



Southern & Hills Local Government Association

Adelaide Hills Council | Alexandrina Council | Kangaroo Island Council | Mount Barker District Council
City of Victor Harbor | District Council of Yankalilla |

ANNUAL REPORT

2020-2021



This page is intentionally left blank

Table of Contents

About S&HLGA	Page 1
2020-21 Dashboard	Page 4
Organisation	Page 5
Reporting and accountability	Page 9
Committees, Programs and Projects	Page 13
2020-21 Key Annual Action Plan Report	Page 21
Financials	Page 28

Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS
REGIONAL
PRODUCT

63,519
EMPLOYED
RESIDENTS

5,539
KILOMETERS OF
LOCAL ROADS

132,206
REGIONS
POPULATION

TOURISM
Destination

Councils Total
Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry
Employment
**Health Care and
Social Assistance**



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 126,000 people as of 30th June 2020.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as President and Chair once again during 2020-2021.

I referred to the COVID19 virus pandemic in my previous years report and alluded to its impact "has been far reaching and yet to play out in full". Regrettably the impact has been far greater and longer and broader than we anticipated.

I wish to thank all S&HLGA member councils, all the elected members and the staff for their strong efforts to support each other and their own communities during this time.

Nonetheless we were still able as an organisation to continue the excellent work with many of our important regional programs and projects such as the work of the S&HLGA Roads Working Party and the development of a new 2030 Regional Transport Plan, monitoring the S&HLGA Regional Public Health plan and successfully rolling out two new critical social inclusion projects as well as implementing and monitoring the region's Climate Change Adaptation Plan.

We have continued to cement our many regional stakeholder and partner relationships, working very closely with the RDA to further the regional economic growth strategies and Infrastructure Plan, input into our two regional Landscape Boards Strategic plans supporting the establishment of the SA Coastal Councils Alliance as well as maintaining and reviewing key strategy and performance documents such as the Annual Action Items, Annual Budget and planning our new 2021-2025 Strategy and Business Plan. These activities are all designed to drive and improve the wellbeing of our communities.

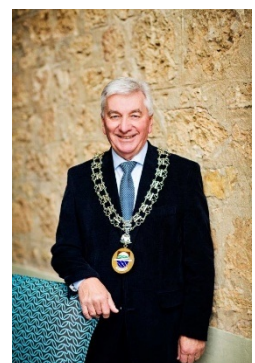
I would once again point out the S&HLGA Value proposition report documents a consistent four figure percentage return on member Council subscriptions demonstrating amazing value for member councils.

S&HLGA has been an active participant on the LGA regional SAROC committee.

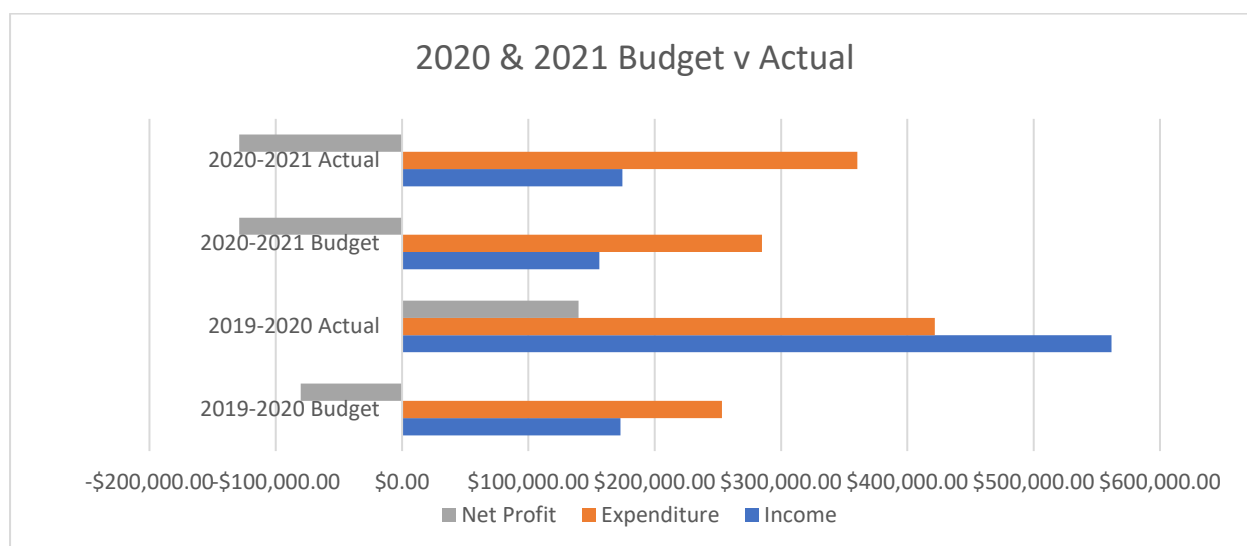
Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2020-2021 by Penny Worland in the Regional Public Health space.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs to the S&HLGA Board.

