



Unconfirmed
COUNCIL MINUTES

PROCEEDINGS OF COUNCIL
14 October, 2019



MINUTES INDEX - 14 OCTOBER, 2019

155. CIVIC PRAYER.....	4
156. RECOGNITION OF CONTRIBUTORS TO OUR COMMUNITY	4
157. APOLOGIES.....	4
158. CONFIRMATION OF MINUTES	5
159. DECLARATIONS OF CONFLICT OF INTEREST	6
160. COMMUNICATIONS REPORT.....	7
160.1 MAYORAL COMMUNICATIONS	7
160.2 CHIEF EXECUTIVE OFFICER COMMUNICATIONS.....	9
161. DEPUTATIONS.....	11
162. REPORTS FROM COMMITTEES (S41 AND SUBSIDIARIES)	12
162.1 COMMUNITY ADVISORY COMMITTEE MINUTES 24 SEPTEMBER 2019.....	12
162.2 AUDIT COMMITTEE MINUTES 2 OCTOBER 2019.....	38
REPORTS FOR COUNCIL CONSIDERATION	509
163. VALUED ENVIRONMENT	510
163.1 DECLARATION OF A CLIMATE EMERGENCY	510
164. GREAT PEOPLE AND LIFESTYLE	526
164.1 STORMWATER EASEMENT - 5 STURT RESERVE ROAD	526
165. DYNAMIC ECONOMY.....	531
166. CONNECTED COMMUNITIES.....	532
166.1 CHRISTMAS LIGHTS COMPETITION	532
166.2 REQUEST FOR COUNCIL SUPPORT FOR SETTLEMENT SUPPORT SERVICES.....	535
167. OUR COMMITMENT - ENSURING DELIVERY	552
167.1 LONG TERM FINANCIAL PLAN - UPDATE	552
167.2 FINANCIAL PERFORMANCE REPORT - AUGUST 2019.....	583
167.3 LOCAL GOVERNMENT REFORM	592



167.4 COUNCIL REPRESENTATION ON EXTERNAL BODIES.....	763
167.5 DELEGATIONS UPDATE - PLANNING AND DEVELOPMENT AND INFRASTRUCTURE ACT 2016	771
168. MOTIONS ON NOTICE	800
168.1 CR ANDREW BALTENSPERGER - LED STREET LIGHTING	800
169. MOTIONS WITHOUT NOTICE	802
170. QUESTIONS ON NOTICE	803
170.1 CR AIRLIE KEEN - NO FEEDING OF BIRD SIGNS AT STURT RESERVE	803
170.2 CR WAYNE THORLEY - WEED MANAGEMENT CONTROL - SAMDBNRM BOARD	805
170.3 CR FRED TOOGOOD - AFRICAN BOXTHORN CONTROL ON ROAD RESERVES	806
170.4 CR SCHUBERT AND CR THORLEY - PROPOSED TRAFFIC MANAGEMENT PFEIFFER ROAD/FLAGSTAFF ROAD	807
170.5 CR FRED TOOGOOD - FRESH FRENZY PROGRAM UPDATE	809
170.6 CR ANDREW BALTENSPERGER - HOMELESSNESS.....	816
171. QUESTIONS WITHOUT NOTICE	818
172. CONFIDENTIAL ITEMS	819

Minutes of the Meeting of Council held in the Council Chamber, Local Government Centre 2 Seventh Street, Murray Bridge, on Monday 14 October, 2019, commencing at 7 pm.

PRESENT

His Worship the Mayor, Brenton Lewis
Cr Andrew Baltensperger
Cr John De Michele
Cr Karen Eckermann
Cr Airlie Keen
Cr Tyson Matthews
Cr Mat O'Brien
Cr Clem Schubert
Cr Wayne Thorley
Cr Fred Toogood

IN ATTENDANCE

Mr Michael Sedgman, Chief Executive Officer
Ms Heather Barclay, General Manager Assets & Infrastructure
Mr Tim Vonderwall, General Manger Corporate Services
Ms Kristen Manson, General Manager Community Development
Ms Ros Kruger, Minute Taker

155. CIVIC PRAYER
Almighty God, we humbly beseech Thee to grant thy blessing upon the work of this Council. Direct and prosper its deliberations to the advancement of Thy Glory, and the true welfare of the People of this District. Amen.

156. RECOGNITION OF CONTRIBUTORS TO OUR COMMUNITY
We acknowledge the Ngarrindjeri people as the traditional owners of this land on which we meet and work. We respect and acknowledge their spiritual connection as the custodians of this land and that their cultural heritage beliefs are still important to the living people today.

We recognise the living culture and combined energies of the Ngarrindjeri people, our global Pioneers and Community Members today for their unique contribution to the life of our Region.

157. APOLOGIES
Nil



158. CONFIRMATION OF MINUTES

Recommendation:

That the minutes of the Meeting of Council held on the 9 September, 2019 as circulated to Members, be taken as read.

Cr Toogood moved

That the recommendation be adopted – namely,

That the minutes of the Meeting of Council held on the 9 September, 2019 as circulated to Members, be taken as read.

Seconded by Cr Baltensperger and CARRIED

159. DECLARATIONS OF CONFLICT OF INTEREST

In line with Section 74 of the Local Government Act, 1999

- (1) A member of a council who has an interest in a matter before the Council must disclose the interest to the Council.*
- (2) A member in making a disclosure under subsection (1) must provide full and accurate details of the relevant interest.*
- (3) A disclosure made under subsection (1) must be recorded in the minutes of the council (including details of the relevant interest).*

Members to advise of any Conflict of Interest Declarations

<i>Item No & Title</i>	162.1 – Community Advisory Committee Minutes 24 September 2019
<i>Elected Member Name</i>	Cr Eckermann
<i>Nature of Interest</i>	Conflict – Secretary of a Community Group receiving a Community Grant
<i>Manner in which conflict will be dealt with</i>	Leave the Chamber
<i>Result of Decision</i>	Carried

KE

160. COMMUNICATIONS REPORT

160.1 MAYORAL COMMUNICATIONS

Author Ashleigh Atze

11 September 2019	Business Advisory Forum Workshop
12 September 2019	Meeting with CEO and Tim Smythe (CEO, MRLGA)
16 September 2019	Local Government Reform Consultation Forum
17 September 2019	Murray Bridge Safe Meeting Photo with CEO and Mr Adrian Pederick MP – Announcement of Swimming Pool Masterplan Funding Mayor and CEO Catchup Citizenship Ceremony Elected Member Briefing
18 September 2019	LGA Circular Procurement Pilot Project - MOU signing ceremony Launch of Community Hearts
20 September 2019	Attended announcement at Monarto Safari Park
21 September 2019	UniSA Australian HPV Super Series Race Start
23 September 2019	Leader to Leader Meeting with NRA Mayor and CEO Catchup Elected Member Briefing
25 September 2019	MDA Region 6 Stakeholder Symposium
26 September 2019	Murray Darling Association - Inter Regional Meeting Reception Celebrating the 70th Anniversary of the Founding of the People's Republic of China
29 September 2019	Community Event with Murraylands Resource Centre
30 September 2019	Mayor and CEO Catchup Elected Member Briefing
1 October 2019	Murray Bridge Historic Transport Precinct Working Party Meeting Murray Darling Basin Authority - Regional Meeting Dinner
7 October 2019	Southern Carriage Driving Society - 2019 Masters Games Championships & Medal Presentation
8 October 2019	Mayor and CEO Catchup Citizenship Ceremony Elected Member Briefing
9 October 2019	Spring Garden Competition Meeting
10 October 2019	Special Citizenship Ceremony

I note the passing of Rayleigh Burgess on the 12 September 2019. Rayleigh was a very active participant of Murray Watch for some 31 years and devoted her life to addressing her concerns for the river and environs, the flora and fauna and everything that goes with it. Rayleigh was also a regular attendee of Council meetings since the early 1980s however due to her health was not able to attend many in recent years.

Rayleigh was a wonderful contributor to our Community and will be missed by many.

Recommendation

That item number 160.1 on the Council agenda of 14 October 2019 be received and noted.



Attachments

Nil

Cr Eckermann moved

That the recommendation be adopted – namely,

That item number 160.1 on the Council agenda of 14 October 2019 be received and noted.

Seconded by Cr Schubert and CARRIED

160.2 CHIEF EXECUTIVE OFFICER COMMUNICATIONS

Author Ashleigh Atze

10 September 2019	ELT Meeting
11 September 2019	Business Advisory Forum Workshop LG Professionals SA AGM
12 September 2019	Staff Meeting Meeting with Mayor and Tim Smythe (CEO, MRLGA) Unity College RUOK Day BBQ Meeting with Murray Bridge Golf Club President and Committee Members
16 September 2019	Local Government Reform Consultation Forum MRLGA CEO Network Meeting Eddie Woo Networking Event
17 September 2019	Murray Bridge Safe Meeting Photo with Mayor and Mr Adrian Pederick MP – Announcement of Swimming Pool Masterplan Funding Mayor and CEO Catchup Citizenship Ceremony Elected Member Briefing
18 September 2019	LGA Circular Procurement Pilot Project - MOU signing ceremony Meeting with Leonie Boothby (Acting CEO, RDA)
19 September 2019	Mellor Olsson CEO Luncheon with Minister Knoll
20 September 2019	Governance Institute of Australia - State Council Meeting
21 September 2019	UniSA Australian HPV Super Series Race Start
23 September 2019	Leader to Leader Meeting with NRA Mayor and CEO Catchup Elected Member Briefing
24 September 2019	ELT Meeting Photo for 2019 Christmas Hamper Appeal
25 September 2019	MRLCTA Board Meeting Meeting with Ben Scales (CEO, Mid Murray Council)
26 September 2019	Meeting with Kathryn Murray (KPMG) LG Professionals SA Rural Management Challenge
27 September 2019	Meeting with General Manager Assets & Infrastructure & DPTI Representatives
30 September 2019	Leadership Team Meeting Mayor and CEO Catchup Elected Member Briefing
1 October 2019	Meeting with General Manager Community Development, Elaine Bensted and Steve Callery (Zoos SA)
2 October 2019	Audit Committee Meeting
3 October 2019	Staff Meeting Meeting with Stevie Sanders (LGA) Meeting with Manager City Assets & Marianne Wierda (DPTI)
4 October 2019	LG Professionals SA CEO Network Forum Meeting with MRLCTA Chair (Ian Hill)
8 October 2019	ELT Meeting Mayor and CEO Catchup Citizenship Ceremony Elected Member Briefing
9 October 2019	Murray Bridge Learning Campus Executive Steering Committee
10 October 2019	MRLGA Meeting



11 October 2019

Special Citizenship Ceremony
Meeting with General Manager Community Development,
General Manager Corporate Services and Alistair McFarlane
(Beston Global Foods)

Recommendation

That item number 160.2 on the Council agenda of 14 October 2019 be received and noted.

Attachments

Nil

Cr Schubert moved

That the recommendation be adopted – namely,

That item number 160.2 on the Council agenda of 14 October 2019 be received and noted.

Seconded by Cr Thorley and CARRIED



161. DEPUTATIONS
(Regulation 11 of the Local Government (Procedures at Meeting) Regulations 2013)
In line with Council policy G15 Deputations to Council, if a decision is required, a report will be presented to the next meeting of Council to allow Council to make a determination. Deputations will be allocated up to 10 minutes to present their case to Council followed by questions from Elected Members.

Nil

162. REPORTS FROM COMMITTEES (S41 AND SUBSIDIARIES)

162.1 COMMUNITY ADVISORY COMMITTEE MINUTES 24 SEPTEMBER 2019

Author Kristen Manson

Legislative () Corporate (X) Other ()

Purpose

For Council to receive and note the minutes of the Community Advisory Committee held on the 24th September 2019.

A copy of the minutes of the Community Advisory Committee meeting held on 24th September 2019 are provided as Attachment 1.

Items formally considered at the meeting were:

1. Community Action Group Minutes 20th August 2019;
2. Sport and Recreation Advisory Group Minutes 5th September 2019;
3. Community Grants September 2019.

Strategic Plan

Goal 2 - Great People and Lifestyle

2.2 - Care for the Community

Recommendation

1. That item number 162.1 on Council agenda of 14 October 2019 be received and noted.
2. That Council notes the Community Action Group Minutes of 20 August 2019.
3. That Council endorse the recommendations as detailed in the Community Advisory Committee Minutes Item 19.2 as follows:
 - 3.1. That the Sport and Recreation Advisory Group Minutes of 5th September 2019 be noted.
 - 3.2. That the application by the Ramblers Netball Club for a Sport and Recreation Facilities Grant in the amount of \$20,378.27 be approved subject to 'YES' responses to the first 10 questions on the STARclub Club Development Program approved by the Murraylands STARclub Field Officer.
4. That Council endorse the recommendations as detailed in the Community Advisory Committee Minutes Item 19.3 as follows:
 - 4.1. That the Community Advisory Committee recommends to Council the endorsement of the recommendations as detailed in Attachment 1 allocated from the 2019/20 budget as follows:
 - a) An amount of \$39,910 be allocated from the 2019/20 Community Grants Budget
 - b) An amount of \$6,378 be allocated from the 2019/20 Small Wins budget
 - c) An amount of \$2,850 be allocated from the 2019/20 Zsolt Telkesi Scholarship budget;
 - d) An amount of \$6,200 is allocated from the 2019/20 Environmental Grants budget.
 - e) An amount of \$13,744 is allocated from the 2019/20 River Front Activation Grants budget

Attachments

1.	Community Advisory Committee Minutes September 2019	Attachment
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Cr Karen Eckermann left the meeting, the time being 07:11 PM due to a conflict of interest as Cr Eckermann is the secretary of a community group receiving a community grant.

Cr Baltensperger moved

That the recommendation be adopted – namely,

1. That item number 162.1 on Council agenda of 14 October 2019 be received and noted.
2. That Council notes the Community Action Group Minutes of 20 August 2019.
3. That Council endorse the recommendations as detailed in the Community Advisory Committee Minutes Item 19.2 as follows:
 - 3.1. That the Sport and Recreation Advisory Group Minutes of 5th September 2019 be noted.
 - 3.2. That the application by the Ramblers Netball Club for a Sport and Recreation Facilities Grant in the amount of \$20,378.27 be approved subject to 'YES' responses to the first 10 questions on the STARclub Club Development Program approved by the Murraylands STARclub Field Officer.
4. That Council endorse the recommendations as detailed in the Community Advisory Committee Minutes Item 19.3 as follows:
 - 4.1. That the Community Advisory Committee recommends to Council the endorsement of the recommendations as detailed in Attachment 1 allocated from the 2019/20 budget as follows:
 - a) An amount of \$39,910 be allocated from the 2019/20 Community Grants Budget
 - b) An amount of \$6,378 be allocated from the 2019/20 Small Wins budget
 - c) An amount of \$2,850 be allocated from the 2019/20 Zsolt Telkesi Scholarship budget;
 - d) An amount of \$6,200 is allocated from the 2019/20 Environmental Grants budget.
 - e) An amount of \$13,744 is allocated from the 2019/20 River Front Activation Grants budget

Seconded by Cr Thorley and CARRIED

Cr Karen Eckermann returned to the meeting, the time being 07:12 PM



Unconfirmed
COMMUNITY ADVISORY
COMMITTEE MINUTES

PROCEEDINGS OF COMMUNITY ADVISORY COMMITTEE
24 September, 2019

**MINUTES INDEX - 24 SEPTEMBER, 2019**

11. WELCOME	3
12. RECOGNITION OF CONTRIBUTORS TO OUR COMMUNITY	3
13. APOLOGIES.....	3
14. CONFLICT OF INTEREST DECLARATIONS (SF1464)	3
15. CONFIRMATION OF MINUTES	4
16. VALUED ENVIRONMENT	5
17. GREAT PEOPLE AND LIFESTYLE	6
18. DYNAMIC ECONOMY	7
19. CONNECTED COMMUNITIES.....	8
19.1 COMMUNITY ACTION GROUP MINUTES 20TH AUGUST 2019	8
19.2 SPORT AND RECREATION ADVISORY GROUP MINUTES 5 SEPTEMBER 2019	12
19.3 COMMUNITY GRANTS SEPTEMBER 2019.....	15
20. OUR COMMITMENT - ENSURING DELIVERY	24



Minutes of the Meeting of the Community Advisory Committee held in the Mobilong Suite, Local Government Centre 2 Seventh Street, Murray Bridge, on Tuesday 24 September, 2019, commencing at 6:00pm.

Members:

Don Watts - Chairperson
Cr Airlie Keen – Elected Member Representative
Cr Andrew Baltensperger – Elected Member Representative
Alicia Godfrey - Community Representative
Dawn Matthews – Community Representative
Matthew Jaensch – Community Representative
Rodel Maranan – Community Representative
Ruby Eckermann – Youth Community Representative
Steve Morcom – Community Representative
Sharon Weyland – Community Representative

Observers:

Kristen Manson – General Manager Community Development
Reginald Budarick – Manager Community Services
Kevin Heyndyk – Team Leader Youth, Sport and Recreation
Faith Box – Team Leader Community Development
Simone Zrna – Community Development Officer
Anita Hayward – Minutes Secretary

11. WELCOME

Community Advisory Committee Chair – Don Watts

12. RECOGNITION OF CONTRIBUTORS TO OUR COMMUNITY

We acknowledge the Ngarindjeri people as the traditional owners of this land on which we meet and work. We respect and acknowledge their spiritual connection as the custodians of this land and that their cultural heritage beliefs are still important to the living people today.

We recognise the living culture and combined energies of the Ngarindjeri people, our global Pioneers and Community Members today for their unique contribution to the life of our Region.

13. APOLOGIES

Apologies have been received from Cr Keen, Rodel Maranan and Matthew Jaensch. Sharon Weyland was absent.

14. CONFLICT OF INTEREST DECLARATIONS (SF1464)

In line with Section 74 of the Local Government Act, 1999

- (1) A member of a council who has an interest in a matter before the council must disclose the interest to the council.*
- (2) A member in making a disclosure under subsection (1) must provide full and accurate details of the relevant interest.*
- (3) A disclosure made under subsection (1) must be recorded in the minutes of the council (including details of the relevant interest).*



Community Advisory Committee
Tuesday 24 September, 2019
Public Minutes

4

Steve Morcom declared a Conflict of Interest with Item 19.3 *Community Grants September 2019* and advised that he would refrain from voting on this item.

15. **CONFIRMATION OF MINUTES**

Recommendation:

That the minutes of the Meeting of the Community Advisory Committee held on the 27 August, 2019 as circulated to Members, be taken as read.

Alicia Godfrey moved

That the recommendation be adopted - namely,

That the minutes of the Meeting of the Community Advisory Committee held on the 27 August, 2019 as circulated to Members, be taken as read.

Seconded by Cr Baltensperger and CARRIED



16. VALUED ENVIRONMENT

Nil



17. GREAT PEOPLE AND LIFESTYLE

Nil



18. DYNAMIC ECONOMY

Nil



19. CONNECTED COMMUNITIES

19.1 COMMUNITY ACTION GROUP MINUTES 20TH AUGUST 2019

Author Anita Hayward

Legislative ()

Corporate ()

Other (X)

Purpose

For the Community Advisory Committee to note the minutes of the Community Action Group meeting held on 20th August 2019.

A copy of the final draft minutes are attached as **Attachment 1**.

Strategic Plan

Goal 4 - Connected Communities

4.2 - Effective communication

Recommendation

1. That item number 19.1 on the Community Advisory Committee agenda of 24 September 2019 be received.
2. That the Community Action Group Minutes of 20th August 2019 be noted.

Attachments

- | | |
|--|------------|
| 1. Community Action Group Minutes 20th August 2019 | Attachment |
|--|------------|

Dawn Matthews moved

1. That item number 19.1 on Community Advisory Committee agenda of 24 September 2019 be received.
2. That the Community Action Group Minutes of 20th August 2019 be noted.

Seconded by Cr Baltensperger and CARRIED



Community Action Group – Meeting Notes

Tuesday 20th August 2019 4.30 - 5.30pm (Upstairs Town Hall)

Invitees (those in attendance in bold)

Jesse Budel, Steve Moritz, **Faith Box**, Maureen Stones, Heather Courtney, Sue Job, Ken Wells, Reg Budarick, Sue Foster, **Simone Zrna**, Bob England, **Dale Manson**, **John Scarvelis**, Paul Ankerson, **Frad McInerney**, Penny Heighes, Cr Andrew Baltensperger, Cr Tyson Matthews, Cr Fred Toogood, **Peter Sawley**, Shane Snell, Graham Hallandal, Steve Morcom, Don Watts, Cathy Smith, Goran Yakas, **Peter Crowley**, Peter & Jenny Phillips, **Fulvia Mantelli**, Rex Sleeman, Jayd Van Der Meer, **Maggie MacNeil**, **Nicole Taylor**

Apologies:

Cr. Karen Eckermann & Penny Heighes

Meeting Opened: 4.30pm Meeting Closed 5.30pm

1.0 Acknowledgement of Traditional Owners – Simi Zrna

I would like to acknowledge the Ngarrindjeri people as the traditional owners of this land on which we meet and work. We respect and acknowledge their Spiritual connection as the custodians of this land and that their cultural heritage beliefs are still important to the living people today.

2.0 Welcome All – Chairperson Faith Box (Introductions)

Introductions were made around the table.

3.0 Minute Taker

Special thankyou to Jesse Budel for volunteering to take minutes in the stead of Cr Karen Eckermann. Very much appreciated. Cr Eckermann has volunteered to take the minutes for our next meeting on Tuesday 15th October.

4.0 RCMB Strategic Plan Consultation (Maggie MacNeil)

Maggie presented on Council's new Strategic Plan 2020-2024, entitled 'Make It Yours', reviewing and building on the previous Imagine 2020 and Let's Talk campaigns.

Community consultations will take place on upcoming late August and early September dates in Jervois, Mypolonga, Monarto, Callington and Wellington.



A youth art competition, themed 'What do you think Murray Bridge will look like in 2024?', will take place in tandem.

Changes to date include the Adelaide Road linear park, the swimming pool plays space and new skate park, emerging from the Let's Talk campaign in 2015.

Upcoming changes include activating the river and Sturt Reserve, improved economic development and job availability, maintaining and improving services, maintain country lifestyle, activities for youth, and fostering community pride and identity.

CAG Members consulted and offered cards to fill out to inform Strategic Plan objectives.

4.0 Presentation – Nicole Taylor MMGPN - Murray Mallee Service Directory

Nicole talked about MMGPN's role in the community, and the new Murray Mallee Services directory, which provides the details of many organisations providing health and well-being services in the Murray Mallee area as possible. As such, the directory connects and familiarises the broader community with services they may not be aware of. The directory can be accessed at <https://murraymallee.servicesdirectory.org.au/>

5.0 Round the Table Updates

1. (Green Line) Tree Planting Project (Fred McInerney)

Fred promoted an idea of re-greening areas of decommissioned railway corridors around the state, particularly in the state's Mid to Far North.

He anticipates a potential planting of 1 million trees around the state, and has talked with Brenton Lewis and Adrian Pederick MP.

A pilot project is envisaged to take place between the disused line between Monarto and Sedan.

Consultation with DPTI about the possibility of the project going ahead will take place.

2. Visual/Performing Arts Report

Fulvia talked about the current exhibition and upcoming exhibitions at the Regional Arts Gallery (Tamworth Textiles, upcoming touring Indigenous arts exhibition). She additionally spoke of open mic nights and Guitars in Bars nights at the Town Hall, as well as the Murray Bridge 2020 Fringe contributions.



The Public Art Strategy is being finalised, with anticipation of new projects forthcoming.

Next Meeting

Cr Eckermann has volunteered to take the minutes – thank you

(4:30 – 5:30pm) – Tuesday 15th October 2019 (3rd Tuesday of every 2nd month) Town Hall Upstairs Meeting Room, Bridge Street, Murray Bridge

**19.2 SPORT AND RECREATION ADVISORY GROUP MINUTES 5 SEPTEMBER 2019**

Author Kevin Heyndyk

Legislative ()**Corporate ()****Other (X)****Purpose**

For the Community Advisory Committee to note the minutes of the Sport and Recreation Advisory Group meeting held on 5th September 2019.

A copy of the final draft minutes are attached as **Attachment 1**.

Strategic Plan

Goal 4 - Connected Communities

4.2 - Effective communication

Recommendation

1. That the Sport and Recreation Advisory Group Minutes of 5th September 2019 be noted.
2. That the application by the Ramblers Netball Club for a Sport and Recreation Facilities Grant in the amount of \$20,378.27 be approved subject to 'YES' responses to the first 10 questions on the STARclub Club Development Program approved by the Murraylands STARclub Field Officer

Attachments

- | | | |
|----|--|------------|
| 1. | Attachment 1 - SRAG Minutes 5 September 19 | Attachment |
|----|--|------------|

Cr Ballensperger moved

1. That item number 19.2 on the Community Advisory Committee agenda of 24 September 2019 be received.
2. That the Sport and Recreation Advisory Group Minutes of 5th September 2019 be noted.
3. That the application by the Ramblers Netball Club for a Sport and Recreation Facilities Grant in the amount of \$20,378.27 be approved subject to 'YES' responses to the first 10 questions on the STARclub Club Development Program approved by the Murraylands STARclub Field Officer

Seconded by Alicia Godfrey and CARRIED



The Best of
MURRAY
BRIDGE

Notes

Sport and Recreation Advisory Group

Date: 5th September 2019
Time: 6.00 pm
Location: The Station Group Room, 3-5 Railway Terrace Murray Bridge
Meeting: 8

Attendees: Alicia Godfrey – CAC Representative
Graham Hallandal – Community Representative
Kevin Heyndyk – Team Leader Youth Sport and Recreation
Kristen Manson – General Manager Community Development
Lee Spurling – Community Representative
Marc Maddaford – STARclub Field Officer
Todd Cusak – Community Representative

Apologies: Matthew Jaensch – CAC Representative
Sarah Lance – Community Representative

Welcome

1. New members Alicia and Kristen

Recognition of Contributors to our Country

2. We acknowledge the Ngarindjeri people as the traditional owners of this land on which we meet and work. We respect and acknowledge their spiritual connection as the custodians of this land and that their cultural heritage beliefs are still important to the living people today. We recognise the living culture and combined energies of the Ngarindjeri people, our global Pioneers and Community Members today for their unique contribution to the life of our Region.

Apologies

3. Apologies were received by:
Matthew Jaensch – CAC Representative
Sarah Lance – Community Representative

Previous Minutes

4. **Lee Spurling moved**
"That the previous notes of the meeting held 28th February 2019 be accepted"
Seconded by Kevin Heyndyk and CARRIED unanimously

Budget

- Budget presented by Team Leader Youth Sport and Recreation.
Current available funds \$113,857.38
5. **Graham Hallandal moved**
"That the budget presented 5 September 2019 be accepted"
Seconded by Todd Cusak and CARRIED unanimously
-



The Local City of
**MURRAY
BRIDGE**

Notes

Sport and Recreation Advisory Group

6. Conflict of Interest Declarations (SF1464)

- No conflict of interest were declared

Items for Discussion

7.1 Ramblers Netball Club – Replace Shelter, Change and Storage

7. Lee Spurling moved

"That the application by the Ramblers Netball Club for a Sport and Recreation Facilities Grant in the amount of \$20,378.27 be approved subject to "YES" responses to the first 10 questions on the STARclub Club Development Program approved by the Murraylands STARclub Field Officer"
Seconded by Alicia Godfrey and CARRIED unanimously

Any other business

SACA pilot project for paid administrator to take the pressure of off volunteers. Murray Towns Cricket Association chose not to be part of the pilot due to the cost.

Two new trail development in the region:

- Callington Spur Trail is nearing completion. Work has been done by volunteers with support from RCMB.
- 8. • North Kinchina Trail funded by a grant from ORSR auspiced by Murraylands Multisports inc. should be open to the public very soon.

ORSR state consultation has occurred. The focus was on the State Infrastructure Plan, Getting SA Active and a Grants Review

STARclub Murraylands, nearing 85% of Murraylands clubs registered in STARclub

Oval Masterplans have been endorsed for two of our oval precincts: Christian Reserve and Jaensch/Hamburg Ovals. Two more masterplans will be developed follow further consultation for Johnstone Park and LeMessurier Oval.

9. Next meeting – Approx. 3 months or when application/s are received

- Meeting closed at 6.50pm
-



19.3 COMMUNITY GRANTS SEPTEMBER 2019

Author Faith Box

Legislative ()

Corporate ()

Other (✓)

Purpose

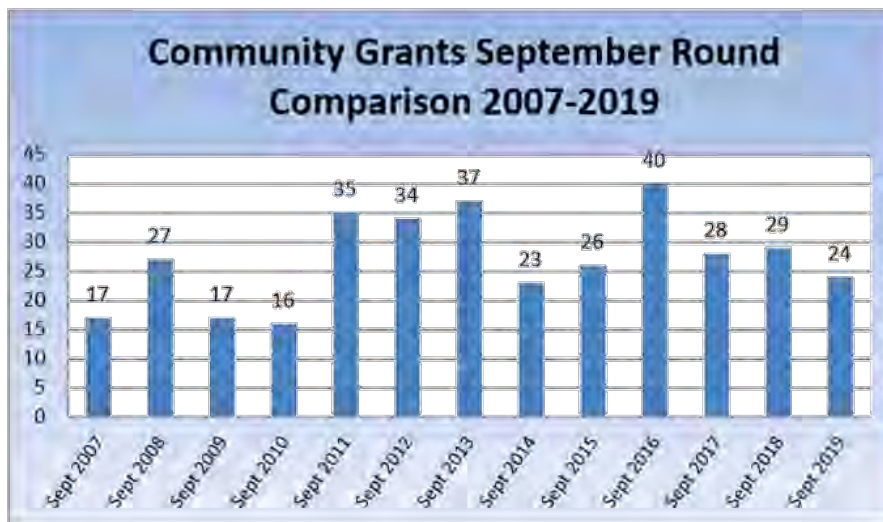
To seek the Community Advisory Committee's endorsement of the recommendations in relation to the distribution of the September 2019 round of the Council's Community Grants, Events and Donations.

Background

The Council has budgeted \$81,000 in this financial year to fund Community Grants, Events and Donations in two rounds of \$40,500. Further, this year Council has budgeted approved funding that has been utilised to assist this round of oversubscribed applications from the Zsolt Telkesi, Small Wins, River Activation Events and Environmental budgets.

Applications from September 2019 round of Community Grants funding closed on 6th September 2019. A total number of 24 grant-funding applications were received for this round seeking a total of \$76,464 of Council funding for community projects totalling \$224,903.

Please refer to the following graph indicating September Grant numbers tracked since 2007.



The Community Grants Working Party comprising of Steve Morcom (Community Representative), Cr Baltensperger, Faith Box (Team Leader – Community Development, Simone Zrna (Senior Cultural Development Officer) met to consider applications on Friday 20th September 2019.

The purpose of the Working Party is to determine appropriate recommendations for consideration by the Community Advisory Committee who makes the final recommendation to Council.

Proposal

The Council's Community Grants program has been very successful and continues to be an important means by which the Council supports various projects and events involving local



clubs, groups and other not for profit organisations working in our communities. These areas, in a broad sense, include youth, sport and recreation, environment, seniors, general community, accessibility, mental health and visual/performing arts and culture (including community events).

- 23 of 24 applications, fully or partially funded
- One rejected non-complying application, as the applicant is overseas and unable to provide the required information. However, they have been encouraged to apply for a small win on their return.

Please refer to **Attachment 1**, which provides in detail recommendations in relation to the distribution of funding allocated for specific projects and events.

The Community Grants Working Party has undertaken a comprehensive assessment and recommends the following:

1. A total of \$69,082 has been recommended for allocation to local Community Groups from Council's 2019-20 budget coming in under the approved budget amount.

Please note the following breakdown:

FUNDING SOURCE	AMOUNT
Zsolt Telkesi	\$2,850
Environmental Grants	\$6,200
Small Wins Budget	\$6,378
Community Grant Budget	\$39,910
River Activation Events	\$13,744
TOTAL	\$69,082.00

2. An amount of \$2,850 is recommended to be allocated from the Zsolt Telkesi Fund in **Item 8e** of **Attachment 1**. The Blue Light Summer Party is an annual event held in January, which provides school holiday entertainment and activities for 70 primary aged school children.

The Zsolt Telkesi Scholarship Fund was established in 1996-97 with money gifted from the Attorney General in recognition of Zsolt Telkesi who worked extensively in the Murray Bridge community assisting young people particularly those at risk. Each year Council allocates \$5,000 to fund youth projects and programs whilst the remaining Trust money remains intact. Generally, \$2,500 is distributed twice per year corresponding with the Community Grant rounds.

Due to the volume of applications and the restrictions of the Community Grants budget, it was necessary to select appropriate applications that were suited for referral to other Council budgets.

3. An amount of \$6,200 is recommended to be allocated from the 2018/19 Environmental Budget. Please refer to **Attachment 1, Items 9 & 24**.



4. An amount of \$6,378 is recommended to be allocated from the Small Wins budget. Please refer to **Attachment 1, Items 2, 15 & 21.**
5. An amount of \$39,910 is recommended to be allocated from the current financial years Community Grants budget. Please refer to **Attachment 1.** 23 of the 24 applications received funding. A couple of applications have been recommended to be funded equal to the amount of quotes provided.
6. An amount of \$13,744 is recommended to be allocated from 2019/20 Riverfront Activation Events budget. Please refer to attachment 1, item 11E

All applications were assessed according to the criteria and a number of factors were considered carefully by staff when recommending the fair and equitable disbursement of Councils funding. Some of those considerations are as follows:

- First time applications;
- If the application could continue with partial funding;
- Previous funding considerations (when the group was last funded and how often);
- Community safety and risk (e.g. defibrillators);
- Community need & urgency;
- Did the application strictly meet with criteria (some applicants didn't provide adequate justification therefore were funded for the amount of quotes they did present); and
- Quality of application.

Legislative Requirements

General legislative requirements, as set out within the Local Government Act and related legislation, are met.

Council Policy

The Council's Community Grants, Donations and Events Policy is met and implemented by this report and recommendations.

Financial Implications

The allocation for fund distributions is in accordance with the itemised approved budgets.

Risk

The grant making process creates opportunities, but not all who seek funding can have their wishes met, given that demand outstrips supply. The creation of winners and losers has an element of risk for the Council, whose decision can be challenged through the Ombudsman or Courts. It is not believed that the decision-making process creates additional risk and the robust governance process is designed to mitigate this risk. Failure to allocate funding creates risks for community groups and potentially reputational risk for the Council.

WHS

There are no new WHS implications that arise as a result of this report or its recommendations.

Asset Management

There are no new asset management implications arising as a result of this report or its recommendations. Please note that all applications for events and projects are provided to the contracts and property department for perusal.

**Implementation Strategy**

If the recommendations are agreed upon, the successful applicants will be notified advising them of the next steps. Unsuccessful ones will be advised and given information as to how to prepare for the next round of funding should they wish to re-submit.

Communication Strategy

If the recommendations are agreed and then implemented, they will be publicised in appropriate media.

Strategic Plan

Goal 4 - Connected Communities
4.3 - Sense of Community

Recommendation

1. That item number 19.3 on Community Advisory Committee agenda of 24 September 2019 be received.
2. That the Community Advisory Committee recommends to Council the endorsement of the recommendations as detailed in **Attachment 1** allocated from the 2019/20 budget as follows:
 - a. An amount of \$39,910 be allocated from the 2019/20 Community Grants Budget
 - b. An amount of \$6,378 be allocated from the 2019/20 Small Wins budget
 - c. An amount of \$2,850 be allocated from the 2019/20 Zsolt Telkesi Scholarship budget;
 - d. An amount of \$6,200 is allocated from the 2019/20 Environmental Grants budget.
 - e. An amount of \$13,744 is allocated from the 2019/20 River Front Activation Grants budget

Attachments

- | | | |
|----|---|------------|
| 1. | Community Grants September 2019 Spreadsheet | Attachment |
|----|---|------------|

Steve Morcom declared a conflict of interest with Community Grant Application Reference 23E and refrained from voting on this item.

Dawn Matthews moved

1. That item number 19.3 on Community Advisory Committee agenda of 24 September 2019 be received.
2. That the Community Advisory Committee recommends to Council the endorsement of the recommendations as detailed in **Attachment 1** allocated from the 2019/20 budget as follows:
 - a. An amount of \$39,910 be allocated from the 2019/20 Community Grants Budget
 - b. An amount of \$6,378 be allocated from the 2019/20 Small Wins budget
 - c. An amount of \$2,850 be allocated from the 2019/20 Zsolt Telkesi Scholarship budget;
 - d. An amount of \$6,200 is allocated from the 2019/20 Environmental Grants budget.
 - e. An amount of \$13,744 is allocated from the 2019/20 River Front Activation Grants budget

Seconded by Alicia Godfrey and CARRIED

Community Events, Grants Donations - Appendix A

Reference Number	Details of Applicant	Category	Past Recipient Acquired	Continue with Partial Funding	Form 8	Required Material	Eligible	GST Reg	Amount Sought	Project Amount	Amount Granted	Project Description & Comments
1	Burdett Hall Inc PO Box 61 Murray Bridge SA 5253 Dianne Burdette 0428 319 890 djburdette@live.com.au ABN 88400001 by Supply id 1012019	Community	yes	yes	n/a	complete	yes	yes	\$3,100.00	\$10,896.00	\$3,100.00	Replacement of Hall Windows - the windows in the hall have decayed and are in desperate need of replacement. Last grant administered to this group was in 2002. Recommended
2	Cars and Coffee Murray Bridge 15 Riverglan Drive White Sands Joanne Lovell 0415 790 260 joanne.lovell88@gmail.com	Community	FIRST TIME	no	n/a	complete	yes	no	\$478.00	\$1,038.00	\$478.00	Murray Bridge Autofest Promotion - A passionate group creating opportunities for visitors who love cars to come and stay, shop and enjoy Murray Bridge. Recommended Donation ONLY \$478 - Small Win Budget Not incorporated, however working with group to improve understanding and eligibility in future.
3E	Community Living Australia 6 Third St Murray Bridge SA 5253 Shaun Williams 8536 5888 shaun.williams@clausf.com.au ABN 24 605 680635 (9/10/2012)	Accessibility Sport and Rec	yes	yes	n/a	complete	yes	yes	\$3,100.00	\$37,082.00	\$3,100.00	Tri State Games Support of local people competing in the tri-state games. An important promotion and celebration of skills in sports within the community for people with a disability. Recommended
4	Manaroo Clay Target Club Inc PO Box 212 Murray Bridge SA 5253 John Brotag 0427 354 312 jmbrotag@bigpond.com ABN 690 770 99649 id 1010866	Sport and Rec	yes	yes	n/a	complete	yes	no	\$3,100.00	\$12,140.00	\$3,100.00	Purchase New Clay Target Machine Very proactive group seeking assistance to increase their ability to run successful events including the purchase of a new clay target machine. Recommended
5E	Munzee South Australia 52 Hill St Murray Bridge SA 5253 Matthew Hogan 0419 830 619 mphogan@internode.on.net ABN 88 335 320 875 id 1018082	Community Recreation	FIRST TIME	yes	yes	complete	yes	no	\$2,235.00	\$4,735.00	\$2,235.00	Ozydayzee 20 East - A geolocation event to be held at Sturt Reserve in January 2020. This is a new applicant with a focus on community health as well as bringing visitors to Murray Bridge to stay and play. A growing, active pastime that all the family can do together. Recommended Approval Conditional on Events Permit being issued
6	Murray Bridge & District Historical Society Inc. Box 1297 Murray Bridge SA 5253 Maureen Stone 0427 703 064 mbhistorical@hotmail.com ABN 81 426 862 175 id 1012458	Community PO	yes	no	yes	complete	yes	no	\$1,249.00	\$3,949.00	\$1,249.00	The Great Outdoors - A well written, complete, early application for roofing which will enhance the outdoor area of the historical society headquarters in a way that encourages visitors to stay and members to enjoy the space they have created. Recommended

Community Events, Grants Donations - Appendix A

Reference Number	Details of Applicant	Category	Past Recipient Acquired	Continue with Partial Funding	Form 5	Required Material	Eligible	GST Reg	Amount Sought	Project Amount	Amount Granted	Project Description & Comments
7E	Murray Bridge and District Table Tennis Association PO Box 290 Murray Bridge SA 5253 Steven Hock 0409 324 450 cstevoh@dodo.com ABN 55 378 382 031 id 1012812	Sport and Rec	yes	yes	yes	complete	yes	no	\$2,360.00	\$4,860.00	\$2,360.00	Open Tournament Event - A sound application for an event that will enable table tennis players to practice for a National upcoming event at their local club. Recommended
8E	Murray Bridge Blue Light PO Box 1539 Adelaide SA 5001 Kim Ide 8535 6345 kim.ide@police.sa.gov.au ABN 54 641 489 476 id 1012701	Youth	yes	yes	n/a	complete	yes	yes	\$2,850.00	\$5,937.83	\$2,850.00	Blue Light Summer Party - The annual blue light summer party in January 2020 provides school holiday entertainment and activities for 70 primary aged children. Recommended - Isoll Telkesi budget.
9	Murray Bridge Catholic Parish PO Box 201 Murray Bridge SA 5253 Fr John Hord 0418 852 354 jdhord@hotmail.com ABN 58 425 938 461 id 1012942	Cultural	yes	yes	n/a	complete	yes	yes	\$3,100.00	\$8,695.00	\$3,100.00	Reconciliation Garden - Creation of a reconciliation garden at the catholic church depicting Ngarrindjeri totem birds to develop greater understanding and connection with Ngarrindjeri people. Recommended - Environmental Grant Budget! May require Ngarrindjeri Elder permission for bird totem
10	Murray Bridge Community Concert Band PO Box 1636 Murray Bridge SA 5253 Les Smith 0411 637 023 lvsandsmith@bigpond.com ABN 15 689 754 659 id 1012495	community	yes	yes	yes	complete	yes	no	\$3,100.00	\$9,260.00	\$3,100.00	Purchase music and instruments - A wonderful application - complete, early and earnestly genuine for the purchase of music and instruments to enable the group to continue to perform at major community events. They offer a magnificent service to community and deserve ongoing Council support. Recommended
11E	Murray Bridge Interchurch Council PO Box 2002 Murray Bridge SA 5253 Chris Bown 0402 081 039 chris@bowndraft.com ABN 99 237 054 433 id 1012154	Community	yes	no	yes	complete	yes	no	\$17,664.00	\$26,664.00	\$13,744.00	Christmas Carols by the River - A positive event for the community delivered by the Interchurch Council. Recommending \$13,744 which is the total of the quotations presented. Recommended - River Activation Event Budget Conditional on issue of Event Permit
12E	Murraylands Multisports Inc 27b Loddon Road Riverglades SA 5253 Morgan Coull 0431 638 721 morgancoull@gmail.com ABN 88 803 561 543 id 1011713	Sport	yes	yes	n/a	incomplete	yes	no	\$3,100.00	\$9,145.00	\$0.00	New Kinchina North Trail Loop Opening - A group creating opportunities for world class events to be held in Murray Bridge. Unfortunately the application is non-complying as the applicant is overseas unable to provide a range of information needed. Staff will work with the group and encourage the submission of a small win application in the near future. Not Recommend

Community Events, Grants Donations - Appendix A

Reference Number	Details of Applicant	Category	Past Recipient Acquired	Continue with Partial Funding	Form 8	Required Material	Eligible	GST Reg	Amount Sought	Project Amount	Amount Granted	Project Description & Comments
13E	Murraylands White Ribbon Committee Sponsored by White Ribbon Australia c/- Murray Bridge Library Tim Law 8539 1178 T.law@murraybridge.sa.gov.au ABN 57 126 739 544 id 1012762	Community Safety	yes	yes	yes	complete	yes	yes	\$3,100.00	\$7,700.00	\$3,100.00	Annual Murraylands White Ribbon Shout No Event Sponsored by White Ribbon Australia This event is held annually to raise awareness of domestic violence. A free community BBQ, community walk and a variety of activities are on offer. Recommended Conditional on issue of Event Permit
14E	Music SA- St Pauls Creative Centre 200 Pullney St Adelaide SA 5000 Gareth Wilkes 7320 3310 gareth@music.sa.gov.au ABN 19 079 445 051 id 1013099	Community	yes	no	n/a	complete	yes	yes	\$1,500.00	\$6,760.00	\$1,138.00	Community Open Mic Pilot Project A fabulous pilot event for musical networking and performance with a view to creating a sustainable music scene/network for all ages in the Murray Bridge area. Recommended for total of quote provided \$1,138
15	Neighbourhood Watch Volunteers Assoc. Of South Australia Inc. (Local Group 0402211) Unit 91 5 Pugh Ave Murray Bridge SA 5253 William Parsons 8801 1021 ABN 98 888 896 308 id 1012436	Community	yes	yes	n/a	complete	yes	no	\$3,100.00	\$12,132.00	\$3,100.00	NHW Trailer Project - A proactive community group supporting local events and activities, promoting safety in the community. Recommended - Small WISS Budget
16E	Punjabi Virasat Welfare and Cultural Association 10 Trevor St Murray Bridge SA 5253 Jagtar Singh 0401 082 793 jagtar.nagri@gmail.com ABN 69 184 714 506 id 1013078	Cultural Family	yes	no	n/a town hall to be used	complete	yes	no	\$3,100.00	\$11,750.00	\$3,100.00	4th Punjabi Virasat Mela 2019 - A wonderful free community event celebrating the local Indian community that has been running for a number of years bringing many visitors to Murray Bridge to enjoy cultural diversity. Recommended
17	Riding for the Disabled Murray Bridge 11 Coolbah Dve Murray Bridge SA 5253 Sharon Willis 0438 856 921 murraybridgedr@gmail.com ABN 22 616 420 424 id 1012814	Accessibility	yes	yes	yes	complete	yes	yes	\$1,097.00	\$2,194.00	\$1,097.00	Construction of a second railed arena - Construction will enable the organization to safely accommodate the expanding number of disabled riders. Recommended

Community Events, Grants Donations - Appendix A

Reference Number	Details of Applicant	Category	Past Recipient Acquired	Continue with Partial Funding	Form B	Required Material	Eligible	GST Reg	Amount Sought	Project Amount	Amount Granted	Project Description & Comments
18	Rotary Club of Mobjing C/- PO Box 2167 Murray Bridge SA 5253 Dale Manson 0418 811 233 manson.daga@bigpond.com ABN 63 637 722 629 ID 1010182	sport and see	yes	yes	yes	complete	yes	no	\$2,949.00	\$11,699.00	\$2,949.00	Roadside promotion of "Murray Bridge - Cycling City" during Tour Down Under. - Strategic roadside promotion of MS cycling during tour down under. The presence of painted bikes and carluo signs will promote allied RCMB initiatives. Recommended (note this group has been funded every round and small wins continuously) Conditional on endorsement by TDU Events Team
19E	Scraptime International Murray Bridge PO Box 22 Murray Bridge SA 5253 Nancy McLean 0408 657 037 kjeckerman@yahoo.com.au ABN 88 524 566 203 ID 1013972	Women in community	yes	yes	n/a	complete	yes	no	\$2,400.00	\$4,800.00	\$2,400.00	International Women's Day 2020 - A growing annual event that celebrates the strength and resilience of women. Recommended
20	Timari Children's Centre PO Box 5015 Murray Bridge South SA 5253 Elona Keop and Miliam Bjelovarac 85311515 elona.keop@sca.gov.au ABN 73 656 371696 ID 1013680	Cultural/family	yes	yes	no	complete	yes	yes	\$2,782.00	\$6,212.00	\$2,782.00	Cultural Cooking Connections - A well written complete application offering a great opportunity for local families to explore and celebrate cultural diversity through cooking. Recommended
21	Vinnis Murray Bridge Conference PO Box 1764 Lithhampton SA 5250 Anne Mason 0412021354 murraybridgeconf@svdpsa.org.au ABN 73 691 401 592 ID 1013925	Community	yes	yes	n/a	complete	yes	yes	\$2,600.00	\$6,700.00	\$1,000.00	Annual Christmas Appeal - A great project to support the members of our community who find themselves in need. This project is already supported strongly by RCMB. Recommended - Small Win Budget
22	Waterford Estate Retirement Village Sponsored by RSL Care SA 58 Long Island Rd Murray Bridge SA 5253 Lee Lyons 0408 811 293 lly25535@bigpond.net.au or Yvonne Flano 0403 609 884 yvonne702@gmail.com ABN 42419627410 ID 1012614	Senior Community	yes	yes	n/a	complete	yes	no	\$2,000.00	\$4,000.00	\$2,000.00	Gymnasium upgrade - 180 residents of Waterford would like to purchase some gym equipment to improve their health and choice of equipment. Recommended
23E	Wellington Progress Association C/- 3387 Jervois Road Wellington SA. Steven Morcom 0418 833 516 mark@senel.com.au ABN 54 864 264 256 ID 1012432	Community	yes	yes	partial	complete	yes	no	\$3,100.00	\$6,630.00	\$3,100.00	Wellington Strawberry Fete - 6/10/19 This event has been running for over 20 years with the last 3 years increasing visitors by 100 each year. Over 600 people attend from locals to visitors from a 100km radius. An annual event bringing so much goodness to the community. Recommended <i>Please note that this group received funding recently, however they identified upfront their intention to seek funding for the annual Strawberry Fete</i>

Community Events, Grants Donations - Appendix A

Reference Number	Details of Applicant	Category	Post Recipient Acquired	Continue with Partial Funding	Form 8	Required Material	Eligible	GST Reg	Amount Sought	Project Amount	Amount Granted	Project Description & Comments
24	Wetlands Habitats Assoc Inc Paimalla PO Box 5 Stratfieldbyn SA 5255 Stephen Scown 0418 893 911 cphox@hokky.net.au ABN 64 621 965 757 (4 1012529)	Environment	yes	yes	n/a	complete	yes	no	\$3,100.00	\$9,025.00	\$3,100.00	Improve visitor facilities at Paimalla - A development project for the promotion of an environmental experience. Recommended - Environmental Budget Approval Conditions if DA is required for pergola

Events highlighted in pink		\$76,464.00	\$224,903.83	\$69,082.00	Total Allocated this round (under budget)
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\$40,500/round	\$39,910.00	Community Grants Funding 72131,499.551
\$2,650.00	\$2,650.00	Small Telkesi 72355,499.551
\$13,744.00	\$13,744.00	River Front Event Grants 73191,499.551
\$6,178.00	\$6,178.00	Small/Quick Wins Funding 73190,499.553
\$4,200.00	\$4,200.00	Environmental 73236,499.551
\$69,082.00		

Authority Budget (as at date of writing)

\$81,000.00	Budget Community Grants (\$81,000 per annum)
\$5,000.00	Zsolt Telkesi (\$5,000 per annum)
\$60,521.00	Small Wins/Quick Wins Funding
\$50,000.00	River Front Event Grants
\$20,000.00	Environmental Grants

\$60,621 remains



20. OUR COMMITMENT - ENSURING DELIVERY

Nil

Next Meeting

The next meeting is scheduled for the 17th December 2019

Meeting closed at 6:15 pm

Minutes taken and confirmed this day of 2019

CHAIRPERSON

162.2 AUDIT COMMITTEE MINUTES 2 OCTOBER 2019

Author Ros Kruger

Legislative (x) Corporate () Other ()

Purpose

For Council to receive the minutes of the Audit Committee held on the 2 October 2019.

A copy of the minutes are provided as Attachment 1.

A summary of items discussed and recommendations to Council are as follows:

S17.1 In-Camera Discussions with External Auditors

That the item be received and noted

S17.2 Certification of 2018-19 Financial Statements

That Council authorise the Mayor and Chief Executive Officer to sign the certification of financial statements for 2018-19 in their final form when completed.

S17.3 Audited Financial Statements 2018-2019

1. *That the Audit Committee, having reviewed the Audited Financial Statements for 2018-19 contained in Attachment 1 considers that the Audited Financial Statements 2018-19 present fairly the state of affairs of Council.*
2. *That the Audit Committee notes the Management Representation letter (Attachment 2, the Audit Clearance Letter (Attachment 3) and the Management Letter (Attachment 4)*
3. *That the Audit Committee recommends that the Audited Financial Statements 2018-19 be subsequently laid before the Council for adoption on 14 October 2019.*
4. *That the Chief Executive Officer and the Audit Committee Presiding Member be authorised to sign the Certification of Auditor Independence Statement following receipt of the signed Statement by the Auditor.*

S17.4 Draft 2018-2019 Annual Report

That the Audit Committee recommends endorsement of the Annual Report 2018-19 to the Council, noting the Chief Executive may make minor editorial changes as required.

S17.5 Asset Management Plan – Civil and Transport Infrastructure

That Audit Committee recommend the 2019-2024 Civil and Transport Infrastructure Asset Management Plan to Council for endorsement for public consultation

S17.6 Asset Management Plan – Plant and Fleet

That Audit Committee recommend the 2019/2024 Plant and Fleet Asset Management Plan to Council for endorsement for public consultation.

S17.7 Internal Audit Report – Customer Service

That the item be received and noted

S17.8 Internal Audit Program - Update

That the Audit Committee notes the status of the actions arising from the Internal Audit Program and the proposed revised dates of the actions as detailed in this report.

S17.9 Public Interest Disclosure Act 2018

1. *That the Audit Committee recommend to Council that it notes the Public Interest Disclosure Guideline, Attachment 1, noting it replaces the Whistleblowers Protection Policy*
2. *That the Audit Committee recommend to Council the endorsement of the revised Fraud & Corruption Prevention Policy, Reporting Fraud & Corruption Reporting Process, and Complaint Framework, Attachments 2, 3 and 4.*
3. *That the Audit Committee recommend to Council the endorsement of the revised Audit Committee Terms of Reference, Attachment 5*

S17.10 Audit Committee Activity Report 2018-2019

1. *That item number S17.10 on the Special Audit Committee agenda of 2 October 2019 be received and endorsed for referral to Council for information.*
2. *That the Audit Committee Chair be invited to brief Council on the activities of the Audit Committee at its meeting on the 9 December 2019.*

S17.11 Development of Strategic Plan

That the item be received and noted

S18.1 Audit Committee Self Assessment 2018-2019

That the item be received and noted

Recommendation

1. That item number 162.2 on the Council agenda of 14 October 2019 be received .
2. *S17.2 – Certification of 2018-2019 Financial Statements*
That Council authorise the Mayor and Chief Executive Officer to sign the certification of financial statements for 2018-19 in their final form when completed.
3. *S17.3 – Audited Financial Statements 2018-2019*
 - a. *That the Audit Committee having reviewed the Audited Financial Statements for 2018-19 contained in Attachment 1 considers that the Audited Financial Statements 2018-19 present fairly the state of affairs of Council.*
 - b. *That the Audit Committee notes the Management Representation letter (Attachment 2, the Audit Clearance Letter (Attachment 3) and the Management Letter (Attachment 4)*
 - c. *That the Chief Executive Officer and the Audit Committee Presiding Member be authorised to sign the Certification of Auditor Independence Statement following receipt of the signed Statement by the Auditor.*
 - d. *That Council adopts the Audited Financial Statements 2018-19 laid before the Council*
4. *S17.4 – Draft 2018-2019 Annual Report*
That Council endorse the Annual Report 2018-19 noting the Chief Executive may make minor editorial changes as required.
5. *S17.5 – Asset Management Plan – Civil and Transport Infrastructure*
That Council endorse the 2019-2024 Civil and Transport Infrastructure Asset Management Plan to Council for public consultation
6. *S17.6 – Asset Management Plan – Plant and Fleet*
That Council endorse the 2019/2024 Plant and Fleet Asset Management Plan for public consultation.
7. *S17.8 – Internal Audit Program update*

That Council notes the status of the actions arising from the Internal Audit Program and the proposed revised dates of the actions as detailed in this report.

8. S17.9 – Public Interest Disclosure Act 2018
 - a. That Council notes the Public Interest Disclosure Guideline, Attachment 1, noting it replaces the Whistleblowers Protection Policy
 - b. That Council endorses the revised Fraud & Corruption Prevention Policy, Reporting Fraud & Corruption Reporting Process, and Complaint Framework, Attachments 2, 3 and 4.
 - c. That Council endorse the revised Audit Committee Terms of Reference, Attachment 5
9. S17.10 – Audit Committee Activity Report 2018-2019
 - a. That Council note the report and invite the Audit Committee Chair to brief Council on the activities of the Audit Committee at its meeting on the 9 December 2019.
10. S17.1 – In-camera Discussions with External Auditors
S17.7 – Internal Audit Report – Customer Service
S17.11 – Development of Strategic Plan
S28-1 – Audit Committee Self-Assessment 2018-2019
That the reports be received and noted.

Attachments

1	Audit Committee Minutes	Attachment
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Cr Toogood moved

That the recommendation be adopted – namely,

1. That item number 162.2 on the Council agenda of 14 October 2019 be received .
2. S17.2 – Certification of 2018-2019 Financial Statements
That Council authorise the Mayor and Chief Executive Officer to sign the certification of financial statements for 2018-19 in their final form when completed.
3. S17.3 – Audited Financial Statements 2018-2019
 - a. That the Audit Committee having reviewed the Audited Financial Statements for 2018-19 contained in Attachment 1 considers that the Audited Financial Statements 2018-19 present fairly the state of affairs of Council.
 - b. That the Audit Committee notes the Management Representation letter (Attachment 2, the Audit Clearance Letter (Attachment 3) and the Management Letter (Attachment 4)
 - c. That the Chief Executive Officer and the Audit Committee Presiding Member be authorised to sign the Certification of Auditor Independence Statement following receipt of the signed Statement by the Auditor.
 - d. That Council adopts the Audited Financial Statements 2018-19 laid before the Council
4. S17.4 – Draft 2018-2019 Annual Report
That Council endorse the Annual Report 2018-19 noting the Chief Executive may make minor editorial changes as required.
5. S17.5 – Asset Management Plan – Civil and Transport Infrastructure
That Council endorse the 2019-2024 Civil and Transport Infrastructure Asset Management Plan to Council for public consultation
6. S17.6 – Asset Management Plan – Plant and Fleet
That Council endorse the 2019/2024 Plant and Fleet Asset Management Plan for

public consultation.

7. S17.8 – Internal Audit Program update

That Council notes the status of the actions arising from the Internal Audit Program and the proposed revised dates of the actions as detailed in this report.

8. S17.9 – Public Interest Disclosure Act 2018

a. That Council notes the Public Interest Disclosure Guideline, Attachment 1, noting it replaces the Whistleblowers Protection Policy

b. That Council endorses the revised Fraud & Corruption Prevention Policy, Reporting Fraud & Corruption Reporting Process, and Complaint Framework, Attachments 2, 3 and 4.

c. That Council endorse the revised Audit Committee Terms of Reference, Attachment 5

9. S17.10 – Audit Committee Activity Report 2018-2019

a. That Council note the report and invite the Audit Committee Chair to brief Council on the activities of the Audit Committee at its meeting on the 9 December 2019.

10. S17.1 – In-camera Discussions with External Auditors

S17.7 – Internal Audit Report – Customer Service

S17.11 – Development of Strategic Plan

S28-1 – Audit Committee Self-Assessment 2018-2019

That the reports be received and noted.

Seconded by Cr Thorley and CARRIED



Unconfirmed
AUDIT COMMITTEE MINUTES

PROCEEDINGS OF AUDIT COMMITTEE
2 October, 2019

**MINUTES INDEX - 2 OCTOBER, 2019**

13. WELCOME	3
14. APOLOGIES.....	3
S15. CONFLICT OF INTEREST DECLARATION	3
S16. CONFIRMATION OF MINUTES	3
S17. OUR COMMITMENT - ENSURING DELIVERY	4
SSSS17.1 IN-CAMERA DISCUSSIONS WITH EXTERNAL AUDITORS.....	4
SSSS17.2 CERTIFICATION OF 2018-19 FINANCIAL STATEMENTS.....	6
SSSS17.3 AUDITED FINANCIAL STATEMENTS 2018-2019.....	9
SSSS17.4 DRAFT 2018-19 ANNUAL REPORT.....	89
SSSS17.5 ASSET MANAGEMENT PLAN - CIVIL AND TRANSPORT INFRASTRUCTURE.....	260
SSSS17.6 ASSET MANAGEMENT PLAN - PLANT AND FLEET.....	290
SSSS17.7 INTERNAL AUDIT REPORT - CUSTOMER EXPERIENCE	318
SSSS17.8 INTERNAL AUDIT PROGRAM - UPDATE.....	349
SSSS17.9 PUBLIC INTEREST DISCLOSURE ACT 2018	381
SSSS17.10 AUDIT COMMITTEE ACTIVITY REPORT - 2018/2019	428
SSSS17.11 DEVELOPMENT OF STRATEGIC PLAN	433
S19. CONFIDENTIAL ITEMS	462
SSSS18.1 AUDIT COMMITTEE SELF ASSESSMENT 2018-2019.....	463



Minutes of the Confidential Special Meeting of the Audit Committee held in the Mobilong Suite, Local Government Centre 2 Seventh Street, Murray Bridge, on Wednesday 2 October, 2019, commencing at 1 pm.

Members:

Mr Peter Brass – Presiding Member
Cr Wayne Thorley – Elected Member representative
Cr Fred Toogood – Elected Member representative
Mr Peter Canaway – Independent representative
Mr Luke Williams – Independent representative

Observers:

Mr Michael Sedgman, Chief Executive Officer
Ms Heather Barclay, General Manager Assets & Infrastructure
Mr Tim Vonderwall, General Manager Corporate Services
Ms Kristen Manson, General Manager Community Development
Mr Matt James, Manager City Infrastructure
Mr Brad Wamcken, Chief Finance Officer
Ms Ros Kruger, Executive Officer

Mr Justin Jamieson, KPMG, Internal Auditor
Ms Heather Martens, KPMG, Internal Auditor

Mr David Francis, Bentley's, External Auditor

S13. WELCOME
Audit Committee Chair – Peter Brass

S14. APOLOGIES
Nil

S15. CONFLICT OF INTEREST DECLARATION
Nil

S16. CONFIRMATION OF MINUTES

Recommendation:

That the minutes of the Meeting of Audit Committee held on the 1 May, 2019 as circulated to Members, be taken as read.

Peter Canaway moved

That the recommendation be adopted – namely.

That the minutes of the Meeting of Audit Committee held on the 1 May, 2019 as circulated to Members, be taken as read.

Seconded by Cr Toogood and CARRIED



S19. OUR COMMITMENT - ENSURING DELIVERY

S17.1 IN-CAMERA DISCUSSIONS WITH EXTERNAL AUDITORS

Author Ros Kruger

Cr Toogood moved

That:

Pursuant to Section 90(2) of the Local Government Act 1999 the Audit Committee orders that all persons, except the External Auditors be excluded from attendance at the meeting held on 2 October 2019 for agenda item S17.1 IN-CAMERA DISCUSSIONS WITH EXTERNAL AUDITORS.

This Council is satisfied that pursuant to Section 90(3) (h) of the Local Government Act 1999, the information to be received, discussed or considered in relation to agenda item S17.1 is: (i) legal advice.

Seconded by Peter Canaway and CARRIED

Legislative ()

Corporate (x)

Other ()

Purpose

To hold an in camera discussion between Council's Audit Committee and External Auditors to discuss the External Audit

Background

Council's Audit Committee Terms of Reference and Work Plan provide for an in camera meeting between Audit Committee members and the External Auditors.

Proposal

This in camera meeting will provide the ability for the Audit Committee and External Auditors to have discussions, without staff present, on the findings of the 2018/2019 Audited Financial Statements.

Legislative Requirements

Local Government Act 1999

Council Policy

Council S41 Committees

Code of Conduct - S41 Independent Members

Access to Council and Committee Meetings and Associated Documents

Financial Implications

Costs associated with external audit are budgeted within the 2018/2019 financial year.

Risk

The ability of the Audit Committee and External Auditors to meet in camera ensures the transparency and reliability of the external audit process.

WHS

No new issues are identified for staff.



Asset Management

The External Auditors review Council's Asset Management Plans.

Implementation Strategy

Council Staff will leave the meeting to allow the Audit Committee and External Auditors and Internal Auditors to meet.

Communication Strategy

The Chair of the Audit Committee will summarise the outcome of the in-camera meeting.

Strategic Plan

Goal 5 - Our Commitment
5.4 - Transparent

Recommendation

1. *That item number S17.1 on Special Audit Committee agenda of 2 October 2019 be received and noted.*
2. *That the item be released.*

Attachments

Nil

Peter Canaway moved

1. *That item number S17.1 on Special Audit Committee agenda of 2 October 2019 be received and noted.*
2. *That the item be released.*

Seconded by Cr Thorley and CARRIED

**S17.2 CERTIFICATION OF 2018-19 FINANCIAL STATEMENTS**

Author: Tim Vonderwall

Legislative (✓)

Corporate ()

Other ()

Purpose

To seek Council authorisation for the Mayor and Chief Executive Officer to sign the certification of financial statements in their final form when completed and note the process to be followed for the preparation and presentation of the 2018-19 financial statements.

Background

In accordance with Section 127 of the *Local Government Act 1999* and Regulation 10 of the *Local Government (Financial Management) Regulations 2011*, Council must prepare, for each financial year, a set of financial statements and notes in accordance with standards prescribed by the regulations (as per Regulation 13 this must be in the format outlined in the Model Financial Statements). These financial statements must be prepared as soon as is reasonably practicable after the end of the relevant financial year (and no later than the second Friday in September) and must be audited by the Council's auditor.

The following steps surrounding the certification process are designed to integrate with the audit committee requirements and comply with the procedures outlined in the Model Financial Statements. The procedures detailed in the Model Financial Statements operate in the following manner:

Step 1

Prior to the completion of the annual financial statements, Council will authorise the Mayor and Chief Executive Officer to sign the certification of the financial statements in their final form when completed.

Regulation 14 of the *Local Government (Financial Management) Regulations 2011* requires a certification statement (in the prescribed form) be included in the financial statements and be signed by the Mayor of Council and the Chief Executive Officer.

Step 2

Council Officers will prepare draft financial statements for submission for external audit. Council's auditors are scheduled to conduct the audit between 19 to 21 August 2019.

Step 3

The Audit Committee will review the audited financial statements to ensure they present fairly the affairs of the Council. This review will be conducted independently of the external audit. However, it is anticipated that the Audit Committee will have the benefit of any information available (informal or otherwise) on particular matters raised by the auditor. The audited financial statements are presented to the Audit Committee today..

Step 4

The financial statements (including the accompanying auditor's report and other certificates) will be presented at an ordinary meeting of Council. The financial statements in their final form will be presented for endorsement at the ordinary meeting of Council on 14 October 2019.



Step 5

As per Regulation 16 of the *Local Government (Financial Management) Regulations 2011*, the endorsed audited financial statements will be forwarded to the Minister of Local Government and the presiding member of the South Australian Local Government Grants Commission by 30 November 2019.

Proposal

That Council authorises the Mayor and the Chief Executive Officer to sign the certification of financial statements in their final form when completed.

Legislative Requirements

Section 127 of the *Local Government Act 1999*
Part 4 of the *Local Government (Financial Management) Regulations 2011*

Council Policy

Not applicable

Financial Implications

The financial results for the year ending 30 June 2018 will be reported in the financial statements tabled at the ordinary meeting of Council on 8 October 2018.

Risk

The financial statements will be prepared and presented in accordance with the procedures outlined in the Model Financial Statements.

WHS

Not applicable

Asset Management

Not applicable

Implementation Strategy

The financial statements will be prepared and presented in accordance with the procedures outlined in the Model Financial Statements.

Communication Strategy

Council will be advised of the outcomes from the external audit and the audit committee meeting at the ordinary meeting of Council on 8 October 2018.

Strategic Plan

5.2 - Sustainable

Recommendation

1. That item number S17.2 on Special Audit Committee agenda of 2 October 2019 be received.
2. That Council authorise the Mayor and Chief Executive Officer to sign the certification of financial statements for 2018-19 in their final form when completed.

Attachments

Nil



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

8

Peter Canaway moved

1. That item number \$17.2 on Special Audit Committee agenda of 2 October 2019 be received.
2. That Council authorise the Mayor and Chief Executive Officer to sign the certification of financial statements for 2018-19 in their final form when completed.

Seconded by Cr Thorley and CARRIED

**SSS17.3 AUDITED FINANCIAL STATEMENTS 2018-2019**

Author Tim Vondenwall

Legislative (x)**Corporate ()****Other ()****Purpose**

To provide the Audit Committee with the 2018-19 Audited Financial Statements for review and recommendation for adoption by Council at the Council meeting to be held on 14 October 2019.

Background

The 2018-19 Audited Financial Statements have been prepared in accordance with the Australian Accounting Standards, the Local Government Act 1999 and associated Local Government Financial Management Regulations.

The Financial Statements (**Attachment 1**) have been reviewed by Council's external auditors, Bentleys, and this report is to formally present Council's Audited Financial Statements for the year ending 30 June 2019, together with the Management Representation letter (**Attachment 2**) and a copy of Bentleys Clearance Letter to the Chief Executive Officer (**Attachment 3**) in accordance with Section 126(4)(a) of the Local Government Act 1999.

The Audited Financial Statements are required to be completed and adopted by Council and a copy be provided to the Minister and the SA Local Government Grants Commission on or before 30 November 2019.

The key financial indicators and LGA mandatory financial ratios show an improvement in Council's financial status.

- The adjusted operating surplus ratio of 5% is positive. It is up on the prior year's ratio of 3% mainly as a result of an increase in operating surplus of Lerwin Residential Aged Care Facility.
- The adjusted Net Financial Liabilities Ratio of 13% in 2018-19 reflects a slight decrease from 15% in 2017-18 and remains well below Council's target limit.
- The Asset Sustainability Ratio has decreased at 78% due to timing of capital renewal projects. These uncompleted renewal projects are proposed to be carried forward into 2019-20 to ensure the high value of capital renewal is maintained.

A summary of the financial results is outlined below.

Statement of Comprehensive Income

The Statement of Comprehensive Income shows a significant improvement in the underlying operating surplus.

- An operating surplus of 2,259k has been achieved compared to a surplus of \$1,295k in 2017-18.

The 2018-19 operating surplus, when adjusted for the timing of Financial Assistance Grants results in an underlying surplus of \$1,790k.

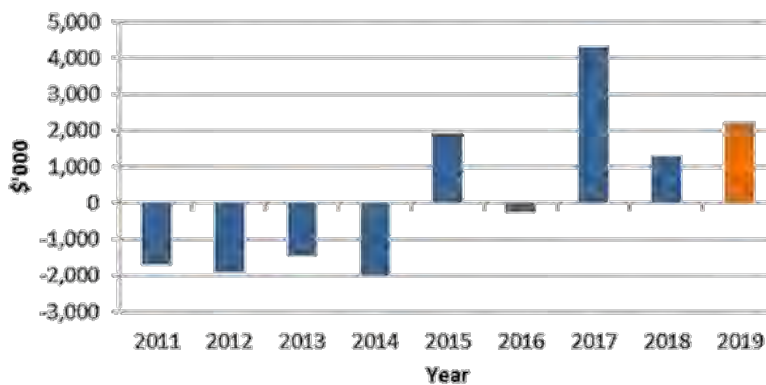


Included in the 2018-19 statements is the Lerwin Residential Aged Care Facility operating result which recorded a surplus of \$326k, an increase of \$227k compared to 2017-18. The increased Lerwin Operating result is primarily due to savings in contractor costs when compared to 2017-18.

The 2018-19 Net Surplus includes capital grants received for new and upgraded assets of \$561k which reflects Council's success in securing grants to undertake capital projects.

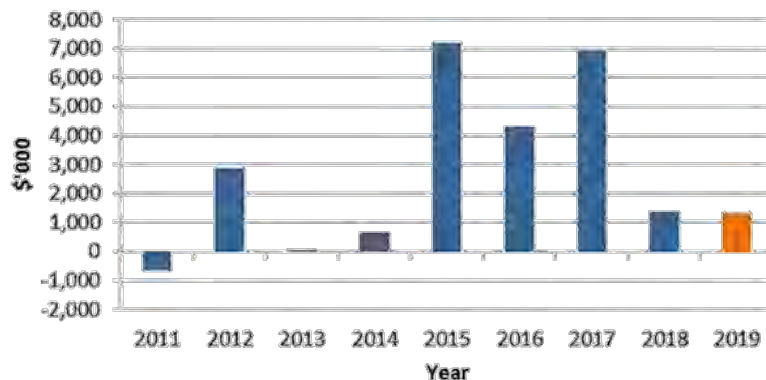
The graphs below illustrate key comparatives for the last 9 years.

Operating Surplus/Deficit



\$2,259 for 2019

Net Surplus/Deficit



\$1,316 for 2019

Income

Total income for the year was \$39,532k, an increase of \$2,685k over the prior year. Of this \$798k is attributable an increase in FAGS Grants, \$606k was received for new key projects (Learning and Innovation Hub and Regional Study Hub) and \$1,123k relates to an increase in rates income. Total rates raised in the year were \$24,847k.

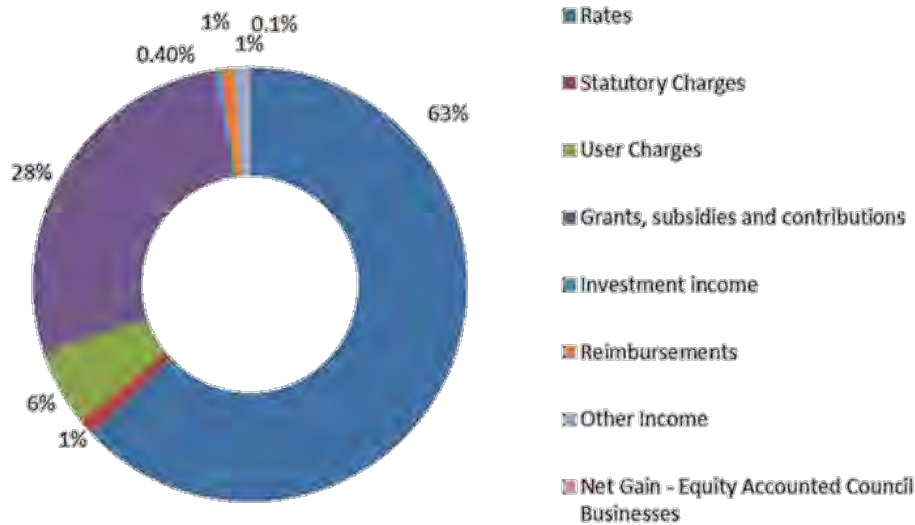
Rates make up 62.9% of Council's total revenue.



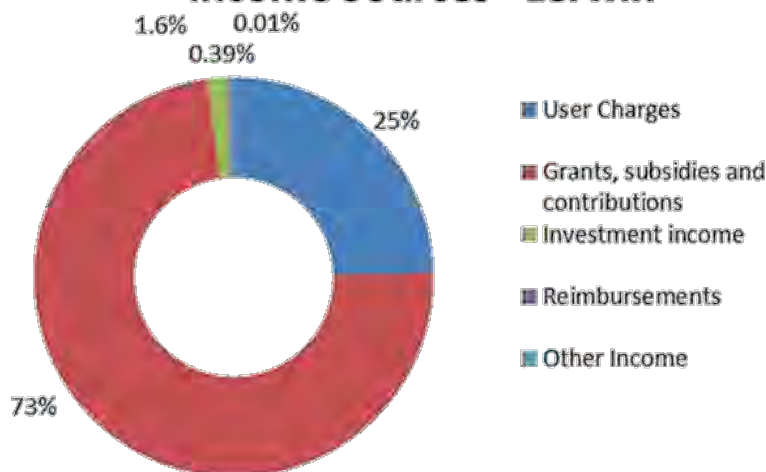
Of the income, \$6.36m or 16.1% relates to Lerwin. This represents a \$352k (5.8%) increase from 2017-18 and reflects the uplift in ACFI income.

The graphs following illustrate the income sources as a percentage of total income.

Income Sources - Council



Income Sources - Lerwin



Expenses

Expenditure for the year totaled \$37,273k, an increase of 5% over the prior year.



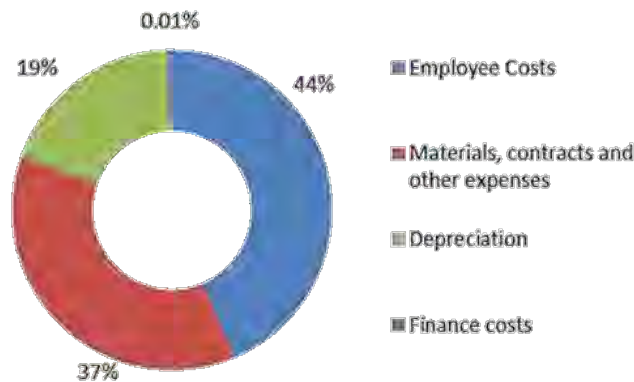
Higher Materials, Contracts & Other Expenses was primarily the result of increased material and utility costs.

Employee Costs were higher primarily as a result of filling positions for the full year only partially filled in 2017-2018 plus an increase in FTE's at Lerwin.

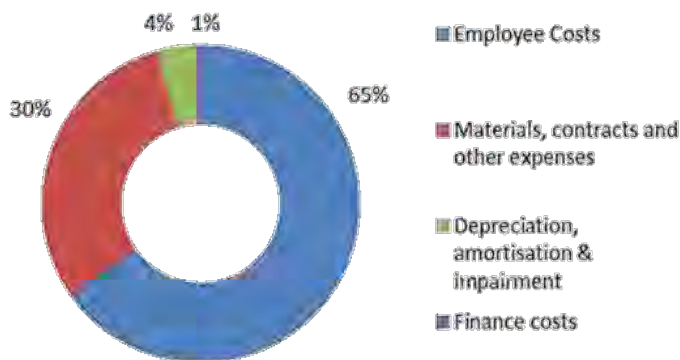
Interest expense on loans for the year was \$212k, a reduction from the prior year due to the improved cash position resulting from better cash management.

The graphs following illustrate expenses as a percentage of total expenses.

Expenses - Council



Expenses - Lerwin



Adelaide Hills Regional Waste Management Authority

A net profit of \$98k has been reported compared to a prior year loss of \$111k which represents Council's share of the Adelaide Hills Regional Waste Management Authority result.



Cash/Financing

	2019 (\$000's)	2018 (\$000's)	Change (\$000's)
Cash and cash equivalents	2,382	2,006	376
Lerwin Cash deposits	4,793	5,643	-850
Other Restricted Cash	661	647	14
Future Fund Restricted Cash	749	730	19
Short term borrowings	-1,093	-1,027	-66
Long term borrowings	-1,389	-2,482	1,093
Net Cash	6,103	5,517	586

Council's net financing position improved by \$586k over the course of the year. This was mainly due to utilising surplus cash to reduce long term borrowings.

The \$4,793k Cash Deposits relates to Aged Care Facility Deposits which are financial deposits received from residents at Lerwin in part payment of their residential fees. These cash balances are not available for general use by Council.

Statement of Financial Position

Assets

Trade and Other Receivables have decreased by \$75k due to a reduction of rates receivable.

Infrastructure, Property and Plant & Equipment increased in the year by \$14.390m. A total of \$9.524m in new and upgraded assets were added during the year. The carrying value of assets disposed of or replaced \$1.751m.

Other Non-Current Assets are essentially capital works in progress, i.e. capital projects which have been started but not completed by the year end. The work in progress has decreased from \$3.673m to \$3.349m.

Liabilities

The Trade Payables balance of \$10.340m is \$132k lower than the prior year. The movement relates to an decrease in the level of Lerwin Residential Accommodation Deposits and timing of employee entitlement payments due to the timing of year end.

Statement of Cash Flows

Total cash and cash equivalents at the end of the year was \$8.585m, a net decrease in cash held of \$441k.

Net cash provided by operating activities was an inflow of \$8.933m. This represents a decrease of \$596k from the previous year mainly as a result of the increased operating expenditure.

Net cash used in investing activities was \$8.540m, a decrease from last year reflecting the timing of capital projects spend.

A repayment of short term borrowings was made in the year amounting to \$1.027m.



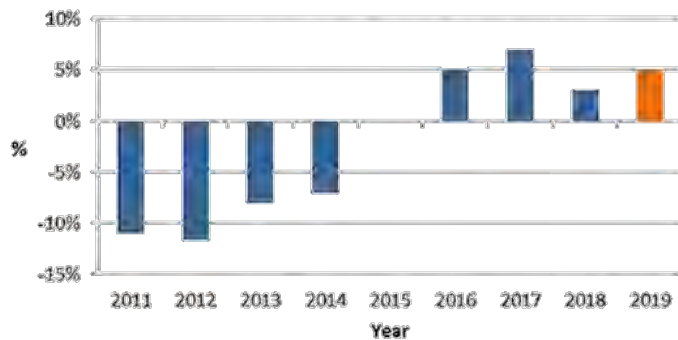
Financial Indicators

The key financial indicators are used to assess financial health and presence of good business management practice. These indicators have been prepared in accordance with the Financial Sustainability Information Paper 9 – Financial Indicators revised in February 2012.

Indicator 1 – Operating Surplus Ratio

The Operating Surplus Ratio is the operating surplus/(deficit) expressed as a percentage of general and other rates, net of rate rebates and revenues from the NRM levy. It can be used as guide as to how much rates would need to be increased in order to bring the operating result into surplus. The ratio in 2018-19 has been adjusted slightly downwards to reflect the timing of receipts of the 2018-19 and 2019-20 Financial Assistance Grants.

Adjusted Operating Surplus Ratio



2018-19 - 5%

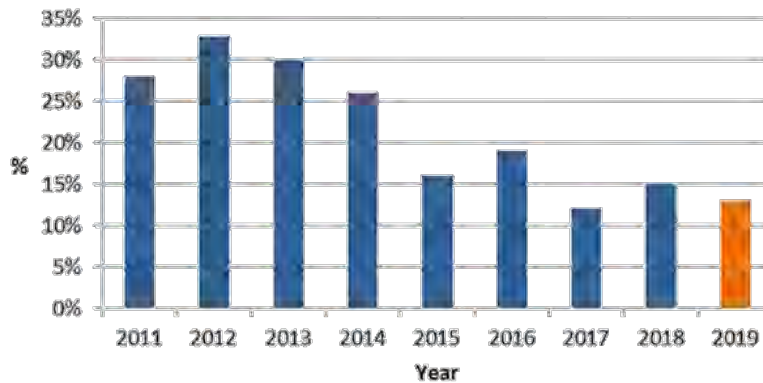
The Adjusted Operating Surplus Ratio for 2018-19 was 5% which is an increase compared to the prior year (3%). A key contributor to the increase is the increase in the surplus at Lerwin.

Indicator 2 – Net Financial Liabilities Ratio

The Net Financial Liabilities Ratio is calculated by expressing net financial liabilities at the end of the financial year as a percentage of operating revenue for the year.



Net Financial Liabilities Ratio



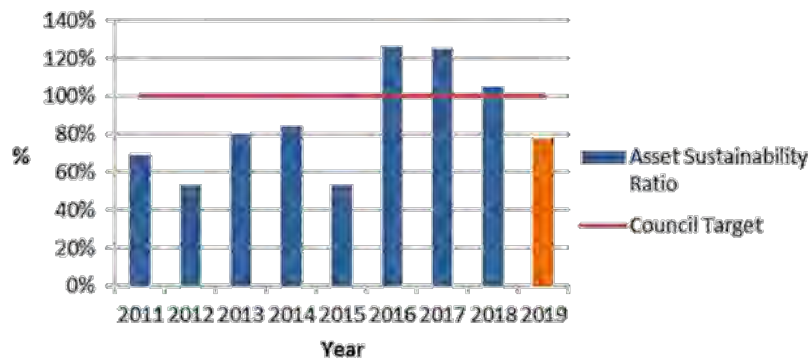
2018-19 - 13%

The Net Financial Liabilities Ratio of 13% is a slight decrease on 2017-18. The ratio of 13% is well within the LGA guidelines of less than 100% and Council's target of up to 75%.

Indicator 3 – Asset Sustainability Ratio

This ratio indicates the extent to which existing non-financial assets are being renewed and replaced compared with what is needed to cost effectively maintain service levels.

Asset Sustainability Ratio



2018-19 - 78%

The Asset Sustainability Ratio for the year has decreased at 78%. The ratio is reduced in 2018-19 due to the timing of renewal capital projects. In addition to the \$5.58m of Capital Renewal Expenditure in 2018-19 \$2.0 million of renewal budget has been proposed to be carried forward into 2019-20. Had the timing of these projects fallen into 2018-19 the asset sustainability ratio would have exceeded the 100%, however a larger than target ratio can be expected in 2019-20 as a result.

This \$2.0m of carried forward Capital Renewal expenditure is made up of the following projects.



Road Reconstruction \$415k
Road Resheeting \$360k
Toilet Renewal \$213k
LGC Air-conditioning Replacement \$191k
\$765k of Plant Renewal

The Audit Clearance Letter provided by the auditors is included as **Attachment 3** stating that no material uncorrected mis-statements were identified during the audit.

A Management Letter on Audit Findings (**Attachment 4**) by Council's external auditor, Bentley's, reports on matters identified during the Final Audit review and provides an update on matters raised during the Interim Audit. Bentley's will present this to Audit Committee Members during the Special Meeting of the Audit Committee on 2 October 2019.

Legislative Requirements

Sections 126 and 127 of the Local Government Act 1999
Regulations 13, 14 and 16 of the Local Government (Financial Management) Regulations 2011
Australian Accounting Standards

Council Policy

Not applicable

Financial Implications

Measuring performance by the key financial results and ratios, Council's result for the year is better than budget for all key measurements.

- The final audited financial performance of Council is an operating surplus of \$2.259m which compares favourably with the budgeted surplus of \$1.490m and the original budget surplus of \$1.328m. The principal favourable variance relates to the timing of key project spend.
- Actual adjusted operating ratio of 5% compares favourably to a budgeted ratio of 3.4%.
- The Net Cash Position at the end of the year (cash less borrowings) is net cash of \$6.103m which represents an inflow of \$586k in the year and is \$9.568m better than the original budget.

This improvement is as a result of a lower than budget spend on Key Projects of \$1,674k, a lower than budget spend on capital projects of \$5,454k plus an improvement in the operating result. A significant proportion of this improvement is as a result of timing and therefore instead of borrowing in 2018-19, Council will need to borrow funds in 2019-20.

- Net Financial Liabilities Ratio of 13% compared to the original budget of 33%.
- An Asset Sustainability Ratio of 78% compared to the original budget of 98%.

Risk

If the Audited Financial Statements are not adopted by Council by 30 November 2019, Council will be in breach of the Local Government Act.

WHS

Not applicable

**Asset Management**

Not applicable

Implementation Strategy

Once endorsed by the Audit Committee, the Audited Financial Statements will be presented to Council at its meeting to be held on 8 October 2018 for adoption.

Pursuant to Section 127(4) of the Local Government Act 1999, the Audited Financial Statements will be submitted to the Minister and the SA Local Government Grants Commission on or before 30 November 2018.

Communication Strategy

After adoption of the Audited Financial Statements by Council, copies will be made available for public viewing at the Local Government Centre, the Public Library and on Council's website at www.murraybridge.sa.gov.au

Strategic Plan

Goal 5 - Our Commitment

5.2 - Sustainable

Recommendation

1. That item number SSS17.3 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Audit Committee, having reviewed the Audited Financial Statements for 2018-19 contained in Attachment 1 considers that the Audited Financial Statements 2018-19 present fairly the state of affairs of Council.
3. That the Audit Committee notes the Management Representation letter (Attachment 2, the Audit Clearance Letter (Attachment 3) and the Management Letter (Attachment 4)
4. That the Audit Committee recommends that the Audited Financial Statements 2018-19 be subsequently laid before the Council for adoption on 14 October 2019.

Attachments

1.	Rural City of Murray Bridge Draft Financial Statements 2018 2019	Attachment
2.	2018-19 Management Representation Letter	Attachment
3.	Audit Clearance Letter	Attachment
4.	Management Letter	Attachment



Cr Toogood moved

1. That item number SSS17.3 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Audit Committee, having reviewed the Audited Financial Statements for 2018-19 contained in Attachment 1 considers that the Audited Financial Statements 2018-19 present fairly the state of affairs of Council.
3. That the Audit Committee notes the Management Representation letter (Attachment 2), the Audit Clearance Letter (Attachment 3) and the Management Letter (Attachment 4)
4. That the Audit Committee recommends that the Audited Financial Statements 2018-19 be subsequently laid before the Council for adoption on 14 October 2019.
5. That the Chief Executive Officer and the Audit Committee Presiding Member be authorised to sign the Certification of Auditor Independence Statement following receipt of the signed Statement by the Auditor.

Seconded by Peter Canaway and CARRIED



Rural City of Murray Bridge

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2019





Rural City of Murray Bridge

General Purpose Financial Statements for the year ended 30 June 2019

Contents

	Page
1. Council Certificate	2
2. Primary Financial Statements:	
- Statement of Comprehensive Income	3
- Statement of Financial Position	4
- Statement of Changes in Equity	5
- Statement of Cash Flows	6
3. Notes to the Financial Statements	7
4. Independent Auditor's Report - Financial Statements	50
5. Independent Auditor's Report - Internal Controls	52
6. Certificates of Audit Independence	
- Council Certificate of Audit Independence	54
- Audit Certificate of Audit Independence	55



Rural City of Murray Bridge

General Purpose Financial Statements for the year ended 30 June 2019

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

Michael Sedgman
CHIEF EXECUTIVE OFFICER

Brenton Lewis
MAYOR

Date: 14 October 2019



Rural City of Murray Bridge

Statement of Comprehensive Income
for the year ended 30 June 2019

\$ '000	Notes	2019	2018
Income			
Rates Revenues	2a	24,847	23,724
Statutory Charges	2b	490	532
User Charges	2c	2,273	2,316
Grants, Subsidies and Contributions	2d	10,875	9,297
Investment Income	2e	158	172
Reimbursements	2f	415	347
Other Income	2g	376	460
Net Gain - Equity Accounted Council Businesses	10	98	-
Total Income		39,532	36,847
Expenses			
Employee Costs	3a	16,248	15,406
Materials, Contracts & Other Expenses	3b	13,733	13,162
Depreciation, Amortisation & Impairment	3c	7,080	6,595
Finance Costs	3d	212	277
Net loss - Equity Accounted Council Businesses	10	-	111
Total Expenses		37,273	35,552
Operating Surplus / (Deficit)		2,259	1,295
Asset Disposal & Fair Value Adjustments	4	(1,716)	(1,259)
Amounts Received Specifically for New or Upgraded Assets	2g	561	1,252
Physical Resources Received Free of Charge	2i	253	67
Net Surplus / (Deficit) ¹		1,357	1,356
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	8a	13,508	1,316
Total Other Comprehensive Income		13,508	1,316
Total Comprehensive Income		14,865	2,672

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

page 3



Rural City of Murray Bridge

Statement of Financial Position
as at 30 June 2019

\$ '000	Notes	2019	2018
ASSETS			
Current Assets			
Cash and Cash Equivalents	0a	8,585	9,026
Trade & Other Receivables	0b	3,025	3,100
Inventories	0c	356	142
Subtotal		11,966	12,268
Non-Current Assets Held for Sale	2d	571	571
Total Current Assets		12,537	12,839
Non-Current Assets			
Equity Accounted Investments in Council Businesses	0e	57	-
Infrastructure, Property, Plant & Equipment	7a	294,184	279,794
Other Non-Current Assets	0f	3,349	3,673
Total Non-Current Assets		297,590	283,467
TOTAL ASSETS		310,127	296,305
LIABILITIES			
Current Liabilities			
Trade & Other Payables	0a	10,340	10,472
Borrowings	0b	1,093	1,027
Provisions	0c	3,162	2,996
Total Current Liabilities		14,595	14,495
Non-Current Liabilities			
Borrowings	0b	1,389	2,482
Provisions	0c	670	679
Liability - Equity Accounted Council Businesses	0d	-	42
Total Non-Current Liabilities		2,059	3,203
TOTAL LIABILITIES		16,654	17,697
Net Assets		293,473	278,608
EQUITY			
Accumulated Surplus		101,035	99,678
Asset Revaluation Reserves	0	192,438	178,930
Total Council Equity		293,473	278,608

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

page 4



Rural City of Murray Bridge

Statement of Changes in Equity
for the year ended 30 June 2019

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Total Equity
2019				
Balance at the end of previous reporting period		99,678	178,930	278,608
Restated Opening Balance		99,678	178,930	278,608
a. Net Surplus / (Deficit) for Year		1,357	-	1,357
b. Other Comprehensive Income				
- Gain (Loss) on Revaluation of I, PP&E	7a	-	13,508	13,508
Other Comprehensive Income		-	13,508	13,508
Total Comprehensive Income		1,357	13,508	14,865
Balance at the end of period		101,035	192,438	293,473
2018				
Balance at the end of previous reporting period		98,322	177,614	275,936
Restated Opening Balance		98,322	177,614	275,936
a. Net Surplus / (Deficit) for Year		1,356	-	1,356
b. Other Comprehensive Income				
- Gain (Loss) on Revaluation of I, PP&E	7a	-	1,316	1,316
Other Comprehensive Income		-	1,316	1,316
Total Comprehensive Income		1,356	1,316	2,672
Balance at the end of period		99,678	178,930	278,608

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

page 5



Rural City of Murray Bridge

Statement of Cash Flows
for the year ended 30 June 2019

\$ '000	Notes	2019	2018
Cash Flows from Operating Activities			
Receipts			
Operating Receipts		39,683	36,321
Investment Receipts		158	172
Payments			
Operating Payments to Suppliers and Employees		(30,664)	(26,675)
Finance Payments		(244)	(290)
Net Cash provided by (or used in) Operating Activities	119	8,933	9,529
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		561	1,252
Sale of Replaced Assets		35	216
Sale of Surplus Assets		-	112
Distributions Received from Equity Accounted Council Businesses		98	111
Payments			
Expenditure on Renewal/Replacement of Assets		(5,584)	(7,163)
Expenditure on New/Upgraded Assets		(3,552)	(3,667)
Capital Contributed to Equity Accounted Council Businesses		(99)	(111)
Net Cash provided by (or used in) Investing Activities		(8,540)	(9,250)
Cash Flows from Financing Activities			
Receipts			
Proceeds from Aged Care Facility Deposits		1,921	2,213
Payments			
Repayments of Borrowings		(1,027)	(1,115)
Repayment of Aged Care Facility Deposits		(1,727)	(358)
Net Cash provided by (or used in) Financing Activities		(833)	741
Net Increase (Decrease) in Cash Held		(441)	1,019
Plus: Cash & Cash Equivalents at beginning of period	11	9,026	8,007
Cash & Cash Equivalents at end of period	11	8,585	9,026

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

page 6



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Significant Accounting Policies	8
2	Income	16
3	Expenses	19
4	Asset Disposal & Fair Value Adjustments	21
	Current Assets	
5a	Cash & Cash Equivalents	21
5b	Trade & Other Receivables	21
5c	Inventories	21
	Non-Current Assets	
6a	Equity Accounted Investments in Council's Businesses	22
6b	Other Non-Current Assets	22
	Fixed Assets	
7a	Infrastructure, Property, Plant & Equipment	23
7b	Valuation of Infrastructure, Property, Plant & Equipment	24
	Liabilities	
8a	Trade & Other Payables	26
8b	Borrowings	26
8c	Provisions	26
8d	Liability Accounted Investments in Council Businesses	26
	Reserves	
9	Asset Revaluation Reserve	27
10	Assets Subject to Restrictions	27
11	Reconciliation to Statement of Cashflows	28
12a	Functions	29
12b	Components of Functions	30
13	Financial Instruments	31
14	Commitments for Expenditure	36
15	Financial Indicators	37
16	Uniform Presentation of Finances	39
17	Operating Leases	40
18	Superannuation	41
19	Interests in Other Entities	42
20	Non Current Assets Held for Sale & Discontinued Operations	43
21	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	44
22	Events After the Balance Sheet Date	45
23	Related Party Transactions	45
	Additional Council Disclosures	
24	Equity - Retained Earnings and Revaluation Reserves Adjustments	46 n/a
25	Segment Reporting	47
26	Material Budget Variations	48

n/a - not applicable

page 7



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 14 October 2019.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

2 The Local Government Reporting Entity

Rural City of Murray Bridge is incorporated under the South Australian *Local Government Act 1999* and

has its principal place of business at 2 Seventh Street, Murray Bridge SA 5253. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

1. Lerwin Nursing Home

Other entities in which Council has an interest but does not control are reported in Note 19.

3 Income Recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2016/17	\$5,479m	\$3,617m	\$1,862m
2017/18	\$4,038m	\$3,872m	\$0,166m
2018/19	\$4,835m	\$4,366m	\$0,469m



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

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

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

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

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on

financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

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

5.2 Other Real Estate Held for Resale

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

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Buildings	\$10,000
Infrastructure	\$10,000
Plant & Vehicles	\$5,000
Equipment	\$5,000
Furniture & Fittings	\$5,000
Other - Artworks	\$5,000
Land	\$1

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

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

Plant, Furniture & Equipment

Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 10 years
Other Plant & Equipment	5 to 20 years

Building & Other Structures

Buildings – masonry	50 to 130 years
Buildings – other construction	45 to 100 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	25 to 80 years
Playground equipment	10 to 60 years
Benches, seats, etc	10 to 25 years

Infrastructure

Sealed Roads – Surface	22 to 50 years
Sealed Roads – Structure	80 years
Unsealed Roads	20 to 40 years
Bridges – Concrete	100 years
Paving & Footpaths	20 to 50 years
Kerb & Gutter	100 years
Drains	30 to 100 years
Culverts	70 to 100 years
Dams and Reservoirs	80 to 100 years
Reticulation Pipes – PVC	70 to 100 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	10 to 25 years

Other Assets

Library Books	10 years
Artworks indefinite	100 Years

6.5 Impairment

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

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

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are

accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

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

Weighted avg. discount rate 6.7% (2018, 6.50%)
Weighted avg. settlement period 0.58 years (2018, 0.55 years)

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

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

uncertainty exists in the estimation of the future closure date.

11 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

12 Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

13 Equity Accounted Council Businesses

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

14 GST Implications

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

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

15 New accounting standards and UIG interpretations

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

Rural City of Murray Bridge has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. The comparative numbers in the disclosures made in Note 13 Financial Instruments have changed to reflect.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities,



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

which will commence from 1 July 2019, affect the timing with which revenues, particularly special purpose grants, are recognised. Amounts received in relation to contracts with sufficiently specific performance obligations will in future only be recognised as these obligations are fulfilled. In these Statements, the sum of \$669k has been recognised as revenue, in accordance with the current Standards, but would in future be recorded as a liability "Amounts in Advance" until the performance obligations have been fulfilled.

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, Council has no leases to which this treatment will need to be applied.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective.

The standards that are expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 July 2019

- AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15, and AASB 2016-8. These Standards supersede the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Identifiable impacts at the date of this report are:

Some grants received by the Council will be recognised as a liability, and subsequently

recognised progressively as revenue as the Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants from the Federal Government and State Government for which there are no sufficiently specific performance obligations these are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of the Council's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that the Council has received payment but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime).

Prepaid rates will not be recognised as revenue until the relevant rating period starts. Until that time these receipts will be recognised as a liability (unearned revenue). There will be no impact upon the recognition of other fees and charges.

Based on Council's assessment, if Council had adopted the new standards in the current financial year it would have had the following impacts:

- Revenue decrease of \$669k due to deferral of grant funding, pre-paid rates, and other sales related revenue (based on the facts available to Council at the date of assessment).

- There would be an equal reduction in the reported equity as the reduced revenue will require an increase in recognition of contract liabilities, and statutory receivables.

- Net result would be lower on initial application as a result of decreased revenue. A range of new disclosures will also be required by the new standards in respect of the council's revenue.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Transition method

The Council intends to apply AASB 15, AASB 1058 and AASB 2016-8 initially on 1 July 2019, using the modified retrospective approach. The recognition and measurement principles of the standards will be retrospectively applied for the current year and prior year comparatives as though the standards had always applied, consistent with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The Council intends to apply the practical expedients available for the full retrospective method. Where revenue has been recognised in full under AASB 1004, prior to 1 July 2019, but where AASB 1058 would have required income to be recognised beyond that date, no adjustment is required. Further, Council is not required to restate income for completed contracts that start and complete within a financial year. This means where income under AASB 1004 was recognised in the comparative financial year (i.e. 2018/19), these also do not require restatement.

- **AASB 16 Leases** – The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its consolidated financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until the Council presents its first financial statements that include the date of initial application.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Leases in which the Council is a lessee

The Council will recognise new assets and liabilities for its operating leases of motor vehicles (see Note 17). The nature of expenses related to those leases will now change because the Council will recognise a depreciation charge

for right-of-use assets and interest expense on lease liabilities.

Previously, the Council has recognised an operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

Leases in which the Group is a lessor

No significant impact is expected for other leases in which the Council is a lessor.

Peppercorn Leases

Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council has elected not to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Transition method

The Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

The Council intends to apply the practical expedient for the definition of a lease on transition. This means that it will apply AASB 16 on transition only to contracts that were previously identified as leases applying AASB 117 Leases and Interpretation 4 Determining whether an Arrangement contains a Lease.

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

The standards are expected to have a material impact upon Council's future financial statements are:



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities Appendix D)

The standards are not expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities
- AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures

- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle

- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement

- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements

- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors

- AASB 2018-5 Amendments to Australian Accounting Standards – Deferral of AASB 1050

Effective for annual reporting periods beginning on or after 1 January 2021

- AASB 17 Insurance Contracts
- AASB 17 Insurance Contracts (Appendix D)

16 Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

17 Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 2. Income

\$ '000	Notes	2019	2018
(a). Rates Revenues			
General Rates			
General Rates		23,402	22,237
Less: Mandatory Rebates		(1,019)	(934)
Total General Rates		22,383	21,303
Other Rates (Including Service Charges)			
Natural Resource Management Levy		733	739
Waste Collection		1,304	1,262
Water Supply		4	9
Community Wastewater Management Systems		159	158
Total Other Rates		2,200	2,169
Other Charges			
Penalties for Late Payment		188	185
Legal & Other Costs Recovered		76	67
Total Other Charges		264	252
Total Rates Revenues		24,847	23,724
(b). Statutory Charges			
Development Act Fees		216	258
Town Planning Fees		30	34
Health & Septic Tank Inspection Fees		25	27
Animal Registration Fees & Fines		175	166
Parking Fines / Expiation Fees		44	48
Total Statutory Charges		490	532
(c). User Charges			
Cemetery/Crematoria Fees		160	167
Admission Charges - Pools		195	195
Nursing Home Fees		1,567	1,540
Hall & Equipment Hire		55	33
Property Lease		103	170
Sales - General		-	4
Sundry		128	127
HACC Home Help		61	78
Other		4	2
Total User Charges		2,273	2,316



Rural City of Murray Bridge

 Notes to and forming part of the Financial Statements
 for the year ended 30 June 2019

Note 2. Income (continued)

\$ '000	Notes	2019	2018
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		122	114
- Banks & Other		36	58
Total Investment Income		158	172
(e). Reimbursements			
Private Works		39	80
Dog Control		8	10
Energy Fuel Schemes		129	19
LGA Special Distributions		91	90
Trainees		37	9
Events		2	12
Other		109	128
Total Reimbursements		415	347
(f). Other Income			
Insurance & Other Recoupments - Infrastructure, IPP&E		25	27
Rebates Received		259	276
Sundry		20	28
Art Gallery sales		29	75
Donations		22	33
Visitor Information Centre sales		21	22
Total Other Income		376	460
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		561	912
Sixth Street Upgrade		-	340
Total Amounts Received Specifically for New or Upgraded Assets		561	1,252
Other Grants, Subsidies and Contributions		1,293	823
Home and Community Care Grant		19	19
Library and Communications		69	80
Lerwin Nursing Home (Medicare)		4,658	4,338
Individually Significant Item - Grants Commission Payment (refer below)		4,836	4,038
Total Other Grants, Subsidies and Contributions		10,875	9,297
Total Grants, Subsidies, Contributions		11,436	10,549

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 2. Income (continued)

\$ '000	Notes	2019	2018
(g). Grants, Subsidies, Contributions (continued)			
(i) Sources of grants			
Commonwealth Government		5,983	5,631
State Government		5,260	4,765
Other		193	153
Total		11,436	10,549
(ii) Individually Significant Items			
Grant Commission (FAG) Grant Recognised as Income		4,836	4,038
(h). Conditions over Grants & Contributions			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
Unexpended at the close of the previous reporting period		2,196	1,962
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
FAG		(2,028)	(1,862)
CCTV		(128)	(12)
Swimming Pool Master Plan		(40)	-
Subtotal		(2,196)	(1,874)
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Regional Study Hub		294	-
Lerwin Expansion		375	-
FAG		2,497	2,028
CCTV		-	40
Swimming Pool Master Plan		-	40
Subtotal		3,166	2,108
Unexpended at the close of this reporting period		3,166	2,196
Net increase (decrease) in assets subject to conditions in the current reporting period		970	234



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 2. Income (continued)

\$ '000	Notes	2019	2018
(i). Physical Resources Received Free of Charge			
Land & Improvements		-	2
Library Materials		64	65
Roads, Bridges & Footpaths		189	-
Total Physical Resources Received Free of Charge		253	67

Note 3. Expenses

(a). Employee Costs			
Salaries and Wages		12,634	11,885
Employee Leave Expense		1,535	1,537
Superannuation - Defined Contribution Plan Contributions	18	1,135	1,061
Superannuation - Defined Benefit Plan Contributions	16	221	240
Workers' Compensation Insurance		638	660
Other		292	259
Less: Capitalised and Distributed Costs		(207)	(236)
Total Operating Employee Costs		16,248	15,406
 Total Number of Employees (full time equivalent at end of reporting period)		 179	 186
 (b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		27	37
Bad and Doubtful Debts		(19)	-
Elected Members' Expenses		274	257
Election Expenses		87	6
Subtotal - Prescribed Expenses		367	300



Rural City of Murray Bridge

 Notes to and forming part of the Financial Statements
 for the year ended 30 June 2019

Note 3. Expenses (continued)

\$ '000	Notes	2019	2018
(b). Materials, Contracts and Other Expenses (continued)			
(ii) Other Materials, Contracts and Expenses			
Contractors		6,249	6,750
Energy		938	922
Maintenance		215	87
Legal Expenses		308	256
Levies Paid to Government - NRM levy		735	732
Levies - Other		302	214
Professional Services		639	1,069
Sundry		335	381
Donations and Sponsorships		670	469
Materials		1,191	1,336
Insurance		453	453
Software Expenses		582	679
Training		227	205
Membership & Subscriptions		274	274
Water		318	198
Advertising		69	84
Internet and Telephone		187	196
Other		248	280
Less: Capitalised and Distributed Costs		(574)	(720)
Subtotal - Other Material, Contracts & Expenses		13,366	12,862
Total Materials, Contracts and Other Expenses		13,733	13,162
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings		868	864
Infrastructure		5,209	4,750
Furniture & Fittings		224	226
Plant & Vehicles		678	663
Other Assets		101	93
Total Depreciation, Amortisation and Impairment		7,080	6,595
(d). Finance Costs			
Interest on Overdraft and Short-Term Drawdown		2	-
Interest on Loans		210	277
Total Finance Costs		212	277



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	Notes	2019	2018
Infrastructure, Property, Plant & Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		35	216
Less: Carrying Amount of Assets Sold		(1,751)	(1,566)
Gain (Loss) on Disposal		(1,716)	(1,349)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		-	112
Less: Carrying Amount of Assets Sold		-	(22)
Gain (Loss) on Disposal		-	90
Net Gain (Loss) on Disposal or Revaluation of Assets		(1,716)	(1,259)

Note 5. Current Assets

(a). Cash & Cash Equivalents			
Cash on Hand at Bank		144	90
Deposits at Call		4,545	4,833
Council Term Deposits		815	730
Lerwin Term Deposits		3,081	3,373
Total Cash & Cash Equivalents		8,585	9,026
(b). Trade & Other Receivables			
Rates - General & Other		1,631	1,870
Accrued Revenues		14	48
Debtors - General		635	972
GST Recoupment		313	15
Prepayments		473	274
Subtotal		3,066	3,178
Less: Allowance for Doubtful Debts		(41)	(78)
Total Trade & Other Receivables		3,025	3,100
(c). Inventories			
Stores & Materials		356	142
Total Inventories		356	142



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 6. Non-Current Assets

<u>\$'000</u>	<u>Notes</u>	<u>2019</u>	<u>2018</u>
(a). Equity Accounted Investments in Council Businesses			
Adelaide Hills Region Waste Management Authority	16	57	-
Total Equity Accounted Investments in Council Businesses		<u>57</u>	<u>-</u>
(b). Other Non-Current Assets			
Capital Works-in-Progress		3,349	3,673
Total Other Non-Current Assets		<u>3,349</u>	<u>3,673</u>



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 7a. Infrastructure, Property, Plant & Equipment

\$ '000	Useful Life	as at 30/06/2018					Assets Measurements during the Reporting Period							as at 30/06/2019				
		At Fair Value	At Cost	Accumulated Depn	Impairment	Carrying Value	Acquired During Period	Disposal During Period	Revaluation of Asset During Period	Transfer to Reserve During Period	Transfer from Reserve During Period	Revaluation of Asset During Period	At Fair Value	At Cost	Accumulated Depn	Impairment	Carrying Value	
Land - Community	3	20,920	"	"	"	20,920	"	"	"	"	"	"	20,920	"	"	"	20,920	
Land - Other	2	14,467	"	"	"	14,467	456	"	142	"	(800)	"	14,283	"	"	"	14,288	
Buildings - Replacement	2	94,628	1,572	18,487	"	37,513	"	"	"	"	(28)	"	88,381	"	"	"	37,371	
Buildings - Market Value	2	3,590	"	274	"	3,316	"	"	"	"	(28)	"	3,287	"	"	"	3,287	
Infrastructure		236,587	41,145	83,247	"	194,481	3,471	"	5,075	"	(1,726)	"	209,799	"	"	"	209,799	
Furniture & Fixings		"	6,455	2,004	"	3,901	"	"	71	"	(224)	"	6,506	"	"	"	3,588	
Plant & Vehicles		"	9,259	4,391	"	4,868	15	"	292	"	(678)	"	9,459	"	"	"	4,872	
Other Assets		"	2,438	4,838	"	620	72	"	"	"	(103)	"	2,510	"	"	"	571	
Total Infrastructure, Property, Plant & Equipment		329,720	60,969	110,905	"	279,794	4,004	5,500	(1,726)	(7,087)	189	43,508	340,554	78,475	114,845	"	294,184	
Comprehensive		330,938	48,700	105,604	"	274,094	10,899	1,677	(1,050)	(8,957)	2	1,316	328,790	60,969	110,905	"	279,794	

Page 42



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

Valuation of Assets

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

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

- Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Information on Valuations

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

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

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

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

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

page 24



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019Note 7b. Valuation of Infrastructure, Property, Plant & Equipment &
Investment Property *(continued)*

\$ '000

Valuation of Assets *(continued)*

Other Information

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

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement; accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

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

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Land & Land Improvements

- Basis of valuation: Market Value
- Date of valuation: 30 June 2017
- Date Adopted: 1 July 2017
- Valuer: Office of the Valuer General

Buildings

- Basis of valuation: Market Value / Written down current replacement cost
- Date of valuation: 30 June 2014.
- Valuer: Lachlan Black, Manager of Valuations, APV

Infrastructure

Roads, Kerb and Gutter, Footpaths

- Basis of valuation: Written down current replacement cost
- Date of valuation: 01 July 2018.
- Valuer: Assetic.

Stormwater Drainage

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2014.
- Valuer: Council Valuation.

Kerb & Footpath Unit Rate Correction

- Date of valuation: 01 July 2018.
- Valuer: Assetic.

Water & Wastewater Useful Life & Unit Rate Correction

- Date of valuation: 01 July 2016.
- Valuer: Council Valuation.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

\$ '000

Valuation of Assets (continued)

Structures, Bridges, Car Parks

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2014 (Structures/Bridges) / 01 July 2014 (Carparks)
- Valuer: Council Valuation.

* As explained in Note 1 - Significant Accounting Policies; Plant & Vehicles, Equipment and Other Assets are currently held at cost whereas historically the opening balances were determined by a valuation based both on Fair Value (Plant & Vehicles) and written down current replacement cost (Furniture & Fittings and Other Assets). These balances have been used as a proxy for cost.

Note 8. Liabilities

\$ '000	Notes	2019 Current	2019 Non Current	2018 Current	2018 Non Current
(a). Trade and Other Payables					
Goods & Services		3,246	-	3,534	-
Payments Received in Advance		1,075	-	943	-
Accrued Expenses - Employee Entitlements		535	-	254	-
Accrued Expenses - Finance Costs		25	-	57	-
Accrued Expenses - Other		173	-	119	-
Levin Residential Accommodation Deposits		5,286	-	5,566	-
Total Trade and Other Payables		<u>10,340</u>	<u>-</u>	<u>10,472</u>	<u>-</u>
(b). Borrowings					
Loans		1,093	1,389	1,027	2,482
Total Borrowings		<u>1,093</u>	<u>1,389</u>	<u>1,027</u>	<u>2,482</u>
All interest bearing liabilities are secured over the future revenues of the Council					
(c). Provisions					
Employee Entitlements (including oncosts)		3,162	670	2,996	679
Total Provisions		<u>3,162</u>	<u>670</u>	<u>2,996</u>	<u>679</u>
(d). Liability Accounted Investments in Council Businesses					
Adelaide Hills Regional Waste Management Authority	(b)		-		42
Total Liability Accounted Investments in Council Businesses			<u>-</u>		<u>42</u>

page 26



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 9. Reserves

\$ '000	1/7/2018	(increments (Decrements))	Transfers	Impairments	30/6/2019
Asset Revaluation Reserve					
Land - Community	21,959	-	-	-	21,959
Land - Other	3,190	-	-	-	3,190
Buildings	31,079	-	-	-	31,079
Infrastructure	119,828	13,508	-	-	133,336
Furniture & Fittings	664	-	-	-	664
Plant & Vehicles	2,121	-	-	-	2,121
JV's / Associates - Other Comprehensive Income	89	-	-	-	89
Total Asset Revaluation Reserve	178,930	13,508	-	-	192,438
Comparatives	177,614	1,316	-	-	178,930

PURPOSES OF RESERVES

Asset Revaluation Reserves

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

Note 10. Assets Subject to Restrictions

\$ '000	Notes	2019	2018
<p>The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.</p>			
Cash & Financial Assets			
Open Space Contributions		43	-
Developer Contributions		152	194
Zsolt Tolkesi Scholarship		65	69
Lerwin Bequest		568	550
Carparking Contributions		28	28
Lerwin Resident Deposits		5,290	5,092
CCTV Upgrade		-	128
Futures Fund		749	730
Total Assets Subject to Externally Imposed Restrictions		6,895	6,791
<p>The following liabilities, included in Note 8, may be discharged from restricted assets in the first instance:</p>			
Open Space Contributions	0	43	-
Developer Contributions	0	152	194
Lerwin Bequest	0	568	550
Carparking Contributions	0	28	28
Zsolt Tolkesi Scholarship	0	65	69
Lerwin Resident Deposits	0	5,290	5,092
Futures Fund	0	749	730
Total		6,895	6,663

page 27



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2019	2018
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	\$	<u>8,585</u>	<u>9,026</u>
Balances per Statement of Cash Flows		<u>8,585</u>	<u>9,026</u>
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		1,357	1,356
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		7,080	6,595
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(98)	111
Non-Cash Asset Acquisitions		(253)	(67)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(561)	(1,252)
Net (Gain) Loss on Disposals		<u>1,716</u>	<u>1,259</u>
		9,241	8,001
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		112	(68)
Change in Allowances for Under-Recovery of Receivables		37	(32)
Net (Increase)/Decrease in Inventories		(214)	211
Net (Increase)/Decrease in Other Current Assets		(75)	63
Net Increase/(Decrease) in Trade & Other Payables		(326)	1,208
Net Increase/(Decrease) in Unpaid Employee Benefits		<u>157</u>	<u>146</u>
Net Cash provided by (or used in) operations		<u>8,933</u>	<u>9,529</u>
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	21	<u>253</u>	<u>67</u>
Total Non-Cash Financing & Investing Activities		<u>253</u>	<u>67</u>
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdrafts		500	500
Corporate Credit Cards		50	50
LGFA Cash Advance Debenture Facility		5,000	5,000

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

page 28



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).											
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)			
\$ '000	Actual 2019	Actual 2018	Actual 2019	Actual 2018	Actual 2019	Actual 2018	Actual 2019	Actual 2018	Actual 2019	Actual 2018		
Business Undertakings	-	-	-	-	-	-	-	-	310,127	296,305		
Administration	29,581	27,310	17,685	16,656	11,896	10,654	5,185	4,072	-	-		
Transport & Communication	39	80	2,528	2,827	(2,489)	(2,747)	-	-	-	-		
Public Order and Safety	263	288	542	514	(279)	(226)	-	-	-	-		
Health	38	47	267	282	(229)	(235)	5	9	-	-		
Social Security and Welfare	7,208	6,982	7,903	7,000	205	(118)	5,263	4,951	-	-		
Housing and Community Amenities	1,526	1,520	2,446	2,147	(920)	(627)	-	-	-	-		
Protection of Environment	11	76	870	870	(859)	(794)	9	76	-	-		
Sport and Recreation	744	564	4,715	4,000	(3,971)	(3,436)	412	189	-	-		
Economic Affairs	24	80	1,217	1,145	(1,193)	(1,059)	-	-	-	-		
Total Functions/Activities	39,434	36,847	37,273	35,441	2,161	1,406	10,874	9,297	310,127	296,305		

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

ADMINISTRATION

Governance, Administration, elected members, accounting/finance, payroll, human resources, information technology, rates administration, records management, customer service.

TRANSPORT AND COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, parking areas, bus shelters and service, street lighting.

PROTECTION OF THE ENVIRONMENT

Agricultural services, landcare, waste management, recycling, transfer stations, Natural Resources Management Levy

PUBLIC ORDER AND SAFETY

Fire protection, animal control, enforcement of local government regulations, emergency services.

HEALTH

Administration and inspection, immunisations, food control, noxious plants.

SOCIAL SECURITY AND WELFARE

Administration, youth services, aged and disabled, other community services.

HOUSING AND COMMUNITY AMENITIES

Housing, town planning, domestic waste management services, other waste management services, other waste management services, street cleaning, other sanitation and garbage, urban stormwater drainage, environmental.

SPORT AND RECREATION

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens, other sport and recreation.

ECONOMIC AFFAIRS

Tourism and area promotion, real estate developments, other business undertakings



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 1.6% and 2.55% (2018: 1.50% and 2.55%). Short term deposits have an average maturity of 90 days and an average interest rate of 1.6% (2018: 270 days and 2.54%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

(including legals & penalties for late payment)

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 6.0% (2018: 6.6%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables

Fees & Other Charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$'000

Recognised Financial Instruments**Receivables****Other Levels of Government****Accounting Policy:**

Carried at nominal value.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying Amount:

Approximates fair value.

Receivables**Retirement Home Contributions****Accounting Policy:**

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Liabilities**Creditors and Accruals****Accounting Policy:**

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

page 32



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$'000

Recognised Financial Instruments**Liabilities****Retirement Home Contributions****Accounting Policy:**

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

Terms & Conditions:

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

Carrying Amount:

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

Liabilities**Interest Bearing Borrowings****Accounting Policy:**

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 4.8% and 6.75% (2018: 4.8% and 6.75%).

Carrying Amount:

Approximates fair value.

Liabilities**Finance Leases****Accounting Policy:**

Accounted for in accordance with AASB 117.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2019					
Financial Assets					
Cash & Equivalents	8,585	-	-	8,585	8,585
Receivables	2,593	-	-	2,593	2,552
Total Financial Assets	11,178	-	-	11,178	11,137
Financial Liabilities					
Payables	9,265	-	-	9,265	9,265
Current Borrowings	1,093	-	-	1,093	1,093
Non-Current Borrowings	-	1,500	-	1,500	1,389
Total Financial Liabilities	10,358	1,500	-	11,858	11,747
2018					
Financial Assets					
Cash & Equivalents	9,026	-	-	9,026	9,026
Receivables	2,904	-	-	2,904	2,826
Total Financial Assets	11,930	-	-	11,930	11,852
Financial Liabilities					
Payables	9,529	-	-	9,529	9,529
Current Borrowings	1,027	-	-	1,027	1,027
Non-Current Borrowings	-	2,531	195	2,726	2,482
Total Financial Liabilities	10,556	2,531	195	13,282	13,038

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and had the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. The comparative numbers in this disclosure (Note 13 Financial Instruments) have changed to reflect

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

	30 June 2019		30 June 2018	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	6.00%	2,482	6.14%	3,509
		<u>2,482</u>		<u>3,509</u>

Net Fair Value

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$'000

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 14. Commitments for Expenditure

\$ '000	Notes	2019	2018
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		36	-
Infrastructure		107	128
Plant & Equipment		687	-
		<u>830</u>	<u>128</u>
These expenditures are payable:			
Not later than one year		830	128
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
		<u>830</u>	<u>128</u>
(b). Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		20	33
Employee Remuneration Contracts		5,143	6,009
Marketing/Sponsorship Contracts		353	441
Software Contracts		564	841
Health Contracts		16	29
Maintenance Contracts		672	619
Other Contracts		1,483	2,185
Waste Management Services		3,614	4,759
		<u>11,865</u>	<u>14,916</u>
These expenditures are payable:			
Not later than one year		4,791	5,203
Later than one year and not later than 5 years		6,951	9,713
Later than 5 years		123	-
		<u>11,865</u>	<u>14,916</u>

(c). Finance Lease Commitments
Council has no Finance Leases.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 15. Financial Indicators

\$ '000	Amounts	Indicator	Prior Periods	
	2019	2019	2018	2017

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus	2,259			
Total Operating Income	39,532	6%	4%	11%

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

2. Net Financial Liabilities Ratio

Net Financial Liabilities	5,044			
Total Operating Income	39,532	13%	15%	12%

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity associated investments in Council businesses). These are expressed as a percentage of total operating revenue.

Adjustments to Ratios

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.

Adjusted Operating Surplus Ratio		6%	3%	7%
Adjusted Net Financial Liabilities Ratio		13%	15%	13%

3. Asset Renewal Funding Ratio

Net Asset Renewals	5,549			
Infrastructure & Asset Management Plan required expenditure	7,080	78%	105%	125%





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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 15. Financial Indicators - Graphs (continued)

<p>1. Operating Surplus Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>11%</td> </tr> <tr> <td>2018</td> <td>4%</td> </tr> <tr> <td>2019</td> <td>6%</td> </tr> </tbody> </table>	Year	Ratio %	2017	11%	2018	4%	2019	6%	<p>Purpose of Operating Surplus Ratio</p> <p>This indicator is to determine the percentage the operating revenue varies from operating expenditure</p>	<p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio 6%</p> <p>Higher Operating Surplus Ratio in 2018/19 due to the timings of FAGS/SURP Grants received in advance, the in year impact on Operating Surplus was \$469k</p>
Year	Ratio %									
2017	11%									
2018	4%									
2019	6%									
<p>2. Net Financial Liabilities Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>12%</td> </tr> <tr> <td>2018</td> <td>15%</td> </tr> <tr> <td>2019</td> <td>13%</td> </tr> </tbody> </table>	Year	Ratio %	2017	12%	2018	15%	2019	13%	<p>Purpose of Net Financial Liabilities Ratio</p> <p>This indicator shows the significance of the net amount owed to others, compared to operating revenue</p>	<p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio 13%</p> <p>Net Financial Liabilities has decreased due to timing of project spend, and no requirement at 30/6/19 to increase borrowings.</p>
Year	Ratio %									
2017	12%									
2018	15%									
2019	13%									
<p>Adjusted Operating Surplus Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>7%</td> </tr> <tr> <td>2018</td> <td>3%</td> </tr> <tr> <td>2019</td> <td>5%</td> </tr> </tbody> </table>	Year	Ratio %	2017	7%	2018	3%	2019	5%	<p>Purpose of Adjusted Operating Surplus Ratio</p> <p>This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure</p>	<p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio 5%</p> <p>After adjusting for the FAGS/SURP grant timings of \$469k the Adjusted Ratio is a slight increase on 2017/18</p>
Year	Ratio %									
2017	7%									
2018	3%									
2019	5%									
<p>3. Asset Renewal Funding Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>125%</td> </tr> <tr> <td>2018</td> <td>105%</td> </tr> <tr> <td>2019</td> <td>78%</td> </tr> </tbody> </table>	Year	Ratio %	2017	125%	2018	105%	2019	78%	<p>Purpose of Asset Renewal Funding Ratio</p> <p>This indicator aims to determine if assets are being renewed and replaced in an optimal way</p>	<p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio 78%</p> <p>Asset Sustainability Ratio was lower in 2018/19 due to timing on completion of renewal projects.</p>
Year	Ratio %									
2017	125%									
2018	105%									
2019	78%									



Rural City of Murray Bridge

 Notes to and forming part of the Financial Statements
 for the year ended 30 June 2019

Note 16. Uniform Presentation of Finances

\$ '000	2019	2018
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	39,532	36,847
less Expenses	<u>(37,273)</u>	<u>(35,552)</u>
Operating Surplus / (Deficit)	2,259	1,295
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(5,584)	(7,163)
<i>add back</i> Depreciation, Amortisation and Impairment	7,080	6,595
<i>add back</i> Proceeds from Sale of Replaced Assets	<u>35</u>	<u>216</u>
Subtotal	1,531	(352)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(3,652)	(3,667)
<i>add back</i> Amounts Received Specifically for New and Upgraded Assets	561	1,252
<i>add back</i> Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments and Non-Current Assets Held for Resale)	<u>-</u>	<u>112</u>
Subtotal	(2,991)	(2,302)
Net Lending / (Borrowing) for Financial Year	799	(1,359)



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 17. Operating Leases

\$ '000	2019	2018
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Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as Hall & Equipment Hire and Property Lease in Note 2.

(i) Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

Not later than one year	135	138
Later than one year and not later than 5 years	359	335
Later than 5 years	254	100
	<u>748</u>	<u>573</u>

(ii) Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	55	55
Later than one year and not later than 5 years	41	97
Later than 5 years	0	0
	<u>96</u>	<u>152</u>



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 18. Superannuation

\$ '000

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018/19; 9.50% in 2017/18). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017/18) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 19. Interests in Other Entities

\$ '000

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

	Council's Share of Net Income		Council's Share of Net Assets	
	2019	2018	2019	2018
Joint Ventures	98	(111)	57	(42)
Total	98	(111)	57	(42)

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2019	2018
Adelaide Hills Regional Waste Management Authority	Waste Management	57	(42)
Total Carrying Amounts - Joint Ventures & Associates		57	(42)

(b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2019	2018	2019	2018	2019	2018
Adelaide Hills Regional Waste Management Authority	26%	26%	6%	-1%	25%	25%

(c) Movement in Investment in Joint Venture or Associate

	Adelaide Hills Regional Waste Management Authority	
	2019	2018
Opening Balance	(42)	69
Share in Operating Result	98	(111)
Council's Equity Share in the Joint Venture or Associate	57	(42)



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 19. Interests in Other Entities (continued)

\$ '000

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position

	Adelaide Hills Regional Waste Management Authority	
	2019	2018
Cash and Cash Equivalents	310	272
Other Current Assets	408	372
Non-Current Assets	4,214	3,832
Total Assets	4,932	4,476
Current Trade and Other Payables	662	1,294
Current Financial Liabilities	1,580	1,313
Current Provisions	244	163
Non-Current Provisions	1,551	1,192
Total Liabilities	4,037	3,962
Net Assets	895	514

Statement of Comprehensive Income

	Adelaide Hills Regional Waste Management Authority	
	2019	2018
Other Income	2,147	1,939
Contributions from Constituent Councils	3,828	3,489
Interest Income	-	1
Total Income	5,975	5,429
Employee Costs	1,122	955
Materials, Contracts & Other Expenses	3,953	4,490
Depreciation, Amortisation and Impairment	482	426
Finance Costs	57	43
Total Expenses	5,614	5,914
Other Revenue / Expense Items	20	55
Operating Result	381	(431)

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

\$ '000	2019	2018
(j). Non Current Assets & Disposal Group Assets		
Land	571	571
Total Non Current Assets & Disposal Group Assets	571	571

Details of Assets & Disposal Groups

Following a strategic review of Council's land holdings, it has been determined a number of parcels are considered surplus to requirements and will be marketed for sale and sold for the assessed marketed value.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 994 km of road reserves of average width 7.4 metres.

2. POTENTIAL INSURANCE LOSSES

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

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

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

3. BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$220,000 (2018: \$220,000) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

4. LEGAL MATTERS

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of no appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2019, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Accordingly, the "authorised for issue" date is 14/10/19.

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

Note 23. Related Party Transactions

\$ '000	2019	2018
---------	------	------

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999.

The Elected Members of the Rural City of Murray Bridge during the year were:

Branton Lewis (Mayor)	Theo Weinmann (1/7/18 - 9/11/18)
Andrew Baltensperger	Jerry Wilson (1/7/18 - 9/11/18)
Fred Toogood	Tod Cusack (1/7/18 - 9/11/18)
Karen Eckermann	Mat O'Brien (10/11/18 - 30/6/19)
Airlie Keen	Wayne Thorley (10/11/18 - 30/6/19)
Tyson Matthews	John DeMichele (10/11/18 - 30/6/19)
Clem Schubert	

The Prescribed Officers of the Rural City of Murray Bridge during the year were

Michael Sedgman (CEO)	Anthony Brown (1/7/18 - 22/3/19)
Heather Barclay	Andrew Meddie (1/7/18 - 24/5/19)
Timothy Vonderwall (03/06/2019 - 30/6/2019)	

In all, 5 persons were paid Employee Benefit compensation.

The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	727	723
Post-Employment Benefits	70	69
Elected Members Allowances	225	218
Total	<u>1,022</u>	<u>1,010</u>

page 45



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 23. Related Party Transactions (continued)

\$ '000	2019	2018
Other Related Parties		
Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively		
Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), during the year the following transactions occurred with related parties of Rural City of Murray Bridge Council. These transactions were on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.		
Murray River Lakes & Coorong Tourism Alliance for whom M. Sedgman, CEO, is a board member		
- Memberships and Subscriptions	45	45
Local Government Finance Authority for whom M. Sedgman, CEO, is a board member		
- Interest Paid	210	-
- Interest Received	(122)	-
RDA Murray Lands and Riverland for whom J Wilson, Elected Member, is a board member		
- Memberships and Subscriptions	48	174
Bridge Office Pty Ltd for whom A Ballensperger, Elected Member, is a Director		
- Materials (Office Equipment)	21	22
Adelaide Hills Regional Waste Management Authority for whom A Brown, Prescribed Officer, is a board member. Also Elected Members T Weinmann and J Wilson, were at various times delegate board members.		
- Contractors (Waste Management)	559	522
Adelaide Hills Regional Waste Management Authority for whom A Brown, Prescribed Officer, is a board member. Also Elected Members T Weinmann and J Wilson, were at various times delegate board members.		
- Net Loss/(Profit) Equity Accounted Council Businesses	98	159
Murray Lands and Riverland Local Government Association for whom B Lewis, Mayor, is a board member.		
- Memberships and Subscriptions	30	28
Total	889	950

Note 24. Equity - Retained Earnings and Revaluation Reserves Adjustments

(a). Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

(b). Changes in Accounting Standards

There were no changes in accounting standards that affected prior year balances during the year.

page 46



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 25. Segment Reporting

\$ '000	Notes	2019 Total Council	2019 Total * Lerwin	2019 Council Other
INCOME STATEMENT				
Operating Income				
Rates	2a	24,847	-	24,847
Statutory Charges	2b	490	-	490
User Charges	2c	2,273	1,568	705
Grants, Subsidies and Contributions	2d	10,875	4,658	6,217
Investment Income	2e	158	106	52
Reimbursements	2f	415	25	390
Other Income	2g	376	5	371
Net Gain - Equity Accounted Council Businesses	10	98	-	98
Total Operating Income		39,532	6,362	33,170
Operating Expenses				
Employee Costs	3a	16,248	3,940	12,308
Materials, Contracts & Other Expenses	3b	13,733	1,824	11,909
Depreciation, Amortisation & Impairment	3c	7,080	232	6,848
Finance Costs	3d	212	40	172
Total Operating Expenses		37,273	6,036	31,237
Operating Surplus / (Deficit)		2,259	326	1,933
Capital Revenues		(902)	375	(1,277)
Net Surplus / (Deficit)		1,357	701	656
BALANCE SHEET				
Assets				
Current Assets	5A 20	12,537	6,392	6,145
Infrastructure, Property, Plant & Equipment	7a	294,184	7,442	286,742
Other Non-Current Assets	8	3,406	-	3,406
TOTAL ASSETS		310,127	13,834	296,293
Liabilities				
Current Liabilities	6A 20	14,595	7,016	7,579
Non-Current Liabilities	8	2,059	79	1,980
TOTAL LIABILITIES		16,654	7,095	9,559
Net Assets		293,473	6,739	286,734

* Note: References to Lerwin in this GPFR document refers to the residential aged care service provided by Council.



Rural City of Murray Bridge

 Notes to and forming part of the Financial Statements
 for the year ended 30 June 2019

Note 26. Material Budget Variations

\$ '000

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual Results for the year as per the Income Statement - even though such variations may have been adjusted for during each Budget Review.

Note that for Variations^o of Budget to Actual :

Material Variations represent those variances that amount to 10% or more of the original budgeted figure.

F = Favourable Budget Variation, U = Unfavourable Budget Variation

\$ '000	2019 Budget	2019 Actual	2019 Variance ^o	
REVENUES				
Rates Revenues	24,669	24,847	178	1% F
Statutory Charges	627	490	(137)	(22%) U
Statutory Charges are lower than budgeted due to lower than expected development income				
User Charges	2,386	2,273	(113)	(5%) U
User Charges are lower than budgeted due to lower than expected facility hire income and occupancy at Lerwin				
Grants, Subsidies & Contributions	9,262	10,875	1,613	17% F
Grant income is higher than budgeted due to FAGS/SURP income and Grant income relating to originally unbudgeted key projects being the Learning Innovation Hub and the Regional Study Hub				
Investment Income	139	158	19	14% F
Investment Income is higher than budgeted due to better than budgeted cash position due to FAGS income and project spend timing				
Reimbursements	183	415	232	127% F
Reimbursement Income is higher than budgeted due to Fuel Tax Credit review and adjustment completed during 20 ^o and Special Distribution income that was un-budgeted				
Other Income	431	376	(55)	(13%) U
Other Income is lower than budgeted due to lower than expected VIC and Gallery income				
Net Gain - Equity Accounted Council Business	-	98	98	0% F

page 48



Rural City of Murray Bridge

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 26. Material Budget Variations (continued)

\$ '000	2019 Budget	2019 Actual	2019 "Variance"		
EXPENSES					
Employee Costs	16,837	16,248	411	3%	F
Materials, Contracts & Other Expenses	13,209	13,733	524	4%	F
Depreciation, Amortisation & Impairment	7,017	7,080	63	1%	F
Finance Costs	306	212	(94)	(31%)	U
Finance costs are lower than budgeted due to lower than budgeted borrowings throughout the year					
Net loss - Equity Accounted Council Businesses:	-	-	-	0%	F
CAPITAL REVENUES / EXPENSES					
Asset Disposal & Fair Value Adjustments	-	(1,716)	(1,716)	0%	U
Amounts Received for New/Upgraded Assets	281	561	280	100%	F
Amounts Received for New/Upgraded Assets is higher than budgeted due to the Lerwin Expansion grant received					
Physical Resources Received Free of Charge	60	253	193	322%	F
Physical Resources Received Free of Charge are higher than budgeted due to Alex Aunger/McQuarrie Street					



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

69

28 September 2019

Mr Michael Sedgman
Chief Executive Officer
The Rural City of Murray Bridge
PO Box 421
MURRAY BRIDGE SA 5253



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Dear Mr. Sedgman

Re: The Rural City of Murray Bridge - Financial Statement Audit 2019

We have recently completed our audit of the financial statements of The Rural City of Murray Bridge and intend to issue an unmodified audit report for both the financial statements opinion and the internal controls opinion.

Yours faithfully

BENTLEYS SA AUDIT PARTNERSHIP



David Francis

Partner



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Rural City of Murray Bridge

General Purpose Financial Statements
for the year ended 30 June 2019

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Rural City of Murray Bridge for the year ended 30 June 2019, the Council's Auditor, Bentleys SA Pty Ltd 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*.

Michael Sedgman
CHIEF EXECUTIVE OFFICER

Peter Brass
PRESIDING MEMBER, AUDIT COMMITTEE

Date:



Bentleys SA Audit Partnership

Level 5
60 Pitts Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 49 677 091 000

T +61 8 6672 7900
F +61 8 6672 7999

adelaide@bentleys.com.au
bentleys.com.au

Certification of Auditor Independence

I confirm that, for the audit of the financial statements of the Rural City of Murray Bridge for the year ended 30 June 2019, 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.

Bentleys SA Audit Partnership



David Francis
Partner

Dated at Adelaide this 26th day of September 2019



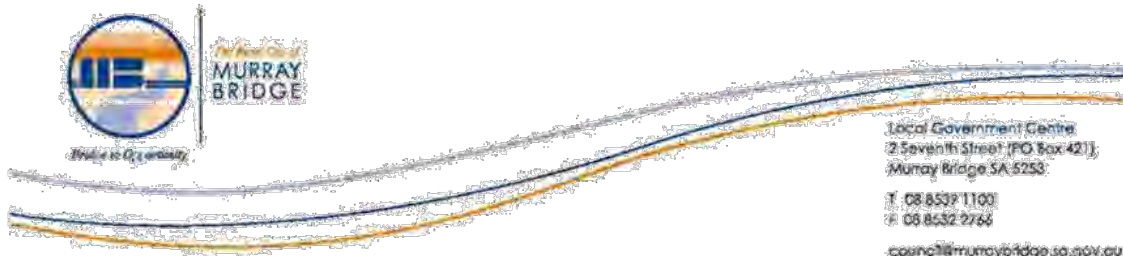
A member of Bentleys, a network of independent advisory and accounting firms located throughout Australia, New Zealand and other that trade as Bentleys. All members of the Bentleys Network are affiliated only, are separate legal entities and not in partnership. Liability limited by a scheme approved under Professional Standards legislation. A member of Allinial Global – an association of independent accounting and consulting firms.





Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

72



1 October 2019

David Francis
Bentleys SA Audit Partnership
Level 5, 63 Pirie Street
ADELAIDE SA 5000

Dear David,

RE: AUDIT FOR THE RURAL CITY OF MURRAY BRIDGE FOR THE YEAR ENDED 30 JUNE 2019

This representation letter is provided in connection with your audit of the financial statements of **Rural City of Murray Bridge** (the Council) for the year ended 30 June 2019 for the purpose of forming an opinion whether, in all material respects, the financial statements are presented fairly in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards so as to present a view which is consistent with your understanding of the Council's financial position, the results of its operations and its cash flows.

We acknowledge our responsibility for the preparation of the financial statements including adequate disclosure. We also acknowledge our responsibility for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error.

We confirm, to the best of our knowledge and belief, the following representations:

We have implemented and maintained sufficient internal controls and processes within the Council and ensure all elected controls regarded as 'core' have complied with;

There have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements;

We have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected the entity;

We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud;

We have made available to you all books of account and supporting documentation and all minutes of meetings. Where minutes have not been prepared for recent meetings, a summary of decisions taken at those meetings has been made available to you;

We confirm the completeness of the information provided regarding the identification of related parties, and balances and transactions with related parties;

The financial statements are free of material misstatements, including omissions;

We believe the effects of those uncorrected financial report misstatements noted by you or your staff during the audit are immaterial, both individually and in aggregate to the financial report taken as a whole;

Terwin Nursing Home
47 Joyce Street
Murray Bridge
T 08 8539 1185

Murray Bridge Public Library
Car South and East Terrace
Murray Bridge
T 08 8539 1175

Regional Gallery and Town Hall
27 Sixth Street
Murray Bridge
T 08 8539 1420

Visitor Information Centre
3 South Terrace
Murray Bridge
T 08 8539 1142

The Station
3-5 Railway Terrace
Murray Bridge
T 08 8539 1357



The Council has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance;

We have disclosed to you all known incidences of possible or actual non-compliance with laws and regulations whose effects should be considered when preparing the financial report;

The following have been properly recorded and, when appropriate, adequately disclosed in the financial statements:

- The identity of, and balances and transactions with, related parties;
- Losses arising from sale and purchase commitments;
- Agreements and options to buy back assets previously sold;
- Assets pledged as collateral.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements;

The Council has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed in notes to the financial statements;

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent;

There have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or Notes thereto;

No claims in connection with litigation have been or are expected to be received;

There are no formal or informal set-off arrangements with any of our cash and investment accounts. We have no other line of credit arrangements;

There are reasonable grounds to believe that the Council will be able to pay its debts as and when they become due and payable.

Yours Sincerely



Michael Sedgman
Chief Executive Officer

Date 01. 10. 2019



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

74

28 September 2019

Mr Michael Sedgman
Chief Executive Officer
The Rural City of Murray Bridge
PO Box 421
MURRAY BRIDGE SA 5253



Bentleys SA Audit Partnership

Level 8
65 Pitt Street
Adelaide 5000

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ABN 43 677 031 633

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bentleys.com.au

Dear Mr. Sedgman

Re: The Rural City of Murray Bridge - Financial Statement Audit 2019

We have recently completed our audit of the financial statements of The Rural City of Murray Bridge and intend to issue an unmodified audit report for both the financial statements opinion and the internal controls opinion.

Yours faithfully

BENTLEYS SA AUDIT PARTNERSHIP



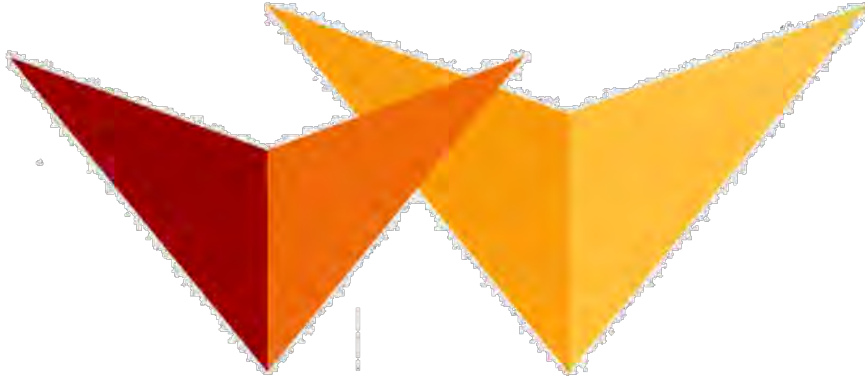
David Francis

Partner



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**THE RURAL CITY OF
MURRAY BRIDGE**
Report on Audit Findings
30 JUNE 2019





Contents	Page
Executive Summary	3
Audit Approach	4
Key Audit Risks	5
Key Findings	6
Internal Control Issues & Areas for Improvement	7
Status of prior points raised	10
Internal Controls Update	12
Matters for Those Charged with Governance	13
Appendix 1 - Status of work performed on adoption of new standards	14



Executive summary

We have concluded our audit of the Rural City of Murray Bridge for the year ended 30 June 2019 and report to management and those charged with governance the following matters for information purposes and for consideration of implementation or corrective action.

At the conclusion of our testing, using the information obtained we determined if there were any material matters of concerns that would impact the decision-making ability of the users of the financial report.

The following matters are reported to management:

Critical	Significant	Not material	Areas for improvement
-	-	<ul style="list-style-type: none"> ➤ Property debtor audit trails 	<ul style="list-style-type: none"> ➤ Procurement policy ➤ Policies out of date

We intend on issuing unmodified audit opinions for the financial report and internal control framework.

We would like to take this opportunity to thank management and staff for the assistance provided to us during the course of our audit.







Key audit risks








We have identified the risks of financial statement material misstatement as part of our risk assessment procedures during the planning phase and the audit approach.

Area	Risk	Audit Approach	Outcome
Asset Revaluations	The revaluation and useful lives assessment and timing process for buildings and infrastructure assets.	We reviewed the Fixed Assets Registers and revaluation documentation on land and compared to the amounts reported.	Satisfactory
Capital WIP	Accounting treatment of items in the Capital WIP account including the proposed roads programs.	We reviewed the treatment of the Capital WIP account and tested a sample of transactions to ensure they were capital in nature.	Satisfactory
Grant Revenue	Classification and accuracy of revenue in accordance with the new revenue standards.	We performed sample testing of Grant Revenue at our interim visit and did not find any errors in the completeness and accuracy of the balance.	Satisfactory





Key findings

Prints considered	Rating	Reason
 <p>System and technology</p> <ul style="list-style-type: none"> System integration System knowledge System access 		<p>The General Ledger system has adequate system access. Staff with access are aware of their roles and use the systems appropriately.</p>
 <p>People</p> <ul style="list-style-type: none"> Attitude Culture Embrace of change/challenge 		<p>The Finance Team appear to work cooperatively and we didn't experience any difficulties with our requests.</p>
 <p>Processes and controls</p> <ul style="list-style-type: none"> Policies and procedures in place Controls tested and reviewed sufficiently 		<p>The internal control framework appears well established. Roles are clearly defined and adhered to and the majority of controls appear to be operating effectively.</p>
 <p>Financial</p> <ul style="list-style-type: none"> Compliance with accounting standards 		<p>Based on our interim testing transactions are performed in line with accounting standards and Council's Policies and Procedures. An issue on excessive leave balances has been raised below.</p>





Issue	Property debtor audit trails
Observation	There was no review of property debtor audit trails performed during the year.
Risk	Masterfile data is changed, which can impact information such as: > Property values > Residential addresses > Property classifications
Significance	As there are compensating controls, this is considered an immaterial weakness.
Recommendation	We recommend property debtors audit trails are reviewed on a regular basis in line with other audit trails.
Management Response	Audit Reports have been identified within the system. Two separate reports are required to cover the audit trail. One report includes any property valuation or property classification changes and subsequent impact on rate revenue. It also covers any manual rate adjustments. The second report includes any additions and adjustments to the Name and Address Register (NAR). These have been run, reviewed and signed off for July 2019, and will continue to be reviewed on a monthly basis.

Internal Control Issues



Area for Improvement	
Issue	Procurement policy not being followed
Observation	<p>During our testing, we noted instances where it was unclear if the procurement policy and procedures were being followed. On investigation, it was determined that the policy was followed for the transactions testing, however there were areas for improvement that could be made. These areas included:</p> <ul style="list-style-type: none"> ➤ Suppliers which were engaged for projects on an 'as needs' basis. When engaged, the procurement policy was followed correctly, however, the net sum of the expenditure incurred with those suppliers for the projects warranted higher procurement thresholds ➤ Exemption reports, which are allowed per the Procurement Policy, were not being tracked or monitored
Significance	As the procurement policy was followed for the transactions reviewed, this is considered an area for improvement only.
Recommendation	We recommend a more strategic approach be taken when planning projects to ensure the suppliers that are engaged on an 'as needs' basis are considered and more robust procurement processes taken place where necessary. We also recommend that exemption reports are tracked and monitored on a regular basis.
Management Response	An external consultant has been engaged to perform a Procurement Services Review. The scope of this review includes Process, Policy and Systems; benchmark best practice comparisons, covers reporting requirements and identify possible strategic opportunities.





Observation	<p>Policies out of date</p> <p>We noted the following policies were out of date:</p> <ul style="list-style-type: none"> ➤ Asset Management Policy ➤ Asset Sale & Disposal Policy ➤ Community, Events, Grants & Donations Policy ➤ Construction Of Unmade Road Reserves Policy ➤ Contributions To Council Policy ➤ Fleet Vehicle Procurement & Disposal Procedure ➤ Order Making Policy ➤ Road Maintenance (Manure On Roads) Policy ➤ Business Continuity Policy - Management Of Disruption-Related Risk ➤ Healthy Catering Policy <p>We understand management is maintaining a register of policies with review dates and status of reviews underway.</p>
Issue:	<p>Policies out of date</p>





Status of Prior Points Raised

Below we list the matters identified as a result of our prior year audit, a status update of those matters and whether or not we believe the issue is still in progress or has been resolved.

Issue	Recommendation	Status	Outcome
User Access Rights Report We recommend that when staff are issued extra access rights for temporary periods of time, that the expiry function always be used. If the access is required for more time, then the access is renewed after expiry for another predetermined period with another expiry date.	User Access Rights Report has been developed as a retrieve from the Authority System. User Accesses are reviewed when an employee leaves the organization to ensure they have been removed from the system.	Pending	
User Access Rights Review We recommend management review the user access rights for staff on a regular basis.	Further to the review of User Access spot checks when an employee leaves the organization, reviews of financial functions have been performed. These are to be formalised via review with sign off of Managers and Team Leaders ensuring the correct accesses are in place as required.	Pending	

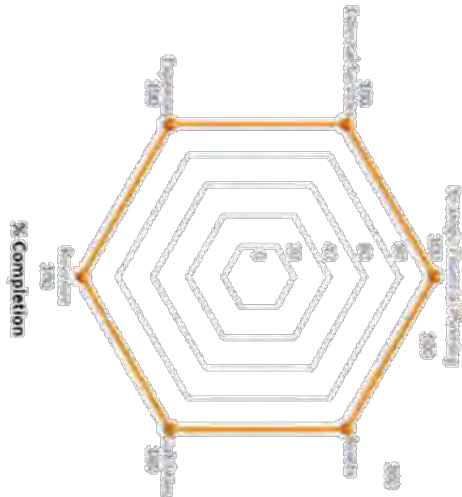




Status of Prior Points Raised

Issue	Recommendation	Status	Outcome
Investment Income reconciliations	Reconciliation of investment income for term deposits should be conducted in accordance with management's policy and the control framework be applied.	Investment income reconciliations to third-party statements are now conducted annually in accordance with the control framework. This will be assessed at year end.	Satisfactory
High levels of accrued annual leave	We recommend the Council manages and monitors the leave balances so that they can be reduced over time.	Levels of accrued annual leave are similar to the prior year. Average entitlement of \$9,040 / employee. Electronic Timesheet system is in the initial stages of roll out. Once fully implemented managers will have a complete view of all leave liabilities at a touch of a button, and thus enable greater visibility and accountability. Also this process, once implemented, will free up some business-critical staff with large leave balances to be able to take leave, having built contingency into their work areas.	Pending





The focus of our interim testing is assessing the internal controls of the organisation to determine if the information in the general ledger, that is being reported to management and used for the formation of the financial report, is likely to be accurate and reliable in all material respects. Below is a summary of the % progress the Core Internal controls tested to date.

Internal controls update



Matters for those charged with governance

<p>Fraud</p>	<p>Whilst fraud is not the primary consideration when conducting an external audit, and we have not identified any fraud as a result of our audit, we have identified some areas where the Council may be susceptible to fraud. These areas are:</p> <p>Council and financial reporting fraud:</p> <ul style="list-style-type: none"> • Incorrect valuation of assets, including inappropriate estimate of useful lives • Incorrect impairment identification and assessment • Incorrect control environment assessments <p>Individual employee fraud:</p> <ul style="list-style-type: none"> • Lack of segregation of duties • Cash handling • Minor stock from recreation centres and the depot <p>We believe it is important for management to continually consider and assess the control environment of the entity to identify areas where fraud can occur and ensure that those opportunities are removed and/or monitored to reduce the risk and impact of fraud.</p>
<p>Legal compliance</p>	<p>Through our audit procedures we have not become aware of any non-compliance with applicable laws and regulations.</p>
<p>Financial reporting and accounting policies</p>	<p>We believe the accounting policies elected for the Council are reasonable and their application provides sufficient information for use of the decision makers.</p>
<p>Going concern</p>	<p>As part of our assessment we considered the appropriateness of the going concern assumption concluded by the Council and management. Our procedures indicate that this assumption is fair and that the going concern convention is appropriate.</p>
<p>Cooperation with management</p>	<p>The management team has been helpful and co-operative throughout the conduct of this year's audit.</p>





Appendix 1 – Status of work performed on adoption of new standards

We have been working with management in the adoption of the new accounting standards. Below we have summarised the status of the performed to date:

Standard	Effective Year End	Status
AASB 9 <i>Financial Instruments</i>	30 June 2019	Management has performed an assessment of the impact of AASB 9 which we have reviewed, as well as a detailed review of debtors on a line by line basis. As the provision raised using the line by line assessment was greater than the provision using AASB 9, we accept this as reasonable.
AASB 18 <i>Revenue from contracts with customers</i>	30 June 2020	We have discussed this standard with management and a review of any contracts with performance obligations will be conducted at the end of next year. As a modified retrospective approach will be taken, no adjustment of comparative figures in the 2020 financial report will be required. This is not expected to materially impact the Council.
AASB 1058 <i>Income for NFP Entities</i>	30 June 2020	We have discussed this standard with management, and we do not believe that this will materially impact the Council.
AASB 16 <i>Leases</i>	30 June 2020	We have discussed this with management and a review of potential leases is underway. This is not expected to materially impact the Council.



**SSS17.4 DRAFT 2018-19 ANNUAL REPORT**

Author Tim Vonderwall

Legislative (X)**Corporate ()****Other ()****Purpose**

To provide the Audit Committee with the draft 2018-19 Annual Report for noting and feedback, prior to final consideration and endorsement by Council at its meeting on 14 October 2019.

Background

Council is required to adopt its Annual Report by 30 November each year. A draft of the 2018-19 Annual Report is provided as **Attachment 1** for the Audit Committee's consideration and feedback prior to it being presented to Council.

Proposal

The final 2018-19 Annual Report will be presented to Council for adoption at its meeting on 14 October 2019.

Legislative Requirements

Section 131 Local Government Act 1999

Council Policy

Not applicable

Financial Implications

Not applicable

Risk

Council will be in breach of the Local Government Act 1999 if the 2018-2019 Annual Report is not adopted by 30 November 2019.

WHS

Not applicable

Asset Management

Not applicable

Implementation Strategy

Following the adoption by Council, the 2018-2019 Annual Report, incorporating the Audited Financial Statements, will be distributed to:

- the Presiding members of both Houses of Parliament
- persons or bodies prescribed by the Regulations
- any other interested parties

Communication Strategy

Copies of the adopted 2018-2019 Annual Report will be available at the Council's office, 2 Seventh Street, Murray Bridge and on Council's website, www.murraybridge.sa.gov.au for inspection by members of the public within five working days of the Council meeting at which it was adopted.

Hard copies of the 2018-2019 Annual Report will be made available for purchase in accordance with the 2019-2020 Fees and Charges Schedule.



Strategic Plan

Goal 5 - Our Commitment

5.4 - Transparent

Recommendation

1. That item number SSS17.4 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Audit Committee recommends endorsement of the Annual Report 2018-19 to the Council, noting the Chief Executive may make minor editorial changes as required.

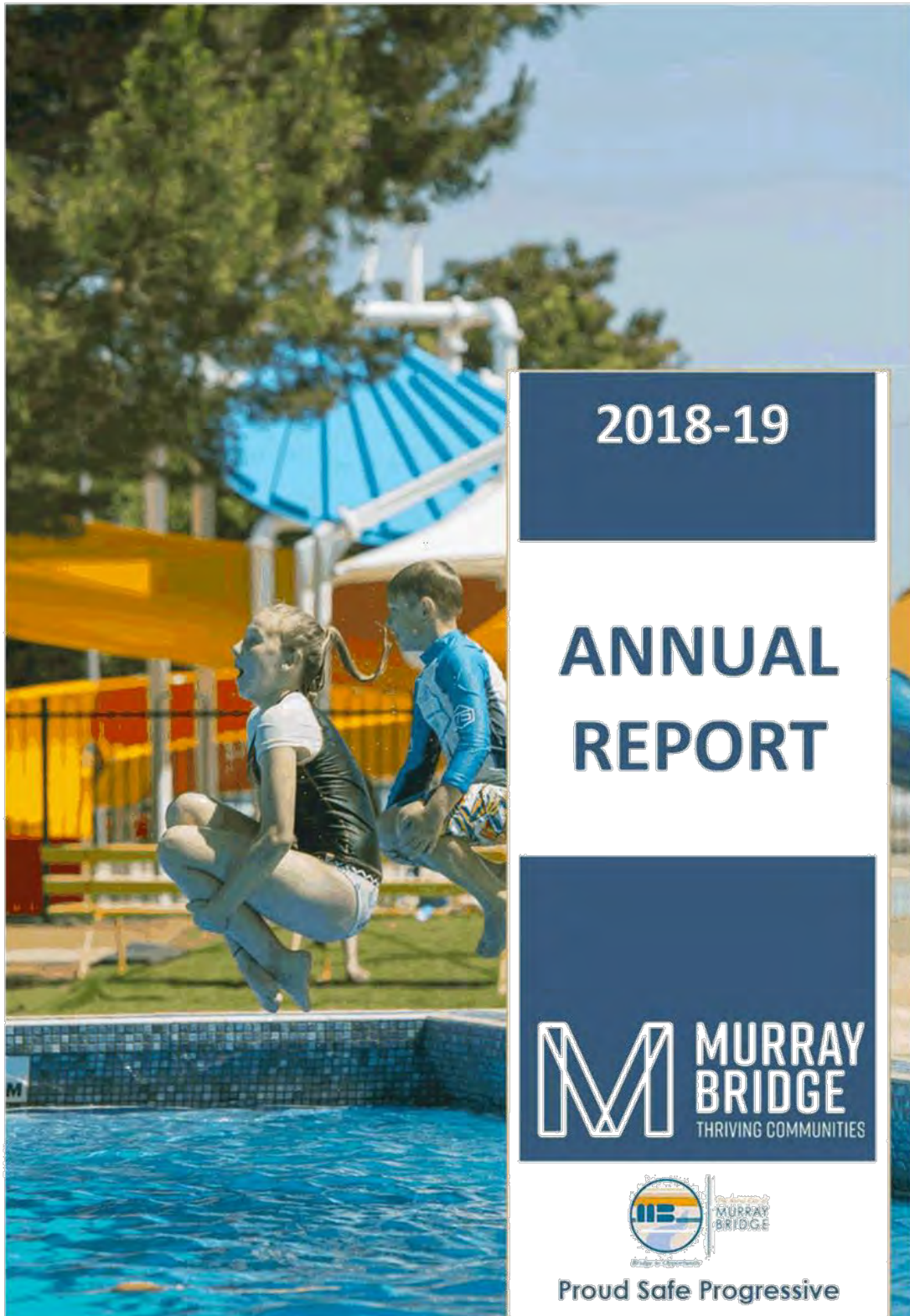
Attachments

[1.](#) Annual Report 2018 19 Attachment

Luke Williams moved

1. That item number SSS17.4 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Audit Committee recommends endorsement of the Annual Report 2018-19 to the Council, noting the Chief Executive may make minor editorial changes as required.

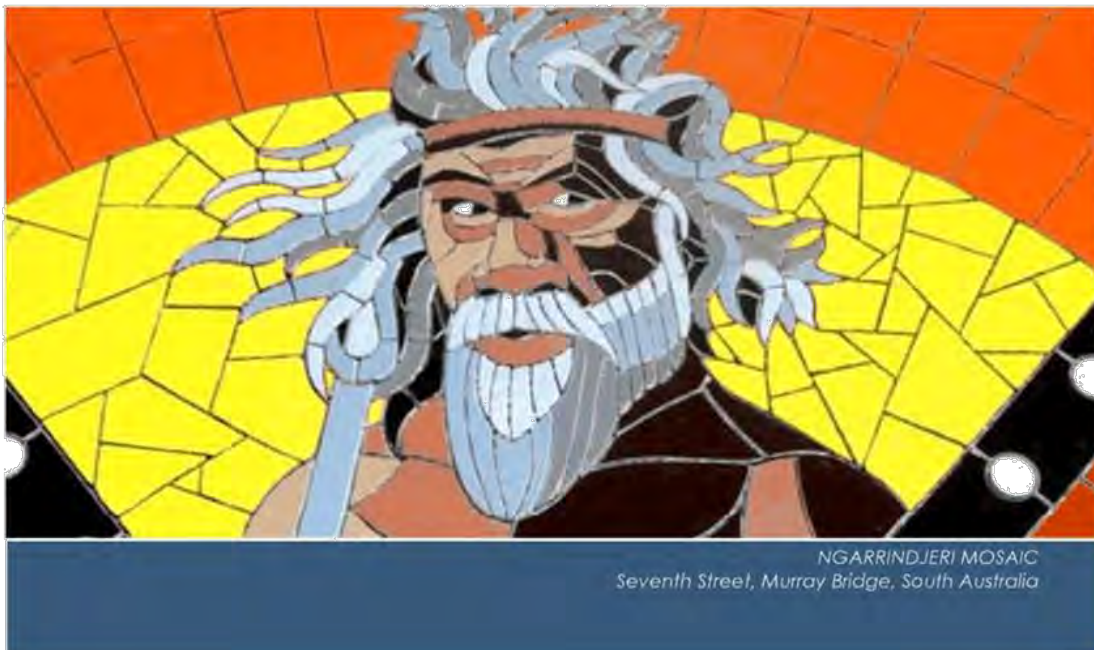
Seconded by Peter Canaway and CARRIED





NGARRINDJERI ACKNOWLEDGEMENT

We acknowledge the Ngarrindjeri people as the traditional owners of this land on which we meet and work. We respect and acknowledge their spiritual connection as the custodians of this land and that their cultural heritage beliefs are still important to the living people today. We recognise the living culture and combined energies of the Ngarrindjeri people our global pioneers and community members today for their unique contribution to the life of our region.





MAYOR'S MESSAGE



I am very pleased to present this third Annual Report that responds to Council's endorsed Community Plan 2016-2032 and Strategic Plan 2016-2020. These plans set the framework, guide the activity of Council and reflect a considerable community engagement program.

We are proud that we have an ambitious program of projects and services that are responsive to our community's aspirations.

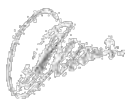
The Annual Report is an opportunity to reflect on our achievements over the past year, which has included significant investments in projects across all our communities. This year has seen a continuation of implementation of the strategies endorsed by Council with ongoing delivery of Council's Riverfront Strategy, Public Toilet Strategy, Playspace Strategy, Footpath Expansion Strategy and also continues this Council's commitment to the beautification of our Town Entrances.

Over the past year Council has delivered the Amanda Street Rising Main Renewal, Bridge Street Refresh Stage 1, Sealed Jarvis Road from Hicks Road to Generals Corner, Kerb Expansion along Adelaide Road, relaced the Jetty at Long Island Reserve, new Playgrounds at Christian Reserve and Woodlane Reserve and completed Stage 3 of the Adelaide Road Linear Park.

Our events program continues to be successful and attract visitors, whilst also providing local entertainments for our community. The 2018 Pedal Prix, Model A Ford National Meet, Australian Early Holden Federation Rally, Fringe on Tour, PGA Golf Classic, National Historical Machinery Rally and the Australian Motocross Championships were all successfully delivered.

These significant achievements have been delivered on the back of council's strong financial management and its return to long term financial sustainability.

We will continue to talk to and work with the community to ensure the delivery of successful projects as we take steps together, towards achieving a proud, safe and progressive Rural City of Murray Bridge.



Brenton Lewis
Mayor



CEO'S MESSAGE

This report highlights the programs, projects and services we have delivered over the past financial year. We have continued our implementation of the Council's endorsed priorities and strategies.

The 2018/19 Capital Program of \$9.1m saw the delivery of significant Infrastructure enhancement and renewal through our Road Reseal, Re-sheet and Reconstruction Programs investment of \$2.6m. In addition, the planning and design works for the refurbishment of the Lerwin Aged Care Facility were progressed. Other highlights included the Footpath Expansion Program, the Kerb Expansion Program and the Town Entrance upgrade and signage works.

The 2018/19 Key Projects Program of \$2.1m included delivery of a Summer Weed Management Program, the draft Animal Management plan, Oval Masterplans for Christian Reserve, Hamburg and Jaensch Ovals, the Swimming Pool Masterplan, our Destination Management Plan Video and Prospectus, continuation of the Small Wins/ Quick Wins Grants Program and another successful Major Events Program.

Work on updating our planning policies to support sustainable economic growth continued with final Ministerial approval of the Primary Production Value Adding DPA and the Swanport DPA. Council continues to liaise with the State Government to seek progress regarding the Residential Growth Area DPA's.

Council's aspirations around building a learning and earning community were significantly progressed over the course of the year with implementation of the Learning & Innovation Hub at the local TAFE SA site and the establishment of the Murray River Regional Study Hub. These initiatives provide improved learning pathways for both vocational and tertiary students in our region.

Our prudent and responsible financial planning and management resulted in us finishing the year with an underlying operating surplus of \$1.8m with our Long Term Financial Plan indicating that we remain in a strong position to deliver on the commitments we have made to our community in the coming years.



Michael Sedgman
Chief Executive Officer



COUNCIL AWARDS

ENVIRONMENTAL HEALTH LEADERSHIP AWARD

The Rural City of Murray Bridge Environment Health Officers were awarded the Norman Waterhouse Excellence in Leadership Award (as part of the Murraylands and Riverlands Environmental Health Officers group) for their approach to leading with public health issues across their area. This group received support in its nomination from the Murraylands and Riverland LGA, UniSA and SA Health.

These officers deliver day on day to help keep those who live, work and visit the Rural City of Murray Bridge SAFE through their work on wastewater systems, on food hygiene, on immunisations, on public swimming pools, on heating and cooling systems and in numerous other ways. The nomination summary stated:

"The Environmental Health Officers from the six Murraylands and Riverland Councils have achieved tremendous results over many years of working together. As a group of regional EHO's we have contributed to the development of the first Regional Public Health Plan in the State, development of a joint mosquito and surveillance program with the University of South Australia and SA Health, provide a shared service to neighbouring smaller Councils to fulfil their legal obligations, creation of a Murraylands & Riverland Regional EHO Group which has now formally been recognised as a Special Interest Group through EHA which covers a broad range of topics, and will host the 2020 EHA (SA) State Conference at Tailem Bend. This small group of 7.2 EHO's collectively cover an area of more than 36,000km² and over 71,000 ratepayers."

This is another great achievement by the Council in the leadership space and further confirms our role as a regional centre and regional leader.



COUNCIL ACHIEVEMENTS

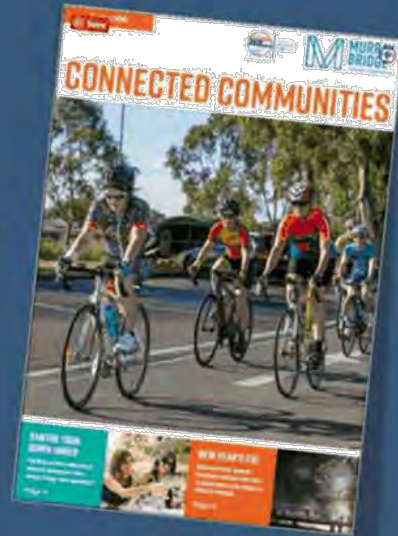
CONNECTED COMMUNITITES

As part of our commitment to community engagement, Council has developed this newsletter to keep residents in touch with Council services, events, major projects and engagement opportunities.

The newsletter is distributed every three months to households and businesses within the Council area in January, April, July and October – you can also pick up a copy at the Local Government Centre or the Murray Bridge Library.

Get your information from the source at any time by visiting Council's website, Let's Talk or follow us on Facebook.

www.murraybridge.sa.gov.au



QUARTERLY PROGRESS REPORTS

In addition to the above Council prepares a Quarterly Progress Report against it's Annual Business Plan.

The Quarterly Progress Report forms a key component of the Council's reporting framework. The report is presented to Elected Members at Council meetings every three months in February, May, August and November – you can also pick up a copy at the Local Government Centre or the Murray Bridge Library

The Progress and Performance by Theme details the quarterly highlighted projects and includes the progress reporting for all projects including expenditure. In addition to project progress this section includes performance reporting against defined indicators.

Get your information from the source at any time by visiting Council's website www.murraybridge.sa.gov.au





CONTENTS

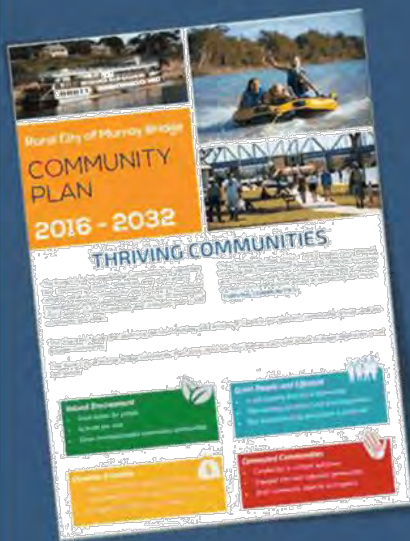
OUR CITY INFORMATION	4
COUNCIL AWARDS	5
COUNCIL ACHIEVEMENTS	6
CONNECTED COMMUNITIES	6
QUARTERLY PROGRESS REPORTS	6
COMMUNITY PLAN 2016-2032	9
STRATEGIC PLAN 2016-2020	10
STRATEGIC PLAN REVIEW	10
STRATEGIC FRAMEWORK	11
MEASURING OUR PERFORMANCE	12
ANNUAL REPORT	12
QUARTERLY PROGRESS REPORTS	12
QUARTERLY FINANCIAL REVIEW	12
MONTHLY FINANCIAL PERFORMANCE REPORTS	12
KEY FINANCIAL INDICATORS	13
KEY INDICATORS	14
ANNUAL REPORT 2018-19 STRATEGIC PLAN DELIVERY	15
THE SERVICES	19
KEY PROJECTS	20
CAPITAL PROJECTS	22
CAPITAL CARRY FORWARDS	25
PERFORMANCE MEASURES AND INDICATORS	27
GREAT PEOPLE AND LIFESTYLE	28
THE SERVICES	30
KEY PROJECTS	32
CAPITAL PROJECTS	36
CAPITAL CARRY FORWARDS	42
PERFORMANCE MEASURES AND INDICATORS	43
DYNAMIC ECONOMY	45
THE SERVICES	47
KEY PROJECTS	48
CAPITAL PROJECTS	50
CAPITAL CARRY FORWARDS	50
PERFORMANCE MEASURES AND INDICATORS	52
CONNECTED COMMUNITIES	53
THE SERVICES	55
KEY PROJECTS	56
CAPITAL CARRY FORWARDS	58
PERFORMANCE MEASURES AND INDICATORS	59
OUR COMMITMENT	61
THE SERVICES	63
KEY PROJECTS	64
CAPITAL PROJECTS	66
CAPITAL CARRY FORWARDS	68



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

100

PERFORMANCE MEASURES AND INDICATORS	69
GOVERNANCE AND COMPLIANCE	70
ENSURING DELIVERY	71
COUNCIL ELECTIONS	71
ELECTED MEMBERS (NOVEMBER 2018-2022)	72
ELECTED MEMBERS' ALLOWANCES	73
COUNCIL DECISION-MAKING STRUCTURE	74
COUNCIL MEETINGS	75
COMMITTEES ESTABLISHED UNDER §41 OF THE LOCAL GOVERNMENT ACT	75
REGIONAL SUBSIDIARIES	77
NGARRINDJERI REGIONAL AUTHORITY	78
DELEGATIONS	78
ACCESS TO COUNCIL DOCUMENTS	78
CONFIDENTIAL ITEMS	79
REVIEW OF COUNCIL'S DECISIONS	81
COMPLAINTS TO THE OMBUDSMAN	81
CONFLICT OF INTEREST DECLARATIONS	81
WHISTLEBLOWERS	81
COUNCIL REPRESENTATION	82
ELECTED MEMBERS' INDUCTION, TRAINING & DEVELOPMENT	83
FREEDOM OF INFORMATION APPLICATIONS	84
COMMUNITY LAND MANAGEMENT PLANS	84
NATIONAL COMPETITION POLICY	85
COMPETITIVE TENDERING	85
LOCAL GOODS AND SERVICES	85
CORPORATE REPORTING FRAMEWORK	86
MANAGEMENT & STAFFING	87
STAFF OVERVIEW	88
DEVELOPMENT AND TRAINING	89
EMPLOYEE WELL-BEING	89
EEO STATEMENT	89
APPENDIX 1. FINANCIAL STATEMENTS 2018-19	90
APPENDIX 2. REGIONAL SUBSIDIARIES	91
APPENDIX 3. FREEDOM OF INFORMATION STATEMENT	92



COMMUNITY PLAN 2016-2032

OUR COMMUNITY PLAN 2016-2032 SETS THE VISION FOR THE FUTURE OF OUR CITY OF 'THRIVING COMMUNITIES'

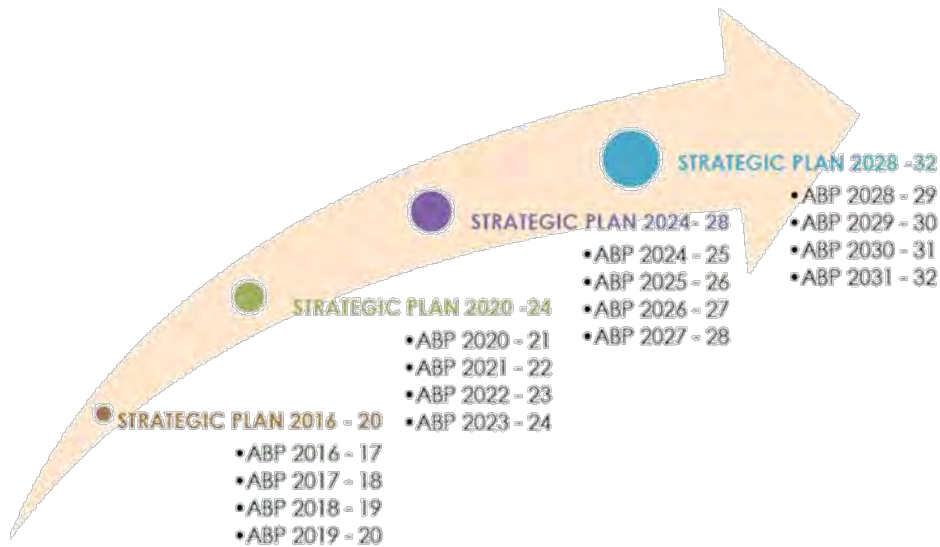
The Community Plan 2016-2032 contains four key themes that articulate the desired future of our community highlighted during the let's talk consultation undertaken during July to September, 2015.

The themes are:

Valued Environment
Great People and Lifestyle
Dynamic Economy
Connected Communities

Each theme is supported by a range of objectives that have guided Council's planning and decision making in the preparation of our Strategic Plan 2016-20. This plan sets out the priorities for the four year period and details programs and projects under each theme that Council intends to deliver.

We are committed to ensuring that we deliver services and programs aligned with our Community Plan in an effective, sustainable, responsive and transparent manner that reflects our values.



STRATEGIC PLAN 2016-2020

The Community Plan vision of *Thriving Communities* will be delivered over 16 years.

The Strategic Plan 2016-20 reflects the first four years, with Stage 1 aiming to deliver a Proud, Safe and Progressive community by 2020.

The diagram above depicts the relationship and delivery of each of the Plans.

- The Community Plan articulates the community vision – *Thriving Communities*. While it is an aspirational document, the key directions in it funnel down into the Strategic Plan, which drives Council's means of delivering the vision.
- The Annual Business Plan actions and budget are developed in the context of delivering Council's strategic priorities; it sets out the Council's proposed program of services, functions and projects for 2018-19.



STRATEGIC PLAN REVIEW

The Rural City of Murray Bridge Strategic Plan is reviewed every four years to ensure that it continues to meet the expectations of our community.

This year we commenced a community engagement process that is currently being undertaken and will continue through 2019 including various activities and public forums. The feedback received will support the development of the Strategic Plan 2020-2024.



STRATEGIC FRAMEWORK

The Annual Business Plan and Budget is intrinsically linked to the achievement of the Community and Strategic Plans within a Strategic Planning and Reporting Framework. The Framework guides the Council in identifying community needs and aspirations over the long term (Community Plan), medium term (Strategic Plan) and short term (Annual Business Plan and Budget) and then holds itself accountable through the Annual Report.

Our Strategic Management Framework demonstrates that the Rural City of Murray Bridge has adopted the following documents which comprise its strategic management plans:

- The Rural City of Murray Bridge Strategic Plan 2016-2020
- Long Term Financial Plan
- Asset Management Plans
- The Murray Bridge Council Development Plan

Additional subsidiary plans, such as The Riverfront Strategy have been developed and adopted where a focus on a particular location, service or program is required.

The Annual Business Plan links our strategic management plans with our budget planning process to ensure that we maximise the use of our available resources to achieve the best possible mix of services, infrastructure and facilities for our communities.

The budget funds the Council's Annual Business Plan in the context of the longer term financial policies and planning needed for responsible and sustainable management of the Council.





MEASURING OUR PERFORMANCE

The Rural City of Murray Bridge identifies financial and non-financial measures to ensure our performance can be assessed against stated objectives. Included in the regular schedule of reports are:

- Monthly financial reports to Council
- Quarterly financial reviews to Council and the Audit Committee
- Regular reporting to the Audit Committee on key areas of financial planning, management, and performance, risk management, emergency management and business continuity
- An Annual Report
- Quarterly progress reporting against the Annual Business Plan to Council.

ANNUAL REPORT

The Annual Report is a comprehensive report of Council's activities throughout the preceding year. It is intended to give the community information about Council's delivery against the Annual Business Plan as well as Council's Financial Statements.

The Annual Report is produced in November each year and provides material and reports on specific matters in accordance with Schedule 4 of the Local Government Act 1999.



QUARTERLY PROGRESS REPORTS



Council is committed to ensuring that the Community receives regular reports on progress against the Annual Business Plan and how this progress delivers outcomes identified in the Strategic Plan 2016-2020.

- The Quarterly Progress Report is presented to Council in November, February, May and August each year. It provides financial and non-financial performance measurement. The report comprises five sections, one for each of the four key themes plus Our Commitment. Each section includes:
- The Delivery Matrix presents the number of projects intended to deliver on each strategy and includes the number of completed projects and expenditure for the reported quarter.
- Projects in Progress comments on progress of each of the "Headline" projects in the Annual Business Plan.
- Meeting our Targets provides supporting measures that assist in assessing our effectiveness against strategic priorities.

QUARTERLY FINANCIAL REVIEW

The Quarterly Financial Review provides analysis of our actual financial performance over the previous quarter period compared to the approved budget. Analysis of the approved budget compared to the proposed budget and analysis of the impacts of review and other financial decisions made during the quarter.

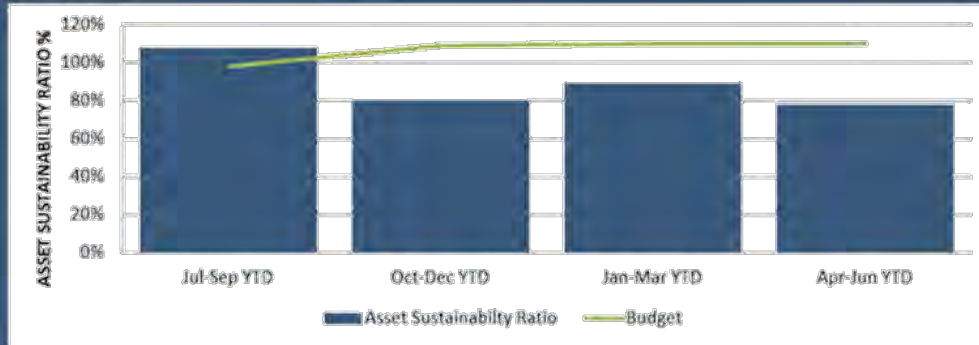
MONTHLY FINANCIAL PERFORMANCE REPORTS

Regular monitoring of expenditure is essential; not just to verify expenditure against budget but also to identify changing patterns or circumstances that need corrective action. The Monthly Financial Performance Reports are the tool Council uses to monitor and manage the budget and ensure we are staying on track

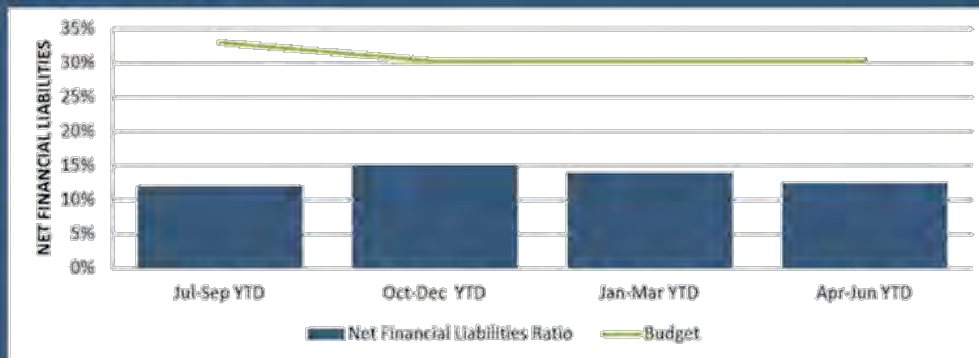


KEY FINANCIAL INDICATORS

ASSET SUSTAINABILITY RATIO %



NET FINANCIAL LIABILITIES



UNDERLYING OPERATING SURPLUS / (DEFICIT) %



KEY INDICATORS

PROJECT SUMMARY PROGRESS TO DATE

Details on project summary shown below is a consolidation of the information detailed under each theme.

	Original Budget		Approved Budget		Progress to 30/06/19	
	Number	\$'000	Number	\$'000	No. Complete	Expenditure\$'000
Key Projects	54	2,639	59	3,755	31 (53%)	2,069
Capital Projects	59	10,332	63	11,571	31 (49%)	7,688
Carry Forwards	25	2,871	25	2,911	16 (64%)	1,448
TOTAL	138	15,842	147	18,237	78 (53%)	11,205





ANNUAL REPORT 2018-19

Page 15 of 111



2. VALUED ENVIRONMENT



- 2.1. **Current assets** - We manage our existing infrastructure and assets in a manner that demonstrates the pride we take in our built environment.
- 2.2. **Infrastructure development** - We commence work on meeting the community's aspirations for future infrastructure development.
- 2.3. **Open space** - We will ensure that future growth is planned in a manner that provides access to and does not detract from, the community's environmental values.
- 2.4. **Natural assets** - We are effective at protecting and conserving the high quality values of our natural environment.
- 2.5. **Planned reduction of our carbon footprint** - Council will lead by example in the fields of sustainable development and resource efficiency.

1. GREAT PEOPLE AND LIFESTYLE



- 1.1. **Land use** - Planning that provides for future economic and lifestyle changes and continued growth whilst protecting the natural environment.
- 1.2. **Care for the community** - We will develop our service offering to the community to ensure all members have access to required levels of support.
- 1.3. **Recreational and cultural pursuits** - We will ensure that community members are provided with opportunities for cultural growth and development through provision of innovative services and programs.

3. DYNAMIC ECONOMY



- 3.1. **Identity** - Establish a strong, positive, aspirational identity that includes the message that the Rural City of Murray Bridge is 'Open for Business'.
- 3.2. **Appealing and affordable housing for growth** - We have appealing and affordable housing appropriate to incomes, aspirations and cultures to attract and retain new residents.
- 3.3. **Career, education and entrepreneurship pathways** - We are driving the development of local career, education and entrepreneurship pathways that build skills to grow the economy, facilitate new businesses, and provide exciting and relevant employment opportunities for our young people.
- 3.4. **Tourism is contributing to a diverse economy and creating opportunity** - Murray Bridge, its townships and the tourism region are positioned as a unique and desirable activity-based destination for travellers and Adelaide day trippers.
- 3.5. **Regional collaboration** - Significant planning work has been done by Council and RDA Murraylands & Riverland to identify targeted investment zones; it is time to activate these zones. Councils within the region are keen to collaborate on a number of initiatives including planning and development, infrastructure, and tourism.

4. CONNECTED COMMUNITIES



- 4.1. **Community based organisations and networks** - Our community groups and networks develop and grow to achieve their aspirations.
- 4.2. **Effective communication** - The community's thoughts and ideas are valued, shared and instrumental in Council's decision making.
- 4.3. **Sense of community** - We foster a sense of community by encouraging and supporting participation in community life.

5. OUR COMMITMENT



- 5.1. **Effective** - Council will ensure that all work is undertaken in a cost effective manner providing value-for money to the community. We will have a focus on quality in the delivery of all services and programs. Our internal systems will be efficient and will focus on enabling effective delivery.
- 5.2. **Sustainable** - Council will operate within its means, developing budgets that are affordable by the community with debt levels that do not constrain future development activities.
- 5.3. **Responsive** - We recognise that the community is our customer and employer. We will operate with a strong customer service focus in all our work. We will enable the community to provide feedback on our activities and we will respond to our stakeholders' concerns in a timely manner.
- 5.4. **Transparent** - We will report regularly to the community on progress against this plan.



VALUED ENVIRONMENT

Improve the public realm and community spaces

Develop connection with the river

Ensure our recreation areas and open space are accessible

Ensure infrastructure meets future demand

Retain and protect natural areas

The graphic features five circular icons: a bicycle, a boat, a person playing tennis, a building, and a hand holding leaves. The background is a photograph of three people in a field near a river, with a man in a blue shirt and hat showing something to a woman in a blue shirt and hat, while another woman in a floral shirt and hat looks on.

ANNUAL REPORT 2018-19

Page 17 of 111



WHAT WE COMMITTED TO

KEY PROJECTS

- Environmental Sustainability Grants
- Market Place Garden Beds
- Environmental Management Plan 2019-24
- Tree Beautification
- Native Vegetation Management Plan
- Investigation - Use of Excess Water (Mount Barker)
- Green Spaces

CAPITAL PROJECTS

- **Roads, Kerbs, Footpaths and Bridges**
 - Bridge Street Refresh
 - Critchley Road Ford Renewal & Upgrade
 - Footpath Expansion Program
 - Footpath Renewal Program
 - Jarvis Road Seal - Hicks to Generals Corner
 - Kerb Expansion Program
 - Kerb Renewal Program
 - Old Punt Road Wellington (seal and Traffic control)
- Road Reconstruction Program
- Road Reseal Program
- Road Re-sheet Program
- Sign / Street Blade Replacement Program
- **Drainage, Stormwater and Irrigation**
 - Amanda Street Rising Main renewal
 - Minge Crt to Police Station Stormwater (Swanport Rd)
 - Mitchell Ave Stormwater
 - Rainwater catchment from the LGC roof

SERVICES

- **Assets: Maintenance**
 - Asset Management
 - Community Assets
 - Infrastructure Assets
 - Geographic Information System Management
 - Land Management
 - Property Management
 - Open Space
 - Water Supply & Management
 - Wastewater Management
 - Plant, Fleet and Equipment
- **Assets: Construction**
 - Engineering and Technical Services
 - Project Management
 - Road and Transport Infrastructure
- **Assets: Utilisation**
 - Cemetery Management
 - Road Subsidiary Services
 - Permits & Licensing
 - Swimming Centre
- **Environmental Management**
 - Waste & Recycling Management
 - Biodiversity & Native Vegetation
 - Environmental Projects & Programs



HOW WE MEASURED SUCCESS

- Waste to landfill (t)
- Recycled waste (t)
- Green organics for compost (t)
- Storm-water harvested (ML)



THE SERVICES					
KEY SERVICE AREA	ANNUAL BUDGET EXPENDITURE (\$'000's)	YTD EXPENDITURE (\$'000's)	VARIANCE (\$'000's)	COMMENTS	SERVICE ELEMENTS
Assets: Construction	4,940	4,941	(1)		Engineering and Technical Services
					Project Management
					Road and Transport Infrastructure
Assets: Maintenance	8,999	7,722	(723)	Variance primarily reflects service request process and salary costs offset by savings in other areas and internal plant recovery	Asset Management
					Community Assets
					Infrastructure Assets
					Geographic Information System Management
					Land Management
					Property Management
					Open Space
					Water Supply & Management
					Wastewater Management
					Plant, fleet and Equipment
Assets: Utilisation	400	398	2		Cemetery Management
					Road Subsidiary Services
					Permits & Licensing
					Swimming Centre
Environmental Management	3,831	3,835	(4)		Waste & Recycling Management
					Biodiversity & Native Vegetation
					Environmental Projects & Programs
	16,170	16,896	(726)		

Total Operating Expense less Key Projects.



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

112









KEY PROJECTS									
PROJECT	STATUS	APPROVAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS	
Environmental Management Plan 2019-2024	TBC	\$0	\$0	\$0	0%	✓	✗	Plan will be finalised by new Senior Environment Officer in 2019-20.	
Environmental Sustainability Grants	C	\$45,000	\$45,000	\$21,262	100%	✓	✓	Two grant rounds were conducted during the year and \$22,000 was distributed to 8 groups in support of environmental projects.	
Green Spaces (Key)	C	\$51,735	\$51,735	\$38,110	100%	✓	✓	All identified projects have been completed	
Market Place Garden Beds	IP	\$42,500	\$42,500	\$28,739	100%	✓	✓	Stage 1 of the Marketplace Garden Beds renewal is expected to be completed in July 2019.	
Murund Reserve Upgrade	C	\$0	\$0	\$0	100%	✓	✓	Year 1 project actions completed Some year 2 actions completed Shelter installed	
Native Vegetation Management Plan	IP	\$0	\$0	\$0	90%	✓	✗	Native Vegetation Management Plan will be finalised by new Senior Environment Officer in 2019-20	
Remove Sunken Boat (CE 2017-18)	C	\$14,298	\$14,298	\$13,589	100%	✓	✓	Boat removed from river, task completed.	

LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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KEY PROJECTS									
PROJECT	STATUS	APPROVAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TRACK	COMMENTS	
Revegetation Plan - Hume Reserve (CF 2017-18)	IP	\$70,000	\$70,000	\$52,880	80%	✓	✗	Project delayed due to difficulties pre-qualifying Ngoponui Aboriginal Corporation. Good progress being made through latter weeks of June and should be completed in July 2019. Proposed for carry forward in 2019-20.	
Sturt Reserve Remediation (CF 2017-18)	C	\$40,000	\$40,000	\$27,285	100%	✓	✓	A two stage project, with Stage 1 completed. Work underway by GHD and Stage 2 project report completed in February 2019. Council briefed in March 2019 and confidential report provided in April 2019.	
Summer Weed Management Program	C	\$70,000	\$70,000	\$69,305	100%	✓	✓	Project completed	
Town Beautification - Sherrin Road TAFE SA Landscaping	C	\$50,000	\$50,000	\$0	0%	✗	✗	Project approved for carry forward into 2019-20	
Tee Beautification	C	\$75,000	\$75,000	\$79,510	100%	✓	✓	2018-19 Planting Program completed.	
		\$458,533	\$458,533	\$330,680					

LEGEND							
 TBC	 IP	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
To be commenced	In Progress						



CAPITAL PROJECTS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Amanda Street Rising Main Renewal	C	\$325,000	\$325,000	\$310,312	100%	✓	✓	Project Completed
Bridge Street Refresh	C	\$155,000	\$155,000	\$155,995	100%	✓	✓	Stage 1 completed
Critchley Road Ford Renewal & Upgrade	C	\$61,500	\$61,500	\$59,990	100%	✓	✓	Project Completed
East Terrace Realigning	TBC	\$38,000	\$38,000	\$2,123	0%	✎	✎	As a result of limited suppliers the program has been carried forward to 2019-20
Footpath Expansion Program	C	\$561,000	\$561,000	\$540,135	100%	✓	✓	Completed
Footpath Renewal Program	C	\$45,650	\$45,650	\$45,501	100%	✓	✓	Completed
Historical Buildings - Sewer and Water	C	\$38,000	\$38,000	\$37,600	100%	✓	✓	Project provided funds for new sewer line and water meter to historical railway buildings to enable separate land parcel to be created. It was completed on time and within budget.
Jarvis Road Seal-Hicks to Generals Corner	C	\$211,307	\$211,307	\$211,406	100%	✓	✓	Project Completed









LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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CAPITAL PROJECTS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	TIM ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Kerb Expansion Program	C	\$455,000	\$455,000	\$407,616	100%	✓	✓	Programmed works completed.
Kerb Renewal Program	C	\$13,000	\$13,000	\$12,186	100%	✓	✓	Kerbing Renewal completed on segments of Koper Road, Kerbing Renewal completed on selected segments on Industry Road and Cedar Avenue.
Manga Crt to Police Station Stormwater (Swanport Rd)	C	\$205,998	\$205,998	\$205,418	100%	✓	✓	Project completed.
Mitchell Ave Stormwater	IP	\$230,000	\$230,000	\$22,390	75%	✓	*	Design work has been scheduled to be carried forward in financial 2019/20.
Old Hunt Road Wellington (seal and traffic control)	C	\$28,132	\$28,132	\$28,152	100%	✓	✓	Line marking, white post installation and the remaining shoulder compaction works have now been completed.
Rainwater catchment from the LGC roof	C	\$5,000	\$5,000	\$4,403	100%	✓	✓	Rainwater tank is installed and in use.
Road Reconstruction Program	IP	\$1,664,001	\$1,664,001	\$1,338,982	79%	✓	✓	All works completed except Verdun Road, SA Water replacement water main and Olympic Drive - Geotech testing.
Road Reseal Program	C	\$646,328	\$646,328	\$646,740	100%	✓	✓	Program completed.
Road Reseal Program	C	\$1,083,000	\$1,083,000	\$721,766	100%	✓	✓	Completed except Durrali and Rock and Roll Road.

LEGEND							
	To be commenced		In Progress		On Hold		Completed
	On Track		Slight Deviations		Off Track		Project planning phase



CAPITAL PROJECTS									
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS	
Sign / Street Blade Replacement Program		\$20,000	\$20,000	\$19,623	100%			Completed	
		\$5,786,116	\$5,786,116	\$4,749,938					

LEGEND							
	To be commenced		In Progress		On Hold		Completed
	On Track		Slight Deviations		Off Track		Project planning phase



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

117

CAPITAL CARRY FORWARDS

PROJECT	STATUS	APPROVAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Bank Stabilisation - Ayoca Dell (CF 2017-18)	TBC	\$768,302	\$768,302	\$4,508	100%	✓	*	SABAC funding confirmed for project delivery in 2019-20. Detailed design ongoing.
Bank Stabilisation - Thiele Reserve (CF 2017-18)	IP	\$331,500	\$331,500	\$319,414	90%	✗	✗	The Thiele Reserve Bank Stabilisation project was completed in February 2019. Unforeseen issues relating to the slippery nature of the newly installed sandbags downstream of the boat ramp have prevented the ski beach area of the reserve from being opened to the public. The hoist boat mooring section has been successfully opened. Administration are working with the designer to rectify the issue as soon as possible. Potential solutions are still being identified and a final decision has not been confirmed at this stage. The ski beach will remain closed to users until a suitable solution has been identified.
Cemetery Upgrade (CF 2017-18)	C	\$14,648	\$14,648	\$14,648	100%	✓	✓	Program completed.
Community Centre Carpark (CF 2017-18)	C	\$8,398	\$8,398	\$8,398	100%	✓	✓	Project is now complete, line marking will be undertaken as part of the broader resed program.
Derwent Ave - Resurface (CF 2017-18)	C	\$39,626	\$39,626	\$38,155	100%	✓	✓	Completed.
Install LED Lighting at Murray Bridge Library (CF 2017-18)	IP	\$100,500	\$100,500	\$8,000	25%	✓	✗	Project proposed for carry forward to 2019-20

LEGEND

 TBC	 IP	 On Hold	 Completed	 On Track	 Slight Deviations *	 Off Track ✗	 Project planning phase
To be commenced	In Progress						




Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

118

CAPITAL CARRY FORWARDS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Plant Replacement Program (CF 2017-18)	C	\$110,000	\$110,000	\$110,000	100%	✓	✓	Completed
River Trail Project (CF 2017-18)	IP	\$66,000	\$66,000	\$66,000	90%	✓	✗	Partnership agreement has been finalised and signed by the three Councils and awaiting sign off by Department of Environment and Water (DEW). Following sign off, works on the levy banks and signage installation will commence. Torra Road section construction is underway.
Road Program - Reconstructs (CF 2017-18)	C	\$305,000	\$305,000	\$305,000	100%	✓	✓	Completed.
Stormwater Construction - Railway Road (CF 2017-18)	C	\$57,142	\$57,142	\$52,790	100%	✓	✓	Project is completed.
Start Reserve Restoration (CF 2017-18)	C	\$74,951	\$74,951	\$6,802	100%	✓	✓	Work underway with the RSL, monumental masons and landscape architects to deliver a new war memorial. The Historic Transport Precinct Working Party have met regularly and a flat bed wagon has been purchased and is being restored. Revised work packages are being considered to deliver joined up projects in affordable chunks. Council briefed in March 2019 and confidential report to Council in April 2019.
The Station Landscaping (CF 2017-18)	C	\$8,000	\$8,000	\$1,050	100%	✓	✓	Works completed
		\$1,884,067	\$1,884,067	\$934,764				

LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

119

PERFORMANCE MEASURES AND INDICATORS

MEASURE	1 st QUARTER JUL - SEP		2 nd QUARTER OCT - DEC		3 rd QUARTER JAN - MAR		4 th QUARTER APR - JUN		YTD TARGET 18-19	YTD TOTALS 18-19	YTD % / %		
	17-18	TARGET	17-18	TARGET	17-18	TARGET	17-18	TARGET					
Waste to landfill (t)	1,076	1,050	1,022	1,115	1,103	1,099	1,091	1,022	1,050	1,049	4,200	4,237	1%
Green organics for compost (t)	335	300	390	447	446	376	437	408	400	438	1,600	1,662	4%
Recycled waste (t)	410	400	397	381	344	437	409	363	400	331	1,600	1,475	-8%
Stormwater harvested (kL)	4	20	22	19	17	30	42	26	20	41	80	85.1	6%



GREAT PEOPLE AND LIFESTYLE

Planning future economic and lifestyle changes and continued growth whilst protecting the natural environment

Develop our service offering to the community to ensure all members have access to required levels of support.

Ensure that community members are provided with opportunities for cultural growth and development through provision of innovative services and programs.

ANNUAL REPORT 2018-19

Page 28 of 111





WHAT WE COMMITTED TO DO

KEY PROJECTS

<ul style="list-style-type: none"> ● Health and Regulation ○ Accessibility Action Plan ○ Health Partnership Project ○ Performance Development Program ○ Planning & Design Code Transition 	<ul style="list-style-type: none"> ○ Service Review - Animal Management ○ Regional Public Health Plan ● Library ○ Lego Club ○ Library Events ○ Studiosity Subscription 	<ul style="list-style-type: none"> ● Sport and Recreation ○ STARclub ○ Oval Masterplans ○ Speedway Burn Out Pad ● Youth ○ Youth - (P Plate) Driver program ○ VET Program at The Station
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CAPITAL PROJECTS

<ul style="list-style-type: none"> ● Buildings, Plant and Equipment ○ Customer Relationship Management Software ● Community Assets ○ Buildings Renewal ○ Library - Replacement of Self Loan Kiosks ○ LED Stage Lighting ○ CCTV Program Expansion ○ Town Hall Entrance ○ Art Collection Protection ○ Public Art 	<ul style="list-style-type: none"> ● Riverfront Projects ○ Avoca Dell - Pontoon ○ Sturt Reserve - Landfill Remediation ○ Thiele Res - Pontoon ○ Murray Coorong Trail ○ Sturt Reserve - Primary Trailhead Signage ○ Wayfinding and Signage ○ Water Activities Trails ○ Toora Reserve 	<ul style="list-style-type: none"> ● Roads, Kerbs, Footpaths ○ Entrance Signage Renewal ○ Swanport Road Entrance ○ Swanport Road TAFESA Landscaping ● Open Space ○ The Great Outdoors ○ Toilet Renew & Enhance ○ Baker Res Wellington Boat Ramp Upgrade ○ Christmas Decorations ○ Sports Grounds ○ Trail Tower Hill to Collington
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SERVICES

<ul style="list-style-type: none"> ● Community Development ○ Community Development ○ Community Safety ○ Recreation & Sport Youth Services ● Cultural Development ○ Arts Development ○ Cultural Development 	<ul style="list-style-type: none"> ○ Indigenous Advancement ○ Library Services ○ Performing Arts ○ Visual Arts ● Regulation ○ Animal Management ○ Building Assessment Services ○ General Inspectorate ○ Public Health Compliance 	<ul style="list-style-type: none"> ● Aged and Disabled Care ○ Aged Care Provider Support ○ Aged Disability Support Management ○ Community Transport ○ Disability Support Services ○ Independent Living ○ Financial Management ○ Residential Aged Care and Respite Services
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HOW WE MEASURED SUCCESS

<ul style="list-style-type: none"> ○ No of Development Applications determined ○ Value of approved applications commercial & industrial and new homes 	<ul style="list-style-type: none"> ○ Value of approved new homes ○ Food Hygiene Inspections ○ Immunisations ○ Hours spent removing graffiti ○ Food Safety Training attendance 	<ul style="list-style-type: none"> ○ Commonwealth Home Support Program visits ○ Visitors to the Exhibitions ○ Town Hall Patrons ○ Library Visitation ○ Library internet log-on sessions
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THE SERVICES					
KEY SERVICE AREA	ANNUAL BUDGET EXPENDITURE (\$000's)	YTD EXPENDITURE (\$000's)	VARIANCE (\$000's)	COMMENTS	SERVICE ELEMENTS
Community Development	1,551	1,489	62	Swimming Centre \$20k savings within the materials budget. Sport and Recreation Grants \$20k savings due to under subscription. Various savings inclusive of salary savings totalling \$22k.	Community Development
					Community Safety
					Recreation & Sport
					Youth Services
Cultural Development	2,294	2,225	69	Town Hall and theatre services \$15k. Various savings inclusive of salary savings totalling \$54k.	Arts Development
					Cultural Development
					Indigenous Advancement
					Library Services
					Performing Arts
					Visual Arts
Planning and Development	1,538	1,542	94	Undertaking development assessments was \$45k underspent due to reduction in volume. Various savings inclusive of salary savings totalling \$49k.	Planning Assessment Services
					Development Policy
					Planning and Development Administration Services
Regulation	1,344	1,268	96	Savings of \$72k due to delays in State Government planning reform changes. Various savings inclusive of salary savings totalling \$24k.	Animal Management
					Building Assessment Services
					General Inspectorate
					Public Health Compliance
Aged and Disabled Care - Council	978	930	(48)		Aged Care Provider Support
					Aged Disability Support Management
					Community Transport
					Disability Support Services
					Independent Living
					Financial Management



THE SERVICES					
KEY SERVICE AREA	ANNUAL BUDGET EXPENDITURE (\$000's)	YTD EXPENDITURE (\$000's)	VARIANCE (\$000's)	COMMENTS	SERVICE ELEMENTS
Aged and Disabled Care - Lanwin	6,286	6,336	(50)	Additional expenditure inclusive of salary costs totalling \$50k.	Residential Aged Care and Respite Services
	14,052	13,787	265		



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

124

KEY PROJECTS									
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	COMPLT %	ON BUDGET	ON TIME	COMMENTS	
Accessibility Action Plan	IP	\$30,000	\$50,000	\$5,000	0%			Original project proposal to install accessible path at Woodlane Reserve cannot proceed as upgrade of public toilet as part of Great Outdoors is behind schedule. New project was not identified before 30 June, \$3k allocated to support a LGA project which will assist in the development of legislated Disability Access and Inclusion Plans	
Annual Management Plan	IP	\$25,000	\$25,000	\$25,028	90%			The draft version of Annual Management Plan is now with Council administration for review before being put before Council for endorsement and the Dog and Cat Management Board for final approval.	
Destination Management Plan (CE 2017-18)	IP	\$45,000	\$95,000	\$83,975	90%			The video "Murray Bridge Make it Yours" is to be launched on 7 August, 2019 as part of Council's investment attraction campaign that also includes a "prospector" and website.	
Health Partnership project	C	\$40,000	\$40,000	\$500	100%			Year one of this two-year project has been completed. Appointment of Community Wellbeing Alliance Officer by FABRGA will dictate the delivery times for this project.	
Learning Innovation Hub	IP	\$501,250	\$501,350	\$225,000	75%			Project tracking well against initial milestones relating to Regional Study hub tender funding.	
Lego Club	C	\$2,000	\$2,000	\$1,880	100%			Funds committed to additional resources of Lego, the sessions have been well attended with 532 children participating over the year.	

LEGEND									
To be commenced	In Progress	On Hold	Completed	On Track	Slight Deviations	Off Track	Project planning phase		



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



125

KEY PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Library Events Program		\$8,000	\$8,000	\$5,975	100%	✓	✓	On track. Auditions have been booked at \$100 per session for January through to September 2019. Event with Judy Nunn and Fiona McInnes possible. Plans to host Tilda Stringer, Wendy Altschwaiger and Sophie Thompson for events leading to end of financial year. Two performers confirmed for July School Holidays.		
M/B Speedway Show		\$76,000	\$76,000	\$9,027	0%	✎	✎	Work due to commence August 2019.		
Manorita Masterplan Streetscape Improvements (CF 2017-18)		\$24,000	\$25,000	\$11,266	90%	✓	*	The project has been managed in collaboration with the Township Entry Sign Project to ensure consistency across both projects. This work is expected to be complete by August 2019.		
Albury Bridge Learning Campus (CF 2017-18)		\$17,000	\$17,000	\$4,594	75%	✓	✓	Project split into 3 by TAFE SA, with DPII and DIS running these. RCAF is represented and project managing the indigenous landscaping component, which is expected late in 2019, consistent with Building Better Regions Fund (BBRF) milestones.		
Ngorindjeri Cultural Management Plan (CF 2017-18)		\$40,000	\$40,000	\$0	5%	✓	*	Awaiting feedback from the Ngorindjeri Regional Authority (NRA) regarding proposed engagement agreement. Council has been working to gain support to engage a consultant to develop the plan.		

LEGEND															
	To be commenced		In Progress		On Hold		Completed		On Track		Slight Deviations		Off Track		Project planning phase



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

KEY PROJECTS									
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	COMMITTEE	OK BUDGET	OK TIME	COMMENTS	
Oval Masterplans and Management Plans (Hornburg, Joensch, Johnstone, Letkessner, Christian)		\$75,000	\$75,000	\$58,122	100%	✓	*	Council briefing was presented on 19th March. Final masterplans have been submitted by consultant. Council report on Christian Reserve, Joensch and Hornburg Ovals deferred to August to allow for further consultation.	
Performance Development Program		\$20,000	\$20,000	\$16,457	80%	✓		A number of shows are locked in. Additional equipment needed for setup of program sourced and purchased. Rolling program with additional funding allocated in 2019/20 budget. Program under development and work on booking acts commenced. Equipment and materials purchased.	
Planning & Design Code Transition Project		\$20,000	\$90,000	\$0	100%	✓	✓	Planning for "Open Like" series well advanced. Expenditure and progression deferred to align with DPII rollout of planning reform program.	
Regional Public Health Plan		\$16,000	\$18,000	\$0	100%	✓	*	Year one of the two-year project has been completed. Recruitment of Community Wellbeing Alliance Officer through the MRGA to commence in August 2019.	
Regional Study Hub		\$649,256	\$649,255	\$56,412	20%	✓	✓	On track. Funds spent on set up, project management and marketing.	

LEGEND									
 TBC	 IP	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase		
To be commenced	In Progress								



KEY PROJECTS									
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	COMMITTEE	ON BUDGET	ON TIME	COMMENTS	
School holiday and VET program at the Station		\$7,000	\$9,000	\$4,218	100%	✓	✓	On track. A number of activities provided. Some planned projects were not able to be delivered due to logistics issues.	
Service Review - Animal Management Services		\$20,000	\$20,000	\$0	10%	✓	*	The project is currently on hold pending the outcome and finalisation of the Animal Management Plan in August.	
STARCLUB		\$110,000	\$113,272	\$113,013	100%	✓	✓	STARclub is a council project supported by the Office for Recreation Sport and Racing. All objectives from the operational plan have been achieved.	
Studently Subscription		\$4,000	\$4,000	\$3,050	100%	✓	✓	Plans to discontinue from July. Total hours of use for 2018 and 2019 used. Banner on library website to be taken down Tuesday 2 July 2019.	
Swimming Pool Detailed Masterplan (CF 2017-18)		\$47,300	\$47,300	\$43,804	100%	✓	✓	Project completed.	
Wayfinding & Signage (CF 2017-18)		\$20,000	\$20,000	\$45,470	91%	✓	✓	On Track	
Youth - (JP Pate) diver program		\$10,000	\$10,000	\$10,000	100%	✓	✓	Currently considering proposal from service provider. Support has changed to the (2) nd program in partnership with RDA and Energy Education	
		\$1,985,186	\$1,985,186	\$722,771					

LEGEND

To be commenced	In Progress	On Hold	Completed	On Track	Slight Deviations	Off Track	Project planning phase



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	T/D ACTUAL	COMPLETE %	ON BUDGET	ON TIME	COMMENTS		
Avoca Dell - Pentoon Jetty		\$100,000	\$60,000	\$0	0%	✓	✗	Works will be incorporated with major Avoca Dell Bank Stabilisation and Reclamation & Double Boat Ramp project. Funding has been approved for the Avoca Dell Bank Stabilisation and Reclamation & Double Boat Ramp project and will be received July 2019. Works will not commence until funding has been received.		
Baker Reserve Boat Ramp Upgrade and Pentoon Jetty - Wellington		\$125,000	\$125,000	\$23,847	7%	✓	*	Contractor to let during August		
Buildings Renewal Program		\$411,000	\$411,000	\$405,344	100%	✓	✓	More projects identified than funds available. Priority projects were completed with additional funding provided during the year and funds were July expended. Remaining projects will be undertaken in 2019-20		
Community Safety - CCTV Program expansion		\$90,000	\$30,000	\$0	100%	✓	✓	Those funds had been allocated to enter for extensions to the CCTV network as requested by the community and there have been no registered requests to this point.		
Customer Experience - Customer Relationship Management Software		\$72,000	\$72,000	\$0	5%	✓	✓	This project will be delivered inline with the Digital strategy roadmap. Scoping due to commence July 2019 as this is a multiple year project.		
Customer Experience - Town Hall entrance		\$10,000	\$10,000	\$1,485	15%	✓	✗	Engaged with heritage architect and received initial design advice. Builder has inspected the project and quotes being sought.		

LEGEND										
 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase			






CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	T/D ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Gallery - Art Collection Protection (dust proofing)	IP	\$8,000	\$8,000	\$1,250	0%	✓	*	The contractor has been engaged.		
Gallery - Art Collection Protection (humidity control)	TBC	\$7,000	\$7,000	\$0	0%	✓	✗	We have obtained quotes for portable dehumidifying systems. We are currently seeking advice and discussing options with Artlab Australia, for a more permanent system.		
Gallery & Town Hall - Asset protection (CCIV)	IP	\$30,000	\$30,000	\$24,216	80%	✓	✓	Recently deployed 16 internal and one external image /camera for the Gallery. Deployed 9 internal and 2 external imagos /cameras for the Town Hall. Currently deployed 1 internal camera for Lerwin awaiting install of another 2 external. Two cameras are planned for the Depot resulting in 5 individual imagos. LGC has had 6 external imagos / cameras on line and 4 internal.		
Green Spaces (Capital)	C	\$50,000	\$50,000	\$44,075	100%	✓	✓	Completed, overspend is offset by underspend in the Key Projects.		
Lerwin Aged Care Facility Expansion (planning)	IP	\$524,300	\$524,300	\$405,016	70%	✓	✓	On Track		
Library - Replacement of Self Learn Kiosks	C	\$50,000	\$50,000	\$50,550	100%	*	✓	Successful vendor has been awarded contract and installed by June 30th 2019. 5 new kiosks have been successfully installed and tested. Minor issues being resolved with FE Technology technicians.		


LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	TID ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Library Resources		\$68,000	\$68,000	\$72,270	100%			On Track. The overspend was matched by increased funding income.		
Lauray Crossing Trail (ongoing for 5 years)		\$40,000	\$40,000	\$19,674	90%			Awaiting partnership agreement with Department of Environment and Water (DEW) to commence. Toora Road section requires stormwater pipe extensions		
Public Art		\$75,000	\$25,000	\$19,380	40%			Identified next priority sites, including Adelaide Road and Sturt Reserve. \$5,000 contributed to Jervock Milk Factory mural. Currently developing Public Art Strategy criteria and processes. Currently finalising Public Art Strategy Guidelines, and Public Art Advisory Subcommittee Terms of Reference, and committed \$5,000 to Public Art Consultant to assist with these items. \$10,800 contributed to Jervock community public art project, inaugural Jervock Art Trail mural which was completed and launched in June. Currently selecting site public art project and currently collaborating with Lauray Bridge High School in developing a public art outcome in Jubilee Park.		
Recreation Trails - Tower Hill to Collington Hill		\$50,000	\$20,000	\$14,882	50%			Mapping set to desktop plot the proposed route. Meet onsite to assess best route. Meeting onsite for final route layout with Mountain Bikers. Final route has been identified. Procuring materials. Signs have been designed and procured. Working bee scheduled to create the trail		

LEGEND

								
To be commenced	In Progress	On Hold	Completed	On Track	Slight Deviations	Off Track	Project planning phase	



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes


131

CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	TID ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Recreational Trails - Sturt Reserve - Primary trailhead signage	IP	\$40,000	\$40,000	\$26,000	50%	✓	*	Final concept drawings and accurate estimate costs submitted for final approval, two preferred concepts identified for accurate costing. Final design has been selected. Engineering drawings are completed. Building approval has been submitted. All approvals have been acquired.		
Recreational Trails - Water Activities Trails	IP	\$5,000	\$5,000	\$0	20%	✓	*	Meetings held with key stakeholders. Interpretive information required is now being procured.		
Sports Grounds - (Jugend Works)	IP	\$100,000	\$100,000	\$49,018	50%	✓	X	Proposed for carried forward in 2019-20.		
Sturt Reserve - Landfill Remediation and Environmental Management Plan	C	\$100,000	\$100,000	\$92,176	100%	✓	✓	A two stage project, with Stage 1 completed. Stage 2 project report provided in February 2019. Council briefed and confidential report prepared for 8 April 2019 meeting.		
Sturt Reserve - 'Wor Memorial'	IP	\$50,000	\$50,000	\$0	25%	✓	✓	Design and contextual issues resolved. Public consultation on the design of the project undertaken. Federal funding also announced.		
The Great Outdoors Funding Package	IP	\$600,000	\$620,000	\$461,115	60%	✓	X	Due to delays with scoping public toilet upgrades, these will be carried forward and completed in early 2019-20.		

LEGEND

 TBC To be commenced	 IP In Progress	 OH On Hold	 C Completed	 OT On Track	 SD Slight Deviations	 OFF Off Track	 PP Project planning phase
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CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	T/D ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS		
The Station – LED Stage Lighting		\$40,000	\$40,000	\$40,000	100%			Purchased four (4) moving head spot and four (4) toss flat, parabolic dimmized reflector (PAR) lights.		
Thiele Reserve - Pontoon Jetty		\$300,000	\$30,000	\$0	0%			Project to be completed at the same time as Avoca Dell Reserve in 2019/20.		
Toilet Enhancement		\$190,000	\$190,000	\$11,974	100%			Due to delays with scoping public toilet upgrades, these will be carried forward and completed in early 2019-20.		
Toilet Renovation		\$224,000	\$236,000	\$22,474	10%			Project approved for carry forward to 2019-20.		
Teora Reserve		\$40,000	\$40,000	\$40,032	100%			All identified works have been completed.		
Town Beautification - Christmas decorations		\$40,000	\$40,000	\$55,545	100%			New Christmas decorations were purchased, installed and removed to enhance Bridge Street during the Christmas festive season.		
Recreational Facilities 2018-19		\$100,000	\$100,000	\$80,961	100%			All identified works have been completed.		




LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	T/D ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Town Beautification - Entrance Signage (Renewal Program)	C	\$100,000	\$100,000	\$95,098	100%	✓	✓	Signage designs have been finalised.		
Town Beautification - Wayfinding and Signage	IP	\$50,000	\$50,000	\$18,900	80%	✓	✓	A Interpretation Plan has been developed to inform content on signs. An delivery plan for 2019-2020 to be developed in July 2019.		
Town Beautification - Swampport Road entrance	IP	\$217,000	\$217,000	\$75,871	30%	✓	✓	Design for the kerbing of Swampport Road and associated stormwater infrastructure have been completed. Design works are ongoing and the alignment of a 3m wide shared use path between Jubilee Park and Swampport Village Road being finalised. Works to construct this path will commence in July 2019. Council is continuing work with SA Water to provide irrigation water via a new trunk main, which will support new landscaping along Swampport Road. This irrigation infrastructure will be delivered in the first half of the 2019-20 financial year.		
		\$3,544,300	\$3,544,300	\$2,157,153						





LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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CAPITAL CARRY FORWARDS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS		
CCTV Upgrade (CF 2017-18)		\$143,437	\$143,657	\$142,114	100%			This project is now completed. It involved installation and commission of a total of thirty two (32) cameras being deployed at the 14 identified sites as well as access to an additional 7 images provided via cameras at two council buildings. We now have a quality CCTV solution that we can leverage moving forward.		
Decorative Bollards - Repair (CF 2017-18)		\$16,273	\$16,323	\$5,853	100%			The bollards are now installed at Sturt Reserve and are complete. The only remaining tasks are to have the plaques reinstalled and an additional concrete ring to reinforce the base for protection. This should be complete by the end of July 2019		
Lennox Resident Equipment Program (CF 2017-18)		\$5,392	\$5,388	\$5,388	100%			Program Complete. Budget formalised through the 1st Quarter financial review.		
River Trail Strategy Implementation Stage 1 (CF 2017-18)		\$55,100	\$36,100	\$0	75%			Trail Strategy Implementation waiting for the development of the signage specifications. This project is a pilot project for the signage specifications. The detailed design is 95% complete awaiting signage manufacturer tender.		
5th Street Artwork (CF 2017-18)		\$96,400	\$96,400	\$90,186	90%			Gateway markers and major artwork installed. Final work (Acknowledgement of Country) currently underway. Expected completion July/August 2019		
		\$297,848	\$297,868	\$233,542						

LEGEND

	To be commenced		In Progress		On Hold		Completed		On Track		Slight Deviations		Off Track		Project planning phase
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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

135

PERFORMANCE MEASURES AND INDICATORS

MEASURE	1 st QUARTER JUL – SEP		2 nd QUARTER OCT – DEC		3 rd QUARTER JAN – MAR		4 th QUARTER APR – JUN		YTD TARGET 18-19	YTD TOTALS 18-19	YTD% +/-
	17-18	TARGET	18-19	TARGET	17-18	TARGET	18-19	TARGET			
No of Development Applications determined	155	160	111	145	103	131	144	119	400	467	17%
Value of approved applications	\$30,000	\$30,000	\$18,400	\$40,600	\$11,450	\$44,920	\$55,600	\$30,000	\$90,000	\$135,010	69%
Number of approved applications for new homes	40	29	21	19	21	19	29	28	100	92	-8%
Value of approved new homes	\$1,700	\$1,600	\$4,280	\$5,000	\$4,000	\$7,980	\$4,460	\$15,000	\$20,000	\$22,150	11%
Food Hygiene Inspections	40	40	34	36	34	34	46	32	100	157	57%
Immunisations	589	589	183	204	337	517	417	599	800	1,426	78%
Hours spent removing graffiti	40	40	82	39	65	98.5	48	68	240	336.5	40%
Food Safety Training attendance	15	20	72	9	21	0	41	68	90	121	51%
Commonwealth Home Support Program visits	719	720	132	145	181	72	156	108	600	469	-22%
Art Gallery Visitors to the Exhibitions	2,001	2,000	3,250	2,246	4,601	3,000	5,298	2,400	8,400	12,542	49%
Art Gallery Shop Sales	\$22,050	\$19,000	\$19,732	\$32,809	\$10,000	\$10,509	\$10,000	\$10,000	\$60,000	\$41,783	3%

ANNUAL REPORT 2018-19

Page 43 of 111



PERFORMANCE MEASURES AND INDICATORS

MEASURE	1 st QUARTER JUL – SEP			2 nd QUARTER OCT – DEC			3 rd QUARTER JAN – MAR			4 th QUARTER APR – JUN			YTD TARGET 18-19	YTD TOTALS 18-19	YTD% +/-
	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19			
Art Gallery Workshops	30	40	133	40	40	56		40	4		40	0	192	193	1%
Town Hall Patrons	1,354	4,000	2,422	6,867	4,000	4,041	1,543	4,000	1,654	5,000	4,000	5,439	14,400	15,756	9%
Town Hall Bookings	52	50	71	75	50	71		50	28		50	65	200	235	18%
Library Visitation	14,700	14,600	14,671	19,003	14,600	14,671	13,819	14,600	14,449	13,315	14,600	13,835	56,000	57,426	3%
Library/Internet log-on sessions	3,879	3,100	3,148	3,776	3,100	3,148	3,180	3,100	2,897	3,041	3,100	2,704	14,000	11,897	-15%

DYNAMIC ECONOMY



Establish a strong, positive, aspirational identity

Appealing and affordable housing to attract and retain residents

Development of local career, education and entrepreneurship pathways

The tourism region is recognised as an activity-based destination

Activate targeted investment zones through planning and development, infrastructure and tourism



ANNUAL REPORT 2018-19

Page 45 of 111



WHAT WE COMMITTED TO DO

KEY PROJECTS

- ◊ CBD Activation
- ◊ Land Supply Scoping
- ◊ Major Events Funding
- ◊ Minor Funding DPA Consultation
- ◊ Sixth Street Activation – Additional Market or Activities
- ◊ Sturt Reserve Events
- ◊ Sturt Reserve - Community Events
- ◊ Prospectus Murray Bridge

CAPITAL PROJECTS

- ◊ Adelaide Road Linear Park including Adelaide Road Information Bay

SERVICES

- ◊ Economic Development
- ◊ Tourism
- ◊ Tourism Development
- ◊ Event Attraction
- ◊ Event Management



HOW WE MEASURED SUCCESS

- ◊ Number of Visitors to Visitor Information Centre
- ◊ Visitor Information Centre Revenue
- ◊ Rural City of Murray Bridge Labour Force
- ◊ Number of Events















THE SERVICES					
KEY SERVICE AREA	ANNUAL BUDGET EXPENDITURE (\$000's)	YTD EXPENDITURE (\$000's)	VARIANCE (\$000's)	COMMENTS	SERVICE ELEMENTS
Economic Development	656	592	64	Various savings inclusive of salary savings totalling \$64k.	Economic Development Tourism Tourism Development Event Attraction Event Management

Total Operating Expense less Key Projects



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

140

KEY PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS		
CBD Activation		\$40,000	\$40,000	\$7,759	10%			To date we have undertaken studies and interviews with other bodies who have undertaken Central Business District (CBD) activation projects to determine most feasible ways to progress the project goals and objectives. Memo prepared for General Manager Sustainable Communities for consideration and advice to Executive Leadership Team (ELT).		
Land Supply Scoping Study		\$40,000	\$60,000	\$28,982	35%			Tenders were invited in December 2018, with close of submission on 14 January 2019. Three (3) tenders were received and tender evaluation took place with the successful tender awarded on 18 January 2019 for service provision in February 2019. Project underway with initial preliminary report provided and briefing provided to Strategic Steering Group of Rural City of Murray Bridge and Regional Development Authority Murrylands and Riverland.		
Major Events Funding		\$350,000	\$350,000	\$357,231	100%			The following events have been funded through the Major Event Sponsorship Program. <ul style="list-style-type: none"> • 2019 Table Tennis Australia National Para Championship • Murray Bridge Fringe on Tour • Speedway Sponsorship • Australian Caravan Cluster • PGA Golf Classic • National Historical Machinery Rally • Murray Bridge Frithikon 		
Minor funding for DPA Consultation		\$4,500	\$4,500	\$1,350	75%			This project is to enable additional consultation requirements that may be necessary to facilitate the progression of Council's Planning Policy Program. Expenditure of the funds is dependent on the Department of Planning, Transport and		

LEGEND









							
To be commenced	In Progress	On Hold	Completed	On Track	Slight Deviations	Off Track	Project planning phase


 Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes

141

KEY PROJECTS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	COMPLETE	ON BUDGET	ON TIME	COMMENTS
Prospectus Murray Bridge	IP	-\$50,000	\$50,000	\$27,709	10%	✓	✓	A consultant has been engaged to develop a Prospectus that will support the Destination Management Video. The prospectus and associated collateral will be used at the launch of the video and the commencement of community engagement for the review of the Rural City of Murray Bridge Community and Strategic Plans.
Sixth Street Activation - Additional Market Or Activities	C	-\$16,200	\$16,200	\$15,858	100%	✓	✓	The second annual Little Art Fest is currently being planned for delivery on 7 April 2019. Event successfully delivered.
Splash 2019	C	-\$5,000	\$5,000	\$7,432	100%	* ✓	✓	Completed and final report to be presented to Council
Start Reserve - Community Events	C	-\$50,000	\$50,000	\$51,032	100%	✓	✓	Events approved: <ul style="list-style-type: none"> • Market event • Intron Festival • Christmas carols • Reelink Australia kayaking • Art spiky point art workshop/demonstration skate event
		\$645,700	\$645,700	\$664,442				

LEGEND							
	To be commenced		In Progress		On Hold		Completed
	On Track		Slight Deviations		Off Track		Project planning phase







Page 49 of 111



CAPITAL PROJECTS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Adelaide Road Linear Park Including Adelaide Road Information Bay		\$440,000	\$440,000	\$427,292	100%			Stage 3 Completed
		\$440,000	\$440,000	\$427,292				

CAPITAL CARRY FORWARDS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Enhance signs (CF 2017-18)		\$50,000	\$50,000	\$50,000	100%			Project Completed
Albury Bridge Entrance Upgrade (CF 2017-18)		\$151,775	\$151,775	\$151,775	100%			The new Town Entrance Signs have been installed on the South Eastern Freeway at White Hill along the approach to Albury Bridge. There has been a significant amount of positive feedback regarding the signs and the project has produced an excellent result.




LEGEND															
	To be commenced		In Progress		On Hold		Completed		On Track		Slight Deviations		Off Track		Project planning phase



CAPITAL CARRY FORWARDS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	OH BUDGET	ON TIME	COMMENTS
Murray Bridge Lighting Project (CF 2017-18)	C	\$248,000	\$248,000	\$540				Council resolved not to proceed
		\$449,775	\$449,775	\$202,315				

LEGEND

	To be commenced		In Progress		On Hold		Completed		On Track		Slight Deviations		Off Track		Project planning phase
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PERFORMANCE MEASURES AND INDICATORS

MEASURE	1 st QUARTER JUL - SEP			2 nd QUARTER OCT - DEC			3 rd QUARTER JAN - MAR			4 th QUARTER APR - JUN			YTD TARGET 16-19	YTD TOTALS 16-19	YTD% +/-
	17-16	TARGET	18-19	17-16	TARGET	18-19	17-16	TARGET	18-19	17-16	TARGET	18-19			
Number of Visitors to Visitor Information Centre	3,264	3,371	2,795	3,412	3,371	3,283	3,626	3,371	3,425	1,163	2,815	13,484	122,589	-9%	
Visitor Information Centre Revenue	\$18,937	\$17,875	\$13,308	\$17,041	\$17,875	\$15,329	\$19,723	\$17,875	\$19,027	\$15,795	\$12,818	\$53,625	\$60,483	13%	
RCM18 Smoothed Labour Force	10,530*	-	11,059*	10,704*	-	11,091*	10,805*	-	11,010*	10,927*	n/a	n/a	n/a	n/a	
Number of Sponsored Events*	-	-	3	-	-	10	-	-	8	-	4	-	-	25	

*New indicator for 2018-19 so no historical data is available and a target has not been determined.

na Not available at time of printing

† Statistics sourced from re-calculation by the Australian Government Department of Jobs and Small Business, Small Area Labour Markets (SALM) Publication. Original data can be viewed at <https://www.jobs.gov.au/small-area-labour-markets-publication>. It is anticipated that the December quarter 2018 issue of SALM will be released in March 2019.



CONNECTED COMMUNITIES

Icon 1: A red circle containing a white hand icon.

Our community groups and networks develop and grow to achieve their aspirations.

Icon 2: A blue circle containing a white head profile with a question mark inside.

The community's thoughts and ideas are valued, shared and instrumental in Council's decision making.

Icon 3: A green circle containing a white icon of three people.

We foster a sense of community by encouraging and supporting participation in community life.



ANNUAL REPORT 2018-19

Page 53 of 111



WHAT WE COMMITTED TO DO

KEY PROJECTS

- Council Elections 2018
- Engagement Project (Youth Council, Connect4Action and Communications)
- Service Review - Youth Services and Youth Action Plan
- Grants Funding
 - Small Wins / Quick Wins
 - Community Grants
 - Sport and Recreation Facilities

SERVICES

- **Community Planning & Engagement**
- Engagement & Communications
- Volunteer Management



HOW WE MEASURED SUCCESS

- Number of engagement forums
- Attendance at forums
- Website hits
- Let's Talk membership
- Let's Talk visits
- Let's Talk informed Participants
- Let's Talk engaged Participants
- Requests to use electronic signboard
- Rural City of Murray Bridge Facebook posts
- Number of people who 'Like' the Rural City of Murray Bridge Facebook page
- Customer service request turnaround times



THE SERVICES					
KEY SERVICE AREA	ANNUAL BUDGET EXPENDITURE (\$000's)	YTD EXPENDITURE (\$000's)	VARIANCE (\$000's)	COMMENTS	SERVICE ELEMENTS
Community Planning & Engagement	1,540	1,613	(51)	\$21K relating to customer service provision and service requests and \$30K supporting volunteers	Engagement & Communications
					Volunteer Management
					Business Planning and Development

Total Operating Expense less Key Projects.



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

148

KEY PROJECTS


PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Communications Improvement Project	IP	\$39,000	\$38,000	\$24,031	75%	✓	✓	Winter edition of Connected Communities had an environmental focus. It was produced and edited in June and distribute in the week ending 26 July, 2019. The next edition has been planned with an events theme. It will be distributed in early September.
Community Network	IP	\$19,000	\$19,000	\$127	50%	✓	*	Connect 4 Action Forum held Thursday 25 July 2019. Minor delays related to the alignment to the Murray Bridge Make It Yours campaign.
Council Elections 2018	C	\$90,403	\$90,403	\$80,403	100%	✓	✓	Completed – All Statutory requirements and financials met. 14,389 electors / voters / candidates for Area Councillor, Mayor elected unopposed. Final Declaration by Electoral Commission SA 19 November 2018
Grants Funding (Small Wins / Quick Wins/ Community Grants)	C	\$155,050	\$155,050	\$137,746	100%	✓	✓	The funding offered to the community is very well subscribed and very popular and appreciated by all recipients. Many projects, events, sponsorships and programs have been implemented as a result of this opportunity provided by Council.
Grants Funding (Sport and Recreation Facilities)	C	\$67,000	\$60,000	\$21,955	100%	✓	✓	
Service Review - Youth Services and Youth Action Plan	IP	\$5,000	\$5,000	\$5,000	90%	✓	*	Review work started. Consultant quotes for youth consultation assistance received.
Start-up Projects (CF 2017-18)	IP	\$25,000	\$25,000	\$3,200	0%	✓	*	

LEGEND

 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning phase
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 Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes

149

KEY PROJECTS									
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS	
Youth Council		\$15,000	\$15,000	\$300	100%	✓	✓	The Mayor and Deputy Mayor are assisting in the finalisation of the recruitment drive and interviewing of candidates for the 2019/2020 youth council year. The meeting schedule for the remainder of 2019 has been finalised, the top 5 objectives of the council have been agreed and a planning session arranged for operational delivery of objectives.	
		\$397,453	\$397,453	\$272,776					





LEGEND							
	To be commenced		In Progress		On Hold		Completed
	On Track		Slight Deviations		Off Track		Project planning phase

Page 57 of 111



CAPITAL CARRY FORWARDS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Corporate Website Enhancements (CF 2017-18)		\$17,521	\$17,521	\$17,451	30%			Work undertaken in 2018/19 has provided a solid groundwork for the development of a new website with better look, feel and functionality. The project delivery has been delayed as in Nov 2018 the LGA announced a new preferred supplier to replace Council's existing website platform. The new platform is highly flexible with features that will support Council's digital ambitions and also fulfil our need for a better functioning website however transition to the new platform under LGA guidance and support will not happen before December 2019 so the remainder of the project will be carried forward.
		\$17,521	\$17,521	\$17,451				

LEGEND							
	To be commenced		In Progress		On Hold		Completed
	On Track		Slight Deviations		Off Track		Project planning phase



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

151

MEASURE	1 st QUARTER JUL – SEP			2 nd QUARTER OCT – DEC			3 rd QUARTER JAN – MAR			4 th QUARTER APR – JUN			YTD TARGET 18-19	YTD TOTALS 18-19	YTD% +/-
	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19			
	Number of Engagement Forums	5		2	3		0		0		0				
Attendance of Forums	0%		37	2%		0		0		0		0	236	37	-84%
Website Hits	29,074		18,457	20,450		22,387		24,227		12,701		18,148	91,544	83,219	-9%
Let's Talk membership (new)	91		11	3		16		10		34		37	140	74	-47%
Let's Talk visits	547		1,500	345		875		941		1,400		1,300	3,236	4,616	43%
Let's Talk Informed Participants ¹	159		429	109		315		436		624		638	1,316	1,817	38%
Let's Talk Engaged Participants ²	9		88	2		26		38		7		52	96	204	113%
Requests to use Electronic Signboard	17		47	10		0		0		0		49	140	162	16%



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

152

PERFORMANCE MEASURES AND INDICATORS																	
MEASURE	1 st QUARTER JUL - SEP			2 nd QUARTER OCT - DEC			3 rd QUARTER JAN - MAR			4 th QUARTER APR - JUN			YTD TARGET 18-19	YTD TOTALS 18-19	YTD% +/-		
	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19					
Rural City of Murray Bridge Facebook Posts	221		233	208		266		251		196		194		221	936	916	-2%
Number of people who 'Like' the Rural City of Murray Bridge Facebook Page	216		159	211		484		232		331		316		289	1,072	1,263	18%
Percentage of customer service requests completed within targeted timeframes*			89%			89%				89%				89%	88%	88%	4%



OUR COMMITMENT

-  Undertaken work in a cost effective manner providing value-for money, focussing on quality in the delivery of all services and programs
-  Operate within our means, developing budgets that are affordable by the community with debt levels that do not constrain future development activities
-  Operate with a strong customer service focus, enable the community to provide feedback on our activities, respond to our stakeholders' concerns in a timely manner
-  Report regularly to the community on progress against this plan

ANNUAL REPORT 2018-19

Page 61 of 111





WHAT WE COMMITTED TO DO

KEY PROJECTS

- ⦿ Aerial Photography Upgrade
- ⦿ Assets - Review Service Levels and Asset Management Plans
- ⦿ Business Improvement Program
- ⦿ PDI legislation Implementation
- ⦿ Service Review - Shared Services
- ⦿ Staff Pulse Check
- ⦿ Strategic Plan Review/Development
- ⦿ Customer Experience - Digital Strategy Implementation

CAPITAL PROJECTS

- **Plant & Equipment**
 - ⦿ Fleet Renewal
 - ⦿ Local Nuisance Act implementation equipment
 - ⦿ Mower and Trailer
 - ⦿ Safety Upgrade to Service Truck
 - ⦿ Small Truck for Inner (CBD) Parks
 - ⦿ Plant Renewal
- **Buildings, Plant and Equipment**
 - ⦿ Depot – Fit for Purpose Review of Office Accommodation
 - ⦿ ICT Hardware Replacement
 - ⦿ Lerwin - Plant Renewal & Building Maintenance
 - ⦿ LGC air-conditioning replacement
 - ⦿ Sharepoint Upgrade
 - ⦿ Enterprise Management Software

SERVICES

<ul style="list-style-type: none"> ● Leadership and Accountability ⦿ Governance ⦿ Risk Management ⦿ Project Management ⦿ Grant Management ⦿ Service Request Management ⦿ Business Planning ⦿ Process & Systems Improvement ⦿ Corporate Reporting ⦿ Information Technology ⦿ Records Management 	<ul style="list-style-type: none"> ● Human Resources ⦿ Recruitment ⦿ Industrial Relations ⦿ Employee Wellbeing ⦿ Workforce Planning and Talent Management ⦿ Work Health & Safety ⦿ Injury Management ⦿ Culture & Values ⦿ Payroll ⦿ Learning & Development 	<ul style="list-style-type: none"> ● Financial Services ⦿ Financial Management & Control ⦿ Treasury Management ⦿ Financial Reporting ⦿ Rating & Property Data / Valuations ⦿ Project & Asset Accounting ⦿ Financial Statement Preparation & External Audit ⦿ Invoicing & Debt Collection (Debtors) ⦿ Accounts Payable (Creditors) ⦿ Payments Receipting ⦿ Procurement ⦿ Contract Administration
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HOW WE MEASURED SUCCESS

- ⦿ Operational Surplus Ratio
- ⦿ Asset Sustainability Ratio
- ⦿ Net Financial Liabilities Ratio
- ⦿ Internal Audits successfully completed



THE SERVICES					
KEY SERVICE AREA	ANNUAL BUDGET EXPENDITURE (\$000's)	YTD EXPENDITURE (\$000's)	VARIANCE (\$000's)	COMMENTS	SERVICE ELEMENTS
Leadership and Governance	2,244	2,316	(72)	<p>\$10K attributable to building partnerships with Local Government Industry Association</p> <p>\$10K relating to internal audit program timing</p> <p>\$9K relating to governance support</p> <p>\$42K supporting sustainable communities through governance</p>	<p>Leadership and Accountability</p> <ul style="list-style-type: none"> Governance Risk Management Project Management Grant Management Service Request Management Business Planning Process & Systems Improvement Corporate Reporting Information Technology Records Management <p>Human Resources</p> <ul style="list-style-type: none"> Recruitment Industrial Relations Employee Wellbeing Workforce Planning and Talent Management Work Health & Safety Injury Management Culture & Values Payroll Learning & Development <p>Financial Services</p> <ul style="list-style-type: none"> Financial Management & Control Treasury Management Financial Reporting Rating & Property Data / Valuations Project & Asset Accounting Financial Statement Preparation & External Audit Invoicing & Debt Collection (Debtors) Accounts Payable (Creditors) Payments Receipting Procurement Contract Administration



**Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes**

156

KEY PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Aerial Photography Upgrade		\$45,000	\$45,000	\$24,598	100%	✓	✓	Collaborative project with other Councils and State Government. Aerial photography has been delivered. Some problems with the display in Council's Geographic Information System (GIS) are being resolved by tech support. Some provisions of the new Planning, Development and Infrastructure Act have been enacted and Council has responded accordingly via the establishment of a Council Assessment Panel and application for accreditation for staff. Responses have been provided to consultation periods for the Accredited Professions scheme, State Planning Policies and Assessment Pathways, Department of Planning Transport and Infrastructure, Local Government Association and legal practitioner forums are being attended by planning staff to increase knowledge and understanding of the new planning system.		
Planning Development and Infrastructure (PDI) Legislation Implementation		\$36,000	\$36,000	\$9,273	100%	✓	✓	The Staff Pulse Check was undertaken in September and October 2018 with an Action Plan developed by the Leadership Team in consultation with Team Leaders and staff. The plan includes a series of actions that focus on further developing collaboration and strengthening communication channels within the Council.		
Staff Pulse Check		\$7,000	\$7,000	\$5,250	100%	✓	✓	Community engagement has commenced and will continue into the new financial year. Year 1 of this two part project is now complete.		
Strategic Plan Review / Development		\$15,000	\$15,000	\$0	100%	✓	✓	Purchase card pilot - Participants identified - Criteria for success documented. - Implementation commenced. Currently configuring the		
Business Improvement Program		\$90,000	\$90,000	\$89,462	65%	✓	✓			

LEGEND

							
To be commenced	In Progress	On Hold	Completed	On Track	Slight Deviations	Off Track	Project planning phase



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

157

KEY PROJECTS									
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS	
								system in preparation for the pilot eServices payment gateway project - Go live scheduled 29/1/19 - System live completed - monitoring customer feedback Regulations and Building Health Check/Process Review - Training and remediation initiatives identified - Training scheduled 17/18th April 1st May Digital Literacy Market research - Pilot completed - recommendation report currently being collated	
Sydney's Implementation		\$0	\$0	\$0	100%			Project completed. Ongoing improvement to the system will be delivered through the Work Health and Safety program.	
Service Review - Shared Services		\$0	\$0	\$0	0%				
Customer Experience - Digital Strategy Implementation		\$248,000	\$248,000	\$177,583	85%			Planning and implementation of initiatives now underway. Owners identified for individual initiatives. Kick off meetings scheduled.	

LEGEND

	To be commenced		In Progress		On Hold		Completed		On Track		Slight Deviations		Off Track		Project planning phase
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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

CAPITAL PROJECTS										
PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS		
Depot - fit for Purpose Review Of Office Accommodation	TBC	\$30,000	\$30,000	\$335	0%	✓	✓	Investigating options to accommodate the staff who are situated at the Council Depot and have outgrown the available office space. Concept designs are being assessed.		
ICT Hardware Replacement (MAIP)	C	\$20,000	\$8,000	\$838	100%	✓	✓	An updated IT Asset list is being developed which will be the key document identifying what assets need to be replaced over the coming years. It was therefore not prudent to replace equipment using the budget without the plan being in place.		
Lerwin - Priorit Renewal & Building Maintenance	C	\$50,000	\$50,000	\$50,067	100%	✓	✓	On Track		
Local Government Centre (LGC) Air Conditioning Replacement	IP	\$200,000	\$200,000	\$8,735	20%	✓	✗	Project proposed for carry forward and will be completed in 2019-20.		
Sharepoint Upgrade	C	\$50,000	\$50,000	\$0	20%	✓	✓	This project will formulate part of the digital strategy deliverables. Scoping on requirements due to commence July 2019.		
Enterprise Management Software	IP	\$140,000	\$140,000	\$116,506	20%	✓	✓	Vendor engaged, project plan drafted.		
Fleet Renewal	IP	\$120,000	\$120,000	\$75,502	58%	✓	✓	This project is for the replacement of existing Council Fleet in accordance with Council's Plant & Fleet Asset Management Plans.		

LEGEND

							
To be commenced	In Progress	On Hold	Completed	On Track	Slight Deviations	Off Track	Project planning phase



CAPITAL PROJECTS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Local Nuisance Act Implementation Equipment	C	\$18,750	\$18,750	\$6,328	100%	✓	✓	Purchase of sound level meter has occurred. Project completed.
Mower and Trailer Purchase	IP	\$100,000	\$100,000	\$11,328	0%	✓	✓	Plant ordered. Awaiting delivery.
Safety Upgrade to Service Truck	IP	\$50,000	\$0	\$0	0%	✓	✓	Plant ordered. Awaiting delivery.
Small Truck for Inner (C&D) Parks	IP	\$90,000	\$90,000	\$0	0%	✓	✓	Plant ordered. Awaiting delivery.
Plant Renewal	IP	\$807,000	\$807,000	\$42,000	0%	✓	✓	Plant ordered. Awaiting delivery.
		\$1,675,750	\$1,675,750	\$311,640				


LEGEND															
	To be commenced		In Progress		On Hold		Completed		On Track		Slight Deviations		Off Track		Project planning phase


 Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes

160

CAPITAL CARRY FORWARDS

PROJECT	STATUS	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	% COMPLETE	ON BUDGET	ON TIME	COMMENTS
Disaster Recovery Engagement (CF 2017-18)	C	\$47,424	\$47,424	\$44,274	100%	✓	*	The final part of the DR site was completed in June with the provision of a wall and air conditioning unit to complete the DR site.
Unified Communications Project (CF 2017-18)	IP	\$79,000	\$79,000	\$0	40%	✎	✎	The tender specification and appropriate support paper work has been submitted to Procurement to commence the process, included as one tender with PABX.
Defibrillators (CF 2017-18)	C	\$15,353	\$15,353	\$15,514	100%	✓	✓	Defibrillators have now been installed.
Telephone System Replacement (CF 2017-18)	IP	\$120,000	\$120,000	\$0	40%	✎	✎	The tender specification combining both the Paverio Automatic Branch Exchange (PABX) and Unified Communications (UC) solution has been sent to the market via a select tender and is being evaluated.
		\$261,777	\$261,777	\$59,788				

LEGEND								
 To be commenced	 In Progress	 On Hold	 Completed	 On Track	 Slight Deviations	 Off Track	 Project planning	

Page 68 of 111



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

161

PERFORMANCE MEASURES AND INDICATORS

MEASURE	1 st QUARTER JUL – SEP			2 nd QUARTER OCT – DEC			3 rd QUARTER JAN – MAR			4 th QUARTER APR – JUN			YTD TARGET 18-19	YTD TOTALS 18-19	YTD% +/-
	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19	17-18	TARGET	18-19			
Underlying Operational Surplus Ratio	7%	4%	4%	3%	3%	5%	2%	3%	6%	3%	5%	5%	5%	0%	
Asset Sustainability Ratio	88%	98%	108%	90%	109%	80%	82%	110%	80%	105%	78%	110%	78%	-29%	
Net financial Liabilities Ratio	10%	3%	12%	14%	30%	15%	10%	30%	30%	15%	13%	30%	13%	-57%	
Internal Audits successfully completed	0	2	0	2	2	2	3	2	2	3	3	3	8	7	-13%



ANNUAL REPORT 2018-19

Page 70 of 111



ENSURING DELIVERY

Our aim is to establish a benchmark in effectiveness, sustainability, responsiveness and transparency.

EFFECTIVE

Council will ensure that all work is undertaken in a cost effective manner providing value-for-money to the community. We will have a focus on quality in the delivery of all services and programs. Our internal systems will be efficient and will focus on enabling effective delivery.

SUSTAINABLE

Council will operate within its means, developing budgets that are affordable by the community with debt levels that do not constrain future development activities.

RESPONSIVE

We recognise that the community is our customer and employer. We will operate with a strong customer service focus in all our work. We will enable the community to provide feedback on our activities and we will respond to our stakeholders' concerns in a timely manner.

TRANSPARENT

We will report regularly to the community on progress against this Plan.

The following information is provided pursuant to Schedule 4 of the Local Government Act, 1999.

COUNCIL ELECTIONS

In accordance with the Local Government (Elections) Act 1999, Council elections were held in November 2018.

Two Elected Members retired at the conclusion of the 2014-2018 Council term.

Cr Theo Weinmann was elected to Council as Central Ward Councillor for the period 1995 – 2000, as Mobilong Ward Councillor from 2000-2014 and as Area Councillor for the 2014 -2018 term. Cr Theo Weinmann has served a total of 23 consecutive years as an Elected Member of the Rural City of Murray Bridge Council.

Cr Jerry Wilson was elected to Council as Elrick Ward Councillor for the period 1985-1987. Cr Wilson was elected to Council as Mobilong Ward Councillor for the period 2006-2014 and as Area Councillor for the 2014-2018 term. Cr Jerry Wilson has served a total of 14 years as an Elected Member of the Rural City of Murray Bridge Council.

Cr Tod Cusack was unsuccessful in his nomination after having served 1 term, 4 years on Council.

Council received only one nomination for the position of Mayor and the incumbent Brenton Lewis was elected unopposed.

Seventeen nominations were received for the 9 vacant Area Elected Member positions. An election by postal ballot was conducted by the Electoral Commissioner of South Australia with the close of voting at 5 pm on Friday 9 November 2019.

The scrutiny and count commenced at 9 am on Saturday 10 November 2018 in the Local Government Centre, 2 Seventh Street, Murray Bridge to count first preferences. The Count was then transferred to the Electoral Commission of South Australia to continue the further counts.

The postal ballot for this election returned 4927 votes being 34.4% of the 14339 eligible voters for the Area Councillor election.



ELECTED MEMBERS (NOVEMBER 2018-2022)

Our Council comprises a Mayor and nine (9) Elected Members who are responsible for a variety of functions in accordance with the Local Government Act 1999 and other legislation.



Mayor Brenton Lewis
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Murray Bridge SA 5253
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Cr Andrew Ballensperger
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Cr Clem Schubert
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Cr Fred Toogood
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ELECTED MEMBERS' ALLOWANCES

The Local Government Act 1999 and the Local Government (Members Allowances and Benefits) Regulations 2010 provide for the payment of Elected Member allowances.

Elected Member allowances are determined every four years by the Remuneration Tribunal of South Australia. The allowances are adjusted on the first, second and third anniversary of the relevant general election to reflect changes in the consumer price index.

The determination is based upon five council groupings with the Rural City of Murray Bridge identified as a Group 2 Council.

The Tribunal's determination of 18 July 2014 provided for the following allowances to be paid from the first ordinary meeting following the 7 November 2014 election.

Allowances paid to Elected Members are also listed on Council's website

For November 2017 to October 2018 the allowances were

- Mayor (x4) - \$66,304.20
- Deputy Mayor (x1.25) - \$20,720
- Elected Members - \$16,576

For November 2018 to October 2019 the allowances were

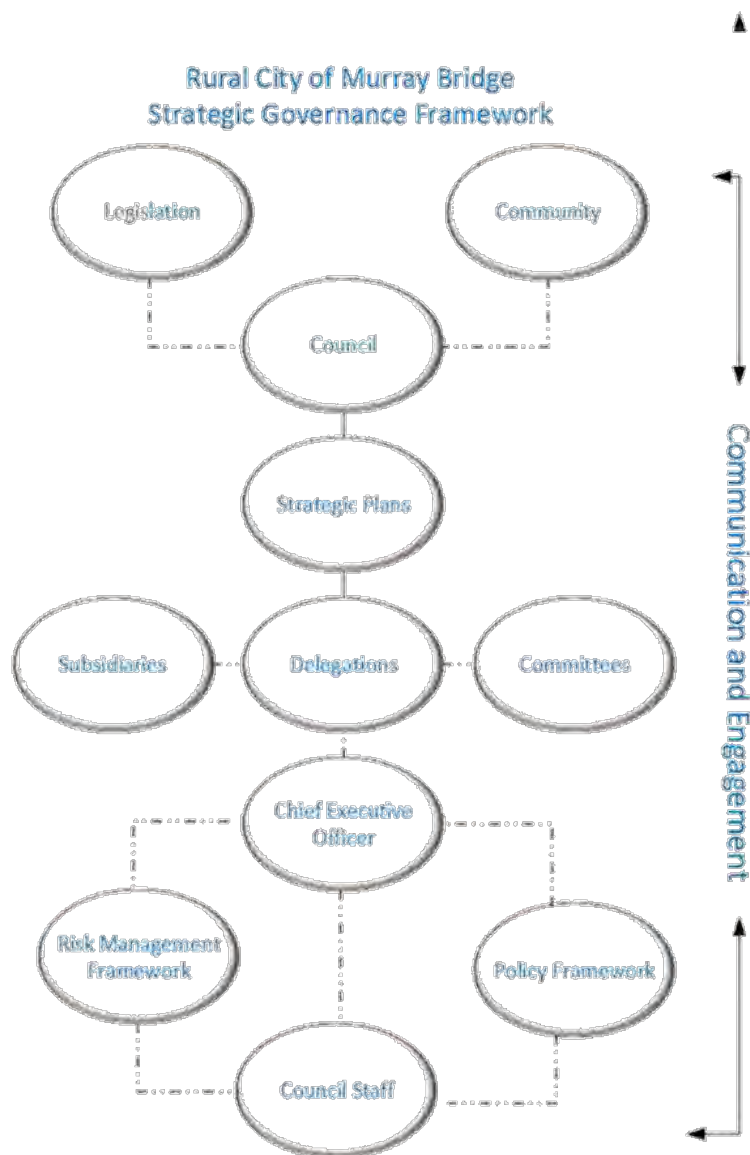
- Mayor (x4) - \$69,080
- Deputy Mayor (x1.25) - \$21,587.50
- Elected Members - \$17,270



COUNCIL DECISION-MAKING STRUCTURE

Council endorsed its Good Public Administration Framework and Risk Management Framework in December 2018. These documents identify Council's approach to its Strategic Governance Framework, Committee structure and decision making.

Decisions of the Council are made through various Council meetings, Committee meetings or by staff through delegated authority. Informed decision making is critical to ensure that decisions are made in the best interest of the wider community. All Council and Committee meetings are conducted in accordance with the *Local Government Act (Procedures of Meetings) Regulations 2013*. Meetings of the Council Assessment Panel is convened under the *Planning Development & Infrastructure Act 1993* and the Building Fire Safety Committee under the *Development Act 1993*.





COUNCIL MEETINGS

Ordinary Council meetings were held on the second Monday of the month in the Council Chamber at the Local Government Centre at 7pm, with the exception in January when the meeting was held in the last week of the month.

A summary of **Council meetings** held during July 2018 to June 2019 is as follows:

Period	Ordinary Audit Committee meetings	Public Reports	Confidential Reports	Special Audit Committee meetings	Public Reports	Confidential reports
Jul 2018 - Oct 2018	4	87	10	2	1	2
Nov 2018 - Jun 2019	8	152	16	1	1	1

Notices of meetings and agendas are available for public viewing three days before each meeting at the Local Government Centre and on our website - www.murraybridge.sa.gov.au

COMMITTEES ESTABLISHED UNDER S41 OF THE LOCAL GOVERNMENT ACT

Minutes of the S41 Committee meetings are presented at the next Council meeting.

AUDIT COMMITTEE

(established under S126 and S41 Local Government Act 1999) The Audit Committee operates under section 126 of the Local Government Act 1999 and plays a critical advisory role in reviewing the financial reporting framework, including the Annual Business Plan and Budget along with the Council's Strategic Governance and Risk Frameworks. The Audit Committee has no delegations from Council provided to it.

To ensure the independence of the Audit Committee, membership comprises an Independent Chair and 2 Independent Members with appropriate financial and risk management skills and expertise. The Chair of the Audit Committee receives remuneration for meeting attendance of \$500 per meeting.

A summary of **Audit Committee** meetings held during July 2018 to June 2019 is as follows. Recommendations from this Committee were referred to Council for consideration.

Period	Ordinary Audit Committee meetings	Public Reports	Confidential Reports	Special Audit Committee meetings	Public Reports	Confidential reports
Jul 2018 - Oct 2018	1	7	0	0	0	0
Nov 2018 - Jun 2019	3	14	3	1	3	0



COMMUNITY ADVISORY COMMITTEE

(Discretionary Committee established under s41 Local Government Act 1999)

The Community Advisory Committee of Council is a discretionary Committee established under Section 41 Local Government Act 1999. It is not specifically required by Legislation. The Advisory Committee has been established to provide input to consideration by Council on allocating grant funding for community grants and donations in a fair and transparent manner, providing comment into the range of Council Community Engagement opportunities and providing comment into a range of Community and Culture services, as requested by Council. The Community Advisory Committee has no delegations from Council provided to it. Members of this committee receive no payment.

A summary of **Community Advisory Committee** meetings held during July 2018 to June 2019 is as follows. Recommendations from this Committee were referred to Council for consideration.

Period	General Community Advisory Committee meetings	Public Reports	Confidential Reports	Special Community Advisory Committee meetings	Public Reports	Confidential reports
Jul 2018 - Oct 2018	1	4	0	0	0	0
Nov 2018 - Jun 2019	3	14	0	0	0	0

STRATEGIC PLANNING AND DEVELOPMENT POLICY COMMITTEE

Established under S101A of the Development Act 1993 and S41 of the Local Government Act 1999

S.101A of the Development Act 1993 sets the framework for the provision of a Strategic Planning and Development Policy Committee (SPDPC) to assist councils in their preparation of land use planning policy. The Strategic Planning & Development Policy Committee has no delegations from Council provided.

Membership of the Committee consists of a Presiding Member with appropriate planning and development skills, 2 independent community members who have an interest in the area and 3 Elected Members of Council. The Presiding Member of the Strategic Planning & Development Policy Committee receives a remuneration for meeting attendance of \$500 per meeting. There were no meetings held during 2018/2019. This Committee structure will be reviewed in November 2020 due to the ongoing changes in legislation.



COUNCIL ASSESSMENT PANEL

Established in accordance with the Development Act 1993 and Planning, Development & Infrastructure Act 2016

Established under §62 and §3 of the Planning, Development & Infrastructure Act 2016.

The Council Assessment Panel is a relevant authority under the PDI Act and during the transition to the PDI Act, will act as a delegate of the Council for the purpose of the Development Act 1993.

Membership of Council Assessment Panel consists of the Presiding Member, three Independent Members and one Elected Member.

The Presiding Member received \$500 per meeting for the period July 2018 to June 2019), and the Independent members received \$300 per meeting

The Council Assessment Panel has delegations from the Council, however these delegations will be altered as part of the phasing of the *Planning, Development & Infrastructure Act 2016*.

During the 2018-19, 4 of the 479 applications lodged with the Rural City of Murray Bridge were presented to the Council Assessment Panel for determination. (The nine other applications presented to the Panel were from previous financial years).

A summary of Council's Assessment Panel meetings held during July 2018 to June 2019 is as follows:

Period	Ordinary Council Meetings and Special Meetings	Public Reports	Confidential Reports	Special Council Meetings	Public Reports	Confidential Reports
July 2018- June 2019	7	10	1	1	2	0

BUILDING FIRE SAFETY COMMITTEE

Established under §71 Development Act 1993

The Building Fire Safety Committee plays an important role in protecting the on-going safety of buildings and building occupiers. Building Fire Safety Committees are "appropriate authorities" under the *Development Act 1993* and are responsible for investigating and ensuring that building owners are maintaining proper levels of fire safety and management of the buildings for the safety of all occupiers, be they residents, guests, customers or employees. A Building Fire Safety Committee can require an owner to upgrade the fire safety of a building to an appropriate level.

Membership of the Building Fire Safety Committee (until August 2021) comprises 4 independent members with appropriate skills.

REGIONAL SUBSIDIARIES

THE MURRAYLANDS AND RIVERLAND LOCAL GOVERNMENT ASSOCIATION

The Murraylands and Riverland Local Government Association represents Berri Barrera Council, Coorong District Council, District Council of Karoonda East Murray, District Council of Loxton Waikerie, District Council of Mid Murray, District Council of Renmark Paranga, Southern Mallee Council and the Rural City of Murray Bridge.

It facilitates, co-ordinates, advocates and undertakes projects for the Councils it represents in the areas of the environment, economic and social development with the objective of achieving continuing improvement for the benefit of the communities of its constituent Councils.

A copy of their Annual report is attached as an appendix to this report.



ADELAIDE HILLS REGIONAL WASTE MANAGEMENT AUTHORITY

The Adelaide Hills Regional Waste Management Authority is independently resourced to coordinate waste management on behalf of the Adelaide Hills Council, Alexandrina Council, District Council of Mount Barker and Rural City of Murray Bridge.

A copy of their Annual report is attached as an appendix to this report.

NGARRINDJERI REGIONAL AUTHORITY

The Rural City of Murray Bridge and Ngarindjeri Regional Authority entered into a Kungun Ngarindjeri Yunnan (Listening to Ngarindjeri Talking) Agreement in March 2008.

Through this agreement the Council and the Ngarindjeri Regional Authority meet as Leader to Leader (L2L) on quarterly to discuss strategic issues. A working group was formed to support and progress the operational aspects of items raised in the L2L meetings, particularly pertaining to Aboriginal cultural heritage matters. Council was also invited to sit as an observer on the KNY meetings between the Ngarindjeri Regional Authority and State Government.

Council endorsed a draft Reconciliation Action Plan in June 2016 which continues to build on the intent of the Agreement to create a proactive and collaborative partnership between the Rural City of Murray Bridge and the Ngarindjeri Community through the Ngarindjeri Regional Authority.

DELEGATIONS

In keeping with legislative requirements, Council determines:

- the policies to be applied by the Council in exercising its discretionary powers;
- the type, range and scope of projects to be undertaken by Council; and,
- the resources which are to be made available to undertake such works and services.

In accordance with Section 44 of the Local Government Act, 1999, certain powers, functions and duties have been delegated to the Chief Executive Officer from the Council by resolution.

The CEO has in turn sub-delegated some of these powers, functions and duties to appropriate Council officers. Such delegations enable the effective and efficient operation of the Council administration. No delegations have been given to Section 41 Committees by the Council. The Council reviews delegations on an annual basis or as required due to legislation change.

ACCESS TO COUNCIL DOCUMENTS

The Rural City of Murray Bridge has a range of registers and codes to assist with decision-making and to ensure the Council's activities are undertaken in an accountable, efficient, open and transparent manner. These documents are also available to the public.

CURRENT REGISTERS

- By-laws Register
- Campaign Donations Register
- Community Land Register
- Confidential Documents Register
- Declarations of Interest Register
- Delegations Register
- Disclosure of Interest Register
- Elected Member Training & Development Register
- Elected Members Allowances & Benefits Register
- Fees & Charges Register
- Gift Registers for Elected Members and Staff
- Public Roads Register
- Regional Subsidiaries Register
- Register of Authorized Officer Appointments
- S41 Committee Membership Register



CURRENT CODES

- Elected Member Code of Conduct
- Employee Code of Conduct
- Volunteer Code of Conduct
- S41 Independent Committee Members Code of Conduct
- Access to Council and Committee meetings & Associated Documents Code of Practice

CURRENT STRATEGIC DOCUMENTS AND POLICIES

A listing of current Strategic Documents and policies can be obtained via Council's website.

CONFIDENTIAL ITEMS

The Rural City of Murray Bridge is committed to the principals of open and accountable governance. Council also recognises that on occasions it may be necessary in the broader community interest to restrict public access to discussion and/or documents. During 2018-2019 the Council considered twenty four items in confidence in accordance with Section 90(2) and 91(7) of the Local Government Act, 1999.

The table below identifies the number of times a given provision under Section 90 (3) of the Local Government Act 1999 was utilised to exclude the public:

		2011- 2012	2012- 2013	2013- 2014	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
S90(3)(a)	Information relating to the unreasonable disclosure of personal affairs		4	22	10	8	9	10	7
S90(3)(b)	Information relating to commercial advantage activities		6	12	2	11	6	14	12
S90(3)(c)	Information relating to the revealing of a trade secret		0	2	0	2	0	0	1
S90(3)(d)	Information relating to commercial in confidence activities		5	1	3	4	7	6	8
S90(3)(g)	Information that must be considered in confidence in order to ensure that a breach of law or other legal obligation or duty		0	0	0	0	0	0	1
S90(3)(h)	Information incorporating legal advice		7	8	5	0	0	1	0
S90(3)(i)	Information relating to possible litigation		2	2	5	4	2	0	0
S90(3)(j)	Information relating to confidential information provided by Crown		0	0	2	0	0	1	0
S90(3)(k)	Information relating to tenders for the supply of goods & services		0	0	3	0	0	1	0


 Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes

172

s90(3)(m)	Information relating to a proposed amendment to a Development Plan under the Development Act 1993 before a Development Plan Amendment proposal relating to the amendment is released for public consultation under the Act	0	0	0	1	0	0	0
	TOTAL	47	24	50	30	30	33	29
Number of Confidential Orders Part Released		1	3	2	1	7	6	5
Number of Confidential Orders Released		45	17	34	14	3	10	4
Number of Confidential Orders Fully Retained		2	7	16	16	27	20	27

Council's confidential item register is reviewed on an on-going basis by the Chief Executive Officers with an annual report to Council detailing reports released and recommendations for the continuation of confidentiality orders.

A listing of Confidential Orders is provided on Council's website www.murraybridge.sa.gov.au.



REVIEW OF COUNCIL'S DECISIONS

As required by the Local Government Act 1999, Council has developed a Complaint Framework which incorporates which includes the review of decisions made by the Council or by administration under delegation. The Complaint Framework demonstrates Council's commitment to transparent decision making processes, providing a fair and objective procedure for the hearing of review of decisions and identifying areas for the improvement of services. There was one formal request received to review a decision made by the Council or under delegation during 2018-2019.

COMPLAINTS TO THE OMBUDSMAN

The SA Ombudsman is an independent authority that investigates complaints made against South Australian Government and Local Government agencies.

	2015-16	2016-2017	2017-2018	2018-2019
Formal Ombudsman Investigations requiring referral to Council	0	1	0	0

CONFLICT OF INTEREST DECLARATIONS

In accordance with Section 74 of the Local Government Act 1999, Elected Members and staff are given the opportunity to declare an interest in a matter before the Council which is recorded in the Council minutes. Training on the new updated Conflict of Interest requirements has also been provided to all Elected Members. All Conflict of Interest Declarations are listed on Council's website.

WHISTLEBLOWERS

In accordance with the Whistleblowers Protection Act 1993, a person who makes a disclosure of public interest information is entitled to the protection of the Act. Council encourages the disclosure of information about any illegal activity occurring in the organisation so as to strengthen our internal controls and procedures and to protect the public interest. There were no disclosures for the 2016-2017 period. The process for investigating and reporting information is detailed in our Whistleblowers Protection Policy which is available on Council's website.

	2015-16	2016-17	2017-2018	2018-2019
Disclosures under Whistleblowers Protection Act	0	0	0	0



COUNCIL REPRESENTATION

An elector representation review (required by chapter 3, part 1, division 2 of the *Local Government Act 1999*) was completed in early 2013. The Electoral Commissioner certified that the review undertaken by Council satisfied the requirements of the Act and as of the general elections held in November 2014; the three ward structure was abolished.

The next representation review is scheduled to occur during the period June 2020 to June 2021. At this time community members and the public will be able to examine and make written submissions on both the Representation Options Paper and the Representation as prescribed by the *Local Government Act, 1999*.

As of 28 February, 2019 there were 14,334 electors on the Council voters roll in the Rural City of Murray Bridge with an average representation quota of 1,433.

The following table provides a comparison of representation quota with other similar sized Councils as at 28 February 2019

Council	No of Elected Members (including Mayor)	Representation Quota
Murray Bridge	10	1,433
Alexandrina	12	1,695
Barossa	12	1,466
Berrill Barmera	9	811
Copper Coast	11	1,122
Light Regional	11	937
Loxton Waikerie	11	741
Port Pirie	10	1,279
Victor Harbor	10	1,231
Wattle Range	12	703
Yorke Peninsula	12	730



ELECTED MEMBERS' INDUCTION, TRAINING & DEVELOPMENT

Council's Elected Members' Induction, Training & Development Policy outlines Council's commitment to provide training and development activities for its Elected Members. It also recognises its responsibility to develop and adopt a policy for this purpose under Section 80A of the Local Government Act.

Elected Members have undertaken an extensive induction program and all Members have completed the mandatory training component.

Elected Members continue to receive regular informal updates on changes to legislation as it applies through regular briefings. They are also encouraged to attend various Local Government training sessions, seminars, conferences and on-line training programs. An amount of \$12,000 was spent on attendance at workshops and conferences (inclusive of registration fees, accommodation and travel costs).

The following activities were attended by elected members in 2018-19:

- The Local Government Association Annual General Meeting and Conference held in Adelaide
- The Australian Local Government Association Conference held in Canberra
- Murray Darling Association workshops
- Murray and Mallee Local Government Association workshops
- Local Government Reform
- Strategic Risk Management framework
- Planning/development requirements
- Financial Management
- CEO Performance Review
- Economic Development
- Community Waste Water Systems
- Aged Care System
- Volunteer Management
- Master planning
- Use of Drones
- Commonwealth Health Support update
- Mandatory Training as required for new Members
 - Introduction to Local Government
 - Legal Responsibilities
 - Meeting Procedures
 - Financial Management & Reporting
- Code of Conduct & Statement of Behaviours



FREEDOM OF INFORMATION APPLICATIONS

The Chief Executive Officer is the Principal Officer under the Freedom of Information Act and is supported by the Executive Officer and Executive Assistant to the CEO and Mayor as Council's Accredited Freedom of Information Officers.

Council adopted a Freedom of Information Policy at its meeting on 10 April 2017. This Policy allows for the name of the applicant to be released during third party consultation unless there is a legal impediment not to do so. Council also endorsed the Fees and Charges applicable under the Act as set by Legislation.

A summary of Freedom of information requests received and addressed by Council	2015-16	2016-17	2017-18	2018-19
Applications Processed	1	8	10	8
Applications Determined	1	8	8	8
Full Release	1	3	3	6
Partial Release	0	4	2	1
Refused Access	0	1	3	1
Proceeded to Internal Review	0	4	2	0
Proceeded to External Review	0	1	1	0
Amendment to Personal Records	0	0	0	0

Enquiries or requests for information under the Freedom of Information Act should be forwarded to:

Freedom of Information Request Rural City of Murray Bridge

PO Box 421, MURRAY BRIDGE SA 5045

or council@murraybridge.sa.gov.au

COMMUNITY LAND MANAGEMENT

Under Section 193 of the Local Government Act 1999, all local government land owned by Council or under its care and control (excluding roads) is classified as community land.

Section 207 of the Act requires Council to develop and maintain a Community Land Register with Section 196 of the Act requiring Council to develop management plans for all community land.

Categories of community land are not specifically defined in the Act, but for the purposes of management, plans include areas that are set aside for community use or conservation purposes such as reserves, community, recreation and sporting facilities and natural areas.

Generic community land management plans are for natural areas, reserves, sports grounds, general community areas, business areas and culturally significant areas. Site specific management plans may be developed for certain parcels where a need is identified.

The Community Land Management Plans, Community Land Register and associated map books are accessible at the Local Government Centre Customer Service Counter and on Council's website. During 2018-19 Council did not implement any new or amended Community Land Management Plans.



NATIONAL COMPETITION POLICY

Principles of competitive neutrality are designed to neutralise any net competitive advantage that a government or local government agency engaged in significant business activities would otherwise have, by virtue of its control by the government or local government, over private business operating in the same market.

Councils are required to identify their business activities and disclose those in Category One (annual gross operating income greater than \$2 million per year) and Category 2 (annual gross operating income less than \$2 million per year).

In 2018-19 the Rural City of Murray Bridge continued to operate the Lerwin Aged Care Facility a category one business activity.

The Adelaide Hills Region Waste Management Authority is a regional subsidiary coordinating waste management and recycling on behalf of four councils under section 43 of the Local Government Act 1999. There has been no commencement or cessation of significant business activities controlled by Council.

No complaints were received during the year with regard to Competitive Neutrality.

COMPETITIVE TENDERING

In accordance with Section 49 of the Local Government Act 1999, Council has an approved Procurement Policy and Procurement and Financial Delegations Management Guidelines that establish criteria for competitive tendering and levels of financial delegations for staff. These documents provide a robust system ensuring Council's probity and statutory requirements are met. Council has no policies or by-laws which restrict competition.

To enhance the opportunities for business and industry to assist Council with its procurement requirements, Council acts impartially towards each offer with an emphasis on achieving "value for money" and quality goods and services at all times, whilst promoting market competitiveness through its quotation and tendering processes.

LOCAL GOODS AND SERVICES

Subject to the Competition Principles Agreement, the Rural City of Murray Bridge will wherever possible incorporate the following preferences into Council's decision making concerning purchasing processes:

COMPETITIVE GOODS, SERVICES AND CONSTRUCTION WORKS THAT ARE ENVIRONMENTALLY SUSTAINABLE

In any procurement process, where all other factors are equal, the Rural City of Murray Bridge may favour the engagement of local suppliers that is those operating within the region, to the extent permitted by law for goods, services and construction works.



CORPORATE REPORTING FRAMEWORK

The Rural City of Murray Bridge identifies financial and non-financial measures to ensure our performance can be assessed against stated objectives. Included in the regular schedule of reports are:

- monthly financial reports to Council;
- quarterly budget reviews to Council;
- quarterly financial management reports to the Audit Committee;
- regular reporting to the Audit Committee on key areas of financial planning, management, and performance, risk management, emergency management and business continuity;
- an Annual Report; and
- quarterly performance reporting to Council

	Monthly	Quarterly	Annually
Council	Financial Reporting	Budget Review Performance Reporting	Annual Report
Audit Committee		Financial Management Reporting	



MANAGEMENT & STAFFING

Management and staff of the Rural City of Murray Bridge work for and on behalf of the community in response to the policies and directions set by Council's Elected Members.

The Chief Executive Officer is responsible for the overall administration of the Rural City of Murray Bridge and for ensuring policies, programs and services are delivered and implemented by staff.

At the end of June 2019 the Chief Executive Officer had an Executive Leadership Team comprising three General Managers. These senior managers are responsible for the organisational portfolios of Corporate Services; Assets and Infrastructure and Sustainable Communities. Managers are responsible for individual business units within each of the Divisions.

EXECUTIVE LEADERSHIP TEAM

Executive Leadership positions during the year were:

MICHAEL SEDGMAN
Chief Executive Officer

ANTHONY BROWN 1 JULY 2018 – 22 MARCH 2019
General Manager Corporate Services

TIM VONDERWALL 3 JUNE 2018 – 30 JUNE 2019
General Manager Corporate Services

HEATHER BARCLAY
General Manager Assets & Infrastructure

ANDREW MEDDLE 1 JULY 2018 – 24 MAY 2019
General Manager Sustainable Communities

Salary packages for the four executive officers as at 30 June 2019 ranged from \$185,000 to \$268,391 including superannuation.

PORTFOLIO BUSINESS UNIT MANAGERS

Staff holding positions as Business Unit Managers during 2018-19 were:

CORPORATE SERVICES	ASSETS AND INFRASTRUCTURE	SUSTAINABLE COMMUNITIES
VACANT Chief Finance Officer	MALCOLM DOWNIE Manager City Assets	GEOFFREY PARSONS Manager Development and Regulation
MARTIN SMALLRIDGE Manager, Organisational Development	MATT JAMES Manager City Infrastructure	REGINALD BUDARICK Manager Community Services
LERWIN AGED CARE FACILITY		
RUBY ASH Manager Lerwin		



STAFF OVERVIEW

Details on staffing by Division as at 30 June 2019 are shown below as full time equivalent numbers. The Contract staff figures shown below represent all RCMB contracted staff including management.

Staff by Division	Ongoing		Contract		Total	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Office of the CEO	2	2	1	1	3	3
Corporate Services	27.7	28.9	2.8	3.1	30.5	32
Community Development (Sustainable Communities)	33.6	32.7	8.6	6.8	42.2	39.5
Assets and Infrastructure (Infrastructure and Environment)	49.4	50.4	7.7	4	57.1	54.4
Lerwin Aged Care Facility	52.2	49	1	1	53.2	50
Totals	164.9	163	21.1	15.9	186	178.9

Gender is shown by headcount.

Staff by Division	Male		Females		Total	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Office of the CEO	1	1	2	2	3	3
Corporate Services	6	8	29	28	35	36
Community Development (Sustainable Communities)	21	17	33	32	54	49
Assets and Infrastructure (Infrastructure and Environment)	53	51	15	22	68	73
Lerwin Aged Care Facility	9	6	78	75	87	81
Totals	90	83	157	159	247	242



DEVELOPMENT AND TRAINING

The Rural City of Murray Bridge provides training and development opportunities for its staff to ensure the successful implementation of organisational change and continuous improvement, to meet changing legislative requirements, to maximize the use of technology and enable staff to develop and pursue their career within our organisation.

We utilise both in-house and external training programs to ensure the skills and knowledge for various trades, professions and roles are maintained and to ensure staff can deliver the required projects, programs and operational activities.

We provide support to staff who are undertaking tertiary studies relevant to their current position or a field aligned with local government. This support includes allowing staff to attend lectures during working hours or by reimbursing a percentage of their fees upon successful completion of a subject.

EMPLOYEE WELL-BEING

During the year a number of opportunities were offered to employees as part of Council's annual healthy lifestyle program. These included:

- health assessments through the Local Government Association Workers Compensation Scheme with 23 employees participating;
- skin cancer screenings through the Local Government Association Workers Compensation Scheme with 31 employees participating;
- flu immunisations received by 84 employees

EEO STATEMENT

The Rural City of Murray Bridge is an Equal Employment Opportunities employer and reflects this in all relevant policies, documents and procedures.



APPENDIX 1. FINANCIAL STATEMENTS 2018-19

Refer Separate Item on Audit Committee Agenda



APPENDIX 2. REGIONAL SUBSIDIARIES

MURRAYLANDS & RIVERLAND LOCAL GOVERNMENT ASSOCIATION

ANNUAL REPORT 2018 TO 2019

- To be presented to the MRLGA meeting scheduled for 10 October 2019 and will be provided to Council at its meeting on the 14 October 2019

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

ANNUAL REPORT 2018-19



AHRWMA

Adelaide Hills Region Waste Management Authority

"Sustainable Waste Management Through Shared Services"



2018-19 Annual Report



Adelaide Hills
COUNCIL



The Great City of
MURRAY
BRIDGE



ALEXANDRINA



MOUNT BARKER
DISTRICT COUNCIL





AHRWMA Annual Report 2018/19

ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority (AHRWMA) is a Local Government Regional Subsidiary established by its constituent Councils – the Adelaide Hills Council, The Alexandrina Council, The Mount Barker District Council and The Rural City of Murray Bridge (Member Councils).

Waste management and recycling services for local ratepayers, residents and visitors is a key Local Government function. The Member Councils resolved to work together through the AHRWMA to coordinate waste management and recycling within the region.

The Authority undertakes landfill operations, resource recovery centre management, hooklift truck transport services, mobile crushing and recyclables baling for the benefit of its Member Councils. The AHRWMA provides an avenue for Member Councils to be represented in relevant forums and provides technical waste and resource management advice to Member Councils when required, along with coordinated education services to Member Council communities. The Authority also facilitates a shared Waste Strategy Coordinator resource for three of the Member Councils.

The Authority continues to focus on evaluating waste and recycling services throughout the region to determine where it can add value to Member Councils by applying a resource sharing model.



AHRWMA Annual Report 2018/19

REPORT FROM THE CHAIR

I would like to thank our Member Councils for their support throughout the year and am pleased to report another year of achievement for AHRWMA on behalf of our Constituent Councils and their communities.

Council elections took place during 2018/19 and AHRWMA underwent a significant change in Board Membership, welcoming several new Board Members. I would like to take this opportunity to thank all previous Board Members for their commitment to the Authority, in what I understand to be a challenging time. The AHRWMA is still awaiting the outcome of a legal case that concluded in December 2017.



Chair: Cr John Kemp

The new Board was inducted and held its first meeting in January 2019 where I was pleased to be elected Chair. In my short time as Chair I have recognized the ongoing commitment the Authority's Board Members show in striving to achieve the best outcomes for AHRWMA, its Member Councils and the Environment. During the induction of new board members and the site tour, I was very impressed with the management team. I'm compelled to give thanks to the Executive Officer, Leah Maxwell who has been a great help in my role as Chair.

The Auditor General undertook a Governance review of the AHRWMA in 2017 and in response the AHRWMA continues to focus on governance improvement across all areas of operation.

The Authority continues to provide;

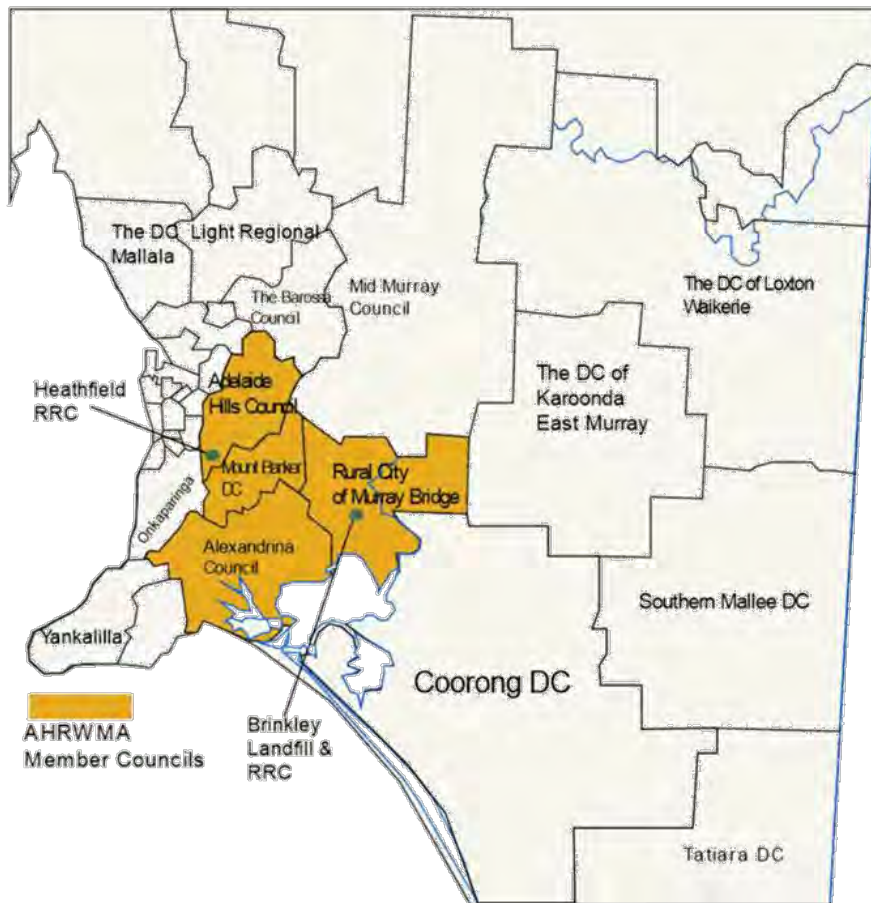
- Landfilling services at the Brinkley Landfill with cell 8 now in use and construction of cell 9 commencing.
- Concrete crushing services for council's construction & demolition materials.
- Bailing services for recyclables.
- Resource Recovery operations.
- Hooklift transportation services.
- Waste Strategy Coordinator services.
- General waste and resource advisory and coordination services.

With a close focus on asset management, operations and repairs and maintenance we have ensured efficient and effective service provision and have achieved a positive budget result. The operation of both the Brinkley and Heathfield Resource Recovery Centres on behalf of Murray Bridge and Adelaide Hills Councils were also undertaken within budget. Along with core services the Authority continues to enhance its representation within the industry and represents its Constituent Councils in relevant forums.

We now move to finalizing our Charter review and update our Strategic Plan, ensuring strong guiding documents and governance into the future.

AHRWMA Annual Report 2018/19

AHRWMA SERVICE AREA MAP





AHRWMA Annual Report 2018/19

STRATEGIC DIRECTION

The Vision

"Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge"

The Mission

- To meet Resource Recovery Targets across the region where economically and environmentally justified.
- To continue to develop and manage the Authority's landfill as an EPA compliant model regional landfill that provides the most cost-effective disposal option for Member Councils and commercial customers.
- To educate the regional community on responsible waste choices that enhance and maintain their environment.

The Objectives

The Authority's vision and mission will be achieved through five key objectives:

- To take a leadership role in resource recovery and community education.
- Responsibly develop and manage the Authority's landfill to be a model regional landfill meeting all legislative requirements and operating benchmarks.
- Financial sustainability in waste services for Member Councils by pursuing a shared services model.
- Advocate, research and promote best practice waste management and actively represent Member Councils in all forums.
- A fully compliant Regional Subsidiary that meets the highest standards in governance, financial and human resource management.



AHRWMA Annual Report 2018/19

GOVERNANCE

Board

The AHRWMA is administered by a Board in accordance with the Local Government Act (1999) and AHRWMA Charter. The Board consists of eight Members, being one Elected Member appointed by each Constituent Council and one employee appointed by each Constituent Council. Each Constituent Council also appoints a Deputy Board Member.

The Chairperson and Deputy Chairperson of the Board are elected by ballot of the whole Board from those Board Members who are Elected Members.

The Board meets as required and at least once every four months excluding the AGM, the Board held six meetings in 2018/19. The Board is responsible for managing all activities of the Authority, ensuring that the Authority acts in accordance with its Charter. The Board's responsibilities include development of strategic and business directions and strategies aimed at improving the business of the Authority. The Board appoints an Executive Officer responsible for implementing the decisions made by the Board and managing the day-to-day operations of the Authority.

2018-19 Board Members (June 2018 – Dec 2019)

Rural City of Murray Bridge

Cr Theo Weinmann – Deputy Chairperson
 Anthony Brown, General Manager Corporate Services (Vacated position at Council Feb 2019)
 Cr Jerry Wilson, Deputy Board Member

Mount Barker District Council

Greg Parker, General Manager Community Services
 Cr Lindsay Campbell – Chairperson
 Cr Greg Morrison, Deputy Board Member

Alexandrina Council

Simon Grenfell
 Cr Jim Davis
 Cr Ben Brazzalotto, Deputy Board Member

Adelaide Hills Council

Marc Salver, Director Strategy and Development
 Cr Nathan Daniel
 John McArthur, Manager Waste, Health & Reg Services, Deputy Board Member

2018-19 Board Members (Current)

Rural City of Murray Bridge

Heather Barclay, General Manager Assets & Infrastructure
 Cr Mat O'Brien
 Malcolm Downie, Manager City Assets (Deputy)

Mount Barker District Council

Greg Parker, General Manager Community Services
 Cr Harry Seager (Deputy Chairperson)
 Cr Simon Westwood, Deputy Board Member

Alexandrina Council

Elizabeth Williams, General Manager Resources
 Cr Mike Farrier
 Cr John Carter, Deputy Board Member

Adelaide Hills Council

John McArthur, Manager Waste & Emergency Services
 Cr John Kemp (Chairperson)
 Cr Ian Bailey, Deputy Board Member



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

191

AHRWMA Annual Report 2018/19

Current Board Members

 <p>Cr John Kemp Chair AHC</p>	 <p>Cr Harry Seager Deputy Chair MBDC</p>	 <p>Cr Mike Farrier Alexandrina</p>	 <p>Cr Mat O'Brien RCMB</p>	 <p>Cr Simon Westwood Dep. Member MBDC</p>	 <p>Cr Ian Bailey Dep. Member AHC</p>
 <p>Heather Barclay General Manager Assets & Infrastructure RCMB</p>	 <p>Greg Parker General Manager Community Services MBDC</p>	 <p>John McArthur Manager, Waste & Emergency Management AHC</p>	 <p>Elizabeth Williams General Manager Resources Alexandrina</p>	 <p>Cr John Carter Dept. Member Alexandrina</p>	 <p>Malcolm Downie Dep. Member Manager City Assets RCMB</p>

8



AHRWMA Annual Report 2018/19

Audit Committee

In accordance with the Local Government Act (1999) the AHRWMA has an Audit Committee. The principal objective of the Audit Committee is to add value to and improve AHRWMA's operations, by assisting the Board to meet its legislative and probity requirements as required by the Local Government Act 1999 and other relevant Legislation, Standards and Codes. The Audit Committee is comprised of two Board Members as determined by resolution of the Board and one Independent Member, who is also the Chair.

The Audit Committee meets as required and at least once every four months, prior to Board Meetings.

The Current Audit Committee Members include;

Independent Member: Peter Brass

Board Members: Greg Parker, Elizabeth Williams

Management & Operations Committee

In 2018/19 the Board re-established the Management and Operations Committee. The Committee includes a staff member from each Constituent Council and provides valuable support to the Executive Officer. The committee meets as required to discuss strategic and operational matters.

The current Management & Operations Committee Members include;

Malcolm Downie – Rural City of Murray Bridge

Greg Parker – Mount Barker District Council

John McArthur – Adelaide Hills Council

Elizabeth Williams – Alexandrina Council



AHRWMA Annual Report 2018/19

2018/19 ACHIEVEMENTS

Landfill & Operations

- A new litter collection vacuum was purchased, enabling efficient collection of litter across the landfill and site boundary.
- Line marking has been undertaken across the site, ensuring adequate traffic management.
- Fees and charges have been reviewed and updated, taking into account the waste disposal levy increases for the period.
- Focus has been placed on regularly surveying the landfill site and landfill cell management.
- Landfill construction planning has been undertaken, ensuring staged construction in line with airspace and budget requirements.
- A Landfill Gas generation review and assessment has been completed, which will inform an updated Landfill Gas Management Plan.
- A Draft Capping & Closure Plan was submitted to the EPA and a review of capping methodology undertaken in order to inform the final plan development.
- Significant clean up has been undertaken of soil and concrete stockpiles in conjunction with the Rural City of Murray Bridge.
- Site processes have been established to recover steel and recyclables from the landfill cell – where these items are included within mixed waste loads destined for landfill.
- The Authority assisted the Rural City of Murray Bridge with obtaining funding from Green Industries SA for a street sweepings pad at the Brinkley Transfer Station. This pad will enable the Council to deposit their street sweepings for transportation to a licenced composting facility, rather than being disposed to landfill.





AHRWMA Annual Report 2018/19

Governance

- The Charter review process is continuing, with consultation with Constituent Council CEOs.
- The Governance action plan continues to be implemented.
- Several policies have been reviewed including:
 - Annual Budget Policy
 - Treasury Management Policy
 - Corporate Credit Card Policy
 - Purchasing Policy & Delegations
 - Code of Conduct
 - Entertainment Policy
 - Asset Code of Tendering Policy
- WHS is being reviewed across all operations.
- A Draft Asset Management Plan has been established and the AHRWMA has continued to focus on improved asset management practices.

Resource Sharing, Resource Recovery Centres & Value Add

- Asbestos is now received at Brinkley and Heathfield Resource Recovery Centres (RRC).
- Free greens days have been held across the RRCs.
- Positive working relationships have been maintained with Constituent Councils, commercial and non-member local government customers.
- The new hooklift vehicle is now in place and providing waste transport services across the region.
- Assistance has continued to be provided to Member Councils regarding the recycling market changes resulting from the China Sword Policy and the AHRWMA has ensured Member Council representation across all forums.
- The AHRWMA has participated in a high level education working group assisting Green Industries SA with the implementation of a state wide education program titled "Which Bin".
- A Household Paint and Chemical Facility (funded by Green Industries SA) has been established at the Heathfield RRC which will be commissioned mid-2019. This facility will provide a valuable free service to users across the region.
- The Authority assisted three of our Member Councils with participation in the Local Government Association sustainable procurement pilot program. This initiative is an important step in encouraging a circular economy within South Australia.
- With Green Industries SA Funding support the Authority's Waste Strategy Coordinator project managed a bin tagging education program across three of our Member Councils, fulfilling a project outlined within the Councils Waste & Resource Strategies.
- The Waste Strategy Coordinator also assisted with obtaining funding from Green Industries SA for Member Councils to continue the provision of kitchen caddy bins and compostable bags, including educational and promotional materials to assist with diverting food waste from landfill.



AHRWMA Annual Report 2018/19

Finances

- The Audited financials have been completed for the year 2018/19 and are attached.
- The year to 30 June 2019 ended with the AHRWMA achieving a total surplus of \$380,923 compared to a May 2019 budget review projecting a \$290,000 surplus.
- The Brinkley Resource Recovery Centre achieved very close to budget and the Heathfield Resource Recovery Centre finished ahead of budget for the year.



*The facility will be commissioned in 19/20



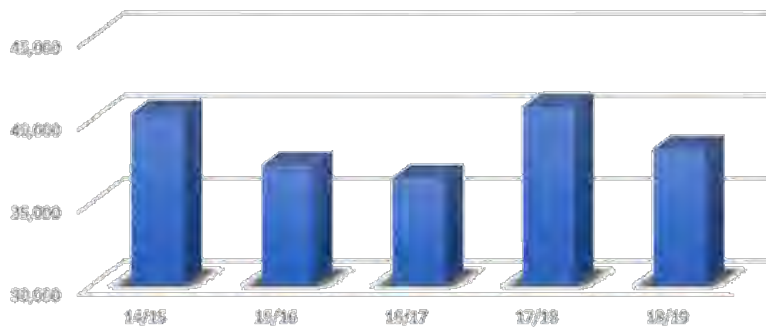
AHRWMA Annual Report 2018/19

LANDFILL OPERATIONS

Brinkley Landfill Statistics

Waste disposed to landfill reduced by 2,556 tonnes in the 18/19 financial year. This is largely due to the receipt of fire impacted material from a one-off event in 17/18 and is an increase of 1,768 tonnes on the 16/17 year. Overall landfill tonnes are showing an increasing trend, while total Member Council tonnes to landfill have decreased.

Landfill Total Tonnes



Non-member Local Government tonnes maintained consistent this financial year, with a slight increase of 67 tonnes on 17/18 and commercial tonnes also remained steady for the period.

The Authority continues to focus on providing quality service and looking at opportunities to value add for customers.

Revenue

Landfill gross revenue increased in 2018/19, which is partially due to the increase in the Solid Waste Disposal Levy.

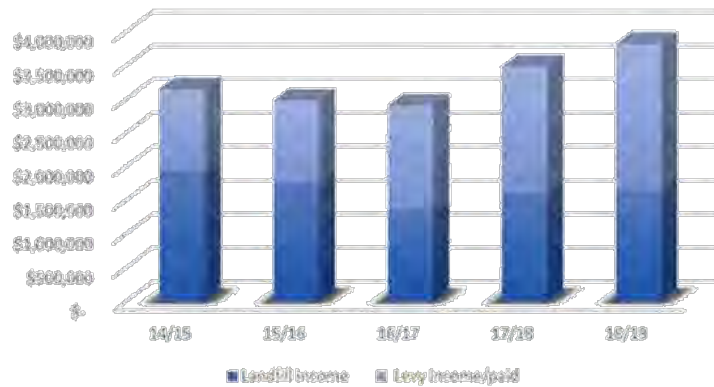
The Authority is required to pay the Solid Waste Disposal Levy for every tonne of waste disposed to landfill and therefore collects the levy from Member Councils and landfill customers as part of the landfill gate fees.

In 2018/19 the Levy increased to \$100 per tonne for metropolitan waste and \$50 for non-metropolitan waste, an increase of close to 15% on the previous year.



AHRWMA Annual Report 2018/19

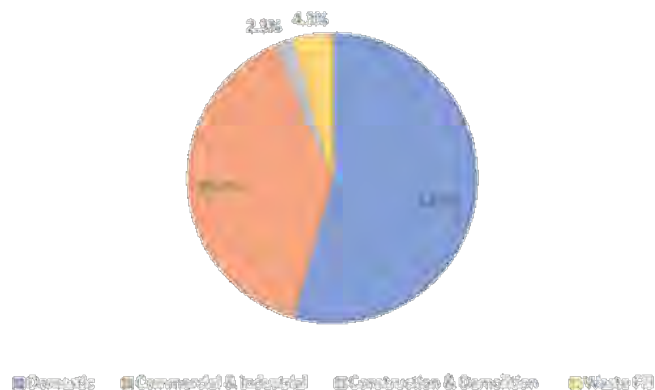
Landfill Gross Revenue



Waste Streams

Over 50% of the material disposed to landfill is made up of domestic waste from kerbside collection services. 39% of the material disposed is from the commercial and industrial sector, which includes material from Member and non-member Local Government transfer stations or resource recovery centres and commercial customers, some of which collect skip bins etc. throughout the member council regions or on behalf of Member Councils. A small portion of material is C&D waste, where recovery is not possible and is disposed directly to landfill and approximately 4% is waste fill, which is used for daily cover and will be utilised for capping material.

Waste streams to landfill



AHRWMA Annual Report 2018/19





AHRWMA Annual Report 2018/19

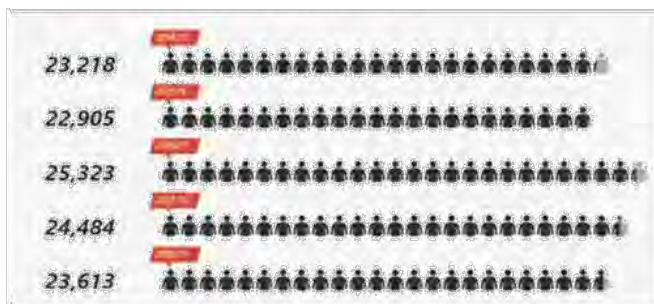
RESOURCE RECOVERY CENTRE OPERATIONS

The Authority manages two Resource Recovery Centres (RRCs) on behalf of its Member Councils. These sites are the Heathfield RRC, which serves the Adelaide Hills Council area with an approximate population of 40,000 people and the Brinkley RRC, which serves the Rural City of Murray Bridge area with an approximate population of 22,000 people.

Site Usage

Both facilities have shown strong customer growth since the Authority commenced operations. This has been assisted by the continued and consistent use of the facilities by the Council's operations area and joint projects to produce quality road base materials from recycled products, particularly within the Adelaide Hills Council area. The AHRWMA and Murray Bridge Council have formed a strong working relationship and continue to positively manage Murray Bridge Council soil and concrete stockpiles at the Brinkley site. In 2018/19 patronage across both sites dropped slightly on 2017/18.

HEATHFIELD RRC TRANSACTIONS



*WE COLLABORATE WITH OUR
CONSTITUENT COUNCILS TO FOCUS ON
RESOURCE RECOVERY AND BUILDING A
CIRCULAR ECONOMY WITHIN OUR
REGION.*

BRINKLEY RRC TRANSACTIONS





AHRWMA Annual Report 2018/19

Tonnes to Landfill

The tonnes of waste disposed to landfill from both the Brinkley and Heathfield sites have reduced in 2018/19. The AHRWMA maintains a strong focus on diversion of waste from landfill and achieves a diversion rate across the sites of approximately 80%.

All material that can be reused, reprocessed or recycled is removed from the waste stream prior to transportation to landfill. For example, green organics are chipped on site and sold as mulch and construction and demolition material is stored for crushing and reuse as road base.

Resource Recovery Sites - Waste Tonnes to Landfill				
	2015/16	2016/17	2017/18	2018/19
Heathfield	2,010	1,840	1,562	1,533
Brinkley	1,682	1,818	1,719	1,623

Financials

The Heathfield RRC exceeded the 2018/19 budget target, finishing the year with a net loss of approximately \$34,100, compared to a budgeted loss of \$45,000, a positive variance of approximately \$10,900. The Brinkley site finished the year on budget with a net loss of approximately \$54,000.

The Authority will continue to monitor the Transfer Station budgets and adjust operations where required, aiming to minimise the losses across the site. It is recognised that the sites are operated for community benefit and we aim to recover costs at the sites and work towards a break-even position, without significantly increasing user fees.

We create mulch from green materials dropped off at our RRCs which is then sold to customers.





We remove tyre rings for efficient & cost effective processing. Recovering steel, decreasing disposal costs and generating income for the city.

IN 2018/19 WE RECOVERED:
52 TONNES OF E-WASTE
794 TONNES OF METALS &
259 TONNES OF CARDBOARD
FOR RECYCLING ACROSS OUR RRCS



We collect asbestos, Drummueter containers and tyres across our RRCS for recycling or appropriate disposal at licensed facilities.

AHRWMA Annual Report 2018/19

Our mobile concrete crusher partially funded by Green Industries SA crushes concrete waste material for Council reuse as road sub-base.



19



AHRWMA Annual Report 2018/19

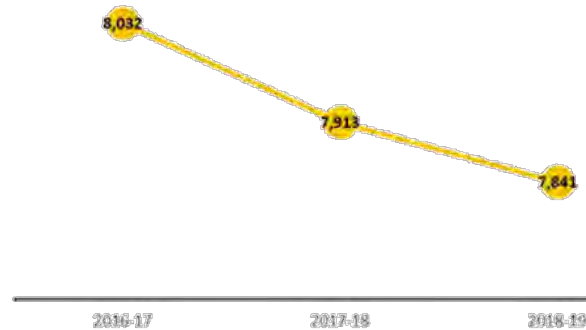
KERBSIDE WASTE & RECYCLING COLLECTIONS Adelaide Hills, Mount Barker & Murray Bridge

The Authority facilitates a shared Waste Strategy Coordinator resource across three of the Member Councils: Adelaide Hills Council, the Mount Barker District Council and the Rural City of Murray Bridge. The Waste Strategy Coordinator manages waste & resource services on behalf of the councils.

Recycling Service

Across the three Councils a total of 7,841 tonnes of recycling was collected via the kerbside service, which is a decrease of 72 tonnes compared to the 2017/18 year, compared to a decrease of 191 tonnes from the previous 2016/17 year. The impact of the National China Sword Policy may influence resident's recycling behavior.

Kerbside Recycling Tonnes



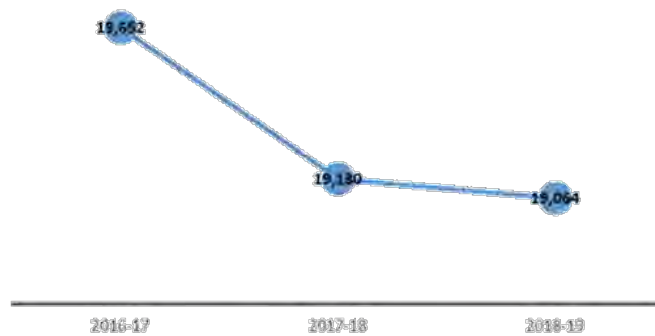


AHRWMA Annual Report 2018/19

Waste Service

Total kerbside waste disposed to landfill from within the three Member Council regions has decreased by a total of 66 tonnes in comparison to the previous year, while the population continues to grow.

Kerbside Waste Tonnes to Landfill



Kerbside Green Organics (FOGO)

Properties within the Township areas of the three Councils are entitled to a green bin service, which also accepts food waste (FOGO). The 2018/19 financial year saw an increase of green organics of 241 tonnes from the previous 2017/18 financial year. Green organics can be heavily dependent on rainfall, however BOM data suggests rainfall recorded within the Mount Barker area in 2018 was lower than 2017 indicating an increase in FOGO independent of climatic conditions.

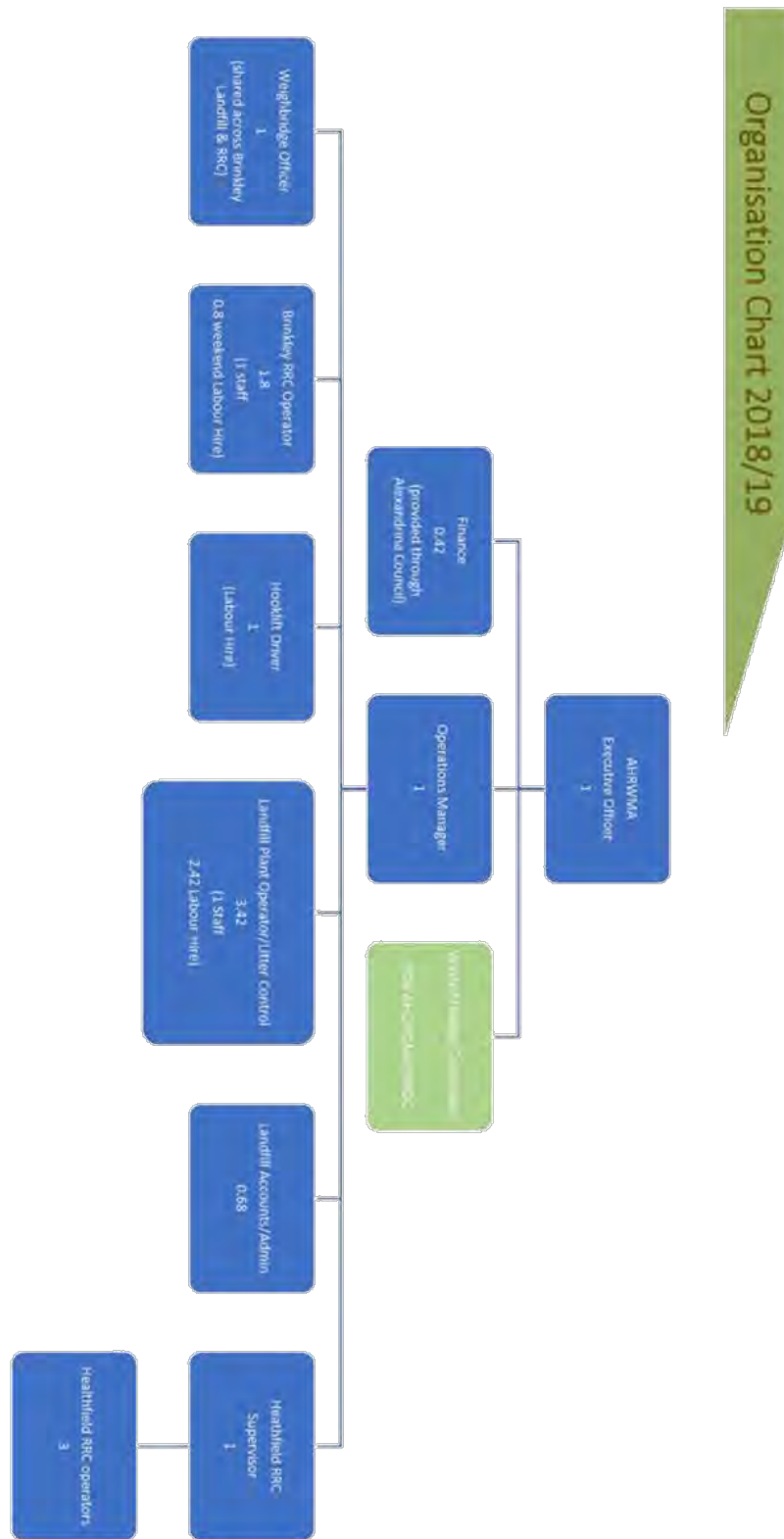
Kerbside FOGO Tonnes





Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

205



22

**Adelaide Hills Region Waste Management Authority****General Purpose Financial Reports
for the year ended 30 June 2019****TABLE OF CONTENTS**

	<u>Page</u>
Principal Financial Statements	
Statement of Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	N5
Note 2 - Income	N10
Note 3 - Expenses	N11
Note 4 - Asset Disposal & Fair Value Adjustments	N13
Note 5 - Current Assets	N14
Note 6 - Infrastructure, Property, Plant & Equipment	N15
Note 7 - Liabilities	N17
Note 8 - Reserves & Equity	N18
Note 9 - Reconciliation to Statement of Cash Flows	N19
Note 10 - Financial Instruments	N20
Note 11 - Commitments for Expenditure	N22
Note 12 - Operating Leases	N22
Note 13 - Contingencies, Assets & Liabilities not Recognised	N22
Note 14 - Events Occurring After Reporting Date	N22
Note 15 - Disclosures of Related Party Transactions	N23
Note 16 - Uniform Presentation of Finances	N24
Certification of Financial Statements	
Constituent Councils Certification of Auditor Independence	
Audit Certificate of Audit Independence	



Adelaide Hills Region Waste Management Authority			
STATEMENT OF COMPREHENSIVE INCOME			
for the year ended 30 June 2019			
	Notes	2019 \$	2018 \$
INCOME			
User charges	2	3,827,815	3,489,750
Grants, subsidies and contributions	2	11,887	-
Investment income	2	262	580
Other income	2	2,135,142	1,939,670
Total Income		<u>5,975,106</u>	<u>5,428,000</u>
EXPENSES			
Employee costs	3	1,121,692	955,444
Materials, contracts & other expenses	3	3,953,400	4,489,959
Depreciation, amortization & impairment	3	481,632	426,238
Finance costs	3	57,531	43,031
Total Expenses		<u>5,614,455</u>	<u>5,914,672</u>
OPERATING SURPLUS / (DEFICIT)		360,651	(486,666)
Asset disposal & fair value adjustments	4	272	55,419
Amounts received specifically for new or upgraded assets	2	20,000	-
NET SURPLUS / (DEFICIT)		380,923	(431,247)
transferred to Equity Statement			
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		<u>380,923</u>	<u>(431,247)</u>

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



Adelaide Hills Region Waste Management Authority			
STATEMENT OF FINANCIAL POSITION			
as at 30 June 2019			
ASSETS	<i>Notes</i>	2019	2018
		\$	\$
Current Assets			
Cash and cash equivalents	5	309,692	272,356
Trade & other receivables	5	403,816	367,632
Inventories	5	3,791	4,376
Total Current Assets		<u>717,199</u>	<u>644,364</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment	6	4,214,420	3,931,862
Total Non-current Assets		<u>4,214,420</u>	<u>3,931,862</u>
Total Assets		<u>4,931,619</u>	<u>4,476,226</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	661,953	1,294,259
Borrowings	7	1,579,500	1,312,683
Provisions	7	244,212	163,646
Total Current Liabilities		<u>2,485,665</u>	<u>2,770,588</u>
Non-current Liabilities			
Provisions	7	1,551,010	1,191,617
Total Non-current Liabilities		<u>1,551,010</u>	<u>1,191,617</u>
Total Liabilities		<u>4,036,675</u>	<u>3,962,205</u>
NET ASSETS		<u>894,944</u>	<u>514,021</u>
EQUITY			
Accumulated Surplus	8	894,944	514,021
TOTAL EQUITY		<u>894,944</u>	<u>514,021</u>

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



Adelaide Hills Region Waste Management Authority			
STATEMENT OF CHANGES IN EQUITY			
for the year ended 30 June 2019			
		Accumulated Surplus	TOTAL EQUITY
2019	Notes	\$	\$
Balance at end of previous reporting period		514,021	514,021
Net Surplus / (Deficit) for Year		<u>380,923</u>	<u>380,923</u>
Balance at end of period		<u>894,944</u>	<u>894,944</u>
2018			
Balance at end of previous reporting period		945,268	945,268
Net Surplus / (Deficit) for Year		<u>(431,247)</u>	<u>(431,247)</u>
Balance at end of period		<u>514,021</u>	<u>514,021</u>

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



Adelaide Hills Region Waste Management Authority			
STATEMENT OF CASH FLOWS			
for the year ended 30 June 2019			
	Notes	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		5,269,299	6,040,322
Investment receipts		262	624
<u>Payments</u>			
Operating payments to suppliers & employees		(6,138,872)	(5,856,586)
Finance payments		(55,707)	(34,579)
Net Cash provided by (or used in) Operating Activities	9	74,982	149,801
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		20,000	-
Sale of replaced assets	4	78,364	112,691
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(59,146)	(639,137)
Expenditure on new/upgraded assets		(343,781)	(497,452)
Net Cash provided by (or used in) Investing Activities		(304,563)	(1,084,498)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		407,317	1,260,000
<u>Payments</u>			
Repayments of Borrowings		(140,500)	(337,317)
Net Cash provided by (or used in) Financing Activities		266,817	922,683
Net increase (Decrease) in cash held		37,236	(22,014)
Cash & cash equivalents at beginning of period	9	272,356	294,370
Cash & cash equivalents at end of period	9	309,592	272,356
This Statement is to be read in conjunction with the attached Notes.			



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

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 Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and The Rural City of Murray Bridge.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 & Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at c/- Mount Barker District Council, 6 Dutton Road, Mt Barker. These financial statements have been prepared for use by constituent councils of the Authority.

3 Income recognition

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

Where grants, contributions and donations recognised as income during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and these conditions were discharged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the Authority's operations for the current reporting period. The Authority's does not receive Grants Commission funding.

Page N5



Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest.

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policy applied to financial instruments forms part of Note 10.

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment**6.1 Initial Recognition**

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

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

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Road Construction & Reconstruction	\$10,000

6.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of those assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Page N6



Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

<u>Plant, Furniture & Equipment</u>	
Office Equipment	5 years
Other Plant & Equipment	5 years
<u>Infrastructure</u>	
Unsealed Roads	16 years
Fencing	16 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 years
Roads	26 years

Coil construction expenditure for this year has been capitalised and will be amortised over the estimated filling life of the coil. Any further expenditure on the coil to complete its useful life will be amortised over that remaining life.

6.4 Impairment

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

6.5 Borrowing Costs

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

7 Payables**7.1 Goods & Services**

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

7.2 Payments Received in Advance & Deposits

Amounts (other than grants) received from external parties in advance of service delivery, and security deposits held against possible damage to Authority assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Borrowings

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

9 Employee Benefits**9.1 Salaries, Wages & Compensated Absences**

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

Page N7

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019****Note 1 - Significant Accounting Policies (cont)**

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

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

9.2 Superannuation

The Authority makes employer superannuation contributions in respect to its employees to the Local Government Superannuation Scheme. The scheme has two types of membership, each of which is funded differently. The Authority's employees are only members of the accumulated fund.

Accumulated fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2017/18). No further liability accrues to the employer as the superannuation benefits accruing to the employees are represented by their share of the net assets of the Fund.

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

10 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

Golders Associates Pty Ltd have undertaken an assessment of the estimated capping costs of existing landfill operation sites at the Brinkley Landfill in July 2019. As a result of the work conducted, the Authority has updated its capping liability estimates in Note 7 which resulted in an net increase to the cell capping provision of \$102,821. Part of this movement saw non cash income amount, totaling \$141,431, recognised in the Statement of Comprehensive Income. A corresponding increase to the cell capping asset has also been recorded in accordance with the requirements under AASB 116.

The Authority recognises a capping liability for all past and present active landfill cell operational areas. The Authority is as at reporting date constructing a cell which will result in additional capping liability being realised once the cell becomes operational in future periods.

The Authority recognises a capping liability for a historical cell given it is believed that it will be responsible for capping this area in future years and has accordingly recognised a liability. The Authority however is not presently obligated to undertake this work given the liability to cap the cell resides with the existing owners of the site.

The Authority has calculated the liability based on an alternate capping design being accepted by the Environmental Protection Authority South Australia (EPA) which is in the process of being approved. Should there be an unfavourable outcome from the alternate capping plan application process, this may result in further increases to the liability needing to be recorded in future periods.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

Page N8



Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

11 Revenue from Contracts with Customers

AASB 16 Revenue from Contracts with Customers commences 1 January 2018 and hence will first affect the financial reports for 2018/19. (The commencement date has already been deferred once, and there may be further deferrals).

The commencement of the new Standard will not result in any changes to the amounts recognised in the Authority's financial statements under this classification, as the Authority does not enter into contracts with customers.

12 Leases

AASB 16 Leases, which will commence from 1 July 2018, requires that the right of use conveyed by leasing contract – except leases with a maximum term of 12 months and leases for non-materials amount – be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, The Authority has no leases to which this treatment will need to be applied.

Page N9



Adelaide Hills Region Waste Management Authority			
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS			
for the year ended 30 June 2019			
Note 2 - INCOME			
	Notes	2019 \$	2018 \$
USER CHARGES			
Waste disposal fee - Adelaide Hills Council		1,009,573	893,933
Waste disposal fee - Alexandrina Council		202,767	192,082
Waste disposal fee - Mount Barker District Council		720,287	674,476
Waste disposal fee - Rural City of Murray Bridge		581,874	459,895
Waste disposal fee - Other Customers		1,313,314	1,278,384
		<u>3,827,815</u>	<u>3,498,750</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		262	686
		<u>262</u>	<u>686</u>
OTHER INCOME			
Consultancy service		1,140	3,262
Waste officer contribution		121,387	134,839
Waste Transfer Station Income		1,407,851	1,380,918
Waste Transfer Station Management		88,385	74,580
Transport Income		206,204	180,602
Fuel Tax Rebate		48,825	53,967
Machinery Charge Out		92,066	100,932
Recycled Income		1,078	258
Movement in Landfill Liabilities	1.10	141,451	0
Sundry		26,755	8,613
		<u>2,135,142</u>	<u>1,930,670</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		20,000	-
Other grants, subsidies and contributions			
Sundry		11,887	-
		<u>31,887</u>	<u>-</u>



Adelaide Hills Region Waste Management Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 3 - EXPENSES

	2019	2018
Notes	\$	\$
EMPLOYEE COSTS		
Salaries and Wages	848,616	720,082
Employee leave expense	120,183	106,210
Superannuation	86,821	74,100
Workers' Compensation Insurance	31,472	22,104
Other	34,400	23,703
Total Operating Employee Costs	1,121,692	856,444
Total Number of Employees	11	11
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	7,063	4,205
<u>Other Materials, Contracts & Expenses</u>		
Contractors	261,678	249,201
Waste Transfer Station Expenses	985,892	963,056
Repairs and Maintenance	185,269	191,010
Research and Development	42,609	1,873
Administration and Accountancy Service	63,047	113,770
EPA Waste Levy	2,176,048	1,885,851
EPA Licence Fees	5,329	3,100
Land Lease	49,681	48,788
Insurance and Legal	25,887	762,163
Professional Services	-	90,560
Parts, accessories & consumables	141,962	150,896
Sundry	7,135	12,302
Subtotal - Other Materials, Contracts & Expenses	3,945,737	4,485,734
	3,953,400	4,489,939



Adelaide Hills Region Waste Management Authority			
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS			
for the year ended 30 June 2019			
Note 3 - EXPENSES (cont)			
	Notes	2019 \$	2018 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Road Infrastructure	0	5,534	5,534
Buildings	0	12,012	13,879
Vehicles	0	19,269	19,048
Plant & Equipment	0	231,843	180,468
Landfill Cells	0	132,873	143,126
Leachate Ponds	0	8,697	8,697
Landfill Rehabilitation	0	20,045	13,990
Landfill Cell Capping	0	51,559	31,496
		<u>481,832</u>	<u>426,238</u>
FINANCE COSTS			
Interest on borrowings		<u>57,531</u>	<u>43,031</u>
		<u>57,531</u>	<u>43,031</u>

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**
for the year ended 30 June 2019**Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS**

	2019	2018
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	78,364	112,091
Less: Carrying amount of assets sold	6 78,092	56,672
Gain (Loss) on disposal	<u>272</u>	<u>55,419</u>
NET GAIN (LOSS) ON DISPOSAL OF ASSETS	<u>272</u>	<u>55,419</u>



Adelaide Hills Region Waste Management Authority			
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS			
for the year ended 30 June 2019			
Note 5 - CURRENT ASSETS			
		2019	2018
	Notes	\$	\$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		<u>309,692</u>	<u>272,356</u>
		<u>309,692</u>	<u>272,356</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		14,986	-
Debtors - general		<u>388,830</u>	<u>387,632</u>
		<u>403,816</u>	<u>387,632</u>
INVENTORIES			
Stores & Materials		<u>3,791</u>	<u>4,376</u>
		<u>3,791</u>	<u>4,376</u>



Adelaide Hills Region Waste Management Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2018			2017		
	At 30 June 2018	ADDITIONS	DISPOSALS	At 30 June 2017	ADDITIONS	DISPOSALS
Plant/Infrastructure	4,138,342	(2,323,828)	1,814,514	4,138,342	(2,323,828)	1,814,514
Buildings	4,482,503	(1,222,242)	3,260,261	4,482,503	(1,222,242)	3,260,261
Networks	10,961	(8,842)	2,119	10,961	(8,842)	2,119
Plant & Equipment	2,222,180	(1,222,242)	1,000,000	2,222,180	(1,222,242)	1,000,000
Leasehold Intangible	2,222,180	(1,222,242)	1,000,000	2,222,180	(1,222,242)	1,000,000
Leasehold Property	1,111,111	(1,111,111)	0	1,111,111	(1,111,111)	0
Leasehold Infrastructure	4,482,503	(1,222,242)	3,260,261	4,482,503	(1,222,242)	3,260,261
Leasehold Plant & Equipment	2,222,180	(1,222,242)	1,000,000	2,222,180	(1,222,242)	1,000,000
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	13,645,349	(4,802,665)	8,842,684	13,645,349	(4,802,665)	8,842,684
Comparatives	13,645,349	13,645,349	8,842,684	13,645,349	13,645,349	8,842,684

*Note: See Note 6 for details on depreciation and impairment of PPE.



Adelaide Hills Region Waste Management Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

	Government Reporting Requirements (Municipalities)								
	GAAP \$	Infrastructure \$	Property \$	Plant \$	Equipment \$	Intangible \$	Other \$	Net Depreciation \$	GAAP \$
Road Infrastructure	67,613	0	0	0	0	0	0	0	67,613
Buildings	28,193	8,788	0	0	0	0	0	0	36,981
Assets	98,849	0	9,489	0	0	0	0	0	108,338
Plant & Equipment	6,708,870	200,600	25,488	0	0	0	0	0	7,034,958
Landfill Cells	66,103	34,271	0	0	0	0	0	0	100,374
Leakage Funds	122,228	0	0	0	0	0	0	0	122,228
Landfill Rehabilitation	26,308	22,288	0	0	0	0	0	0	48,596
Landfill Cell Capacity	333,436	254,270	0	0	0	0	0	0	587,706
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	8,817,047	485,937	34,977	0	0	0	0	0	9,337,951
Comparative	7,279,883	429,243	7,882,723	384,418	1,481,281	0	0	0	7,837,825

* Depreciation expense is included in the notes to the financial statements.



Adelaide Hills Region Waste Management Authority					
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS					
for the year ended 30 June 2019					
Note 7 - LIABILITIES					
	2019		2018		
	\$		\$		
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		577,941	-	1,236,014	-
Accrued expenses - other		13,860	-	12,036	-
Other		70,152	-	46,209	-
		<u>661,953</u>	<u>-</u>	<u>1,294,259</u>	<u>-</u>
BORROWINGS					
Cash Advance Debenture		1,579,500	-	1,312,085	-
		<u>1,579,500</u>	<u>-</u>	<u>1,312,085</u>	<u>-</u>
PROVISIONS					
Annual Leave		113,179	-	102,818	-
Long Service Leave		131,033	30,417	60,828	69,128
Future reinstatement / restoration		-	696,183	-	398,900
Cell Capping		-	824,410	-	726,589
		<u>244,212</u>	<u>1,551,010</u>	<u>163,646</u>	<u>1,191,617</u>
<i>Movements in Provisions - 2019 year only</i> <i>(Current & non-current)</i>					
			<i>Future</i>		
			<i>Reinstatement</i>		
			<i>Cell Capping</i>		
				<i>Total</i>	
Opening Balance		469,969	721,589	1,122,428	
Add Additional amounts recognised		298,293	160,521	298,334	
Closing Balance		<u>768,262</u>	<u>882,110</u>	<u>1,420,762</u>	



Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 8 - RESERVES & EQUITY

DISTRIBUTION SHARE OF SURPLUS/(DEFICIT)

The net surplus for the year has been allocated in proportion to the volumes of waste deposited by each respective constituent council.

Volumes of waste dumped (in tonnes)	2019	2018
	%	%
Adelaide Hills Council	33.7%	32.0%
Alexandrina Council	6.9%	9.4%
Mount Barker District Council	32.3%	32.0%
Rural City of Murray Bridge	25.7%	25.7%
	<u>100%</u>	<u>100%</u>

Distribution in accordance with the above percentages

	2019	2018
	\$	\$
Adelaide Hills Council	123,941	(141,880)
Alexandrina Council	33,720	(40,537)
Mount Barker District Council	123,165	(137,300)
Rural City of Murray Bridge	98,077	(110,331)
	<u>380,925</u>	<u>(331,247)</u>

DISTRIBUTION SHARE OF EQUITY

Adelaide Hills Council		
Balance at end of previous reporting period	244,037	366,917
Share of surplus	123,941	(141,880)
Balance at end of period	<u>370,578</u>	<u>244,537</u>
Alexandrina Council		
Balance at end of previous reporting period	63,334	185,661
Share of surplus	33,720	(40,537)
Balance at end of period	<u>93,814</u>	<u>85,124</u>
Mount Barker District Council		
Balance at end of previous reporting period	345,710	363,719
Share of surplus	123,165	(137,300)
Balance at end of period	<u>368,901</u>	<u>245,719</u>
Rural City of Murray Bridge		
Balance at end of previous reporting period	(41,450)	63,375
Share of surplus	98,077	(110,331)
Balance at end of period	<u>56,627</u>	<u>(14,856)</u>
TOTAL EQUITY AT END OF REPORTING PERIOD	894,944	514,021



Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	2019	2018
	\$	\$
Total cash & equivalent assets	309,592	272,356
Balances per Cash Flow Statement	<u>309,592</u>	<u>272,356</u>

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

Net Surplus (Deficit)	380,923	(431,247)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	481,832	426,238
Net increase (decrease) in unpaid employee benefits	41,855	42,537
Movement in landfill liability	(141,451)	-
Grants for capital acquisitions treated as Investing Activity	(20,000)	-
Net (Gain) Loss on Disposals	(272)	(55,419)
	<u>742,887</u>	<u>(17,891)</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(36,184)	44,285
Net (increase) decrease in inventories	555	(838)
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	(832,306)	124,245
Net increase (decrease) in other provisions	-	-
Net Cash provided by (or used in) operations	<u>74,982</u>	<u>149,891</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:		
- Estimated future reinstatement etc. costs	<u>398,104</u>	<u>328,289</u>

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:		
Cash Advance Debenture Facility (CAD)	1,650,000	1,650,000
Corporate Credit Cards	8,000	8,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice, this facility is provided by the Local Government Finance Authority of SA.

As at 30 June 2019 the Authority has drawn down \$1,579,500 of the available CAD limit.



Adelaide Hills Region Waste Management Authority	
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019	
Note 10 - FINANCIAL INSTRUMENTS	
Recognised Financial Instruments	
Bank, Deposits at Call	<p>Accounting Policy: Carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p>Terms & conditions: Deposits at call have an average maturity of 60 days and an average interest rate of 1.25% (2018: 90 days, 1.5%).</p> <p>Carrying amount: Approximates fair value due to the short term to maturity.</p>
Receivable - Fees & other charges	<p>Accounting Policy: Carried at nominal value less any allowance for doubtful debts.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debts, credit risk exposure is concentrated within the Authority's boundaries.</p> <p>Carrying amount: Approximates fair value after deduction of any allowances.</p>
Liabilities - Creditors and Accounts	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: Approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: Secured over future revenues, borrowings are repayable by financial instalments of principle and interest.</p> <p>Carrying amount: Approximates fair value.</p>
Liabilities - Overdraft	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: Secured over future revenues interest is charged at an average variable rate of 0.87%.</p> <p>Carrying amount: Approximates fair value.</p>



Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 10 - FINANCIAL INSTRUMENTS (cont.)

Liquidity Analysis

2019	Due < 1 year	Due > 1 year, ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	309,592	=	=	309,592	309,592
Receivables	403,816	=	=	403,816	403,816
Total	713,408	=	=	713,408	713,408
Financial Liabilities					
Payables	648,093	=	=	648,093	648,093
Borrowings	1,579,500	=	=	1,579,500	1,579,500
Total	2,227,593	=	=	2,227,593	2,227,593

2018	Due < 1 year	Due > 1 year, ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	292,366	=	=	292,366	292,366
Receivables	367,632	=	=	367,632	367,632
Total	660,000	=	=	660,000	660,000
Financial Liabilities					
Payables	1,282,223	=	=	1,282,223	1,282,223
Borrowings	1,312,089	=	=	1,312,089	1,312,089
Total	2,594,306	=	=	2,594,306	2,594,306

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

	30 June 2019		30 June 2018	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
Overdraft	3.57	1,579,500	3.50	1,312,089
Non Interest Bearing	-	648,093		1,282,223
		2,227,593		2,594,306

Net Fair Value

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

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 18), liabilities have a range of maturity dates. The Authority also has available a bank overdraft that it can access.

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



Adelaide Hills Region Waste Management Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 11 - COMMITMENTS FOR EXPENDITURE

The Authority as at 30 June 2019 had no commitments for expenditure.

Note 12 - OPERATING LEASES

The Authority as at 30 June 2019 has a commitment to lease the land on which the Brinkley landfill resides. The current lease expires on the 13th February 2021, with one right of extension of 5 years.

Note 13 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED

The Authority as at 30 June 2019 is a defendant in Supreme Court proceedings in which it is asserted that the Authority made misleading representations at the time that it transferred its interests in the Hartley Landfill to a third party. The claim for damages is approximately \$2.9 million plus legal costs. The Authority's legal advisers have stated the claim is denied and has been fully defended. Trial for this action concluded December 2017 and is currently waiting judgement. The Authority's legal advisers anticipate that a judgement will be delivered by October 2018.

Note 14 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2019 that need to be disclosed in the financial statements.



Adelaide Hills Region Waste Management Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 15 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair, the Board and the Executive Officer prescribed as officers under section 112 of the Local Government Act 1998. In all, Key Management Personnel were paid the following total compensation:

	2019	2018
Salaries, allowances & other short term benefits	\$ 143,397	\$ 223,168
Post-employment benefits	\$ -	\$ -
Long term benefits	\$ 13,813	\$ 12,983
Termination Benefits	\$ -	\$ -
TOTAL	\$ 159,210	\$ 236,151

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods & Services (\$,000)	Amounts Outstanding from Related Parties (\$,000)	Description of Services Provided to Related Parties
Adelaide Hills Council	1,010	63	Provision of waste processing and disposal services.
Alexandrina Council	107	15	Provision of waste processing and disposal services.
Mount Barker District Council	598	70	Provision of waste processing and disposal services.
Rural City of Murray Bridge	582	37	Provision of waste processing and disposal services.

Amounts recorded as outstanding from Related Parties are recorded in trade and other receivables in Note 5.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of those policies.



Adelaide Hills Region Waste Management Authority

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2019 \$	2018 \$
Income	5,975,106	5,428,006
Expenses	<u>(5,614,455)</u>	<u>(5,914,672)</u>
Operating Surplus / (Deficit)	360,651	(486,666)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(59,145)	(660,157)
Add back Depreciation, Amortisation and Impairment	481,832	426,236
Proceeds from Sale of Replaced Assets	<u>78,364</u>	<u>112,091</u>
	501,050	(160,868)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(343,781)	(497,452)
Amounts received specifically for New and Upgraded Assets	20,000	-
	<u>(323,781)</u>	<u>(497,452)</u>
Net Lending / (Borrowing) for Financial Year	<u>537,920</u>	<u>(1,144,826)</u>

Page N24



Adelaide Hills Region Waste Management Authority

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Adelaide Hills Region Waste Management Authority to certify the financial statements in their final form. In our opinion:

- > the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- > the financial statements present a true and fair view of the Authority's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year.
- > internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- > the financial statements accurately reflect the Authority's accounting and other records.


Leah Maxwell
EXECUTIVE OFFICER


Councilor John Kemp
CHAIR PERSON

Date: 9 September 2019



**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2019, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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*.


Andrew Aitken
CHIEF EXECUTIVE OFFICER
Adelaide Hills Council

Date: 5/8/2019

**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF AUDITOR INDEPENDENCE

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


.....
Glenn Rappensberg
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 07/08/2019



**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2019, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) Local Government (Financial Management) Regulations 1999.



Andrew Stuart
CHIEF EXECUTIVE OFFICER
Mount Barker District Council

Date: 16/10/19



**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2019, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) Local Government (Financial Management) Regulations 1999.


Michael Sedgman
CHIEF EXECUTIVE OFFICER
Rural City of Murray Bridge

Date: 14. 07. 2019



**ADELAIDE HILLS REGION WASTE MANAGEMENT
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2019**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2019, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.



Leah Maxwell
EXECUTIVE OFFICER



Peter Brass
CHAIR
AUDIT COMMITTEE

Date:



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY**

Opinion

We have audited the financial report of the Adelaide Hills Region Waste Management Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (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.

Other Information other than the Financial Report and Auditor's Report Thereon

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

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

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

Liability Limited by a scheme approved under Professional Standards Legislation



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 the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Authority'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 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 Authority 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 those charged with governance 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.

DEAN NEWBERRY & PARTNERS
CHARTERED ACCOUNTANTS



JIM KIOGH
PARTNER

Signed on the 25th day of September 2019,
at 214 Melbourne Street, North Adelaide



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

240



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North Adelaide SA 5006

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North Adelaide SA 5006

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E: admin@deannewbery.com.au

ABN: 50 154612 000

25 September 2019

Cr John Kemp
Chairperson
Adelaide Hills Region Waste Management Authority
PO Box 21
GOOLWA SA 5214

Dear Mr Kemp

RE: Balance Date Audit Management Letter: Financial Year Ended 30 June 2019

We have recently completed our external audit of the Adelaide Hills Region Waste Management Authority (the Authority) for the financial year ended 30 June 2019.

We issued our 2019 Audit Completion Report to the Authority's Audit Committee. This report contained key accounting and audit matters raised during the audit, a summary of misstatements and matters to be addressed in future financial years. We met with your Authority's Audit Committee on 9 September 2019 where the matters raised in our Audit Completion Report were discussed.

Since our meeting with the Authority's Audit Committee we have issued an unmodified Auditor's Report on the annual Financial Statements.

I would like to thank the Administration for the assistance they provided to my audit staff during the course of our audit of the Authority this financial year.

If any additional information is required on any of the audit matters raised above, please feel free to contact me on the details provided below.

Yours sincerely
DEAN NEWBERY & PARTNERS



Jim Keogh
Partner

T: 8267 4777

E: jimkeogh@deannewbery.com.au

C. Chief Executive Officer
C. Chair Audit Committee

Liability limited by a scheme approved under Professional Standards Legislation



APPENDIX 3. FREEDOM OF INFORMATION STATEMENT 2018-19

INTRODUCTION

This Freedom of Information Statement is published by the Rural City of Murray Bridge Council (Council) in accordance with the *Freedom of Information Act 1991* (FOI Act).

The purpose of the information Statement is to provide the public with:

1. a description of the structure and functions of the agency
2. a description of the ways in which the functions of the agency affect the public
3. a description of any arrangements that exist to enable the public to participate in formulating the agency's policies and the delivery of its functions
4. a description of the various kinds of documents held by the agency available for inspection, purchase or free of charge
5. a description of the arrangements that exist to enable the public to obtain access to documents or to amend their personal records held by the agency; and
6. a description of the agency's procedures in relation to giving access to documents and to the amendment of records containing personal information of individuals
7. include the contact details of the officer to whom inquiries can be made and an address at which FOI applications should be lodged.

Subject to certain restrictions, the *FOI Act 1993* gives members of the public a legally enforceable right to access information held by South Australian (Local) Government agencies such as Councils. The purpose of this statement is to assist members of the public to identify the functions and decision making processes of Council, detail the type of information held by Council and advise how it can be accessed by the public.

An updated Information Statement will be published on the Council's website each financial year. This statement was released on

**1 – STRUCTURE AND FUNCTIONS OF THE COUNCIL****Ongoing History of the Rural City of Murray Bridge**

The Ngarrindjeri People are recognised as the Traditional Owners of the land.

- 1830 Captain's Charles Sturt camped just below the town site of Murray Bridge on February 8th during his voyage of discovery down the River Murray.
- 1856 the area's first white settlers arrived. The Edwards family established their homestead 'Coninka' on the area now known as Hume Reserve.
- 1873 the building of the first bridge over the River Murray began. The foundation stone was laid by Governor Musgrave on the 7th November. The bridge was opened to traffic on 26 March 1879 and the town was known as Murray Bridge.
- 12 July 1884 the first meeting of the District Council of Mobilong was held. In 1927 the Corporation of Murray Bridge was formed.
- 4 April 1977 there was an amalgamation of District Council of Mobilong and the Corporation of Murray Bridge to form The District Council of Murray Bridge.
- 30 May 1979 the Swanport Bridge was opened to traffic.
- 1983 saw the opening of the Lerwin Nursing Home by the District Council of Murray Bridge.
- 17 June 1990 saw the Official Opening of the Local Government Centre at 2 Seventh Street Murray Bridge.
- 26 January 1993 the District Council of Murray Bridge changed its name to The Rural City of Murray Bridge and has its administration centre within the Local Government Centre, 2 Seventh Street, Murray Bridge.
- 17 July 1995 was the opening of the Brinkley Waste Depot
- 19 April 1997 was the official opening of Monarto Zoological Park visitor centre by Hon Robert Hill
- September 1997 saw the staging of first Pedal Prix
- 2003 Council declares the Rural City of Murray Bridge as a Refugee Welcome zone
- 2002/2003 construction of Monarto Interchange



- 2007/2008 Youth Centre and Skate Park opened. There was a dedication of Muslim burial site.
- 9 May 2007 saw the opening of extensions to the Murray Bridge Soldiers Memorial Hospital and new Murray Bridge Ambulance Station
- 25 May 2008 was the date the Kungun Yunnan Agreement between Rural City of Murray Bridge and Ngarindjeri Regional Authority was signed.
- 2010 Regional Centre of Culture events held in Murray Bridge and refurbishment of Town Hall and Regional Art Gallery
- 2010 opening of Marketplace Shopping Centre and new RSL Clubrooms
- 2012 Murray Bridge Library opened in Marketplace
- 2016 delivery of Stormwater Management and Reuse Scheme providing an alternative, secure and sustainable source of water supply through a partnership between Council, the Australian Government, Murray Bridge Racing Club and Gifford Hill Joint Venture.
- 2017 Revitalisation of Sixth Terrace Precinct completed
- 2018 the Adelaide Road Linear Park commences with stages 1, 2 & 3 completed.



Strategic Governance Framework

Council re-endorsed a Good Public Administration Framework and Risk Management Framework in 10 December 2018. These frameworks identify Council's approach to its strategic Governance Framework, Committee and Regional Subsidiary structure and decision making as follows:

Rural City of Murray Bridge Strategic Governance Framework



**Full Council and provisions for meeting procedures**

Following the Local Government elections held in November 2014 and continuing in the November 2018 elections, the Council consists of the Principal Member and 9 Area Elected Members who represent residents and ratepayers in the Rural City of Murray Bridge.

"Council" is the body corporate consisting of Elected Members as constituted under the *Local Government Act 1999*. Council is established to provide for the government and management of its area at the local level and, in particular:

- a) to act as a representative, informed and responsible decision-makers in the interest of its community; and
- b) to provide and co-ordinate various public services and facilities and to develop its community and resource in a socially just and ecologically sustainable manner; and
- c) to encourage and develop initiatives within its community for improving the quality of life of the community; and
- d) to represent the interests of its community to the wider community; and
- e) to exercise, perform and discharge the powers, functions and duties of local government under the *Local Government Act* and other acts in relation to the area for which it is constituted. [s.6, *Local Government Act*]

Following the November 2018 election, Council continued with the meeting scheduled of ordinary meetings of the Council continuing to be held in the Local Government Centre, 2 Seventh Street, Murray Bridge or in locations throughout the Council area as determined by resolution of Council. Meetings commence at 7 pm on the second Monday of each month, with the exception in January when the meeting is held during the last week of the month. All meetings are open to the public, with the exception of any matters subject to an order of confidentiality. [s.90 of the *Local Government Act*]. Notices of all meetings and associated minutes of Council and its Committees are available on the website and from the Local Government Centre.

One of the main opportunities for the community to gain information about the business of Council is through meeting agendas and associated reports prepared for Council and Committee meetings. Agendas, including minutes of the previous meetings and supporting documentation, are placed on public display no less than three days prior to meetings. Council also holds informal information gathering and these dates along with Council meeting dates and associated information are available on Council's website at www.murraybridge.sa.gov.au and at the Local Government Centre.



Council Committees and Subsidiaries

Schedule 1 of this statement lists the various committees of Council and identifies under which section of the *Local Government Act 1999*, *Development Act 1993* or *Planning, Development & Infrastructure Act 2016* they have been formed.

Committees streamline Council business and assist in the performance of its functions. The membership of Committees and their Terms of Reference are determined by the Council.

Committees meet at intervals determined in their Terms of Reference (available on Council's website and of the Local Government Centre) and make recommendations to Council. Meetings of S41 Committees are open to the public with the exception of any matters subject to an order of confidentiality [s.90, Local Government Act], and are publicly notified in the same way as Council meetings. (See 1.1 above)

Chapter 6 of the Local Government Act and the Local Government (Procedures at Meetings) Regulations prescribe the way meetings of a Council and its Committees are to be conducted.

External Committees/Boards/Associations

Council participates in a number of external Committees, Boards and Associations, comprising Elected Members, staff and the public and these are listed in Schedule 1.

Delegations

The Council's Chief Executive Officer, Fire Prevention Officers and Council's Assessment Panel have delegated authority from Council to make decisions on specified administrative and policy matters. The Chief Executive Officer has the ability to sub-delegate duties to an employee or a Committee. Council has endorsed a Delegations Application Policy to assist in the management of delegations and Council's Delegations Register reflects the delegated authority from the Council to the CEO (and subsequently any further sub-delegations).

The Delegations Register is reviewed annually by Council and is available to be viewed by the public on Council's website or at the Local Government Centre during ordinary working hours



2 - FUNCTIONS OF COUNCIL

The functions of Council, set out in s7 of the *Local Government Act 1999*, include:

- (a) to plan at the local and regional level for the development and future requirements of its area;
- (b) to provide services and facilities that benefit its area, its ratepayers and residents, and visitors to its area (including general public services or facilities (including electricity, gas and water services, and waste collection, control or disposal services or facilities), health, welfare or community services or facilities, and cultural or recreational services or facilities);
- (c) to provide for the welfare, well-being and interests of individuals and groups within its community;
- (d) to take measures to protect its area from natural and other hazards and to mitigate the effects of such hazards;
- (e) to manage, develop, protect, restore, enhance and conserve the environment in an ecologically sustainable manner, and to improve amenity;
- (f) to provide infrastructure for its community and for development within its area (including infrastructure that helps to protect any part of the local or broader community from any hazard or other event, or that assists in the management of any area);
- (g) to promote its area and to provide an attractive climate and locations for the development of business, commerce, industry and tourism;
- (h) to establish or support organisations or programs that benefit people in its area or local government generally;
- (i) to manage and, if appropriate, develop, public areas vested in, or occupied by, the council;
- (j) to manage, improve and develop resources available to the council;
- (k) to undertake other functions and activities conferred by or under an Act.

Section 41 of the *Local Government Act 1999* empowers a Council to establish committees

- To assist the Council in the performance of its functions
- To enquire into and report to the Council on matters within the ambit of the Council's responsibilities
- To provide advice to the Council
- To exercise, perform or discharge delegated powers, functions or duties

Council has endorsed a Section 41 Committees policy to assist in the management of S41 Committees of Council.

Council's Strategic Plan is developed based on Community Consultation and informs Council's Annual Business Plan and Budget.



Services for the Community

Council is required by legislation to:

- Determine policies to be applied by the Council
- Develop and adopt Strategic Management Plans
- Prepare and adopt annual business plans and budgets
- Establish an Audit Committee
- Develop appropriate policies, practices and processes of internal control
- Set performance objectives
- Establish policies and processes for dealing with complaints, requests for service, and internal review of Council decisions
- Determine the type, range and scope of projects to be undertaken by the Council
- Deliver planning and development, dog and cat management, fire prevention and certain public health services
- Provide the necessary administrative services to support Council's functions

Other services and activities are provided through the decision making processes of Council in response to local needs, interests and aspirations of individuals and groups within the community to ensure that Council resources are used equitably.

Other services provided by Council include:

- Road networks
- Open Space facilities
- Community Waste Water Management Schemes
- Lerwin Aged Care Facility
- The Station – youth centre
- Regional Art Gallery
- Outdoor swimming pool
- Historic Tourism sites
- Economic Development

3 – PUBLIC PARTICIPATION

Members of the public have a number of opportunities to express their views on particular issues before Council. Council's Access to Council and Committee meetings and associated documents Code of Practice identify these and include:

Deputations to Council – With the written permission of the Presiding Member of the Committee, a member of the public can address a Committee or the Council personally or on behalf of a group of residents for up to 10 minutes on any item that is relevant to that Committee or the Council, depending on the number of deputations scheduled for a particular meeting. If a decision is required from the deputation, Council seeks a report from administration to be presented at the next appropriate meeting.

Petitions – Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.

Council Members – Members of the public can contact Members of Council to discuss any issue relevant to Council. Contact details for all Members are available on Council's website.

Written Requests – Members of the public can write to Council on any Council policy, activity or service.

LET'S TALK - COMMUNITY CONSULTATION

The Rural City of Murray Bridge is committed to open, honest, accountable and responsible decision making. Council's Community Engagement Framework promoting "Let's Talk"



facilitates effective communication between Council and the community, encouraging community involvement and partnerships in planning and decision making. The framework identifies the steps Council will take in relation to Community engagement and ensures that the most cost effective methods of informing and involving the community, which are appropriate for specific circumstances and consultation topics, are used. Let's Talk is accessed via Council's website.

4 - DOCUMENTS HELD BY COUNCIL

Most information and documentation held by Council is available for public viewing and is readily available without recourse to the Freedom of Information Act and we invite you to discuss your information needs with us.

Records System: Council operates an electronic records and document management system for the effective management of Council's records.

Land and Property Information System: Council's Land and Property Information system contains property-related information (valuation, rates, ownership details) on each property in the Rural City of Murray Bridge area.

5 - ACCESS TO DOCUMENTS

Policy Documents Available for Inspection

At the time of publishing this statement the following documents can be accessed from Council's website and are available for public inspection at Office of Council during ordinary business hours. Any new policy adopted by Council after publication of this statement will be similarly available.

- Access to Council and Committee meetings & associated documents – Code of Practice)
- Alteration to Public Roads, Verges and Footpaths Policy
- Asset Accounting Policy
- Asset Management Policy
- Asset Sale and Disposal Policy
- Budget Report and Amendment Policy
- Building and Swimming Pool Policy
- Business Continuity Policy - Management of Disruption Risk
- Caretaker Policy
- Cemetery Policy
- Civic Recognition Policy
- Code of Conduct – Elected Members
- Code of Conduct – Elected Member Complaint Handling Policy
- Code of Conduct – Employee
- Code of Conduct – S41 Independent Members
- Communication Policy
- Community Engagement Framework
- Community Events Grants and Donations Policy
- Community Gardens Policy
- Complaint Management Framework
- Construction of unmade road reserves
- Contributions to Council



- Council Delegates – Appointment Process
- Council Election Policy
- Council S41 Committees
- Delegation Policy
- Development Act Delegations Policy
- Directional Sign Policy
- Disability Discrimination Policy
- Elected Member Induction Training and Development Policy
- Elected Member Use of Social Media Guideline
- Elected Members Allowances and Benefits Policy
- Election of Deputy Mayor
- Emergency Management Framework
- Fees and Charges Policy
- Financial Sustainability Policy
- Fleet Vehicle Procurement and Disposal
- Fraud & Corruption Prevention Policy
- Freedom of Information Policy
- Funding Policy
- General Ledger Policy
- Good Public Administration Framework
- Gravel Management Policy
- Healthy Eating Policy
- Hiring Council Facilities
- Informal Gatherings Policy
- Infrastructure and Bonding Policy
- Insurance – Use of Council Land Council Policy
- Internment on Private Land
- Internal Control Policy
- Internal review of Council decisions
- I-responda – Community Emergency response
- Kerbside Waste Recycling Green Organics Services Policy
- Leasing and Licensing Council Facilities Policy
- Lerwin Aged Care Facility Debt Recovery Policy
- Lerwin Aged Care Facility Refundable Accommodation Deposits Governance Policy
- Lerwin Liquidity Management Strategy
- Library Management
- Light Fleet corporate policy
- Limit on Dog Numbers
- Memorials Policy
- Mobile Food Vendor Location Rules Policy
- Order Making Policy
- Outdoor Dining Policy
- Policy framework
- Policy Delegations
- Privacy Policy
- Privately Funded DPAs
- Procurement Policy
- Property Identification Policy
- Prudential Management Policy
- Public Art Policy
- Rate Rebate Policy
- Rates – Senior Postponement Policy
- Rates Debt Recovery Policy
- Rates Financial Hardship Policy
- Rating Policy
- Records Management
- Regional Gallery Collection Policy
- Relationships with External Bodies



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

251

- Risk Management Framework
- Road Maintenance (Manure on Roads)
- Safe Environs Policy
- Sport and Recreation Management Guideline
- Staff Reward and Recognition Policy
- Structures on Community Riverfront Reserves Policy
- Sundry Debt Recovery Policy
- Treasury Management Policy
- Tree Management Policy
- Unlawful Development Enforcement Policy
- Unsightly Premises Policy
- Unsolicited Bid Policy
- Use of Council Facilities for Fitness Groups and Personal Trainers Policy
- Volunteer Code of Conduct
- Volunteer Policy
- Water & Sewerage Retail Services Riverglen & Woodlane Hardship Policy
- Water Sewerage Retail Services Riverglen and Woodlane Customer Charter
- Water Sewerage Retail Services Riverglen and Woodlane Enquiry Complaints Dispute Resolution Procedure
- Whistleblowers Protection Policy



Other Council Documents

Other documents which can be accessed on Council's website include:

- Animal Management Plans
- Annual Business Plans
- Annual Reports
- Application Forms
- Asset Management Plans
- Audited Financial Statements
- Benefits and Allowances
- Biodiversity Strategy
- Climate Change Adaptation Plan
- Committee Terms of References
- Community Plan
- Community Safety Plan
- Community Satisfaction Survey
- Community Land Management Plans
- Council and Committee agendas and minutes
- Council Bylaws
- Delegations
- Development Plan
- Digital Strategy
- Economic Development Strategy
- Environmental Management Plans
- Footpath Strategy
- Freedom Information Statements
- Gift Registers
- Interest Registers
- Kungun Ngarrindjeri Yunnan Agreement
- Long Term Financial Plan
- Murraylands River Trail Feasibility Study
- Ngarrindjeri Murundi Management Plan
- Playspace Strategy
- Prudential Statements
- Public Health Plan
- Public Toilet Strategy
- Riverfront Management and Urban Growth Study
- Roadside Vegetation Management Plan
- Sport, Recreation and Open Space Strategy
- Strategic Management Plan
- Structure Plan
- Sturt Reserve Master Plan
- Swanport Road Master Plan
- Tourism Development Plan
- Town Centre Traffic Plan
- Trail Strategy
- Wayfinding and Network Strategy

The following documents are available for public inspection and purchase from Council's Principal Office, Local Government Centre, 2 Seventh Street, Murray Bridge.



- Assessment Book
- Register of Dogs
- Register of Employees' Salaries and Wages and Benefits
- Voters Roll
- Register of Interests
- Development Application Register
- Parking Control Register
- Register of Public Roads and Streets

8 - OTHER INFORMATION REQUESTS

Requests for other information not publicly available will be considered in accordance with the *Freedom of Information Act 1991*. Under this legislation, applicants seeking access to documents held by Council need to provide sufficient information to enable the correct documents to be identified and must complete the required application form and lodge it at the Council offices.

Applications must be in writing and must specify that it is made under Section 13 of the *Freedom of Information Act 1991*. Council has also resolved that the name of the person lodging a Freedom of Information will be made available when undertaking third party consultation unless there is a legal impediment not to do so.

If the documents relate to the applicant's personal affairs, proof of identity may be requested. Requests will be dealt with as soon as practicable (and in any case, within 30 days) after receipt. If documents are being sought on behalf of another person relating to their personal affairs, Council may ask for a consent form signed by that person.

Forms of access may include inspection or copies (subject to copyright laws) of documents, hearing and/or viewing of audio and/or video tapes, transcripts of recorded documents, transcripts of words recorded in shorthand or encoded form, or the reproduction of documents from digitised information.

Council, on receiving a Freedom of Information application, may assist the applicant to direct the application to another agency or transfer the application to another agency if appropriate.

If Council refuses access to a document, Council must issue a certificate stating why the document is a restricted document.

In rare cases, retrieving the requested information involves considerable staff time. It is important to specify what is required as clearly as possible so staff can assist quickly and efficiently. If extraordinary staff time is required to comply with an information request, charges may apply.

All general enquiries on *Freedom of Information Act 1991* issues should be directed to Accredited Freedom of Information Officer.

8 - AMENDMENT TO COUNCIL RECORDS

Under the *Freedom of Information Act 1991*, persons may request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a person must complete and lodge with Council an application form as indicated above outlining the records that he/she wishes to inspect.

If it is found that these require amendment, details of the necessary changes are to be lodged with Council's Freedom of Information Officer. There are no fees or charges for the lodgment, or the first two hours of processing of this type of



application and where there is a significant correction of personal records and the mistakes were not the applicant's, any fees and charges paid for the original application will be fully refunded.

7 - FREEDOM OF INFORMATION APPLICATION SUMMARY

A summary of Freedom of Information applications received as identified in Council's Annual Report.

	12-13	13-14	14-15	15-16	16-17	17-18	18-19
Applications Processed	7	6	4	1	8	10	8
Applications Determined	7	5	5	1	8	8	8
Full Release	5	4	4	1	3	3	6
Partial Release	2	1	1	0	4	2	1
Refused Access	0	0	0	0	1	3	1
Proceeded to Internal Review	1	1	0	0	4	2	0
Proceeded to External Review	0	0	0	0	1	1	0
Amendment to Personal Records	0	1	0	0	0	0	0

Approved application fees are set in the FOI (Fees and Charges) Regulations 2003. A cheque/money order/cash for the appropriate amount must be forwarded to Council with the Freedom of Information Application. Processing charges may also apply for dealing with the application. These are set in the Freedom of Information Regulations and may include some free time when the request relates to the personal affairs of the applicant.

8 - FREEDOM OF INFORMATION APPLICATION FEES AND PROCESSING CHARGES

Schedule	Fees and Charges as at 1 July 2018
On application for access to an agency's documents (section 13(c))	\$35.00
For dealing with an application for access to an agency's documents and in respect of the giving of access to the document (section 19(1)(b) and (c))—	
(a) In the case of a document that contains information concerning the personal affairs of the applicant—	No charge
(1) For up to the first 2 hours spent by the agency in dealing with the application and giving access	
(2) For each subsequent 15 minutes spent by the agency	\$13.10
(b) In any other case -for each 15 minutes spent by the agency	\$13.10
In addition to the fees specified in subclause (1) the following fees are payable in respect of the giving of access to an agency's document	
(a) Where access is to be given in the form of a photocopy of the document (per page)	\$0.20
(b) Where access is to be given in the form of a written transcript of words recorded or contained in the document (per page)	\$7.85
	Actual cost



Schedule	Fees and Charges as at 1 July 2018
(c) Where access is to be given in the form of a copy of a photograph, x-ray, DVD or other medium in or on which information is recorded or stored	
In addition to the fees specified in subclause (1) the following fees are payable in respect of the giving of access to an agency's document	
(d) Where access is to be given in the form of a photocopy of the document (per page)	\$0.20
(e) Where access is to be given in the form of a written transcript of words recorded or contained in the document (per page)	\$7.65
(f) Where access is to be given in the form of a copy of a photograph, x-ray, DVD or other medium in or on which information is recorded or stored	Actual cost
If the applicant requires that a document be posted or delivered, the applicant must pay the actual costs incurred by the agency in posting or delivering the document.	
On application for review by an agency of a determination made by the agency under Part 3 of the Act (section 29(2)(b))	\$35.00
Where access is to be given in the form of a photocopy of the document (per page)	\$0.20
Where access is to be given in the form of a written transcript of words recorded or contained in the document (per page)	\$7.70
Where access is to be given in the form of a copy of a photograph, x-ray, video tape, computer tape or computer disk the actual cost incurred by the agency in producing the copy	The actual cost incurred by the agency in producing the copy
Postage or delivery charges	The actual cost incurred by the agency
An application for review by an agency of a determination made by the agency under Part 3 of the Act	\$33.50

Fees will be waived for disadvantaged persons, as set in the Freedom of Information Regulations, i.e. No fee is required for current concession holders or if payment of the fee would cause financial hardship. At all times Council retains a discretion to waive, reduce or remit a fee for any reason it thinks fit.

If, in the Council's opinion, the cost of dealing with an application is likely to exceed the application fee, an advance deposit may be requested. The request will be accompanied by a notice that sets out the basis on which the amount of the deposit has been calculated. The Freedom of Information Officer will endeavour to work with the applicant to define the scope of the request and the costs involved.

Freedom of Information requests to the Rural City of Murray Bridge are to be addressed to:

Accredited Freedom of Information Officer
PO Box 421
MURRAY BRIDGE SA 5253

To download an Application Form, please visit

<http://www.archives.sa.gov.au/content/foi-in-sa>


SCHEDULE 1 – COMMITTEES OF COUNCIL
SCHEDULE 1 – RURAL CITY OF MURRAY BRIDGE – COMMITTEE STRUCTURE

SCHEDULE 1 - RURAL CITY OF MURRAY BRIDGE – COMMITTEE STRUCTURE				
Name of Committee	Applicable Legislation	Decision Making Authority	Membership	Function
Audit Committee	Local Government Act, 1999 - S126 Established under S41	Advisory Only	<ul style="list-style-type: none"> • Independent Chairperson x 1 (payment provided for meeting attendance) • Independent Members x 2 • Council Members x 2 	<ul style="list-style-type: none"> • Plays a critical role in the financial reporting framework of Council by overseeing and monitoring the participation of Management and external auditors in the financial reporting process. • Addresses issues such as the approach being adopted by Council and management to address business risks, corporate and financial governance responsibilities and legal • Compliance as well as receiving reports from Council's internal controls.
Community Advisory Committee	Established under Local Government Act, 1999, S41	Advisory Only	<ul style="list-style-type: none"> • Independent Chairperson selected from Community members • Community Members x 6 • Council Members x 2 	<ul style="list-style-type: none"> • Provides input for consideration by Council on allocating grant funding for community grants and donations; providing comment into the range of Council's Community Engagement opportunities and providing comment into a range of Community and Culture Services, as requested by Council. • Sub-Committees established under this Committee. <ul style="list-style-type: none"> • Community Action Group • Community Grants working party • Sport and Recreation Advisory Group • Youth Action Committee • Youth Council



SCHEDULE 1 - RURAL CITY OF MURRAY BRIDGE - COMMITTEE STRUCTURE				
Name of Committee	Applicable Legislation	Decision Making Authority	Membership	Function
Strategic Planning and Development Policy Committee	Development Act 1993 - S101A Established under Local Government Act 1999, S41	Advisory only Review to be undertaken in accordance with legislative changes	<ul style="list-style-type: none"> • Presiding Member x 1 <i>(payment provided for meeting attendance)</i> • Independent Members x 2 • Council Members x 3 	<ul style="list-style-type: none"> • The Committee provides a forum for discussion in relation to Council's strategic and planning policy issues. • Reviewing and considering specific changes to Council's Development Plan, ie a Development Plan Amendment; • Receiving and considering reports from Council's Development Assessment Panel on relevant development assessment matters, ie policy changes or issues; and • Receiving and considering changes to legislation and strategic documents, including but not limited to, the Development Act, Development Regulations, the Planning Strategy and Ministerial Development Plan Amendments.
Council Assessment Panel	Planning, Development & Infrastructure Act 2016	Delegated Authority	<ul style="list-style-type: none"> • Presiding Member x 1 <i>(payment provided for meeting attendance)</i> • Independent Members x 3 <i>(payment provided for meeting attendance)</i> • Council Members x 1 	<ul style="list-style-type: none"> • Relevant Authority under the PDI Act, during transition to the Act will act as a delegate of the Council for the purpose of the Development Act 1993.
Building Fire Safety Committee	Development Act, 1993 - S71	Delegated Authority	<ul style="list-style-type: none"> • Presiding Member x 1 • Metropolitan Fire Service representatives • Country Fire Service representatives • Council appointed authorised officers, 	<ul style="list-style-type: none"> • Responsible for the checking of fire safety provisions in new and existing buildings. • Of particular interest to the Committee are those types of buildings that may constitute a high fire safety risk, such as large commercial/industrial buildings, motels and hotels



Council Subsidiaries

SCHEDULE 2 - RURAL CITY OF MURRAY BRIDGE – REGIONAL SUBSIDIARY STRUCTURE <small>(Established under Section 43, Local Government Act 1999)</small>		
Name of Regional Subsidiary	Membership	Purpose
Murrayland Riverland Government Association	<ul style="list-style-type: none"> • Berri Barmara Council • Coorong District Council • District Council Kangaroo Island East Murray; • District Council of Loxton Waikerie; • District Council of Mid Murray • District Council of Renmark Paringa; • Rural City of Murray Bridge • Southern Mallee Council 	<ul style="list-style-type: none"> • Undertake coordinating, advocacy and representational roles for its constituent Councils at a regional level. • Facilitate and co-ordinate activities of local government at a regional level related to environment, economic and social development with the object of achieving continuing improvement for the benefit of the communities of its constituent Councils. • Develop, encourage, promote, foster and maintain consultation and cooperation and to strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community. • Develop further cooperation between its constituent Councils for the benefit of the communities in the region. • Develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities in the region. • Undertake projects that benefit the region and its communities
Adelaide Hills Regional Waste Management Authority	<ul style="list-style-type: none"> • Adelaide Hills Council, • Alexandrina Council, • District Council of Mount Barker • Rural City of Murray Bridge. 	<ul style="list-style-type: none"> • Independently-resourced Authority coordinating waste management on behalf of its Member Councils

External Committees and Boards

- Australian Womens Local Government Association
- Local Government Association
- Local Government Finance Authority
- Murray Bridge Business Alliance
- Murray Darling Association, Region 6
- Murray Mallee Bushfire Management Committee
- Murray Mallee Zone Emergency Management Committee
- Murray River Lakes and Coorong Tourism Alliance
- RDAMR Business Alliance



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

259

Visitor Information Centre
3 South Terrace
Murray Bridge
08 8539 1142

Works Depot
21 Hindmarsh Road
Murray Bridge
08 8539 1160

Public Library
Level 2
Murray Bridge Market
Place Murray Bridge
08 8539 1175

Regional Gallery
27 Sixth Street
Murray Bridge
08 8539 1420

The Station
3-5 Railway Terrace
Murray Bridge
08 8539 2122

Town Hall
13-17 Bridge Street
Murray Bridge
08 8539 1430

Lewin Nursing Home
67 Joyce Street
Murray Bridge
08 8539 1185

Swimming Centre
40-58 Adelaide Road
Murray Bridge
08 8532 2924

THE RURAL CITY OF MURRAY BRIDGE

2 Seventh Street
MURRAY BRIDGE SA 5253
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08 8539 1100
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**S17.5 ASSET MANAGEMENT PLAN - CIVIL AND TRANSPORT INFRASTRUCTURE**

Author Matt James

Legislative (x)**Corporate ()****Other ()****Purpose**

To present to the Audit Committee the 2019-2024 Transport Infrastructure Asset Management Plan for consideration and endorsement by Council, for the purpose of public consultation.

Background

Civil and Transport Infrastructure makes up a significant proportion of Council Asset Inventory. This infrastructure includes all unsealed road pavements, sealed pavements, kerbing and footpaths.

The 2019-2024 Civil and Transport Infrastructure Asset Management Plan provides the framework to deliver optimum operation performance of the Council's assets at the lowest lifecycle cost and to agreed levels of service.

Council adopted the 2014-2017 Civil and Transport Infrastructure Assessment Plan on 28th July 2014. At the time of adoption the plan was considered a fit for purpose plan that enabled Council to adequately forecast the investment required to managed and renews its Civil and Transport Asset inventory into the future.

The 2014-2017 plan was based purely on linear depreciation, considering only the theoretical useful life and replacement value of Councils assets. The plan however did not adequately address the physical condition of assets, the level of service the community desires, nor did it adequately address a management hierarchy where by high level, high use assets attract a greater priority.

As the life of Council 2014-2017 Plan expired it was clear that the maturity level of Council Assets Management required attention. During 2017, Council administration sought to undertake a detailed and independent assessment of all Civil and Transport Infrastructure in order to gain a better understanding of condition and life cycle performance. In parallel, a detailed investigation of asset valuations was undertaken. This audit was based on benchmarking valuations against industry standards, first principal estimates and the actual costs of Council doing business.

During 2017-18, Council focused on developing more mature Asset Management Principles in order to model, forecast and document the physical and financial performance of Council's Civil and Transport Infrastructure while addressing the communities desired level of service.

This work has now enabled Council to develop its 2019-2024 Civil and Transport Infrastructure Asset Management Plan which will provide the guiding principles to enable Council to manage its network to an agreed level of service while optimising life cycle costs in order to normalise its infrastructure spend over consecutive budgets.

Proposal

That the Audit Committee endorse "in principle" the Rural City of Murray Bridge – Civil and Transport Infrastructure Asset Management Plan 2019-2024 as contained in **Attachment 1** for endorsement by Council for the purpose of public consultation.

**Legislative Requirements**

The following legislative requirements are relevant to this Report:
Local Government Act, 1999

Council Policy

The following policies are relevant to this report:

- Asset Accounting Policy
- Asset Management Policy

Financial Implications

There are no negative financial implications involved in developing Asset Management Plans. It is the responsibility of Council to use the plan to determine the most cost effective way assets are consumed by the public and then manage the renewal, reconditioning, replacement or disposal of these assets in a way that does not impart a significant financial burden on the community.

Risk

Risks associated with the development of Asset Management Plans surround the fact that they inherently take a snap shot of Council asset inventory and attempt to predict the future performance of assets based on a series of assumptions derived from sound engineering principals, industry benchmarking and past performance. As such, there is a risk that if Asset Management Plans are not continuously review and adjusted there could be a disconnect between the predicted state of Councils assets and the actual state resulting in a financial burden being in placed on the community

WHS

Nil

Asset Management

Council's Infrastructure Asset Management Plans primary purpose is to improve Council's management practices and help build financial sustainability.

Implementation Strategy

Implement the principles of the Civil and Transport Infrastructure Asset Management as part of developing the 2020/21 Annual Business Plan and Budget

Communication Strategy

Following the Council's endorsement of the draft Civil and Transport Infrastructure Asset Management a community consultation process will be undertaken seeking comments. Community consultation will be undertaken for a period of twenty one days, as required by Council's Consultation Policy.

Strategic Plan

Goal 5 - Our Commitment
5.2 – Sustainable



Recommendation

1. That item number S17.5 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Rural City of Murray Bridge Audit Committee recommend the 2019-2024 Civil and Transport Infrastructure Asset Management Plan to Council for endorsement for public consultation.

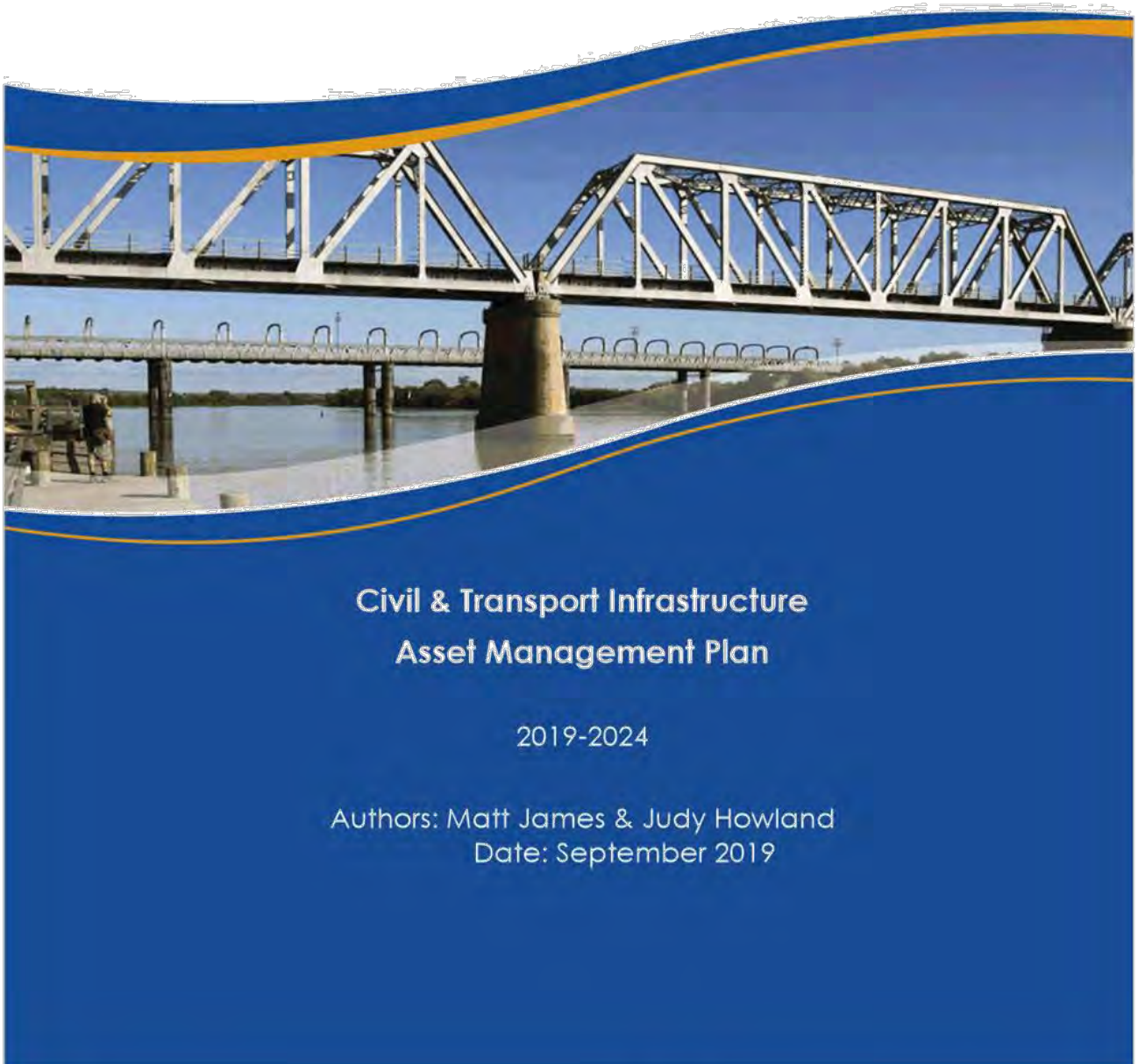
Attachments

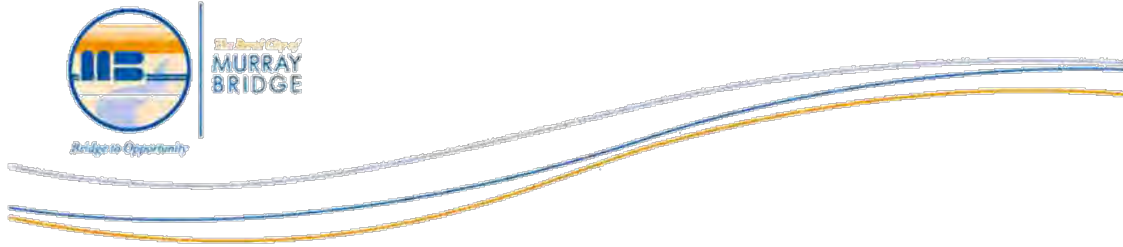
1.	Civil and Transport Asset Management Plan	Attachment
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Peter Canaway moved

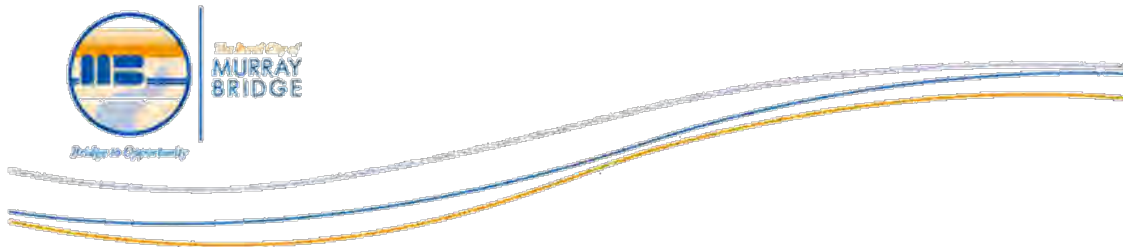
1. That item number S17.5 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Rural City of Murray Bridge Audit Committee recommend the 2019-2024 Civil and Transport Infrastructure Asset Management Plan to Council for endorsement for public consultation.

Seconded by Luke Williams and CARRIED





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CONTENTS

1. INTRODUCTION	1
1.1 Background Data	1
1.1.1. Asset Details.....	1
1.1.2. Asset Capacity and Performance.....	2
1.1.3. Asset Condition.....	3
1.2. Routine Operations and Maintenance Plan.....	8
1.3. Renewal & Replacement Plan.....	8
1.4. Creation, Acquisition and Upgrade Plan.....	9
1.5. Disposal Plan and Impairment.....	10
2. FINANCIAL SUMMARY	11
2.1. Financial Statements and Projections.....	14
2.1.1. Asset Valuations.....	14
2.2. Funding Models.....	14
2.2.1 Sealed Road Network.....	15
2.2.2 Un-Sealed Road Network.....	17
2.2.3 Kerbs & Footpaths.....	19
2.3. Projected 10-Year Funding Requirements.....	21
3. REFERENCES	23



Rural City of
MURRAY
BRIDGE

1. INTRODUCTION

The Rural City of Murray Bridge manages a considerable network of Infrastructure. The Civil and Transport Infrastructure Asset Management Plan specifically relates to the management of Council assets located within public road reserves, which are provided to enable safe and efficient movement through the region.

Responsibly funding for the renewal of Council assets over the long term is a key factor in sustainable and equitable asset management.

The focus of this plan is to model, forecast and document the physical and financial performance of Council's Civil and Transport assets and provide a robust management framework that feeds into Council's Long Term Financial Plan.

It is the intent of Council to manage its Civil and Transport Infrastructure network at an agreed level of service while optimising life cycle costs in order to normalise its infrastructure spend over consecutive budgets.

1.1 Background Data

1.1.1 Asset Details

The Rural City of Murray Bridge is responsible for the management of a large array of Asset and Infrastructure across a Region that covers 1,832 square kilometers. Assets covered by the Civil and Transport Infrastructure Asset Management Plan and the physical properties of each are detailed in Table 1.



Rural City of
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Rural City of
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BRIDGE

Asset Category	Description	Quantity
Sealed Roads	Urban and rural roads with a bitumen surface typically spray seal, asphalt or recycled bitumen.	473,623.3 m (473.6 km)
Unsealed Roads	Roads formed and surfaced with imported granular material. Unsealed roads are mostly rural roads with a limited quantity of urban roads.	522,385.8 m (522.4 km)
Kerbs	Typically constructed from concrete on the edge of sealed roads to formalise the traffic corridor.	265,225.7 m (265.2 km)
Footpaths	Constructed footpaths are typically concrete or brick paved. There is also an extensive network of scalp footpaths. Landscaped and untreated footpaths are excluded from this plan. Scalp and earth footpaths are considered a capital asset however attract no renewal activities. All works are considered maintenance	Constructed: 48,588.8 m (48.6 km) Scalp: 163,564.4 m (163.6 km)
Car Parks	On street parking, off street parking, parking infrastructure.	33 Each
Bridges and Causeways	Six vehicular bridges in the Local Government Area. Three of Councils Vehicle bridges are shared with the District Council of Mt Baker. 19 Pedestrian Bridges 21 Causeways/Culvert Crossings (floodways)	6 Bridges (3 at 50%) 19 Each 21 Each
Signs and Street Furniture	Inventory covered by this category includes all Road signs such as Regulatory, Hazard and Warning signs, park information, tourist and street name signs, traffic islands, guard rails, white guide posts	Signs: 4831 Each Street Furniture: 860 Each

Table 1: Assets Covered by this Asset Management Plan

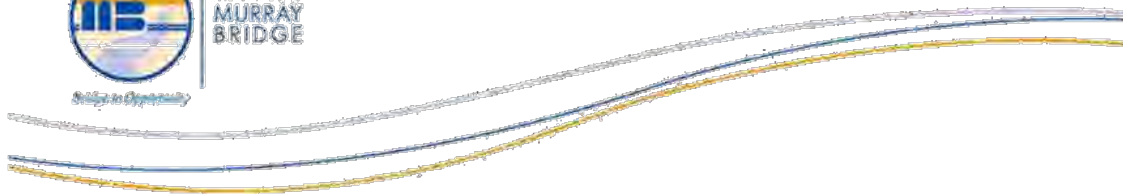
The scope of this plan is to provide a management framework for public assets under the care and control of the Rural City of Murray Bridge. Private roads, state government roads and other roads not constructed by or for Council are excluded from this Plan.

1.1.2. Asset Capacity and Performance

The Rural City of Murray Bridge aims to provide and manage its assets and infrastructure to meet design standards, guidelines and best practice principals, where applicable, and align to the expectations of the community. The community measurement of the level of service is, in general, provided in terms of Safety, Quality, Quantity and whether an asset is fit for Purpose.

Service deficiencies, defects and hazards are identified through customer requests and regular asset inspections undertaken by Council employees.

Civil and Transport Infrastructure is measured using a Road Management Hierarchy that details, at a high level, what could be expected for each different type of road. Attributes



used to measure Capacity and Performance includes: user profile (freight, commuter, tourism), strategic linkages, surface type, pavement width and potential future demand.

Details of Council's road management hierarchy are detailed in Table 2 which forms the framework for the management of Council's Civil and Transport Infrastructure.

Maintenance (LOS) Class	Road Hierarchy	Road Hierarchy Description	Km
B	Rural Link	Provides direct linkage between significant population centres or regions. Typically carry high percentages of heavy vehicles. Generally a sealed surface but may have unsealed sections.	104.9
C	Rural Collector	Predominately local users and provides linkage to State or Rural Link roads. Provides access to Rural Minor or Rural Access roads. Generally unsealed but may be sealed.	191.2
D	Rural Minor	Provides access to Rural Link & Rural Collector roads as well as access to adjoining properties. Little through traffic. Generally unsealed.	358.0
E	Rural Access	Provides access to properties only. Usually less than 5 properties and/or a no through road. Generally unsealed but may be formed gravel or natural surface.	147.8
A	Urban Business	CBD. Heavy traffic concentrations and some freight/delivery vehicles. Includes ancillary services to State roads. Typically sealed kerb to kerb, may be Hotmix.	5.0
A	Urban Link	State roads providing for through traffic. Not under Council care.	11.2
B	Urban Collector	Provides links to State roads and between suburbs or residential/business nodes. Heavy vehicle use. Sealed road.	29.0
C	Urban Minor	Primarily provides access to residential or commercial premises. Has some through traffic. Generally sealed but may be unsealed.	113.3
D	Urban Access	Local access only, no through traffic. Typically Cul-de-sac, Court etc. Generally sealed but may be unsealed.	32.4

Table 2: Council's Road Management Hierarchy

1.1.3. Asset Condition

The condition of Council's assets is continually monitored by staff through Asset Defect and Asset Hazard inspections. In addition detailed Network Condition Assessments are conducted on each asset group on a rolling 3-5 year cycle. Each individual asset is given an overall condition score from 0 to 6. Zero (0) being brand new assets, 1 near new, through to 4, which is an asset that has become unserviceable and reached the end of its useful life.

Council's Overall Condition Rating (OCR) can be described as follows:



**MURRAY
BRIDGE**

Bridge to Opportunity

- OCI-0 – Brand new
- OCI-1 – New or near new
- OCI-2 – Good condition
- OCI-3 – Fair condition
- OCI-4 – Poor condition
- OCI-5 – Very poor condition
- OCI-6 – Unserviceable

The condition of Council's asset categories covered by this Asset Management Plan are shown in the following pie charts.

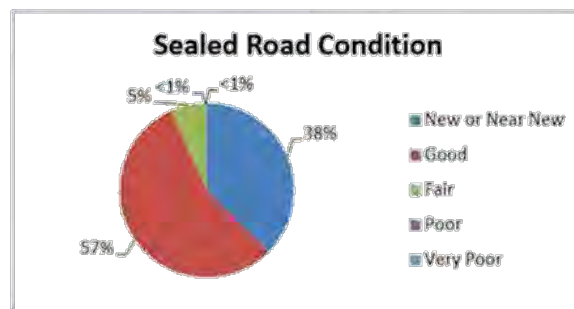


Figure 1: Condition of Council's Sealed Road Network - 2019

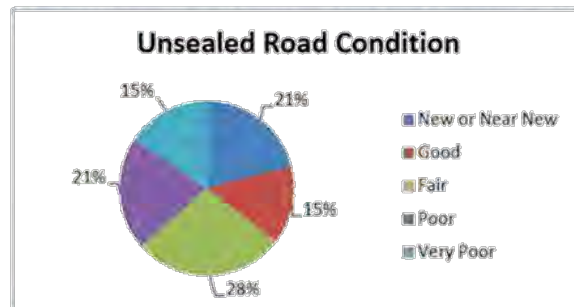


Figure 2: Condition of Council's Unsealed Road Network - 2019

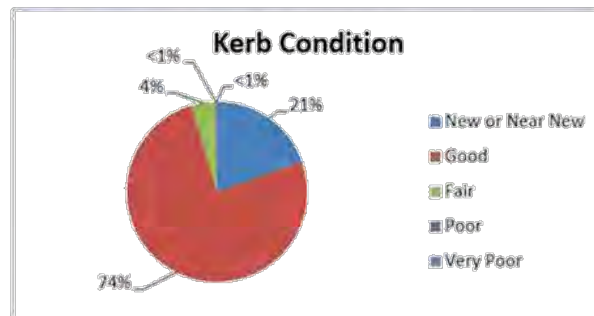


Figure 3: Condition of Council's Kerb Network – 2019

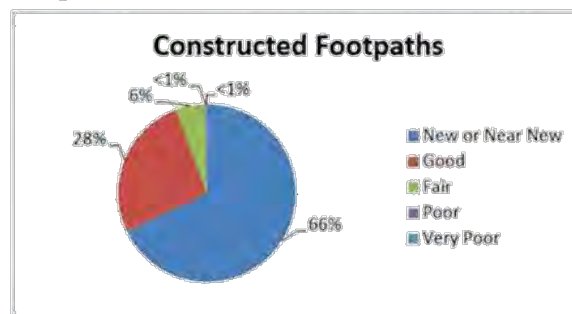


Figure 4: Condition of Council's Constructed Footpath Network – 2019

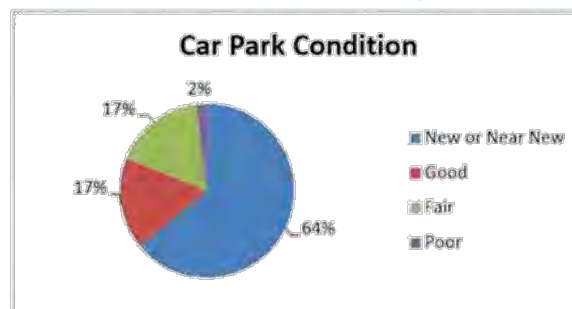
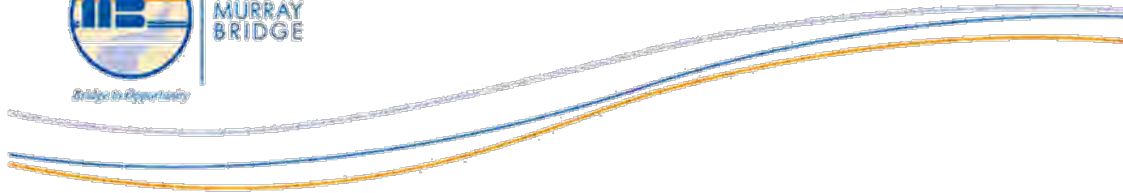


Figure 5: Condition of Council's Car Parks - 2019



Road Bridge/Culverts Condition

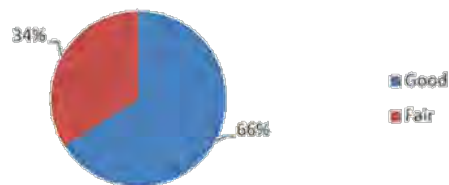


Figure 6: Condition of Council's Road Bridges - 2019

Pedestrian Bridge Condition

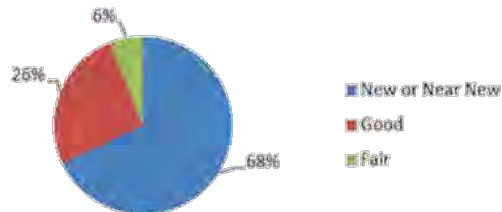


Figure 7: Condition of Council's Pedestrian Bridges - 2019

Causeways Condition

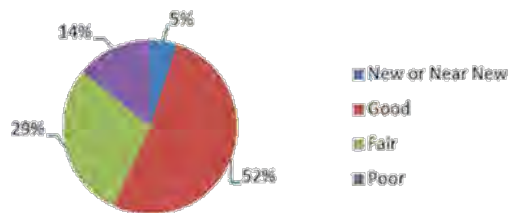


Figure 8: Condition of Council's Causeways - 2019



MURRAY
BRIDGE

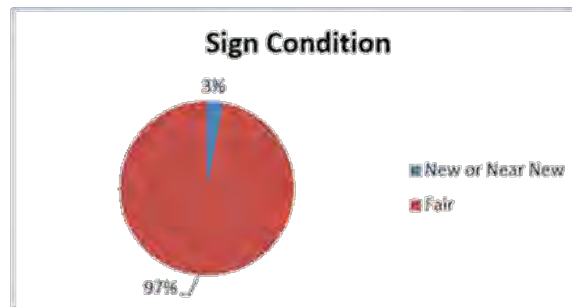


Figure 9: Condition of Council's Signs – 2019



Figure 10: Condition of Council's Street Furniture – 2019

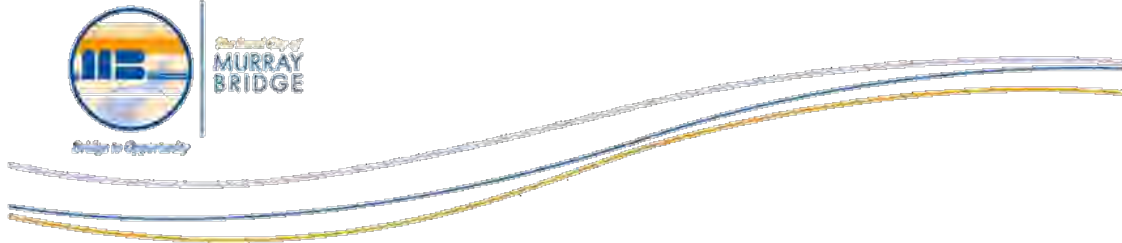
The condition of Council's Civil and Transport Infrastructure assets is considered very good with over 65% of assets in New, Near New or Good condition. However some assets currently require renewal with over 10% in Poor or Very Poor condition.

The 10% of Council's Civil and Transport Infrastructure assets with a Condition Index in the Very Poor range will be considered as high priority for intervention in future capital works programs.

As the physical condition of Council's assets varies between Condition Audits, so does the level of confidence in the OCI values for each individual asset. Road surface and pavements, in particular, can deteriorate very inconsistently depending on level of use and environmental factors. The longer the elapsed time between Condition Audits the greater the variance in how condition may have changed. This is why regular defect and hazard inspections, carried out by Council Staff, are critical in the management of Civil and Transport Infrastructure.

Confidence levels in the Council's condition data are:

- **Roads**- very high (network condition assessment plus ongoing 2-monthly hazard/defect inspections)



- **Kerb** – very high (network condition assessment plus ongoing 2-monthly hazard/defect inspections)
- **Footpath** – high (network condition assessment, plus continuous customer and staff feedback due to the nature and frequency of use)
- **Car parks** – medium (network assessments were completed in 2008 and 2013)
- **Bridges** – medium (network assessments were completed in 2008 and 2013)
- **Street Furniture** – low as data is only available for new assets.

1.2. Routine Operations and Maintenance Plan

Routine operations and maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular day-to-day work necessary to keep assets operating as intended.

Operations and Maintenance Expenditure is forecast to trend in line with the value of the asset stock and assumes a CPI increase of 2% per annum.

A detailed Operational Management Plan has been prepared by Council administration and is appended to this plan. The Operational Management Plan will assist Council in managing the maintenance of Civil and Transport Infrastructure at the desired level of service and to meet asset renewal targets.

1.3. Renewal & Replacement Plan

Renewal expenditure is defined as Capital works that does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Sound asset management dictates that assets are renewed or replaced before they deteriorate to the point where associated assets may be affected or become unserviceable.

All assets are assigned an estimated useful life when they are acquired. This is the length of time Council can justifiably expect an asset to fulfil its intended purpose and provides the level of service that meets agreed levels. Useful lives assigned to assets should be monitored and adjusted as required to ensure the modelling of theoretical asset performance matches as close to practical the physical asset performance. It is Council's responsibility to monitor useful life and program asset renewal to ensure life cycle management is delivered efficiently.

Unit rates are used to calculate an asset replacement value. Like useful life, unit rates must also be reviewed and adjusted where appropriate to ensure Council is not over or under valuing its asset inventory. Adjustments to unit rates must be justified by data Council collects during the undertaking of normal business. This may include actual unit rates (at cost), benchmarking against similar organisations or industry standards.

A combination of useful life and replacement value is used to calculate the depreciation (consumption) rate of asset categories. Depreciation can be modelled in many ways however the simplest model provides for straight line depreciation where the rate in which an asset degrades is equally spaced over its intended life.



In general, most assets do not perform in a straight line fashion. The Rural City of Murray Bridge uses **Asselic MyPredictor** to apply far more mature degradation models to achieve more realistic forecasts for asset performance.

Future Renewal and Replacement Expenditure is forecast to trend parallel to the rate in which the community are consuming the assets and infrastructure provided by Council. For the purpose of this plan all figures are based on 2019 data and no allowance has been made to apply CPI/inflation.

1.4. Creation, Acquisition and Upgrade Plan

The construction of new sealed roads, kerbs and footpaths occurs as a response to the development of new land, changes to land use and community demand.

For example, the expansion and upgrading of existing sealed roads occurs as a response to changes in traffic levels and vehicle loads. Major development can play a significant role in the need for the creation or upgrade of infrastructure and it is vitally important that adequate consideration is given to the asset management implications these works can generate.

Upgrading and sealing unsealed roads and car parks have positive benefits for the community through improved durability, ride quality and reduction in annual maintenance expenses. Council's secondary freight routes have been proposed for potential unsealed road upgrades however these remain unfunded and will require external funding to achieve completion.

Secondary freight routes are those roads that are deemed to have intra-regional significance and support the movements of freight from within the region to external markets. Secondary freight routes specifically support economic development by improving freight efficiency for agricultural produce, tourism and commuter use for rural communities.

A Council Policy and Management Guideline for the upgrade of unsealed roads will need to be developed and will provide the framework for Council administration to assess and prioritise the upgrade of unsealed roads in a clear and transparent manner.

In accordance with Council's adopted Footpath Expansion Strategy (Item 155.1, Monday 11 September 2017) Council continues to expand the sealed footpath network with the aim of having a constructed all weather (concrete/asphalt/paved) footpath on one side of every urban road. The creation of new pedestrian linkages provides a positive social benefit to the community through health and fitness as well as improved pedestrian safety.

The creation, acquisition or upgrade of Council infrastructure is considered an Expansion or Enhancement project and needs to be funded in isolation from all other renewal works. The funding of these projects should be achieved through prudent financial management and the generation of operational surplus, the use of third party funding which may come from an external funding body or private developer, or by leveraging Council's financial position and taking out borrowings.

Expansion/Enhancement projects should not be funded at the expense of renewal works unless a robust and detailed justification is provided and a financial plan developed to rectify the renewal backlog caused as a result of under funding.



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1.5 Disposal Plan and Impairment

The modelling of Council's Civil and Transport Infrastructure as it moves through its life cycle assumes that an asset will be disposed of at the point in time when it reaches the end of its useful life, or at a particular intervention point based on agreed levels of service.

At the point when an asset is disposed of, it is critical for Council to understand the carrying value (written down value) of the asset and calculate the potential loss (or gain) on disposal.

Council must be careful to understand and qualify any variances between the physical condition of an asset and the theoretical condition which is represented by the written down value at a point in time.

As an example;

A segment of road which was designed and constructed to have a useful life of 20 years, and required \$100,000 of capital investments to construct. 15 Years into the segment's life Council inspections deem the road is in very poor condition, and failing to a point that requires intervention. The segment has reached the end of its physical life.

Council's accounts would have a written down value of \$25,000 as the segment is only 75% through its useful life however in practice the road has fully depreciated and has physical value of \$0.00.

The result is that Council has to write off the asset and report a loss on sale of \$25,000 as an operational expense impacting on Council's annual profit and loss.

It is Council's responsibility to ensure its assets are represented by Fair Value and ensure it does not carry assets at more than their recoverable amount. Where this occurs, the asset is described as impaired and Council is required to recognise an impairment loss.

At the end of each reporting period Council should be prudent in assessing the condition of its Civil and Transport Infrastructure and identify any indicators of impairment and make adjustment accordingly within the provision of the Australian Accounting Standards.

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2. FINANCIAL SUMMARY

Council's financial settings required to deliver positive and sustainable outcomes for Civil and Transport Infrastructure is based on the analysis of data presented in previous sections of this Supplementary Asset Management Plan and testing the sensitivity of various attributes in order to model and forecast the most efficient management strategy.

As Council's data collection methods improve and historical modelling is analysed against true asset performance, Council's financial projections will also improve and the level of Asset Management Maturity will develop.

Council's Civil and Transport Infrastructure Asset Management Plan is fundamentally based on the estimated cost of capital renewal (construction cost) and the length of time an asset is expected to remain serviceable (useful life).

Unit rates for all Civil and Transport Infrastructure assets are determined through actual cost, industry standards and benchmarking or first principal estimations and applied to measured quantities to determine the asset valuation or replacement cost.

An asset's useful life is determined through known intervention periods, design life calculations and industry standards and together with replacement cost is used to determine the annual depreciation of an asset.

The following table provides details of the unit rates and useful lives applied to Council's Civil and Transport Infrastructure assets used to model and forecast the expected annual renewal investment Council is required to make and ensure a consistent level of service is provided to the community.



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

277



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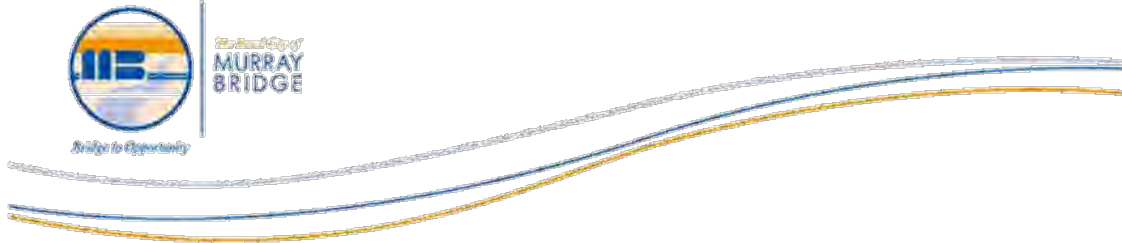
Asset Type	Useful Life (years)
Roads	
<u>Sealed Road – AC Surface</u>	
Rural Light: Minor and Access	
Sub Base	160
Base	100
Surface	30
Rural Heavy: Link and Collector	
Sub Base	160
Base	80
Surface	30
Urban Light: Minor and Access	
Sub Base	160
Base	100
Surface	30
Urban Heavy: Business, Link and Collector	
Sub Base	160
Base	60
Surface	30
<u>Sealed Road – Spray Seal Surface</u>	
Rural Light: Minor and Access	
Sub Base	160
Base	100
Surface	20
Rural Heavy: Link and Collector	
Sub Base	160
Base	100
Surface	15
Urban Light: Minor and Access	
Sub Base	160
Base	100
Surface	20
Urban Heavy: Business, Link and Collector	
Sub Base	160
Base	100
Surface	15
<u>Sealed Road – Special Pavers (Sixth St)</u>	
Sub Base	160
Base	80
Surface	50



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Asset Type	Useful Life (years)
Unsealed Road (Sheeted)	
Link and Collector	
Sub Base	140
Base	20
Minor and Access	
Sub Base	140
Base	25
Kerbs	
Kerb and Gutter	80
Spoon Drain	60
Footpaths	
Brick	75
Concrete	55
Asphalt	30
Spray Seal	20
Scalp	200
Car Parks	
Sub Base	140
Base Sealed	80
Base Unsealed	10
Seal - Spray Seal	20
Seal - Asphalt	40
Concrete	50
Bridges and Causeways	
Road Bridge	Component useful lives vary
Pedestrian Bridge - Timber, Recycled Plastic, