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**Government
of South Australia**

HILLS AND FLEURIEU LANDSCAPE BOARD

2020-21 Annual Report

HILLS AND FLEURIEU LANDSCAPE BOARD

<https://www.landscape.sa.gov.au/hf/home>

Contact phone number: (08) 8391 7500

Contact email: hf.landscapeboard@sa.gov.au

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2020-21 ANNUAL REPORT for the Hills and Fleurieu Landscape Board

To:

Hon David Speirs MP Sustainability, Environment and Conservation

Water and the River Murray

Climate Change

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Landscape South Australia Act 2019* and *Landscape South Australia (General) Regulations 2020* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the HILLS AND FLEURIEU LANDSCAPE BOARD by:

David Greenhough

Presiding Member

Date 30/11/2021

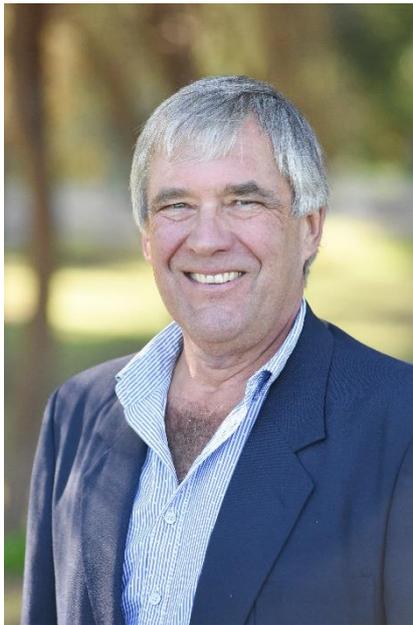
Signature



A handwritten signature in black ink, appearing to read 'D Greenhough', is written over a horizontal line. The signature is contained within a light grey rectangular box.

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From the Presiding Member



On behalf of the Hills and Fleurieu Landscape Board I am pleased to present the Annual Report 2020-21. The report provides an overview of the operations of the board and provides the community with a transparent account of the board's activities and the expenditure of funding from the landscape and water levies, and external sources.

In its first year of operation, the board's work has addressed its responsibilities under the *Landscape South Australia Act 2019*, with a strong focus on working in partnership with community to better manage pests, soils, water and biodiversity.

Highlights of 2020-21 included significant work supporting the communities and landholders affected by the Cudlee Creek and Cherry Gardens bushfires, working with producers and industries to promote sustainable agriculture, and delivery of threatened species recovery work.

The board also worked hard to develop a 5-year Landscape Plan to guide the sustainable management and restoration of the region's landscapes. Effective management of landscapes and implementation of the Landscape Plan is dependent on the combined efforts of community and industry groups, First Nations, local government, agencies and the Board. We thank those organisations and individuals who have supported the board this year in its first year of operation.

A handwritten signature in black ink, appearing to read 'D Greenhough', written over a light grey rectangular background.

David Greenhough

Presiding Member

Hills and Fleurieu Landscape Board

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Overview: about the agency

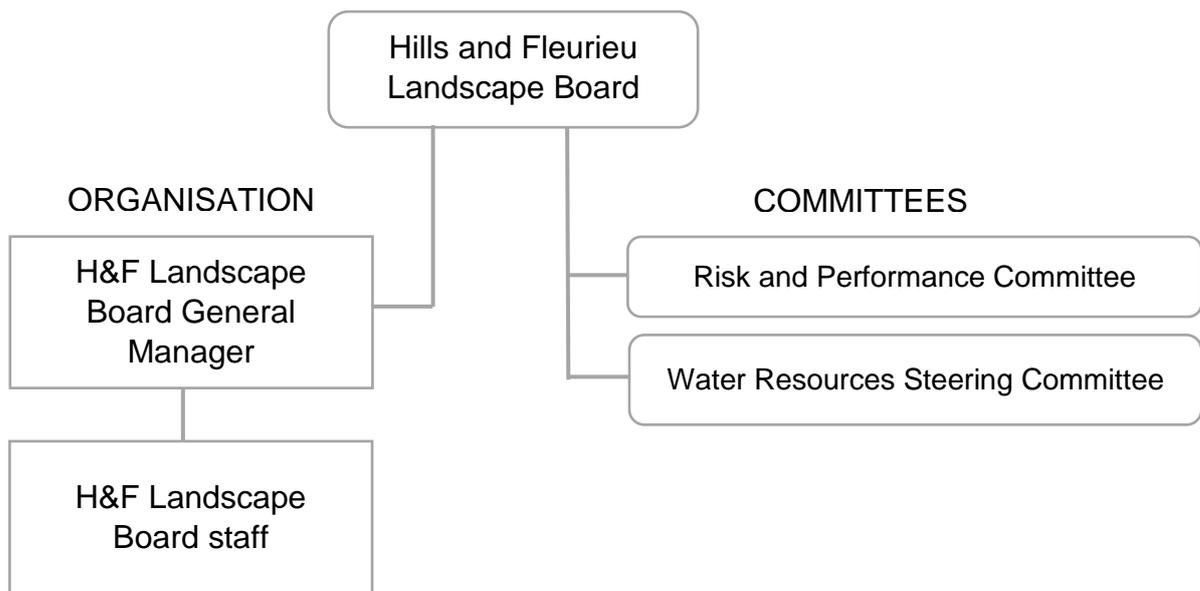
Our strategic focus

Our Purpose	The Hills and Fleurieu Landscape Board was established on 1 July 2020 under the provisions of the <i>Landscape South Australia Act 2019</i> . The Board undertakes an active role in managing South Australia’s landscapes through the preparation and implementation of a regional landscape plan which is the principal document guiding the management of the landscapes of the Hills and Fleurieu region.
Our Vision	<i>A region inspired to protect its uniquely biodiverse and productive landscapes into the future</i>
Our Values	<ol style="list-style-type: none"> 1. Listening and facilitating dialogues 2. Partnering, innovating and expanding investment 3. Harnessing and building capacity 4. Connecting to nature and shifting culture towards restoration 5. Bringing the ambition, courage and creativity needed to succeed
Our functions, objectives and deliverables	<p>The objectives of the Board as defined in Section 7(a) <i>Landscape South Australia Act 2019</i> include supporting ecologically sustainable development and contributing to landscape management in an integrated manner that:</p> <ul style="list-style-type: none"> • supports the State's primary production and other industries and a sustainable State economy, supports resilient communities and natural and built environments, and supports the interests of Aboriginal peoples • provides for the protection, enhancement, restoration and sustainable management of land, soil and water resources, native fauna and flora, especially so that they are resilient in the face of change • promotes, protects and conserves biodiversity, and insofar as is reasonably practicable, supports and encourages the restoration or rehabilitation of ecological systems and processes that have been lost or degraded, and promotes the health of ecosystems so that they are resilient in the face of change • recognises that climate change is a significant factor in our environment (including a recognition of the need for mitigation and adaptation) • provides for the prevention or control of impacts caused by pest species of animals and plants that may have an adverse effect on the environment, primary production or the community • promotes the collaborative management of native animals that adversely affect the natural or built environments, people or primary production or other industries