Mayor Keith Parkes
President



Dashboard 2020-2021



Transport

- **Commenced the new 2030 S&HLGA Transport Plan**
- **Recommended for Special Local Roads Funding of \$1,853,300**
- **Active participant in South East Transport Corridor Passenger and Freight Committees and forums**
- **Progressed the South Coast Freight Route concept**

Health and Wellbeing

- **Continued with the development of the \$50,00 Community Wellbeing Indicators project**
- **Implemented and monitored the regional and member Council actions of the “Wellbeing in our Community” Regional Public Health Plan for S&HLGA**
- **Activated the two S&HLGA disability and inclusions projects, \$76,464 Regional Champions for Accessible Destinations and \$81,408 Regional Champions for Accessible Communications**

Environment

- **Successfully negotiated and signed a new Climate Change Regional sector Agreement**
- **Implemented and monitored the actions of the Resilient Hills and Coasts Climate Change 2020-2025 Regional Action Plan**
- **Actively worked with the LGA and our regional Landscape Boards on developing strategies to combat and manage Little Corellas**

2021 S&HLGA Value Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

ORGANISATION

S&HLGA Organisation and its Board structure, members and Office bearers

The Southern and Hills Local Government Association Board

July 2020

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken
Alexandrina Council	Mayor Keith Parkes	CEO Glenn Rappensberg
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopolous
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Glen Rowlands*	CEO Nigel Morris
	*resigned 17 June 2021	

Council	Proxy Representative	Role
Adelaide Hills	Lachlan Miller	Executive Manager Governance
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor		
District Council of Yankalilla	Simon Rothwell*	Deputy Mayor
	*Appointed to S&HLGA Board 17 June 2021	

Office Bearers 2020 – 2021

President	Mayor Keith Parkes, Alexandrina Council
Deputy President	Mayor Moira Jenkins, City of Victor Harbor
Executive Officer	Mr Graeme Martin
Auditor	Mr Nathan Saluja, Jon Colquhoun - HLB Mann Judd

Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes	
	Mayor Jan – Claire Wisdom (via Metro/GAROC)	
Delegates to SAROC	Mayor Keith Parkes	Alexandrina Council
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

Attendance register maintained for annual and half yearly conferences from 1968 to 1990

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
21 August 2020	Mt Barker
23 October 2020	Adelaide Hills
11 December 2020	Alexandrina
26 February 2021	Kangaroo Island
16 April 2021	Adelaide Hills
18 June 2021	City of Victor Harbor

Key Issues acted on by the Board included:

- o Transferring, updating and maintaining of the S&HLGA Website to the new LGA Squiz platform
- o Implementing and monitoring the S&HLGA Regional Public Health Plan
- o Continued the development of the Community Wellbeing indicators project
- o Commenced the two ILC disability and social inclusion projects
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Co-ordinated and signed new Climate Change regional sector agreement with DEW
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Commissioned the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o Assisted in the development of the South Australian Coastal Councils strategy and funding model
- o Continued to discuss and develop an updated Charter for S&HLGA

Regional Consultations and briefings were usually coordinated to occur on the day of Board meetings. 5 various speakers addressed meetings of the Board.

The Board reviewed its achievements to date via the 2020-2021 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2021-2022

At the commencement of 2019-2020 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The table1 below summarise the ongoing value per council and for the region as a total.

2021 Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

Table 1

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years

	2018	2019	2020	2021
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087
Return on Investment	3,375%	3,385%	2,968%	2,466%

Table 2

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs and projects
undertaken during 2020-2021

Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
Resilient Hills & Coast - Climate change Adaptation	Secretarial/Administration	Every 2 months	ongoing
Regional Economic Development Officers	Committee member	Every 2 months	ongoing
Regional EO Management Group	Committee member	Every 2 months	Precedes SAROC
S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
S&HLGA Roads Works Group	Secretarial/Administration	Ad hoc but at least 3 times per annum	ongoing
S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
SAROC	Advisor/Observer	Every 2 months	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
15 December 2021	LGA Offices
22 April 2021	HDS (Aust) Pty Ltd offices

Key achievements and outcomes:

- Evaluated the tenders and appointed the consultant for the development of the 2030 S&HLGA Transport Plan
- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2021 – 2022 based on the 2020 Transport Plan critical Roads database.

- Reviewed Part A drafts of the next 2030 S&HLGA Transport plan due for completion in 2021
- Further input into the South Coast Freight Corridor concept
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2021 – 2022

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Wedgewood/Hickmans Rd	Kangaroo Island	\$1,650,000	\$1,100,00	\$550,000	Stage 4 of 4
Forktree Rd	District Council of Yankalilla	\$1,130,000	\$753,300	\$376,700	Stage 2 of 2
The Lane	Kangaroo Island	\$1,024,000	\$682,666	\$341,334	Stage 1 of 2
Total		\$3,804,000	\$2,535,966	\$1,268,034	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
14 July 2020	Alexandrina, Goolwa
8 December 2020	Alexandrina, Strathalbyn
2 March 2021	City of Victor Harbor
18 May 2021	Video Conference

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- Of significant importance was the further development and administration of the Community Wellbeing Indicators project
- In addition, the region successfully commenced the two ILC grants for disability and inclusion projects for Communications and Destinations.



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
8 October 2020	District Council of Yankalilla
2 December 2020	Adelaide Hills, Stirling
11 March 2021	Alexandrina, Goolwa
25 May 2021	Adelaide Hills, Stirling

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various "Climate Change" State Government agencies and authorities

Key achievements and outcomes:

- Developed and signed off on 2020-2025 Regional Sector Agreement
- Assisted South Australian Coastal Councils with funding and governance model
- Worked with SAROC developing a Little Corella management strategy
- Liaised with Hills and Fleurieu Landscape Board and had input into its Strategic Plan and annual business plan



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
10 August 2020	Video Conference
12 November 2020	Yankalilla, Normanville
8 February 2021	McLaren Vale
17 May 2021	Lobethal

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Grade them according to Local, District or Regional category, dollar value and impact and probability
- Review the criteria to insure relevant social and environmental impacts are captured
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Continued advocacy on behalf of effected Councils for bushfire recovery funding
- Assisted and guided applicants with their Federal Government Building Better Regions Fund
- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs



Regional LGA Organisations EO Management Group

The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
2 July 2020	LGA House
27 August 2020	Whyalla
16 December 2020	LGA House
3 February 2021	Video Conference
28 April 2021	In - studio Adelaide

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Have input into SAROC Business Plans and the Agenda
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support
- Develop a priority issues and action list

Key achievements and outcomes:

- Input into the SAROC 2020-2021 Business Plan
- Identified critical regional issues with CWMS and Waste recovery and developed research discussion papers on same
- Lead reviews of Special Local Roads Program and LGA Regional Capacity Building Grant program



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

Key achievements and outcomes:

- Review of the 2020 SAROC Annual Business Plan and development of the 2021 SAROC Annual Business Plan
- Working on the management and control of abundant pest species particularly Little Corellas
- Assist and input into the development and rollout of the new Planning and Design Code

- Continued working on Coastal Council Alliance project and the development of its Governance structure, strategic plan and funding model
- Taking a leadership position on Waste and recycling strategy
- Continued its work with the State Government on support for the second tranche of Climate Change and adaptation sector partner agreements
- Continued working with the State Government on the role of the LG sector in any economic recovery and stimulus programs
- Advocated to address deteriorating medical services in regional areas



MP Relationships

In conjunction with the CEO and Chair of the RDA, the EO S&HLGA met regularly with the regions State government MPs (Finniss, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings

Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- 2021 Value proposition
- Review of the S&HLGA Charter
- Response and input into the Hudson Howell review of the Special Local Roads Program
- Report for the signing of the second Climate Change Regional Sector agreement
- Report for the continuance of the exemption for an Audit Committee

Workshops and seminars

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

Date	Event
September 2020	LGA Reform workshop
October 2020	RDA Rail Corridor meeting
October 2020	LGA AGM
February 2021	Hills Transport passenger group workshop
February 2021	Premiers Climate Change Council of SA Leaders Awards
March 2021	Hills Transport freight group workshop
April 2021	Bailey Abbott opportunities meeting
May 2021	LGA SLRP workshop

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council) along with Mayor Keith Parkes (Alexandrina Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings.

Resources

The continuation of the capacity building grant from the Local Government Research and Development Scheme has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the administrative processes and project outcomes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Penny Worland has provided under contract, project oversight of the S&HLGA Community Wellbeing Indicators project, ILC Champions for accessible destinations, ILC Champions for accessible communications and a preliminary review of the current S&HLGA Regional Public Health plan in anticipation of a new S&HLGA 2021 Regional Public Health plan as required under legislation.

2020-2021 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2020-2021



KEY CATEGORIES & THEMES

THE 2017-2021 S&HLGA BUSINESS PLAN

OBJECTIVE
1. To provide leadership and advocacy for Member Councils on regional issues.
2. To market & promote the Southern & Hills Local Government Association
3. To support sustainable economic, environmental and social development in the region
4. To improve infrastructure to meet the community's needs.
5. To strengthen the capacity of the Association to meet its service obligations.

THE 2020-2021 S&HLGA ANNUAL KEY ACTION PLAN











Key themes









The LGA member's 2019 poll highlighted three major themes- Local Government reform, Waste strategy and Environmental/Climate change issues.





S&HLGA response:

- Managing in a post COVID 19 environment with expected revenue headwinds for member Councils – doing with less!
- The assessment of the history of S&HLGA value proposition demonstrates the high value of regional collaboration
- Be prepared for the “other side” and build in flexibility and nimbleness to respond to post COVID 19 recovery. Focus on the likely infrastructure opportunities via the co-operation with our RDA in refining our regional Infrastructure Priorities list
- Identify those projects and committees which may have to hibernate during 2020-2021. Actively seek external funding.
- Along with Business as usual in the administration area the Key 2020-2021 Action is the project scoping, appointment and production of the 2030 Regional Transport Plan
- Focus on any priority areas which have been on the radar but so far received minor attention. e.g., Waste

Theme	Items & Actions
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Community Wellbeing Indicators project, 2030 Regional Transport Plan
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website transition & maintenance, Peri-Urban grouping
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding, Regional Development Assessment Panel, Telecommunications and 5G

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals, 3 year S&HLGA forward forecast	Budget		2020-2021 Budget adopted June 2020
		Charter review		Awaiting approval April 2021
		Subscriptions & levies		Members invoiced July 2020
		Audit		Completed July-August 2020
		Annual Report		Completed and distributed by 30 September 2020
		LGA Grants		Annual LGA Regional Capacity application submitted and received by 30 Sept 2020
		Website		Transitioned to Squiz. Maintained during 2020-21. Updated March 2021.
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Defer new Regional Public Health Plan until 2021-2022. Maintain Committee and conclude Community Wellbeing Indicators project
		Resilient Hills & Coast Climate adaptation Plan		Defer appointment of regional Co-ordinator unless it is externally funded. Maintain Committee and continue to implement the Regional Climate Change adaptation plan.
		Regional Transport Plan		2020-21 SLRP applications submitted and successful. 2021-22 due 28 May 2021. South Coast Freight corridor concept review. New 2030 Transport Plan being developed

Theme	Items & Actions	Item	Status	Comment
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs,	LGA peri Urban Governance review		Peri-urban regional organisation to be investigated
		LG reform		Continue to work with the LGA/SAOC
		Relationship with MPs		Regularly meeting
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding and telecommunications	CWMS		Committee to meet regularly. Liaise with Legatus
		Waste		Liaise with the regional Waste Authorities to co-ordinate the regional strategy around waste management and the circular economy
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based and WIP. Overabundant species research required. Funding for Climate Change Officer required
		Telecommunications		Seek funding opportunities as presented

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	Charter Review	Draft tabled Dec 2020. Draft Charter out with Member Councils for consideration. All Council feedback now received. Estimated completion date now Sept 2021
	Active/Lead	Budget 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Budget out for information.
	Active/Lead	Key Action 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Key Action plan out for comment

Category	S&HLGA Role	Item	Comment/Description
	Active/Lead	Regional Capacity grant acquittal 2019-2020	Completed 21/07/2020
	Active/Lead	Audit 2019-2020	Completed 31/08/2020
	Active/Lead	Annual Report 2019-2020	Completed
	Active/Lead	2021-2022 year forward financial forecast	Draft 2021-2022 Budget issued April 2021 for discussion. Engagement plan with member elected bodies on offer. SAG to consider a draft 3 year Budget and funding model.
Projects – Lead/S&HLGA Committee	Active/Lead	Regional Public Health Plan	Ongoing. Committee has recommended a refresh to the Regional Plan due in 2021. Looking for an internal resource to undertake this task
	Active/Lead	Resilient Hills & Coast	On going
	Active/Lead	S&HLGA Advisory Group	Focus to move to 2021-2025 Business Plan, 2021-2022 Budget and Annual Key Action Plan have been discussed and recommended for endorsement at June Board meeting
	Active/Lead	Road Works Party	S&HLGA 2030 Transport Plan in progress with HDS and GTA. EO currently working with LGA on the LGA/Hudson Howell SLRP paper and recommendations
	Active/Influence	CWMS	Legatus Group now leading sector review
Projects – Lead	Active/Lead	Grants Commission methodology review	Ongoing
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects in conjunction with SAROC
Projects - Partner	Partner/Influence	Coastal Alliance project	Adam Gray appointed as project consultant Jan 2020. Strategic & Business Plans developed. Governance and Funding paper out for discussion. Decision required by S&HLGA Coastal councils re: funding
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G
	Partner/Influence	Economic Development Officers Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public

Category	S&HLGA Role	Item	Comment/Description
			Transport. Last meeting 17 May 2021
	Partner/Influence	Waste Management Strategy	EO on the Steering Committee. Project completed and with LGA for decision and action
	Partner/Advocate	Northern Freight Bypass	Co-ordinating next phase with RDA. Workshop completed 1 Dec. Ongoing review of the SE Hills Transport Corridor. Two sub committees formed Meetings 23 and 26 March 2021. Report being finalised
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2020-2021
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation. Meeting convened by Gawler Council August 2019. Information conveyed to Adelaide Plains Mayor Nov 2019 Planned meeting with Barossa in 2021

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2020-2021

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2021

	Notes	2021 \$	2020 \$
Income			
Subscriptions	1.8	91,214	81,214
Operating Grants	2.2	42,151	423,581
Investment Income	1.7	1,258	2,282
Other		39,832	54,478
Total Income		174,455	561,555
Expenditure			
Contractual Services	3	153,741	243,951
Finance Charges		4,036	3,958
Other		202,560	173,850
Total Expenditure		360,338	421,759
Surplus (Deficit) from Operations		(185,882)	139,796

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2021

	Notes	2021 \$	2020 \$
Current Assets			
Investments		201,700	376,271
Debtors		<u> </u>	<u>10,450</u>
Total Current Assets		<u>201,700</u>	<u>386,721</u>
Current Liabilities			
Accounts Payable		0	14,300
GST		(9,912)	(6,179)
PAYG Payable		2,576	2,760
Employee provisions		23,194	4,117
Rounding		(15)	(15)
Superannuation payable		906	906
Wages payable		<u>3,406</u>	<u>3,406</u>
Total Current Liabilities		<u>20,156</u>	<u>19,295</u>
Net Current Assets		<u>181,544</u>	<u>367,426</u>
Net Assets		<u>181,544</u>	<u>367,426</u>
Equity			
Accumulated Surplus		<u>181,544</u>	<u>367,426</u>
Total Equity		<u>181,544</u>	<u>367,426</u>

The above Balance Sheet should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2021

	2021	2020
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	367,426	227,630
Net Surplus / (Deficit)	<u>(185,882)</u>	<u>139,796</u>
Balance at end of period	<u>181,544</u>	<u>367,426</u>
Total Equity	<u>181,544</u>	<u>367,426</u>

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2021

	Notes	2021	2020
		\$	\$
Cash Flows from Operating Activities			
Receipts		202,013	678,147
Payments		(390,984)	(448,083)
GST Paid (received)		17,179	(33,398)
Finance Costs		(4,037)	(3,958)
Interest Receipts		1,258	2,282
		(174,571)	194,990
Net Cash Provided by (Used in) Operating Activities		(174,571)	194,990
Net increase/(decrease) in Cash Held		(174,571)	194,990
Cash at the beginning of the reporting period		376,271	181,281
Cash at the end of the reporting period		201,700	376,271

Reconciliation of Change in Net Assets to Cash from operating activities

		2021	2020
			\$
Net Surplus		(185,882)	139,796
Decrease / (Increase) in Debtors		10,450	137,225
(Decrease) / Increase in Accounts Payable		860	(2,031)
(Decrease) / Increase in Grants in Advance		-	(80,000)
		(174,571)	194,990
Net Cash provided by Operating Activities		(174,571)	194,990

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

1.5 Non Current Assets and Non Current Liabilities

The Association has no non current assets or non current liabilities.

1.6 Employees

The Association has one employee having converted the EO from contractor to employee in February 2019.

1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal.

Constituent Council Subscription 2021	\$13,667
Constituent Council Subscription 2020	\$12,000

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.9 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognized when the authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever occurs first.

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration: The operation of the Office of the Association and its decision making forums.

Special projects: The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue				Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue	%	Expenses Total	%	
2021	0	92,472	92,472	53.0%	205,278	56.9%	(112,806)
2020	104,959	120,640	225,599	40.2%	176,808	41.9%	48,791
Projects							
2021	62,251	19,732	81,983	47.0%	155,060	45.4%	(73,077)
2020	318,622	17,334	335,956	59.8%	244,951	58.1%	91,005
Total							
2021	62,251	112,204	174,455	100%	360,338	100%	(185,882)
2020	423,581	137,974	561,555	100%	421,759	100%	139,796

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2021	2020
Consultants:	Jeanette Pope	\$20,400	\$0
	URPS	\$47,496	\$0
	HDS Australia Pty Ltd	\$28,810	\$5,653
	Centre for Inclusive design	\$10,500	\$0
	Seed Consulting	\$0	\$117,182
	Jack Jensen	\$17,500	\$60,222
	Penny Worland Consulting	\$27,455	\$60,894
	ILC Advisors	\$1,580	\$0
Totals		\$153,741	\$243,951

4. Comparison of Budget and Actual Results

	2021		2020	
	Budget	Actual	Budget	Actual
	\$	\$	\$	\$
Revenue				
Administration	92,214	92,472	152,914	225,599
Projects	63,910	81,983	20,033	335,956
Total Revenue	156,124	174,455	172,947	561,555
Expenditure				
Administration	184,449	205,278	175,750	176,808
Projects	100,559	155,060	77,400	244,951
Total Expenditure	285,008	360,338	253,150	421,759
Surplus (Deficit)	(128,884)	(185,882)	(80,203)	139,796

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association's accounting and other records.

Dated 31st August 2021



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2020, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 31st August 2021



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

The Board
C/- Graeme Martin
Executive Officer
Southern & Hills Local Government Association
13 Ringmer Drive
Burnside SA 5066

TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021**

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

HLB Mann Judd

**HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants**

Adelaide, South Australia
31 August 2021

A handwritten signature in blue ink, appearing to read 'Jon Colquhoun'.

**Jon Colquhoun
Director**

hlb.com.au

HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097

169 Fullarton Road, Dulwich SA 5065 | PO Box 377, Kent Town SA 5071
T: +61 (0)8 8133 5000 | F: +61 (0)8 8431 3502 | E: reception@hlbsa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd Audit (SA) Pty. Ltd. is a member of HLB International, the global advisory and accounting network.

Independent Auditor's Report to the Members of Southern & Hills Local Government Association

Opinion

We have audited the financial report of Southern & Hills Local Government Association ("the Association") which comprises the Balance Sheet as at 30 June 2021, 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 statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2021, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

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

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

Responsibilities of Management and Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Board Members are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

hlb.com.au

HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097

169 Fullarton Road, Dulwich SA 5065 | PO Box 377, Kent Town SA 5071

T: +61 (0)8 8133 5000 | F: +61 (0)8 8431 3502 | E: reception@hlbsa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd Audit (SA) Pty. Ltd. is a member of HLB International, the global advisory and accounting network.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HLB Mann Judd

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
31 August 2021



Jon Colquhoun
Director

hlb.com.au

HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097

169 Fullarton Road, Dulwich SA 5065 | PO Box 377, Kent Town SA 5071

T: +61 (0)8 8133 5000 | F: +61 (0)8 8431 3502 | E: reception@hlbsa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd Audit (SA) Pty. Ltd. is a member of HLB International, the global advisory and accounting network.

**Southern and Hills Local Government Association
Independent Assurance Report**

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2020 to 30 June 2021 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2020 to 30 June 2021.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the *Local Government Act 1999*. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies

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

The Associations Responsibility for Internal Control

The Association is responsible for:

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

hlb.com.au

HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097

169 Fullarton Road, Dulwich SA 5065 | PO Box 377, Kent Town SA 5071

T: +61 (0)8 8133 5000 | F: +61 (0)8 8431 3502 | E: reception@hlbsa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd Audit (SA) Pty. Ltd. is a member of HLB International, the global advisory and accounting network.

Our Independence and Quality Control

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

Auditor's responsibility

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

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



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
31 August 2021



Jon Colquhoun
Director

hlb.com.au

HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097

169 Fullarton Road, Dulwich SA 5065 | PO Box 377, Kent Town SA 5071

T: +61 (0)8 8133 5000 | F: +61 (0)8 8431 3502 | E: reception@hlbsa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd Audit (SA) Pty. Ltd. is a member of HLB International, the global advisory and accounting network.