	\$20,000
Mayoral Chains	\$30,000 any one person
Gifts	\$5,000 any one person
Section I – Personal Money, Traveller's Cheques and Credit Cards	\$5,000
Section J – Personal Liability	\$10,000,000
Section K – Kidnap and Ransom and Personal Extortion	\$500,000
Section L – Loss of Deposits and Additional Expenses	\$10,000
Section M – Refund of Excess following Collision Damage or Theft	\$5,000
Additional Covers	included
Extra Territorial Cover	Yes
Maximum per Week	\$1,000
Maximum	\$1,000,000
Environmental and Natural Disaster Evacuation and Political Evacuation	\$500,000



Invoice # 051-967112
Policy #AS A009920 PAD
City of Playford

Additional Aggregate Limit

Events	Section(s) Applied	Benefit Limit
The maximum for all claims arising from: a) Coronavirus disease (COVID-19); b) Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-Cov-2); c) Any mutation of SARS-Cov-2; d) Any fear or threat of a), b), or c) above and occurring during any one Period of Insurance, whether involving one or more Insured Persons.	Section L	\$500,000
The maximum for all claims arising from: • A cyber act or cyber incident	Section H & L	\$500,000

SECTION D – Non-Medicare Medical Expenses

Please note cover for this Section is only payable as a result of an injury which occurs while you're working in a voluntary capacity for the insured and providing services to an educational, religious, charitable, benevolent, sporting or youth organisation, directly or indirectly connected with or on behalf of the Insured, including while travelling directly to and/or from such voluntary work, or as a result of an injury which occurs while you're engaged on a Government Labour Market, Training or job Creation project and you're undertaking an activity that is part of an employment, education, training or youth program or initiative, administered or funded by the Commonwealth, including specialist employment services for people with disabilities, directly or indirectly connected with or on behalf of the insured, including while travelling directly to and/or from the activity.

Subject to all other Terms and Conditions within this Section and the Policy Wording as a whole.

ENDORSEMENTS(S) ATTACHING TO THE POLICY:

1. EMERGENCY ASSISTANCE PROVIDER:

QBE's Emergency Assistance Provider for this policy is World Travel Protection.

As service provider, World Travel Protection is responsible for coordinating any medical evacuation and repatriation services required and is ready to respond, 24 hours a day, 365 days a year. In the event of an accident, illness or emergency during your trip overseas, please contact our medical and emergency assistance team.

Phone: +61 2 8907 5660

Email: Assist@worldtravelprotection.com

You will be asked for your name (Insured and Insured Person), Policy Number and the Period of Insurance. You will need to advise the place and telephone number where the Insured Person can be reached and give a brief description of your situation and the nature of help required.

For full details of cover provided under this section of the Policy, please refer to the Policy Wording.

5.7 GRANTS MANAGEMENT INTERNAL AUDIT REPORT

Responsible Executive Manager : Sam Green

Report Author : Ninad Sinkar

Delegated Authority : Matters for Information

Attachments : 1 [↓](#). Grants Management Internal Audit Report

Purpose

The purpose of this report is for the Corporate Governance Committee to receive and note the Grants Management Internal Audit Report (Attachment 1).

STAFF RECOMMENDATION

That the Committee receive and note the Grants Management Internal Audit Report (Attachment 1).

Relevance to Strategic Plan

The City of Playford is committed to delivering efficient services, this includes the efficient management of its risks and effective internal audit function. The implementation of the recommendations will positively impact service delivery to our community through optimum utilisation of resources, greater accountability, transparency, and continuous improvement of our processes.

Relevance to Community Engagement Policy

There is no requirement to consult the public on this matter.

Background

As part of the approved Internal Audit plan, a Grants Management Internal Audit was conducted. The objective of this audit was to assess whether the Community Support and Grant Programs were being delivered in accordance with approved policies and procedures, and whether there are adequate systems and controls in place to ensure fairness, transparency, and effective use of Council resources.

Current Situation

The detailed observations and recommendations have been included in the attached Grants Management Internal Audit Report (Attachment 1).

Future Action

Going forward, all action items will be tracked by the Internal Auditor. The intention is to ensure all actions are undertaken by their due dates or approved amended timelines.

Grants Management Internal Audit Report

Submitted by
Mr Ninad Sinkar
Internal Auditor

City of Playford

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September 2025

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1 Executive Summary and Background

1.1 Objective

In accordance with the 2024/25 Internal Audit Plan of the City of Playford (the Council), an internal audit focusing on the Council's grant funding processes was performed.

The objective of this audit was to assess whether the Community Support and Grant Programs were being delivered in accordance with approved policies and procedures, and whether there are adequate systems and controls in place to ensure fairness, transparency, and effective use of Council resources.

1.2 Scope

Based on the objectives outlined above, the scope of the internal audit included consideration of the following:

- Review of the policy and procedural framework
- Review of budget monitoring, expenditure alignment, and recordkeeping process.
- Examination of the effectiveness and timeliness of service delivery.
- Review of KPIs, impact assessment, and achievement of intended results.
- Review of reporting accuracy, completeness, and timeliness to funding agencies.

1.3 Audit Approach

The internal audit was conducted in two phases:

Phase 1: Discovery

- Meetings (approx. 2 hours each) with Managers/Senior Managers responsible for grant administration, as nominated by the General Manager, City Services.
- Understand the end-to-end grants process.
- Establish the audit boundaries and clarify information availability.

Phase 2: Fieldwork

- Timing, duration, and staff involvement for Phase 2 was determined based on outcomes from Phase 1.
- Fieldwork - interviews, document reviews, data analysis, walkthroughs, and testing of transactions.

1.4 Executive Summary

The objective of this audit was to assess whether the Community Support and Grant Program is being delivered in accordance with approved policies and procedures, and whether there are adequate systems and controls in place to ensure fairness, transparency, and effective use of Council resources.

The audit included a review of the policy and procedural framework, supplemented by interviews with officers involved in the administration and delivery of the grants program. The audit also reviewed a sample of grant programs under the following categories:

- Community Development Grants
- Financial Support
- Program and Event Support
- Building Spaces Support
- Equipment and Individual Support

Seven key Observations were identified, covering procedural gaps, governance risks, and improvement opportunities. While there is a clear intent and commitment to supporting community needs through grants, opportunities exist to strengthen consistency, accountability, and data integrity. Controls related to intake, tracking, post-grant monitoring, and approval delegation require particular attention.

Positive Observations

Program Strengths

- Grants are designed to reflect a wide array of community needs: sporting, cultural, infrastructure, participation, and organisational support.
- Guidelines and policies are comprehensive and updated.
- Staff show strong commitment to community outcomes and understand the practical challenges of implementation.
- All categories are formally approved by Council and linked to strategic community objectives.

The observations identified during this internal audit are outlined in the summary below. A full list of the observations and recommendations made is included in this report.

1.5 Summary of internal audit observations

The observations and recommendations raised were discussed with the CEO. This report also includes any observations and recommendations where management has implemented the action plans to date.

Ref	Observation	Risk/Impact
2.1	Decentralised and inconsistent grant intake processes	Uneven screening and eligibility risk
2.2	Lack of integrated grant tracking and system-based controls	Manual errors, data loss, and limited oversight
2.3	Weak post-funding acquittal and outcome reporting	Inability to assess benefit or compliance
2.4	No formal risk tiering or value-based review of grants	Over-/under-control of different grants
2.5	Limited promotion of smaller or lesser-known grant types	Community access inequity risk
2.6	Manual processes do not prevent duplicate or repeat approvals	Resource concentration and fairness concerns
2.7	Lack of segregation of duties in some assessment/approval roles	Governance and conflict of interest risk

1.6 Management response to the observations and recommendations from Internal Audit

Management have considered the audit report and note that the internal auditor has not made any findings associated with this audit rather identified continuous improvement observations. It is therefore the intent of management to implement the continuous improvement observations associated with ongoing improvements of the grants process. These changes will not be prioritised over other audit report findings rather included in the ongoing incremental improvement opportunities.

2 Internal audit observations

2.1 Decentralised and Inconsistent Grant Intake and Assessment Processes

Observation(s) and impact

Internal Audit noted that there is no centralised intake channel for grant applications. Different streams receive applications via email, web forms, in-person queries or direct officer referrals. Intake and assessment processes vary significantly by stream and are largely dependent on the practices of individual staff. Some use structured assessment panels and checklists. This introduces inconsistency in how applications are assessed and limits Council's ability to ensure fair and transparent decision-making.

Acknowledgement: Internal Audit has been advised by management that since this audit was conducted, the SmartyGrants system has been implemented and is currently being used for 5 out of 6 grant programs. This represents a significant improvement toward addressing the issues identified.

Impact:

- Uneven application of criteria and eligibility screening.
- Absence of a uniform scoring system or consistent decision-making criteria
- Missed opportunities to redirect applicants to the most suitable funding stream.
- Lack of audit trail or assessment consistency across categories.

Recommendation(s)

Internal Audit recommends

- 1) Develop a centralised grant submission portal with automated triage and assign grant officers or coordinators to route applications to the appropriate stream
- 2) Introduce consistent checklists across all grant categories so that every application is assessed against a similar eligibility and evaluation criteria. Embedding these into the intake process will make checklist completion a mandatory step, ensuring fairness, transparency, and a clear audit trail in decision-making.

2.2 Lack of integrated grant tracking and system-based controls

Observation(s) and impact

There is currently no consolidated system in place to manage grant applications, approvals, and acquittals. Instead, officers rely on individual tracking spreadsheets, resulting in inconsistent and manual recordkeeping. This fragmented approach limits the ability to generate effective reports, perform trend analysis, or gain cross-program visibility.

The Grants team maintains a basic spreadsheet to log successful applications; however, it does not reliably track key data such as submission volumes, repeat applicants, acquittal progress, or demographic details. The absence of integrated, real-time systems also means there is no automated dashboard, audit trail, or reporting capability. This significantly hampers oversight, strategic planning, and risk monitoring across the grants portfolio.

Impact:

- Increases risk of data duplication, omissions or misreporting.
- Limits ability to track funding across financial years or grant streams.
- Reduces efficiency and hinders strategic analysis of trends.

Recommendation(s)

Internal audit recommends

1. Implement a dedicated grant management system (e.g., SmartyGrants).
2. Ensure all staff handling grants are trained in consistent data entry and reporting.

2.3 Inadequate Post-Funding Monitoring and Acquittal Evaluation

Observation(s) and impact

Internal Audit notes that while most financial grants require some form of acquittal, the rigor and scope of these reports vary widely. Acquittals for small or in-kind grants are often informal or absent. For example:

- Venue hire waivers do not routinely require post-event feedback
- Some equipment and individual support grants are acquitted only financially, with no outcome or impact narrative
- Acquittal templates lack structured fields for KPIs, beneficiary counts, or testimonials

Impact:

- Inability to verify whether grants achieved intended outcomes.
- Missed opportunity to build case studies or showcase community impact.
- Weak accountability and compliance monitoring.

Recommendation(s)

Internal Audit recommends that

Create a tiered acquittal framework:

- For grants <\$1,000: Short feedback form with attendance and use report.
- For grants >\$1,000: Outcome-based acquittal template covering community reach, learnings, and KPIs.
- For in-kind support: basic photo documentation and testimonials.
- Link acquittal completion to future eligibility for funding.

2.4 Absence of Structured Risk Management Linked to Grant Value/Type**Observation(s) and impact**

Internal Audit noted that same process is applied to grants across all categories, regardless of the size, complexity, or risk profile of the grant. For instance, smaller-value supports such as \$200 club participation sponsorships and larger multi-year financial grants (up to \$50,000) follow similar procedural steps.

While this uniformity promotes consistency, it also creates inefficiencies and limits the program's scalability. Administrative effort is not proportionate to the level of risk, and there is no formal mechanism in place to differentiate between grants that require simple checks and those that may benefit from additional governance layers.

Impact:

- Unnecessarily high administrative effort for low-risk or routine grants
- Missed opportunity to streamline or scale processes based on value and complexity
- Difficulty applying proportionate oversight in a consistent and transparent way

Recommendation(s)

Internal Audit recommends that

- Develop and adopt a simple risk tiering model (Low, Medium, High) based on predefined criteria such as dollar value, duration, community visibility, or strategic impact.
- Tailor application, approval, and acquittal requirements according to the risk tier.
- Document this model within the procedures and ensure its consistent application across all grant stream

2.5 Limited Community Awareness and Promotion of Less-Visible Grant Streams

Observation(s) and Impact(s)

Internal Audit notes that Community awareness of grants is not uniform across the different support categories. Feedback from officers and grant recipients indicates that:

- Minor supports like Club Participation, venue discounts, and access to Maker Spaces are not widely known
- Applicants often learn about these grants through staff interactions or word-of-mouth
- New residents and smaller grassroots organisations may be under-represented in certain streams.

Impact:

- Unequal access to support opportunities.
- Underserved communities, particularly new arrivals or culturally diverse groups may miss out.
- Reduced take-up of support resources.

Recommendation(s)

Internal Audit recommends that

- Develop a “Grants at a Glance” flyer and distribute it via libraries, community centres, youth hubs, and online channels
- Launch an annual “Grants and Community Support Week” campaign to improve visibility.
- Translate key grant material into languages commonly spoken in Playford to reach diverse communities.

2.6 Lack of segregation of duties in certain categories of grant assessment

Observation(s) and Impact(s)

Internal Audit notes that certain grant categories (e.g. Outstanding Achievement and Equipment Grants) are currently assessed and approved by a two-person team. In situations where one officer is unavailable (e.g. on leave), the other may proceed with both assessment and approval duties. There is no formal backup delegate, third assessor, or peer review mechanism in place.

Impact:

- **Conflict of Interest Risk:** No independent verification step if one assessor has a direct or indirect connection to the applicant.
- **Resilience Risk:** Grant processing continuity is affected during staff absence, which may delay decisions or create reliance on a single decision-maker.
- **Governance Weakness:** Breaches best practice principles of segregation of duties and independent review in public funding allocations.

Recommendation(s)

Internal Audit recommends that the management consider introducing a control framework that includes:

- A third trained assessor or rotational panel model to ensure independent review.
- A documented delegation matrix to nominate alternates when either primary assessor is unavailable.
- Update procedure documents to reflect minimum assessment quorum or dual review requirement.

2.7 Possibility of repetitive approvals to same groups in absence of Limits or Rotational Policy**Observation(s) and Impact(s)**

Internal Audit notes that the current manual grant tracking system does not prevent an applicant from reapplying and receiving multiple grants or access to spaces within a short timeframe. Detection of repeat applications is entirely reliant on staff memory or manual cross-checks. While internal audit has not identified specific instances of repeat approvals, the system design introduces this risk.

Impact:

- Risk of funding concentration among a small group of recurring recipients.
- Equity concerns for new or less-visible applicants.
- Reduces opportunity for broad-based community access.

Recommendation(s)

Internal Audit recommends that

- Implement a mechanism within the grant management system to flag repeat applicants.
- Introduce a "one successful grant per category per year" default rule, with documented exceptions approved by a delegated officer.
- Publish anonymised data to track distribution trends.

5.8 FIRST BUDGET REVIEW 2025/26

Responsible Executive Manager : Luke Culhane

Report Author : Janey Yang

Delegated Authority : Matters for Information

Attachments : 1[↓]. Uniform Presentation of Finances

Purpose

The purpose of the First Budget Review 2025/26 is to adjust for any changes in circumstances and priorities since adoption of the Budget in June 2025. This report provides the Committee the opportunity to receive and note the First Budget Review 2025/26.

STAFF RECOMMENDATION

The Committee receive and note the First Budget Review 2025/26, incorporating the Uniform Presentation of Finances presented in Attachment 1.

Relevance to Strategic Plan

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

This item ensures we meet legislative requirements under the *Local Government (Financial Management) Regulations 2011* and Section 123(13) of the *Local Government Act 1999*. It also provides transparent financial reporting to our community that Council is sticking to its Finance Strategy to achieve long-term financial sustainability while still delivering planned services, responsibly managing debt and promoting the growth of the city.

Relevance to Community Engagement Policy

Council is not required to consult with the community concerning the First Budget Review 2025/26. Financial information is provided to residents through the Annual Report and monthly Budget Update Reports presented to Council.

Background

In accordance with Regulation 9 of the *Local Government (Financial Management) Regulations 2011*, Council must reconsider its budget at least two times throughout the year, between 30 September and 31 May, restating the impact in the Uniform Presentation of Finances.

This is the first major budget reconsideration by Council for the 2025/26 financial year. The purpose of this review is to adjust the budget for any changes in circumstances and priorities since the adoption of the Budget in June 2025.

The Revised Budget takes account of changed operating conditions and recent Council decisions which have an ongoing impact to Council's operating result. It also adjusts for once off grant funding for capital projects.

Other non-permanent, once-off adjustments that do not result in a change to the ongoing budget, are not included in the Revised Budget. These are instead reported via forecasting in Council's monthly Budget Update Report.

All items included in the Revised Budget have considered Council's ability to deliver the work based on resourcing, capacity and Council's financial sustainability. Items not included in this budget review but will form part of budget review two include those projects that will continue into 2026/27.

Current Situation

1.1 Operating Budget Review Recommendations

First Budget Review 2025/26 provides a revised operating surplus of \$11.12M, an increase of \$0.44 and structural surplus of \$1.76M, a decrease of \$0.28M.

The Operating Budget has been adjusted for the following items:

- Reduced Financial Assistance Grant allocation
- Reduced Identified Local Roads Grant allocation
- Special Local Roads Grant allocation for renewal roads
- Additional operating expense associated with additional capital.

The table below summarises the impact of these updates.

Operating Position 2025/26	Operating \$000's (Unfav)/Fav	Structural \$000's (Unfav)/Fav
Original Budget	10,682	2,040
Grant Funding (Financial Assistance Grant)	(87)	(87)
Grant Funding (Identified Local Roads Grant)	(77)	(77)
Grant Funding (Special Local Roads Grant)	720	-
Additional Operating Expenses associated with Capital	(118)	(118)
Total Value of Changes	438	(282)
Revised Budget Surplus	11,120	1,758

1.2 Capital Budget Review Recommendations

The 2025/26 Capital Budget was developed in conjunction with the 4-year delivery plan.

The First Budget Review 2025/26 is an opportunity to update project budgets based on Council resolutions, timing of works, additional budget requirements or savings, new identified works and allocation of grant funding.

Summary	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Realignment of project budgets	(4,430)	(47,052)	-

Additional budget request on existing projects	902	677	75
New Projects	-	265	55
Projects not delivered	-	(206)	(12)
Total	(3,528)	(46,316)	118

1.3 Realignment of project budgets between financial years

Realigning project budgets between financial years based on actual work to be completed in the coming year and the updated schedule of works for the current year. This includes works already committed through purchase orders or projects undertaken over multiple years. This change does not result in a change to the approved project budget.

Project	Net Capital \$000's	Operating \$000's
AMP net projects carry-in	7,372	-
New/Upgrade net projects carry-in	3,341	-
AMP net projects carry-outs	(11,300)	-
New/Upgrade net projects carry-outs	(42,035)	-
Total	(42,622)	-

1.4 Additional budget request on existing projects

AMP – Argana Car Park

AMP allocation for the road and car park components of the Argana Park upgrade.

AMP Kalara Reserve – Sports Lighting Alterations

Replacement of cages for light poles that have been relocated due to new layout of the soccer pitches at Kalara Reserve and replacement of floodlights to LED to meet current standards.

ICT Priority Projects

ICT hardware associated with new Asset and GIS Data officer position.

Munno Para Sportsground Stage 1

Receipt of \$0.75M State grant from Power of Her – Infrastructure and Participation Program towards construction of clubroom, synthetic soccer and multi-purpose oval at Munno Para Regional Sportsground and receipt of \$2.1M contribution by the Playford Alive Development for the Munno Para Regional Sports Facility. Net adjustment of \$0.85M required as \$2.0M is already part of project revenue budget. Expenditure associated with grant will be addressed as part of 2026/27 ABP.

Playford Water Business Expansion

Receipt of additional grant from the State led Resilient Rivers Water Infrastructure Program.

Repurposing Assets – Mingari Street

New paved footpaths and ramps within the surrounding streetscapes adjoining the retail/commercial development at Lot 479 Mingari St, Munno Para. Associated capital for this project has been funded by existing budget.

Sheedy Road Upgrade

Revenue budget adjustment for reserve funding from Capital to Operating. This change does not result in a change to the approved project budget.

Sports and Recreation Minor Projects 25-26

Receipt of grant from the South Australian Cricket Association Places to Play Program towards new synthetic cricket pitches at Kalara Reserve and Blakeview Oval. Associated expenditure already budgeted.

Traffic Management Minor Projects 25-26

Receipt of State government funding from the Way2Go program for the installation of a school emu crossing at Munno Para Primary School.

Virgo Street and Barrow Street Reserve Upgrades

Operating expense associated with additional costs for SAPN pit at Barrow Street reserve and SA Water connections at both reserves. Associated capital for this project has been funded by savings.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
AMP – Argana Car Park	-	500	27
AMP Kalara Reserve – Sports Lighting Alterations	-	72	4
ICT Priority Projects	-	5	8
Munno Para Sportsground Stage 1	850	-	-
Playford Water Business Expansion	75	75	-
Repurposing Assets – Mingari St	-	-	30
Sheedy Rd Upgrade	(87)	-	-
Sports and Recreation Minor Projects 25-26	39	-	-
Traffic Management Minor Projects 25-26	25	25	-
Virgo Street and Barrow Street Reserve Upgrades	-	-	6
Total	902	677	75

1.5 New Projects

Craigmore Road New Irrigation

Additional scope for Craigmore Road to include new irrigation hardware associated with expanded turf areas alongside current renewal works. Associated capital for this project has been funded by savings.

Playford Sports Precinct – Softball Change and Club Rooms

The Playford Sports Precinct (Ridley Reserve) Softball Change and Club Rooms project will deliver a regional level multi-sport facility for the community. The project will provide compliant multi code changing and social space amenities and will future proof the site as the home of softball in the north.

This project was originally scheduled for an additional year of concept design in the 2025/26 Annual Business Plan. However, given its current progress it will be brought forward into the detailed design in 2025/26.

Advancing to the detailed design stage will position Council to pursue external funding opportunities, including the State Government's Power of Her – Infrastructure and Participation Program, which closed in August 2025 with successful candidates to be notified at the end of 2025. A review of the sport and recreation projects in the Annual Business Plan identified Ridley Reserve West Softball change and club rooms as the only project under the 'Infrastructure Stream' that is both eligible and feasible to meet the commencement and completion dates stipulated in the Power of Her funding eligibility criteria.

Sound Console – Shedley Theatre

Purchase of a new sound console for Shedley Theatre. Associated capital for this project has been funded by savings.

Windsor Carpark Ramp Modifications

Design review of Windsor Car Park ramp access for Grenville Centre. Associated capital for this project has been funded by savings.

Youth Hub Trial – Capital

Costs for set up of Youth Hub including equipment and furniture. Associated capital for this project has been funded by savings.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Craigmore Road Irrigation	-	-	6
Playford Sports Precinct – Softball Change and Clubrooms	-	265	36
Sound Console – Shedley Theatre	-	-	7
Windsor Carpark Ramp Modifications	-	-	3
Youth Hub Trail – Capital	-	-	3
		265	55

1.6 Projects not delivered

This project is stormwater detailed design with an interdependency on DIT road upgrade. Works are not progressing, and no start date is known. The budget for this project is being removed and will be requested at a future date when required.

Project	Capital Revenue \$000's	Capital Expense \$000's	Operating \$000's
Angle Vale Road West Upgrade	-	(206)	(12)
		(206)	(12)

1.7 Capital Summary

Overall, a \$16.3M net decrease to the Capital Budget is proposed as summarised in the table below.

Capital Budget 2025/26	Revenue \$000's	Expense \$000's	Net Capital \$000's
Original Budget	13,481	116,724	103,243
BR1 Amendments			
Realignment of project budgets	(4,430)	(47,052)	(42,550)
Additional budget request on existing projects	902	677	(297)
New Projects	-	265	265
Projects not delivered	-	(206)	(206)
Total Value of Changes	(3,528)	(46,316)	(42,788)
Revised Capital Budget	9,953	70,408	60,455

The table below summarises the net capital adjustment by new or renewal.

Capital Budget 2025/26	Original Budget \$000's	Net BR1 Change \$000's	Revised Net Capital Budget \$000's
AMP	41,401	(3,356)	38,045
New/Upgraded Assets	61,842	(39,432)	22,410
Total Capital Budget	103,243	(42,788)	60,455

The table below summarises the net capital adjustment by Asset Class.

Asset Class	Original Budget \$'000	Net BR1 Change \$'000	Revised Capital Budget \$000's
Building	12,748	(6,791)	5,957
Fleet	4,543	(1,054)	3,489
IT	663	696	1,359
NCBD	620	(502)	118
Other	1,537	556	2,093
Playford Alive	4,262	(1,307)	2,955
Parks	35,481	(27,702)	7,779
Stormwater	3,382	(891)	2,491
Streetscapes	10,678	401	11,079
Transport	26,202	(3,268)	22,934
Wetlands	3,127	(2,926)	201
Change in Capital Expenditure	103,243	(42,788)	60,455

1.8 Revised Balance Sheet Recommendations

The revised balance sheet reflects the updated capital position and considers changes in revenue and expenditure, identified above, that have a flow on impact to cash, infrastructure, property plant and equipment, borrowings, and equity and takes into account final 30 June 2025 position.

1.9 Revised Debt Recommendations

The budget revisions result in a revised 30 June 2026 debt position of \$74.8M, \$69.6M lower than the original budget of \$144.4M. No change to the maximum debt facility of \$150.0M is required.

Future Action

The Committee receive and note the Second Budget Review 2025/26 at a future meeting.

City of Playford
Statement of Comprehensive Income
For the year ended 30 June 2026

Attachment 1

2024/25 Actual \$000's		2025/26 Original Budget \$000's	2025/26 Revised Budget 1 \$000's	Variance Fav/ (Unfav) \$000's	Variance Fav/ (Unfav) %	Explanation of variance where considered material
	INCOME					
113,073	Rates	123,772	123,772	-	0%	
4,011	Statutory Charges	3,443	3,443	-	0%	
4,634	User Charges	4,518	4,518	-	0%	
199	Investment Income	89	89	-	0%	
1,353	Reimbursements	663	663	-	0%	
542	Other Income	258	258	-	0%	
31,570	Grants, Subsidies and Contributions - operating	23,574	24,564	990	4%	Reduced 25/26 Financial Assistant Grant allocation offset by additional Blackspot program grant
6,719	Grants, Subsidies and Contributions - capital	8,383	9,103	720	9%	Special Local Road grant
-	Net Gain - Equity Accounted Council Businesses	635	635	-	0%	
162,101	TOTAL INCOME	165,335	167,045	1,710	1%	
	EXPENSES					
50,877	Employee costs	55,998	55,998	-	0%	
50,040	Materials, Contracts & Other Expenses	54,402	56,230	(1,828)	(3%)	Blackspot program grant and extra growth allocation
2,739	Finance costs	6,692	6,235	457	7%	Redistribute growth allocation to Materials, Contracts & Other Expenses
34,074	Depreciation, Amortisation and Impairment	37,365	37,266	99	0%	Redistribute growth allocation to Materials, Contracts & Other Expenses
2,599	Net Loss - Equity Accounted Council Businesses	196	196	-	0%	
140,329	TOTAL EXPENSES	154,653	155,925	(1,272)	(1%)	
21,772	Operating Surplus / (Deficit)	10,682	11,120	438	4%	
(4,867)	Asset Disposal & Fair Value Adjustments	-	-	-	0%	
9,527	Amounts Received Specifically for New or Upgraded Assets	11,480	7,539	(3,941)	(34%)	Capital grant deferral
53,977	Physical Resources Received Free of Charge	39,460	39,460	-	0%	
80,409	NET SURPLUS / (DEFICIT)	61,622	58,119	(3,503)	(6%)	
	Other Comprehensive Income					
262,554	Changes in Revaluation Surplus - I,PP&E	53,489	53,489	-	0%	
-	Share of Other Comprehensive Income - Equity Accounted Council Businesses	-	-	-		
(269)	Other Equity Adjustments - Equity Accounted Council Businesses	-	-	-	0%	
-	Impairment (Expense) / Recoupments Offset to Asset Revaluation	-	-	-	0%	
262,285	Total Other Comprehensive Income	53,489	53,489	-	0%	
342,694	TOTAL COMPREHENSIVE INCOME	115,111	111,608	(3,503)	(3%)	

City of Playford
Year End Balance Sheet
For the year ended 30 June 2026

Attachment 1

2024/25 Actual \$000's		2025/26 Original Budget \$000's	2025/26 Revised Budget 1 \$000's	Variance Fav/ (Unfav) \$000's	Variance Fav/ (Unfav) %	Explanation of variance where considered material
	CURRENT ASSETS					
2,871	Cash & Cash Equivalents	1,500	1,500	-	0%	
7,734	Trade & Other Receivables	8,143	8,310	167	2%	An estimate based on the best available information at the time.
223	Inventories	286	304	18	6%	An estimate based on the best available information at the time.
27	Other Financial Assets	29	29	-	0%	An estimate based on the best available information at the time.
1,280	Other current assets	1,128	1,316	188	17%	An estimate based on the best available information at the time.
362	Non-current assets classified as Held for Sale	4,387	8,787	4,400	100%	Timing of Land sale
12,497	TOTAL CURRENT ASSETS	15,473	20,246	4,773	31%	
	NON-CURRENT ASSETS					
196	Financial Assets	167	167	-	0%	
16,492	Equity Accounted Investments in Council Businesses	16,810	16,931	121	1%	
2,242,831	Infrastructure, Property, Plant & Equipment	2,422,301	2,346,392	(75,909)	(3%)	Capital projects carryout
35,815	Other Non-Current Assets	30,683	35,815	5,132	17%	
2,295,334	TOTAL NON-CURRENT ASSETS	2,469,961	2,399,305	(70,656)	(3%)	
2,307,831	TOTAL ASSETS	2,485,434	2,419,551	(65,883)	(3%)	
	CURRENT LIABILITIES					
19,639	Trade & Other Payables	16,653	20,605	(3,952)	(24%)	
4,559	Borrowings	3,559	3,590	(31)	(1%)	
6,376	Provisions	6,739	6,704	35	1%	
30,574	TOTAL CURRENT LIABILITIES	26,951	30,899	(3,948)	(15%)	
	NON-CURRENT LIABILITIES					
71,351	Long Term Borrowings	140,856	71,203	69,653	49%	Capital projects carryout
1,441	Long Term Provisions	1,364	1,376	(12)	(1%)	
72,792	TOTAL NON-CURRENT LIABILITIES	142,220	72,579	69,641	49%	
103,366	TOTAL LIABILITIES	169,171	103,478	65,693	39%	
2,204,465	NET ASSETS	2,316,263	2,316,073	(190)	0%	
	EQUITY					
580,781	Accumulated Surplus	634,081	636,366	2,285	0%	
1,606,478	Asset Revaluation Reserves	1,664,648	1,659,967	(4,681)	(0%)	
17,206	Other Reserves	17,534	19,740	2,206	13%	Higher opening balance due to more developer contributions in 24/25
2,204,465	TOTAL EQUITY	2,316,263	2,316,073	(190)	0%	

City of Playford
Statement of Cash Flows
For the year ended 30 June 2026

Attachment 1

2024/25 Actual \$000's		2025/26 Original Budget \$000's	2025/26 Revised Budget 1 \$000's	Variance Fav/ (Unfav) \$000's	Variance Fav/ (Unfav) %	Explanation of variance where considered material
Inflows / (Outflows)		Inflows / (Outflows)	Inflows / (Outflows)			
CASHFLOWS FROM OPERATING ACTIVITIES						
Receipts						
113,126	Rates Receipts	123,379	123,289	(90)	(0%)	
4,011	Statutory Charges	3,406	3,297	(109)	(3%)	See Statement of Comprehensive Income
4,952	User Charges	4,501	4,281	(220)	(5%)	See Statement of Comprehensive Income
32,842	Grants, Subsidies and Contributions	23,583	24,331	748	3%	See Statement of Comprehensive Income
199	Investment Receipts	89	91	2	2%	See Statement of Comprehensive Income
1,456	Reimbursements	664	658	(6)	(1%)	See Statement of Comprehensive Income
11,086	Other Receipts	354	256	(98)	(28%)	See Statement of Comprehensive Income
Payments						
(51,089)	Payments to Employees	(55,735)	(55,735)	-	0%	
(56,077)	Payments for Materials, Contracts & Other Expenses	(53,353)	(55,114)	(1,761)	(3%)	See Statement of Comprehensive Income
(2,739)	Finance Payments	(6,691)	(6,235)	456	7%	See Statement of Comprehensive Income
57,767	NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	40,197	39,119	(1,078)	(3%)	
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
60,427	Proceeds from Borrowings	72,605	63,412	(9,193)	(13%)	Capital carry out into 26/27
26	Proceeds from Bonds & Deposits	-	-	-		
Payments						
(75,918)	Repayments of Borrowings	(34,413)	(64,413)	(30,000)	(87%)	Capital carry out into 26/27
	Repayment of bonds and deposits					
(163)	Repayment of Finance Lease Liabilities	(112)	(171)	(59)	53%	New leases
(15,628)	NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	38,080	(1,172)	(39,252)	(103%)	
CASH FLOWS FROM INVESTMENT ACTIVITIES						
Receipts						
1,104	Sale of Replaced Assets	-	-	-		
780	Sale of Surplus Assets	18,560	14,160	(4,400)	(24%)	Timing of Land sale
7,110	Amounts Received Specifically for New/Upgraded Assets	11,415	7,596	(3,819)	(33%)	Capital grant deferral
3,905	Grants utilised for capital purposes	8,445	9,307	862	10%	Special Local Road grant
26	Repayments of Loans by Community Groups	27	27	-	0%	
Payments						
(23,618)	Expenditure on Renewal/Replacement of Assets	(41,401)	(38,045)	3,356	8%	Multi year projects continuing into 26/27
(30,326)	Expenditure on New/Upgraded Assets	(75,323)	(32,363)	42,960	57%	Multi year projects continuing into 26/27
(41,019)	NET CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES	(78,277)	(39,318)	38,959	50%	
1,120	NET INCREASE (DECREASE) IN CASH HELD	-	(1,371)	(1,371)	0%	
1,751	CASH AT BEGINNING OF REPORTING PERIOD	1,500	2,871	-	0%	
2,871	CASH AT END OF REPORTING PERIOD	1,500	1,500	-	0%	

City of Playford
Statement of Changes in Equity
For the year ended 30 June 2026

Attachment 1

2024/25 Actual \$000's		2025/26 Original Budget \$000's	2025/26 Revised Budget 1 \$000's	Variance Fav/ (Unfav) \$000's	Variance Fav/ (Unfav) %	Explanation of variance where considered material
ACCUMULATED SURPLUS						
495,110	Balance at end of previous reporting period	575,780	580,781	5,001	1%	
80,409	Net Surplus / (Deficit) for Year	61,622	58,119	(3,503)	(6%)	See Statement of Comprehensive Income
-	- Adjustments (Correction of Prior Period Errors)	-	-	-	0%	
(269)	Other Equity Adjustments - Equity Accounted Council Businesses	-	-	-	0%	
6,874	Transfer to Accumulated Surplus on Sale of I,PP&E	-	-	-	0%	
(1,343)	Transfers between Reserves	(3,321)	(2,534)	787	(24%)	
580,781	Balance at end of reporting period	634,081	636,366	2,285	0%	
ASSET REVALUATION RESERVE						
1,350,798	Balance at end of previous reporting period	1,611,159	1,606,478	(4,681)	(0%)	
-	- Other Comprehensive Income	-	-	-	0%	
262,554	Gain(Loss) on revaluation of infrastructure, property, plant & equipment	53,489	53,489	-	0%	
-	- Impairment (expense) / recoupments offset to asset revaluation reserve	-	-	-	0%	
(6,874)	Transfers to accumulated surplus	-	-	-	0%	
-	- Transfers between Reserves	-	-	-	0%	
1,606,478	Balance at end of reporting period	1,664,648	1,659,967	(4,681)	(0%)	
OTHER RESERVES						
15,863	Balance at end of previous reporting period	14,213	17,206	2,993	21%	
-	- Transfers to accumulated surplus	3,321	2,534	(787)	(24%)	
-	- Transfers from accumulated surplus	-	-	-		
1,343	Transfer between Reserves	-	-	-		
17,206	Balance at end of reporting period	17,534	19,740	2,206	13%	
2,204,465	TOTAL EQUITY AT END OF REPORTING PERIOD	2,316,263	2,316,073	(190)	(0%)	
580,781	Accumulated Surplus	634,081	636,366	2,285	0%	
1,623,684	Reserves	1,682,182	1,679,707	(2,475)	(0%)	
2,204,465	TOTAL EQUITY AT END OF REPORTING PERIOD	2,316,263	2,316,073	(190)	(0%)	

City of Playford
Uniform Presentation of Finances
For the year ended 30 June 2026

Attachment 1

2024/25 Actual \$000's		2025/26 Original Budget \$000's	2025/26 Revised Budget 1 \$000's	Variance Fav/ (Unfav) \$000's	Variance Fav/ (Unfav) %	Explanation of variance where considered material
	INCOME					
113,073	Rates	123,772	123,772	-	0%	
4,011	Statutory Charges	3,443	3,443	-	0%	
4,634	User Charges	4,518	4,518	-	0%	
199	Investment Income	89	89	-	0%	
1,353	Reimbursements	663	663	-	0%	
542	Other Income	258	258	-	0%	
6,719	Grants, Subsidies and Contributions - capital	8,383	9,103	720	9%	See Statement of Comprehensive Income
31,570	Grants, Subsidies and Contributions - operating	23,574	24,564	990	4%	See Statement of Comprehensive Income
-	Net Gain - Equity Accounted Council Businesses	635	635	-	0%	
162,101	TOTAL INCOME	165,335	167,045	1,710	1%	
	EXPENSES					
50,877	Employee costs	55,998	55,998	-	0%	
50,040	Materials, Contracts & Other Expenses	54,402	56,230	1,828	3%	See Statement of Comprehensive Income
2,739	Finance costs	6,692	6,236	(456)	(7%)	
34,074	Depreciation, Amortisation and Impairment	37,365	37,266	(99)	(0%)	
2,599	Net Loss - Equity Accounted Council Businesses	196	196	-	0%	
140,329	TOTAL EXPENSES	154,653	155,926	1,273	1%	
21,772	Operating Surplus / (Deficit)	10,682	11,119	437	4%	
(9,181)	Net timing adjustment for general purpose grant funding	-	-	-	-	
(6,719)	Less: grants, subsidies and contributions - capital	(8,383)	(9,103)	(720)	9%	Special Local Road grant
5,872	Adjusted Operating surplus/ (deficit)	2,299	2,016	(283)	(12%)	
	Net outlays on existing assets					
(23,618)	Capital expenditure on renewal and replacement of existing assets	(41,401)	(38,044)	3,357	(8%)	AMP carryin to 25/26
(116)	Finance lease payments for right of use assets on existing assets	(121)	(184)	(63)	52%	New finance leases
34,074	add back Depreciation, Amortisation and Impairment	37,365	37,266	(99)	(0%)	
-	add back Proceeds from Sale of Replaced Assets	-	-	-	-	
10,340	Net Outlays on Existing Assets	(4,157)	(962)	3,195	(77%)	
	Net outlays on new and upgraded assets					
(30,326)	Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(75,323)	(32,363)	42,960	57%	Capital projects carryout
(62)	Finance lease payments for right of use assets for new and upgraded assets	-	-	-	0%	
6,719	add back Grants, subsidies and contributions – Capital New/Upgraded	8,383	9,103	720	(9%)	Special Local Road grant
7,110	add back Amounts Received Specifically for New and Upgraded Assets	11,415	7,596	(3,819)	(33%)	Capital grant deferral
780	add back Proceeds from Sale of Surplus Assets : (including Investment Property, Real Estate Developments & non-current assets held for sale)	18,560	14,160	(4,400)	(24%)	Timing of Land sale
(15,779)	Outlays on New and Upgraded Assets	(36,965)	(1,504)	35,461	96%	
433	NET LENDING / (BORROWING) FOR FINANCIAL YEAR	(38,823)	(450)	38,373	99%	

City of Playford
Financial Indicators
For the year ended 30 June 2026

Attachment 1

2024/25 Actual	Financial Indicator	Explanation	2025/26 Original Budget	2025/26 Revised Budget 1	Target	Comments - Non Adjusted
13.4%	Operating Surplus Ratio	Performance Indicator This ratio expresses Council's operating result as a percentage of Council's total income	6.5%	6.7%	1%-10%	Within target
8.2%		<i>Adjusted for FA Grants prepaid grants</i>	N/A	1.2%		Within target
10.0%	Structural Surplus Ratio	Performance Indicator This ratio expresses Council's ability to service its operations from expected income, while maintaining long term financial sustainability excluding once-off operating grants and contribution which will be spent on future capital infrastructure.	1.3%	1.1%	1%-4%	Within target
4.0%		<i>Adjusted for FA Grants prepaid grants</i>	N/A	-5.0%		\$9.2M financial assistance grant prepaid in FY25
57.1%	Net Financial Liabilities Ratio	Debt Indicator This ratio shows net financial liabilities as a percentage of Total Operating Income.	96.4%	56.0%	50%-160%	Within target
69.6%		<i>Adjusted for FA Grants prepaid grants and capital grants that recognised as income</i>	N/A	63.3%		Within target
2.3%	Interest Expense Ratio	Debt Indicator Shows how much discretionary income is used to pay interest on borrowings	5.4%	5.0%	Between 0% and 8%	Within target
77.9%	Asset Renewal Funding Ratio	Infrastructure Indicator This ratio shows whether or not Council is replacing assets at the rate as required in the Asset Management Plan.	107.8%	99.1%	Between 90% and 110%	Within target
186.7%	Cash Flow from Operations Ratio	Infrastructure Indicator Measures whether Council is generating enough cash from its operations to cover the replacement of assets over time.	119.0%	115.8%	Between 90% and 110%	Above target due to short term higher level cash available from operating
157.0%		<i>Adjusted for FA Grants prepaid grants</i>	N/A	88.7%		

5.9 CORPORATE GOVERNANCE COMMITTEE WORK PLAN

Responsible Executive Manager : Luke Culhane

Report Author : Sarah Schutz

Delegated Authority : Matters for Information

Attachments : 1 [↓](#). 2025 Corporate Governance Committee Work Plan

Purpose

The purpose of this report is for the Corporate Governance Committee to review and monitor the Committee's Work Plan and ensure it is meeting the obligations set out in the *Local Government Act 1999* (the Act) and its Charter.

STAFF RECOMMENDATION

The Committee receive the 2025 Corporate Governance Committee Work Plan (Attachment 1).

Relevance to Strategic Plan

Decision-making filter: We will ensure that we meet our legislative requirements and legal obligations.

The Committee is a requirement under Section 126 of the Act, the Charter details how the Committee fulfils these obligations, and the Work Plan (Attachment 1) is the planning tool to ensure that the Committee meets the requirements of the Charter.

Relevance to Community Engagement Policy

There is no requirement to undertake public consultation as part of this report.

Background

The Corporate Governance Committee was established at the commencement of the 2022 council term and the Committee fulfils the legislative requirements to have an audit committee under Section 126 of the Act. The purpose of the Committee is to provide independent assurance and advice to Council on accounting, financial management, internal controls, risk management and governance matters.

Current Situation

The attached Work Plan has been developed as a tool to ensure that the business of the Committee is appropriately planned on an annual basis and the Committee is meeting the obligations of the *Local Government Act 1999* and its Charter. At each meeting, the Work Plan is reviewed and updated if required.

As discussed at the August 2025 meeting, the Internal Audit Status Update will now be provided on an 'as needed' basis.

Future Action

The Committee will receive a report on the forward Work Plan at each Committee meeting.

Corporate Governance Committee Work Plan 2025										
AGENDA	CGC Charter Reference	Report Type	Non-recurrent/ Recurrent	Meeting Dates						
				3 Feb 2025	17 Mar 2025	1 Apr 2025	6 May 2025	5 Aug 2025	7 Oct 2025	2 Dec 2025
POLICY REVIEW										
Consider relevant Policies for CGC input (as needs basis)	2.6 Accounting, Internal Control, Reporting and other Financial Management Systems	Decision Report	N							
FINANCIAL MANAGEMENT										
External Audit:										
External Audit Contract (as needs basis)	2.5 Council's External Auditor	Decision Report	N							
Annual External Audit Plan	2.5 Council's External Auditor	Information Report	R	External Audit Attend						
Management Update on Internal Control Findings (External Audit Interim Report)	2.3 Monitor Auditor Recommendations	Information Report	R							
Adoption of Annual Financial Statements & External Audit Report	2.1 Financial Reporting and 2.5 Council's External Auditor	Decision Report	R						External Audit Attend	
Meeting with External Auditor	2.5 Council's External Auditor	Informal Discussion (Committee Only)	R						External Audit Attend	
Annual Review of External Audit services	2.5 Council's External Auditor	Information Report	R							
Mid Year Review - End of Year Forecast	2.1 Financial Reporting	Information Report	R							
Rates Review (as needs basis)	2.1 Financial Reporting	Decision Report / Information Session	N							
Rolling Asset Revaluation Update	2.1 Financial Reporting	Information Report	R							
RISK MANAGEMENT										
Strategic Risk Report	2.8 Risk Management	Information Report	R							
Risk and WHS Audit Action Plans - Progress Update	2.8 Risk Management	Information Report	R							
Insurance Portfolio	2.8 Risk Management	Information Report	R							
Major Project Update (as needs basis)	2.8 Risk Management	Information Report	N							
Disaster Recovery Plan (as needs basis)	2.8 Risk Management	Information Report	N							
Business Continuity Plan (as needs basis)	2.8 Risk Management	Information Report	N							
INTERNAL AUDIT										
Internal Audit Work Plan	2.7 Internal Audit Function	Information Report	R							
Internal Audit Finding Reports (as needs basis)	2.3 Monitor Auditor Recommendations	Information Report	N							
Internal Audit Status Update (as needs basis)	2.3 Monitor Auditor Recommendations	Information Report	N							
STRATEGIC MANAGEMENT PLANS										
LTFP Update and Assumptions	2.2 Strategic Management Plans and Annual Business Plans	Informal Discussion	R							
Update on ABP, LTFP, SAMP	2.2 Strategic Management Plans and Annual Business Plans	Informal Discussion	R							
PRUDENTIAL REPORTS										
Prudential Reports (as needs basis)	2.9 Prudential Reports	Decision Report / Informal Discussion	N							
PUBLIC INTEREST DISCLOSURES										
Public Interest Disclosures (as needs basis)	2.10 Public Interest Disclosures	Information Report	N							
OTHER INVESTIGATIONS OR EVALUATIONS										
Other Investigations (Section 130A) (as needs basis)	2.4 Other Investigations or Evaluations	Decision Report	N							
COMMITTEE GOVERNANCE										
Workplan & Schedule of Meetings	4. Delegations	Decision Report	R							
CGC Communique	11. Reporting and Review	Informal Discussion	R							
Appointment of Presiding Member	4. Delegations	Decision Report	R							
Committee Self Assessment and Annual Report	11. Reporting and Review	Decision Report	R					Process	Findings	
CEO update		Information Report	R							
Training and Development (Finance, Risk and Standards update) (as needs basis)	9. Independent Member Support		N							

INFORMAL DISCUSSION

6.1 Content for the Corporate Governance Committee Communique

Presenter: Luke Culhane, General Manager Corporate Services

Purpose: For the Committee to provide input into the Corporate Governance Committee Communique for the October 2025 meeting.

Duration: 5 minutes

Section 126(8)(a) of the *Local Government Act 1999* states the audit and risk committee of a Council must provide a report to the Council after each meeting summarising the work of the Committee during the period preceding the meeting and the outcomes of the meeting.

STAFF REPORTS

MATTERS TO BE CONSIDERED BY THE COMMITTEE ONLY

***Matters for Information -
Committee Only***

8.1 CHIEF EXECUTIVE OFFICER UPDATE

Contact Person: Sam Green

Why is this matter before the Council or Committee?

Matters for Information

Purpose

For the Committee to make a determination on whether to deal with this matter in confidence.

A. COMMITTEE TO MOVE MOTION TO GO INTO CONFIDENCE**STAFF RECOMMENDATION**

Pursuant to Section 90(2) of the *Local Government Act 1999* an order is made that the public be excluded from attendance at the meeting, with the exception of:

- Chief Executive Officer;
- General Manager City Assets;
- General Manager Corporate Services; and
- Minute Taker;

in order to consider in confidence agenda item 8.1 under Section 90(3)(b) of the *Local Government Act 1999* on the basis that:

(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.

This matter is confidential because the update includes information that is commercially sensitive. Public disclosure could disadvantage Council in negotiations.

On the basis of this information, the principle that meetings should be conducted in a place open to the public has been outweighed in this instance; the Committee consider it necessary to consider this matter in confidence.

Section B below to be discussed in the confidential section of the agenda once the meeting moves into confidence for each item.

B. The Matters as per item 8.1**C. COMMITTEE TO DECIDE HOW LONG ITEM 8.1 IS TO BE KEPT IN CONFIDENCE****Purpose**

To resolve how long agenda item 8.1 is to be kept confidential.

STAFF RECOMMENDATION

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 8.1 be kept confidential in accordance with the Committee's reasons to deal with this item in confidence pursuant to Section 90(3)(b) of the *Local Government Act 1999*:

- Report for Item 8.1

This order shall operate until the next scheduled annual review of confidential items by Council at which time this order will be reviewed and determined in accordance with Section 91(9)(a) of the *Local Government Act 1999*.

Pursuant to Section 91(9)(c) of the *Local Government Act 1999*, the Committee delegates to the Chief Executive Officer the power to revoke this order at any time, and the Chief Executive Officer must advise the Committee of the revocation of this order as soon as possible after such revocation has occurred.

INFORMAL DISCUSSION

8.2 FINDINGS OF EXTERNAL AUDIT

Contact Person: Luke Culhane

Why is this matter before the Council or Committee?

Informal Discussion

Purpose

For the Committee to make a determination on whether to deal with this matter in confidence.

A. COMMITTEE TO MOVE MOTION TO GO INTO CONFIDENCE

STAFF RECOMMENDATION

Pursuant to Section 90(2) of the *Local Government Act 1999* an order is made that the public be excluded from attendance at the meeting, with the exception of:

- Minute Taker;
- BDO Representative; Mr Andrew Tickle;
- BDO Representative; Ms Chelsea Aplin.

in order to consider in confidence agenda item 8.2 under Section 90(3)(b) of the *Local Government Act 1999* on the basis that:

(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.

This matter is confidential because it is a discussion between the Committee and the External Auditor to be held in confidence to provide assurance regarding preparation of financial statements.

On the basis of this information, the principle that meetings should be conducted in a place open to the public has been outweighed in this instance; the Committee consider it necessary to consider this matter in confidence.

Section B below to be discussed in the confidential section of the agenda once the meeting moves into confidence for each item.

B. The Matters as per item 8.2

C. COMMITTEE TO DECIDE HOW LONG ITEM 8.2 IS TO BE KEPT IN CONFIDENCE**Purpose**

To resolve how long agenda item 8.2 is to be kept confidential.

STAFF RECOMMENDATION

Pursuant to Section 91(7) of the *Local Government Act 1999*, the Committee orders that the following aspects of Item 8.2 be kept confidential in accordance with the Committee's reasons to deal with this item in confidence pursuant to Section 90(3)(b) of the *Local Government Act 1999*:

- Minutes for Item 8.2

This order shall operate until the next scheduled annual review of confidential items by Council at which time this order will be reviewed and determined in accordance with Section 91(9)(a) of the *Local Government Act 1999*.

Pursuant to Section 91(9)(c) of the *Local Government Act 1999*, the Committee delegates to the Chief Executive Officer the power to revoke this order at any time and the Chief Executive Officer must advise the Committee of the revocation of this order as soon as possible after such revocation has occurred.