	<ul style="list-style-type: none"> • provides educational initiatives and provides support mechanisms to strengthen the skills, knowledge and capacity of people to sustainably manage natural resources • supports initiatives or action to facilitate the increased capacity of people to engage in processes under this Act, including through the provision of information relevant to the protection, enhancement or management of landscapes.
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Our organisational structure

Section 15 of the *Landscape SA Act 2019* provides for the appointment of the Board. The Board comprises of at least five and not more than nine members all appointed by the Minister for Environment and Water. Each of the appointed members of the Board is a person who, in the opinion of the Minister, meets requirements of section 16 of the *Landscape SA Act 2019*. Refer to the [Hills and Fleurieu Landscape Board website](#) for profiles of current Board members.



Committees and other bodies of the Board

McLaren Vale Water Allocation Plan Advisory Committee

Eastern and Western Mt Lofty Ranges Water Allocation Plan Advisory Committee

Membership of these committees was not established in 2020-21 due to the reviews of the Water Allocation Plans being initiated in 2021-22.

Meetings of the Board: general and special

A total of 12 Board meetings were held during the 2020-21 financial year. The table below illustrates meetings Board members have not attended:

Board member	No of meetings not attended	Reason
David Greenhough	0	
Andy Lowe	1	Apology
Janet Klein	1	Apology
Carol Schofield	1	Apology
Drew Smith	1	Apology
Chris West	1	Apology
Amy Williams	1	Apology

Changes to the Board

The Hills and Fleurieu Landscape Board commenced operation on 1 July 2020.

During 2020-21, employees of the Department for Environment and Water (DEW) were assigned to perform business support functions for the Board and the employment costs (including on-costs) were charged to the Board via a Service Level Agreement (SLA) between the two parties. These employees were transferred to the employing authority of the General Manager of the Board from 12 April 2021, by notice published in the Government Gazette on 1 April 2021.

Our Minister

The Hills and Fleurieu Landscape Board is a portfolio agency of the Minister for Environment and Water, the Hon David Speirs MP.

Our Executive team

The Hills and Fleurieu Landscape Board does not employ staff as per section 35 of the *Landscape South Australia Act 2019*. Those staff who undertake the work of the Board are employed through the General Manager as the employing authority.

Legislation administered by the agency

Landscape South Australia Act 2019

Other related agencies (within the Minister’s area/s of responsibility)

- Department for Environment and Water
- Alinytjara Wilurara Landscape Board
- Eyre Peninsula Landscape Board

- Green Adelaide
- Kangaroo Island Landscape Board
- Limestone Coast Landscape Board
- Murraylands and Riverland Landscape Board
- Northern and Yorke Landscape Board
- South Australian Arid Lands Landscape Board
- Environment Protection Authority
- Green Industries SA
- SA Water

The Board’s performance

Performance at a glance

The board evaluated its performance in June 2021 and assessed that it performed well in its delivery of the Hills and Fleurieu Business Plan 2020-21. Significant foundational work was undertaken this year to establish the board’s governance, policies, systems and workforce. This included recruitment of the general manager and alignment of staff roles to deliver the board’s priorities.

This year, the board was responsible for the important task of preparing a 5-year Landscape Plan to guide the stewardship and restoration of the region’s landscapes. The board worked hard to integrate the aspirations and ideas of our stakeholders and community into the plan.

The board also worked on building new partnerships with councils, industries, not-for-profit organisations and community. Grassroots Grants were delivered to landholders and community groups to enable them to implement local landscape management projects. The board was also successful in attracting significant external investment, including Landscape Priority Fund funding for landscape-scale projects, and State and Australian Government Local Economic Recovery funding to support bushfire-affected communities with land management issues on their properties.

The Board implements monitoring, evaluation, reporting and improvement (MERI) processes to measure its success and performance.

Board contribution to whole of Government objectives

Key objective (Govt)	Agency’s contribution
Sustainable economy	The Board’s programs supported: <ul style="list-style-type: none"> • landholders and producers to improve productivity through improved land management practices (soils, pests, water, biodiversity) • the economic recovery of bushfire affected landholders through assisting with land management grants and local business economic stimulus through contracted delivery • management of weeds and pests and impact-causing native species, which have significant productivity impacts for producers.
Resilient communities	The Board’s programs: <ul style="list-style-type: none"> • involved community in regional landscape planning to ensure local values and interests were incorporated into decision-making • increased volunteering and partnerships with community groups to deliver awareness raising and on-ground programs

	<ul style="list-style-type: none"> provided grassroots-grants to enable community to implement local community landscape restoration projects engaged Aboriginal people and businesses in planning and service delivery.
Vibrant biodiversity	<p>The Board's programs:</p> <ul style="list-style-type: none"> supported restoration of habitats and management of threats to coastal, terrestrial and aquatic biodiversity implemented recovery plan actions for prioritised threatened species and threatened ecological communities improved capacity and involvement of landholders, Aboriginal people and community in restoration of habitats and biodiversity.

Board specific objectives and performance		
Board objectives	Indicators	Performance
Land - regenerating biodiverse and highly productive landscapes	Knowledge and capacity of landholders in management of soils and pest plants and animals increased	<ul style="list-style-type: none"> 626 property visits and over 2400 opportunities for providing advice were conducted with landholders. The total grazing management project controlled 532 feral goats, 806 kangaroos and 333 feral deer. This included the second live muster of goats in the Montacute CP and surrounding public and private land. 1,750 kg of Pindone treated carrots were distributed to landholders across the region for the control of rabbits. 269 bushfire recovery grants in the Cudlee Creek fire scar, 11 km kangaroo-proof fencing of heritage agreements implemented and 19 participants in Bushfire recovery and Land Management Courses. Primary producer capacity was increased through 60 soil tests, 67 participants at field days, 43 soil workshop participants, 13 Biodiversity Action plans with vigneron, and 71 times collaborative support provided to agriculture and industry groups.

Board specific objectives and performance		
Board objectives	Indicators	Performance
Water - managing water resources sustainably	<p>Knowledge and capacity of landholders in management of water increased</p> <p>Community involved in water planning</p>	<ul style="list-style-type: none"> • McLaren Vale water security planning was facilitated with vignerons and stakeholders, and a Water Allocation Plan Advisory Committee established to review the McLaren Vale Water Allocation Plan. • Advice provided to >300 landholders about Water Affecting Activities (WAA), WAA Control Policy developed and approved by the Minister; 26 WAA permits issues and 21 compliance investigations relating to WAAs conducted.
Nature - conserving natural places, ecosystems and wildlife	<p>Threatened species recovery interventions implemented</p> <p>Volunteering and landholder capacity to support biodiversity increased</p>	<ul style="list-style-type: none"> • Threatened flora recovery work was effectively delivered, with major break throughs in the propagation of threatened orchid species. 15 threatened flora species now have established breeding programs with the SA Seed Conservation Centre. • Over 27kg of seed was used for direct seeding, and over 175,000 tube-stock were planted at revegetation sites at Deep Creek, Newland Head and Stipiturus CPs to support threatened bird species. • 64 volunteers supported nest protection for hooded plovers on Fleurieu beaches and awareness raising
Climate - becoming a carbon neutral and climate resilient region	Climate adaptation by land managers supported	<ul style="list-style-type: none"> • The board become a partner in the Resilient Hills and Coast partnership with local government and other agencies. • Climate Smart Future forum attended by 57 participants, show-casing opportunities for building more resilience into farm management.
Community - Everyone caring for our landscapes		<ul style="list-style-type: none"> • Planning and working together with Ngarrindjeri Aboriginal Corporation, Warpuli Kumangka and Mannum Aboriginal Community Association Inc. • 28 Grassroots Grants provided to community groups, Friends of Parks groups, and landholders for landscape management projects.

Board specific objectives and performance		
Board objectives	Indicators	Performance
		<ul style="list-style-type: none"> • 71 volunteer groups continued to be supported and celebrated. • Over 500 community members and stakeholders were engaged in the landscape planning process.

Corporate performance summary

The Department for Environment and Water provided the corporate, governance and administrative support services to the Hills and Fleurieu Landscape Board on a fee for service basis in accordance with a Services Level Agreement (SLA).

Employment opportunity programs

Program name	Performance
Nil	The Hills and Fleurieu Landscape Board does not employ staff as per section 35 of the <i>Landscape South Australia Act 2019</i> . Those staff who undertake the work of the Board are employed through the General Manager as the employing authority.

Board performance management and development systems

Performance management and development system	Performance
Board Performance Report to Minister	The Minister has requested that the Hills and Fleurieu Landscape Board provide a performance report by 31 December and 30 June each year. The 2020-21 report was submitted 30 June 2021.
Service Level Agreement	Not assessed during this reporting period
Board Presiding Member one on one with Board members	The Presiding Member held one on one conversations with all Board members and agency representatives during this reporting period, to assess performance and address issues as they arose.

Work health, safety and return to work programs

The Hills and Fleurieu Landscape Board has adopted and implemented a range of DEW safety policies and procedures to meet its requirements under the *Work Health and Safety Act (SA) 2012* and *Return to Work Act 2014* and meet whole of Government requirements. This includes the contractor safety arrangements.

Program name	Performance
The Board operates in accordance with the relevant DEW safety policies and procedures adopted on 22 July 2020.	There has been no incidents recorded.
Work Health and Safety Committee	The Work, Health and Safety Committee was established in September 2020 following a call for nominations. Four meetings were held during the year.

Workplace injury claims	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Total new` workplace injury claims	0	n/a	+/-0%
Fatalities	0	n/a	+/-0%
Seriously injured workers*	0	n/a	+/-0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	n/a	+/-0%

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

Work health and safety regulations	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	n/a	+/-0%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	n/a	+/-0%

Return to work costs**	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	n/a	+/-0%
Income support payments – gross (\$)	0	n/a	+/-0%

**before third party recovery

Executive employment in the Board

Executive classification	Number of executives
The Hills and Fleurieu Landscape Board does not employ staff as per section 35 of the <i>Landscape South Australia Act 2019</i> . Those staff who undertake the work of the Board are employed through the General Manager as the employing authority.	0

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The financial performance and position as at 30 June 2021 is contained within the Appendix: Audited financial statements 2020-21.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment (GST Inc)
All contractors below \$10,000 each - combined	Various	\$21 951.19

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment (GST Inc)
Creation Care Pty Ltd	Planting services for revegetation projects	\$131 634.58
DSH Rural & Domestic	Kangaroo exclusion fencing	\$95 198.62
Entura Hydro Tasmania	Eastern Mount Lofty Ranges flow monitoring	\$38 438.95
Nature Glenelg Trust	Western Mount Lofty Ranges fish monitoring	\$89 237.50
	Total	\$ 354 509.65

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Other financial information

Under section 27(3) and section 28(6) of the *Landscape South Australia Act 2019* funding support including the Landscape Priorities Fund and Grassroots Grants Program respectively, can be made to third parties such as land owners, industry, community groups, state government and individuals for various projects and programs under the landscape plan.

During 2020-21, the Board provided \$1 289 196 in other financial assistance and grants and to the following:

- (\$29 312) Land Owners
- (\$45 676) Industry Groups
- (\$1 116 486) Volunteer Groups and NGOs
- (\$59 960) Aboriginal Nations
- (\$36 262) Schools and Universities
- (\$1 500) Other SA Government Agencies

Included in the above figures is \$220 000 of Grassroots Grants funding. This exceeds the minimum Ministerial requirement (of 2.9% levy income) under part 5 of the Act.

Other information

The persons or bodies to whom or to which the Board has delegated functions or powers under section 37 of the Act, and the nature of the functions or powers delegated to each person or body: (As per section 8(c) of regs)

Position No.	Position Title	Procurement Contract pre-approval payment and disbursement	Contract execution	Purchase card	Debt Write-off	Landscape SA Act 2019
P25775	General Manager - Hills and Fleurieu Landscape Board	✓	✓	✓	✓	✓
P25777	Manager Business & Governance	✓	✓	✓	✓	
P25736	Manager Landscape Operations	✓	✓	✓		✓
P25776	Manager Planning, Engagement & Partnerships	✓	✓	✓		✓
P25741	Team Leader Landscape Operations	✓	✓	✓		
P25766	Coord Ecological Restoration	✓	✓	✓		
P25769	Team Leader Landscape Operations	✓	✓	✓		
P25767	Team Leader Landscape Operations	✓	✓	✓		
P25742	Team Leader Water Resources	✓	✓	✓		✓
P25757	Senior Water Planner (WMLR)	✓	✓	✓		
P25765	Senior Water Planner (EMLR)	✓	✓	✓		
P25745	Team Leader Planning & MERI	✓	✓	✓		
P25746	Team Leader Partnerships & Engagement	✓	✓	✓		
P25738	Threatened Ecologist Flora & Fauna	✓	✓	✓		
P25739	Landscape Ecologist	✓	✓	✓		
P25772	Threatened Species Ecologist	✓	✓	✓		
P25752	Landscape Officer	✓	✓	✓		

P25755	Sustainable Agriculture Office	✓	✓	✓		
P25743	Sustainable Agriculture Office	✓	✓	✓		
P25768	Team Leader Aust Govt Projects	✓	✓			
P25751	MERI & Information Officer	✓	✓	✓		
P25770	Senior Compliance Officer	✓	✓	✓		
P25773	Communications Coordinator	✓	✓	✓		
P25778	Aboriginal Partnerships Officer	✓	✓			
P25771	Regional Agriculture Landcare Facilitator	✓	✓	✓		
P25737	Executive Officer	✓		✓		
P25749	Landscape Officer	✓		✓		
P25750	Landscape Officer	✓		✓		
P25763	Landscape Officer	✓		✓		
P25744	Landscape Officer	✓		✓		
P25774	Landscape Officer	✓		✓		
P25761	Landscape Officer	✓		✓		
P25762	Landscape Officer	✓		✓		
P25764	Landscape Officer	✓		✓		
P25758	Landscape Officer	✓		✓		
P25759	Landscape Officer	✓		✓		
P25753	Landscape Officer	✓				
P25760	Landscape Officer	✓				
P25748	Sustainable Agriculture Officer	✓		✓		
P25747	Policy Officer	✓		✓		
P25740	Communications & Engagement Officer	✓		✓		
P25779	Grants & Projects Support Officer	✓		✓		
P25756	Client Services Officer	✓		✓		
P25754	Client Services Officer	✓		✓		

Report on any functions assigned to the Board by the Minister: (as per section 8(d) of regs)

The Board advises that no ministerial functions were assigned during this reporting period.

Risk management

Risk and audit at a glance

The Risk and Performance Committee is an advisory committee to the board that has oversight of the board’s governance, financial and risk management (including the safety, health and wellbeing of employees), and ensuring the board meets its statutory, legislative and administrative obligations, particularly with respect to audit and finance matters.

Fraud detected in the agency

Category/nature of fraud	Number of instances
There were no instances of fraud detected in the activities undertaken by the Board in this reporting period.	0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

The Hills and Fleurieu Landscape Board has adopted the DEW Fraud and Correction Control Policy, Procedure and Program which sets out the control measures for preventing fraud and the mechanisms for reporting and investigation.

The following is a summary of fraud prevention activities currently in place:

- The Risk and Performance Committee has oversight to ensure the adopted DEW framework is adhered to through established internal controls.
- An internal audit program of business systems is conducted annually, including a peer review.
- All employees have completed the Department of the Premier and Cabinet ‘Code of Ethics Awareness’ program.
- Employment screening upon employment and at regular intervals.

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
<p>Development Regulations 2008</p>	<p>12—Activities that would otherwise require a permit under the <i>Landscape South Australia Act 2019</i></p> <p>(1) Development comprising or including an activity for which a permit would be required under section 104(3)(d) or (5)(a) of the <i>Landscape SA Act 2019</i> if it were not for the operation of section 106(1)(e) of that Act (on the basis that the referral required by virtue of this item operates in conjunction with section 106(1)(e) of that Act), other than development within a River Murray Protection Area under the <i>River Murray Act 2003</i>.</p> <p>The Board received no mandatory development assessment referrals during this reporting period.</p>

Reporting required under the *Carers' Recognition Act 2005*

The Hills and Fleurieu Landscape Board is not a required 'reporting agency' and does not employ staff as per section 35 of the *Landscape South Australia Act 2019*. Those staff who undertake the work of the Board are employed through the General Manager as the employing authority.

The Hills and Fleurieu Landscape Board has a strong commitment and provides support to ensure all employees who provide ongoing care for a person who has a disability or a chronic illness (including mental illness) or who is frail have flexible working arrangements to meet their situation.

Employees are encouraged to speak with their manager to seek support with flexible working arrangements including special leave with pay, compressed weeks, part-time hours or working from home. Employees can also seek support and guidance through the Health and Wellbeing Program, which incorporates the Employee Assistance Program.

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	Nil
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	Nil
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	Nil
Communication	Communication quality	Inadequate, delayed or absent communication with customer	Nil
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	Nil
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	Nil
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	Nil
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	Nil
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	Nil
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	Nil

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Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	Nil
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	Nil
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	Nil
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	Nil
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	Nil
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	Nil
		Total	Nil

Additional Metrics	Total
Number of positive feedback comments	Nil
Number of negative feedback comments	Nil
Total number of feedback comments	Nil
% complaints resolved within policy timeframes	n/a

Service Improvements

The Hills and Fleurieu Landscape Board adopted the DEW Complaints Handling Policy on 22 July 2021. As a new agency from 1 July 2020, the Hills and Fleurieu Landscape Board has established a complaints register and will measure trends over coming years.

Compliance Statement

The Hills and Fleurieu Landscape Board is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
The Hills and Fleurieu Landscape Board has communicated the content of PC 039 and the board’s related complaints policies and procedures to employees.	Y



Appendix: Audited financial statements 2020-21

Our ref: A21/014

29 November 2021

Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

Mr D Greenhough
Presiding Member
Hills and Fleurieu Landscape Board
Cnr Walker and Mann St
Mount Barker SA 5251

Dear Mr Greenhough

Audit of Hills and Fleurieu Landscape Board for the year to 30 June 2021

We have completed the audit of your accounts for the year ended 30 June 2021. Two key outcomes from the audit are the:

- 1 Independent Auditor's Report on your agency's financial report
- 2 audit management letter recommending you address identified weaknesses.

1 Independent Auditor's Report

We are returning the financial statements for the Hills and Fleurieu Landscape Board, with the Independent Auditor's Report. This report is unmodified.

The *Public Finance and Audit Act 1987* allows me to publish documents on the Auditor-General's Department website. The enclosed Independent Auditor's Report and accompanying financial statements will be published on that website on Tuesday, 7 December 2021.

2 Audit management letter

During the year, we sent you an audit management letter detailing the weaknesses we noted and improvements we considered you need to make.

A significant matter related to obtaining payment and disbursement authority from the Minister for Environment and Water.

We have received a response to our letter and will follow this up in the 2021-22 audit.

What the audit covered

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- revenue
- accounts payable
- cash
- property, plant and equipment
- financial accounting – general ledger.

Particular attention was given to ensuring the accuracy and completeness of the transfer of net assets from the former Natural Resources Management Boards and employees from the Department for Environment and Water to the Landscape Boards effective 1 July 2020. We concluded that the financial report was prepared in accordance with the financial reporting framework in this respect.

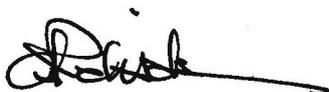
3 Opportunities for improvement

We noted an opportunity for the Landscape Board to improve the documentation supporting its review and assessment of new grants arrangements (revenue) against the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*. Application of these accounting standards is complex, and management is required to exercise significant judgement. A decision on the applicable accounting standard may result in materially different accounting outcomes.

Significant audit effort was made during our audit of the Board's 2020-21 financial report to understand and review the judgements made your staff. During 2021-22 we will relate with management to bring forward our review of these important accounting decisions and ensure documentation supporting key management judgements for individual grant agreements is readily available at the time of our audit.

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely



Andrew Richardson
Auditor-General



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Presiding Member Hills and Fleurieu Landscape Board

Opinion

I have audited the financial report of the Hills and Fleurieu Landscape Board (the Board) for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member and the General Manager.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the General Manager and the Board for the financial report

The General Manager is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 38 (2) of the *Landscape South Australia Act 2019*, I have audited the financial report of the Board for the financial year ended 30 June 2021.

My 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 my 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. 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager

- conclude on the appropriateness of the General Manager'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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Presiding Member and General Manager about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General
29 November 2021

Hills and Fleurieu Landscape Board

Financial Statements

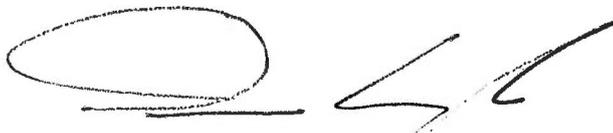
For the year ended 30 June 2021

Hills and Fleurieu Landscape Board
Certification of the Financial Statements
for the year ended 30 June 2021

We certify that the:

- financial statements for the Hills and Fleurieu Landscape Board:
 - are in accordance with the accounts and records of the Board;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the Board at the end of the financial year and the result of its operation and cash flows for the financial year.

- internal controls employed by the Hills and Fleurieu Landscape Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



D Greenhough
Presiding Member

25 November 2021



Michael Garrod
General Manager

Hills and Fleurieu Landscape Board

25 November 2021

Hills and Fleurieu Landscape Board
Statement of Comprehensive Income
for the year ended 30 June 2021

	Note	2021 \$'000
Income		
Landscape and water levies	2.1	7 247
Commonwealth-sourced grants and funding	2.2	1 436
Grant revenues	2.3	1 901
Interest		1
Other income	2.4	215
Total income		10 800
Expenses		
Employee benefits expense	3.3	3 803
Supplies and services	4.1	4 762
Grants and subsidies	4.2	1 289
Depreciation	5.1	81
Borrowing Costs		3
Other expenses	4.3	77
Total expenses		10 015
Net result		785
Total comprehensive result		785

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Hills and Fleurieu Landscape Board
Statement of Financial Position
as at 30 June 2021

	Note	2021 \$'000
Current assets		
Cash and cash equivalents	6.1	9 818
Receivables	6.2	914
Total current assets		<u>10 732</u>
Non-current assets		
Property plant and equipment	5.1	238
Total non-current assets		<u>238</u>
Total assets		<u>10 970</u>
Current liabilities		
Payables	7.1	574
Financial liabilities	7.2	46
Employee benefits	3.4	463
Provisions	7.3	6
Contract liabilities	2.3	3 688
Total current liabilities		<u>4 777</u>
Non-current liabilities		
Payables	7.1	77
Financial liabilities	7.2	61
Employee benefits	3.4	820
Provisions	7.3	13
Total non-current liabilities		<u>971</u>
Total liabilities		<u>5 748</u>
Net assets		<u>5 222</u>
Equity		
Retained earnings		5 222
Total equity		<u>5 222</u>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Hills and Fleurieu Landscape Board
Statement of Changes in Equity
for the year ended 30 June 2021

		Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020		-	-
Net result for 2020-21		785	785
Total comprehensive result for 2020-21		785	785
Net assets received from an administrative restructure	1.3	4 437	4 437
Balance at 30 June 2021		5 222	5 222

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Hills and Fleurieu Landscape Board
Statement of Cash Flows
for the year ended 30 June 2021

	Note	2021 \$'000
Cash flows from operating activities		
<i>Cash inflows</i>		
Landscape and water levies		7 214
Commonwealth funding received		2 059
Grants		5 250
Interest received		1
Other receipts		206
Cash generated from operations		14 730
<i>Cash outflows</i>		
Payments for supplies and services		(4 632)
Employee benefits payments		(3 394)
Interest paid		(3)
Payments of grants and subsidies		(1 269)
Cash used in operations		(9 298)
Net cash provided by operating activities		5 432
Cash flows from investing activities		
<i>Cash outflows</i>		
Purchase of property, plant and equipment		(29)
Cash used in investing activities		(29)
Net cash used in investing activities		(29)
Cash flows from financing activities		
<i>Cash inflows</i>		
Cash received from restructuring activities	1.3	4 479
Cash generated from financing activities		4 479
<i>Cash outflows</i>		
Repayment of leases		(64)
Cash used in financing activities		(64)
Net cash provided by / (used in) financing activities		4 415
Net increase / (decrease) in cash and cash equivalents		9 818
Cash at the beginning of the period		-
Cash at the end of the period	6.1	9 818

The accompanying notes form part of these financial statements.

Hills and Fleurieu Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2021

1. About the Hills and Fleurieu Landscape Board

The Hills and Fleurieu Landscape Board (the Board) is a body corporate of the state of South Australia, established 1 July 2020, pursuant to the *Landscape South Australia Act 2019* (the LSA Act). The Board is a not for profit entity.

The Board adopted the Regional Management Plans of the former Adelaide and Mount Lofty Ranges Natural Resource Management Board and SA Murray-Darling Basin Natural Resource Management Board as its Landscape Plan to guide its operations in 2020-21, while it developed a new 5-year Landscape Plan. The Board operates under a Business Plan which aligns to the Landscape Plan. The Hills and Fleurieu Business Plan 2020-21 was approved by the Minister for Environment and Water on 22 June 2020, for implementation on 1 July 2020. The Plan identifies the Board's revenue and investment in priorities for management of landscapes in the region as detailed in note 1.2.

The Board entered into a Service Level Agreement (SLA) with the Department for Environment and Water (DEW) during 2020-2021 for the delivery of corporate support services to the Board to ensure it is able to meet its governance and financial management statutory requirements in delivering its business.

The financial statements and accompanying notes include all the controlled activities of the Board. As this is the first year of operations, there are no comparative figures provided.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards with reduced disclosure requirements.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

DEW prepares a Business Activity Statement on behalf of the Board under the grouping provisions of GST legislation. Under these provisions, DEW is liable for the payments and entitled to the receipts associated with GST. Therefore, the Board's net GST receivable/payable is recorded in DEW's Statement of Financial Position. GST cash flows applicable to the Board are recorded in DEW's Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Hills and Fleurieu Landscape Board

Notes to and forming part of the financial statements

for the year ended 30 June 2021

1.2. Objectives and programs

Objectives

The functions of the Board under Section 25(1) of the LSA Act include to:

- a) undertake and promote the management of natural resources within its region
- b) prepare a regional landscape plan and water allocation plans, landscapes affecting activities control policies and water affecting activities control policies; and
- c) promote public awareness and understanding of the importance of integrated and sustainable natural resources management within its region

Programs

The Hills and Fleurieu Business Plan 2020-21 sets out the Board's investment in five priorities:

- Sustainable production
 - Supporting landholders to adopt sustainable land management practices (soils, pests, water, biodiversity)
 - Controlling emerging weeds and pests
 - Collaborating to manage overabundant native species and total grazing pressure
- Water
 - Water allocation planning and implementation to supporting sustainable use of water resources
 - Implementing low flows to improve aquatic ecosystem health and advice and compliance for water affecting activities
- Biodiversity
 - Supporting restoration of habitats and management of threats to coastal, terrestrial and aquatic biodiversity
 - Implementing recovery plan actions for prioritised threatened species and threatened ecological communities
- People
 - Raising community awareness and involving community in planning
 - Partnering with First Nations
 - Supporting volunteers and bushfire recovery
- Climate adaptation
 - Collaborating to promote climate resilience planning and adaptation.

The Board invests in and delivers a suite of programs across the region to achieve these priorities and focus areas.

The table on the following page presents expenses and income attributable to each priority.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.2. Objectives and programs (continued)

Expenses and income by program

	Sustainable production	Water	Biodiversity	People	Climate adaptation	Total
	2021	2021	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Landscape and water levies	2 402	2 268	995	1 460	122	7 247
Commonwealth-sourced grants and funding	572	-	864	-	-	1 436
Grants	716	9	745	431	-	1 901
Interest	1	-	-	-	-	1
Other income	99	46	27	40	3	215
Total income	3 790	2 323	2 631	1 931	125	10 800
Expenses						
Employee benefits expense	1 521	627	607	963	85	3 803
Supplies and services	1 211	2 002	1 034	474	41	4 762
Grants and subsidies	5	33	620	631	-	1 289
Depreciation	33	12	14	20	2	81
Borrowing Costs	1	-	1	1	-	3
Other expenses	32	12	13	19	1	77
Total expenses	2 803	2 686	2 289	2 108	129	10 015
Net result	987	(363)	342	(177)	(4)	785

The Board has determined that assets and liabilities cannot be reliably attributed to individual programs.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.3. Net assets received from an Administrative Restructure

Under the *Public Sector (Reorganisation of Public Sector Operations – Department for Environment and Water) Notice 2020*:

- On 25 June 2020, by notice of the Premier in the SA Government Gazette, 44 (37.6 FTE) employees transferred from DEW to the Board pursuant to section 9 (1) of the *Public Sector Act 2009* (the PS Act), to take effect from 1 July 2020.
- On 1 April 2021, by notice of the Premier in the SA Government Gazette, a further 4 (3.0 FTE) employees transferred from DEW to the Regional Landscape Boards pursuant to section 9 (1) of the PS Act, to take effect from 12 April 2021.

Transferred in

The following assets and liabilities were transferred to the Board as part of the staffing transfer:

	\$'000
Assets	
Cash and cash equivalents	1 012
Receivables	<u>1</u>
Total Assets	<u>1 013</u>
Liabilities	
Payables	99
Employee benefits	913
Provisions	<u>57</u>
Total liabilities	<u>1 069</u>
Total net assets/(liabilities) transferred	<u>(56)</u>

Net liabilities transferred to the Board because of the administrative restructure are the carrying amount of those assets and liabilities in DEW's Statement of Financial Position immediately prior to the transfer. The net liabilities transferred were treated as a contribution by the government as owner.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

1.3. Net assets received from an Administrative Restructure (continued)

Additionally, on 1 July 2020, the *Natural Resources Management Act 2004* (NRM Act) was repealed, and the Adelaide and Mount Lofty Ranges and the South Australian Murray Darling Basin Natural Resources Management (NRM) Boards were abolished. By notice in the Government Gazette on 25 June 2020, a share of the relevant property, assets, rights and liabilities of these NRM Boards, with effect from 1 July 2020, were vested in or attached to the Board.

Transferred in

The following assets and liabilities were transferred from the NRM Boards:

	Adelaide and Mount Lofty Ranges NRM Board	South Australian Murray Darling Basin NRM Board	Total
	\$'000	\$'000	\$'000
Assets			
Cash and cash equivalents	1 513	1 954	3 467
Receivables	1 134	21	1 155
Property plant and equipment	122	23	145
Total Assets	2 769	1 998	4 767
Liabilities			
Payables	262	12	274
Total liabilities	262	12	274
Total net assets transferred	2 507	1 986	4 493

Net assets assumed by the Board because of the administrative restructure are the carrying amount of those assets in the NRM Boards' Statement of Financial Position immediately prior to the transfer. The net assets transferred were treated as a contribution by the government as owner.

1.4. Impact of COVID-19 pandemic on the Board

The COVID-19 global pandemic has impacted all of South Australia since March 2020. The Board has managed to facilitate 'work from home arrangements' where feasible. The Board has ensured precautions were taken for all staff and members of the public where sites and facilities remained open, adopting best practice advice to ensure personal safety at those sites.

The Board adapted the way that its business was conducted, including field work and events, using strategies such as limiting numbers at events and moving to an 'online' format where possible. Where savings resulted, such as reduced travel and catering costs, this was reinvested into the projects to extend outcomes.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2. Income

2.1. Landscape and water levies

	2021
	\$'000
Landscape levy collected through councils	5 032
Water levies collected through DEW	2 215
Total landscape and water levies	7 247

The Board collects landscape and water levies under Part 5 of the LSA Act.

Landscape levy collected through councils

The Board declares contributions by councils under section 66 of the LSA Act for the relevant financial year by notice in the Board Annual Business Plan. The landscape levy is then collected by constituent councils from ratepayers and is based on the value of rateable land. Revenue is recognised when the invoice is raised at the beginning of the levy period to which they relate. Councils may seek to recover costs in accordance with the LSA Act, incurred in the collection of the levy.

Water levies collected through DEW

The Minister declares the water levy rates by notice of gazette under section 76 of the LSA Act for water licence holders within a prescribed area. Invoices are raised at the start of each financial year with the levies collected by DEW and passed onto the Board. Revenue is recognised when the funds are received from DEW.

2.2. Commonwealth funding

	2021
	\$'000
Commonwealth funding	
Regional Land Partnerships Program	1 436
Total Commonwealth-sourced grants and funding	1 436

The Board has determined that the Commonwealth funding included in the table above is accounted for under AASB 1058. Commonwealth funding is generally paid in arrears, subject to an approved declaration of claim by the Board. The Board has determined that it has an unconditional contractual right to receive a portion of the funding under AASB 9 when a claim is submitted, as it has satisfied the eligibility criteria and expects that the claim will be accepted. Accordingly, revenue and a receivable are recognised when the claim is submitted. When Commonwealth funding is paid in advance it is recognised on receipt.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2.3. Grant revenues

	2021 \$'000
Income recognised under AASB 1058	
State Government Grants	316
Sundry grants	5
Total income recognised under AASB 1058	<u>321</u>
Income recognised under AASB 15	
State Government Grants	1 522
Sundry grants	58
Total income recognised under AASB 15	<u>1 580</u>
Total grant revenues	<u><u>1 901</u></u>

Grants recognised under AASB 1058

The Board has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or not linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Board has an unconditional right to receive cash which usually coincides with receipt of cash.

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. The existence of a sufficiently specific performance obligation, when it is satisfied and the amount of revenue to be allocated to each performance involves significant judgement. Revenue is recognised when the Board satisfies the performance obligation by providing the relevant services. The payments are normally received in advance or shortly after the relevant obligation is satisfied. Where payments are received in advance and performance obligations are still outstanding at 30 June 2021 a contract liability is recognised.

Contract Balances

	2021 \$'000
Contract liabilities	3 688
Total contract liabilities	<u><u>3 688</u></u>

Contract liabilities relate to funding provided by DEW to coordinate works to rebuild fences as part of the bushfire recovery, Landscape Priorities Fund grants and other grants received in advance from the State Government, for which revenue will be recognised as performance obligations are satisfied.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

2.4. Other income

	2021
	\$'000
Sale of goods and services	90
Recoup of expenses	88
Support services income	29
Provision of services	4
Other revenue	4
Total other income	215

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Board including the Minister for the Environment and Water, the Hills and Fleurieu Landscape Board Presiding Member and General Manager, and the other members of the Board who have responsibility for the strategic direction and management of the Board.

Total compensation for key management personnel was \$228 000 in 2020-21.

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 of the *Parliamentary Remuneration Act 1990*.

No transactions with key management personnel or related parties have occurred during 2020-21.

Under the *Landscape South Australian Act 2019*, the Minister appointed the Board effective from 1 July 2020 until 30 June 2021 with the Presiding Member reappointed. These appointments have been extended until 30 June 2023. The Risk and Performance Committee were appointed from 7 January 2021 until 7 January 2024.

3.2. Board and committee members

Members during 2021 financial year were:

The Board

D L Greenhough (Presiding Member)
 J R Klein
 A J Lowe
 C J Schofield
 D A Smith (Retired June 2021)
 C D West
 A M Williams

Committees

Risk and Performance Committee

D L Greenhough
 C J Schofield
 J R Goode
 T N Johnston

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

3.2. Board and committee members (continued)

The number of members whose remuneration received or receivable falls within the following bands:

	2021
\$0 - \$19 999	8
\$20 000 - \$39 999	1
Total number of members	9

Remuneration of members reflects all costs of performing Board, Group and Committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any FBT paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$50 000.

For the purposes of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses, in addition to Payroll tax amount to \$17 000.

3.3. Employee benefits expense

	2021
	\$'000
Salaries and wages	2 793
Annual leave	292
Long service leave	173
Employment on-costs - superannuation	319
Employment on-costs - other	187
Skills and experience retention leave	19
Board and committee fees	51
Workers compensation	(32)
Other employee related expenses	1
Total employee benefits expense	3 803

Employment on-costs - superannuation

The superannuation employment on-cost charge represents the Boards' contributions to superannuation plans in respect of current services of current employees.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

3.4. Employee benefits liability

	2021
	\$'000
<u>Current</u>	
Accrued salaries and wages	102
Annual leave	333
Long service leave	10
Skills and experience retention leave	18
Total current employee benefits	<u>463</u>
<u>Non-current</u>	
Long service leave	820
Total non-current employee benefits	<u>820</u>
Total employee benefits liability	<u>1 283</u>

Employee benefits accrue as a result of service provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Details about the measurement of long service leave liability is provided as note 9.1.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

4. Expenses

4.1. Supplies and services

	2021 \$'000
Fee for service - Project delivery	2 916
Fee for service - Corporate services fee to DEW	706
Fee for service - Board funded DEW salaries	300
Accommodation and property management	185
Fee for service - Shared Services SA fee	174
Minor works, maintenance and equipment	140
Information technology and communication	70
Contracted staff training development	29
General administration	52
Temporary staff	41
Accommodation	16
Motor Vehicles	22
Transport	8
Other supplies and services	103
Total supplies and services	<u>4 762</u>

4.2. Grants and subsidies

	2021 \$'000
Recurrent grants	1 289
Total grants and subsidies	<u>1 289</u>

The Board provided financial assistance to Local Government, State Government agencies and private bodies during the year. Funds are paid by way of grants and all recipients are required to comply with conditions relevant to each grant.

4.3. Other expenses

	2021 \$'000
Property, plant and equipment write offs	26
Audit fees paid/payable to the Auditor-General's Department	51
Total other expenses	<u>77</u>

No other services were provided by the Auditor-General's Department.

Hills and Fleurieu Landscape Board
Notes to and forming part of the financial statements
for the year ended 30 June 2021

5. Non-financial assets

Property, plant and equipment comprises tangible assets owned by the Board and right-of-use leased assets.

5.1. Property, plant and equipment owned by the Board

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Board is recorded at fair value. Detail about the Board's approach to fair value is set out in note 9.2.

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Reconciliation 2020-21

	Infrastructure \$'000	Plant and Computing equipment \$'000	Equipment \$'000	Capital work in progress \$'000	ROU Vehicles \$'000	Total \$'000
Carrying amount at the beginning of the period	-	-	-	-	-	-
Acquisition through administrative restructuring	31	22	12	80	-	145
Acquisitions	-	29	-	-	171	200
Depreciation	(2)	(12)	(2)	-	(65)	(81)
Write offs	-	-	-	(26)	-	(26)
Transfers to/(from) capital works in progress	54	-	-	(54)	-	-
Carrying amount at the end of the period	83	39	10	-	106	238
Gross carrying amount						
Gross carrying amount	89	122	15	-	171	397
Accumulated depreciation	(6)	(83)	(5)	-	(65)	(159)
Carrying amount at the end of the period	83	39	10	-	106	238

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5.1. Property, plant and equipment owned by the Board (continued)

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

Useful life

Depreciation is calculated on a straight-line basis over the estimated useful life of the following classes of assets as follows:

Class of asset	Useful life (years)
Infrastructure	10-40
Plant and equipment	3-40
Computing equipment	10
Right-of-use vehicles	3-5

Impairment

There were no indications of impairment of property, plant and equipment as at 30 June 2021.

5.2. Property plant and equipment leased by the Board

Right-of-use assets for Property, plant and equipment leased by the Board as lessee are measured at cost. Additions to leased property, plant and equipment during 2020-21 were \$171 000.

Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The Board has 13 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60 000km) up to 5 years (100 000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

Lease liabilities related to the right-of-use assets are disclosed in note 7.2. Expenses related to leases includes depreciation are disclosed at note 5.1 and borrowing costs on the Statement of Comprehensive Income. Cash outflows related to leases are disclosed in the Statement of Cash Flows.

6. Financial assets

6.1. Cash and cash equivalents

	2021
	\$'000
Deposits with the Treasurer	9 818
Total cash and cash equivalents	9 818

Cash is measured at nominal amounts.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates.

Hills and Fleurieu Landscape Board
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6.2. Receivables

	2021
<u>Current</u>	<u>\$'000</u>
Trade receivables	854
Accrued revenues	60
Total current receivables	914
Total receivables	914

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Hills and Fleurieu Landscape Board
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7. Liabilities

7.1. Payables

	2021 \$'000
<u>Current</u>	
Trade payables	405
Accrued expenses	70
Employment on-costs	99
Total current payables	574
<u>Non-current</u>	
Trade Payables	-
Employment on-costs	77
Total non-current payables	77
Total payables	651

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The Board contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave was 42%. The average factor for the calculation of employer superannuation cost on-costs was 10.1%. These rates are used in the employment on-cost calculation.

Hills and Fleurieu Landscape Board
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7.2. Financial liabilities

	2021 \$'000
Current	
Lease liabilities	46
Total current financial liabilities	46
Non-current	
Lease liabilities	61
Total non-current financial liabilities	61
Total financial liabilities	107

The Board measures financial liabilities at amortised cost.

Lease liabilities are measured via discounting the lease payments using either the interest rate implicit in the lease or Treasury's incremental borrowing rate. The borrowing costs associated with these lease liabilities was \$3 000.

7.3. Provisions

	2021 \$'000
Current	
Provision for workers compensation	6
Total current provisions	6
Non-current	
Provision for workers compensation	13
Total non-current provisions	13
Total provisions	19
Movement in provisions	
Provisions recognised as a result of restructure activities	57
Decrease in provisions recognised	(38)
Carrying amount at the end of the period	19

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Board is responsible for the payment of workers compensation claims.

Hills and Fleurieu Landscape Board
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8. Outlook

8.1. Unrecognised contractual commitments

Commitments include operating and outsourcing arrangements arising from contractual sources and are disclosed at their nominal value.

Expenditure commitments

	2021 \$'000
No later than one year	70
Total expenditure commitments	70

The Board's expenditure commitments are for Memoranda of Administrative Arrangements with the Department for Infrastructure and Transport for accommodation.

8.2. Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Board is not aware of any contingent assets or liabilities.

9. Measurement and risk

9.1. Long service leave liability – measurement

AASB 119 Employee Benefits (AASB 119) contains the calculation methodology for long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth bonds was 1.25%.

The actuarial assessment performed by DTF applied a salary inflation rate of 2.5% for long service leave liability. The salary inflation rate for annual leave and skills, experience and retention leave liability was 2.0%.

The unconditional portion of the long service leave provision is classified as current as the Board does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 10 years of service.

Hills and Fleurieu Landscape Board
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9.2. Fair value

AASB 13 *Fair Value Measurement* 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, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

The Board does not hold any assets that meet this criteria.

9.3. Financial instruments

Financial risk management

Risk management is managed by the Board's corporate services section and Board risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The Board's exposure to financial risk (liquidity, credit and market) is low due to the nature of the financial instruments held.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset and financial liability are disclosed in the respective financial asset / financial liability note.

Hills and Fleurieu Landscape Board
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9.3 Financial instruments (continued)

Classification of financial instruments

Financial assets and financial liabilities are measured at amortised cost.

Category of financial asset and financial liability	Note	Carrying amount \$'000	2021 Contractual Maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	9 818	-	-	-
Financial assets at amortised cost					
Receivables	6.2	861	861	-	-
Total financial assets		10 679	861	-	-
Financial liabilities					
Financial liabilities at amortised cost					
Payables	7.1	424	424	-	-
Financial liabilities	7.2	107	46	61	-
Total financial liabilities		531	470	61	-

Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents, they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost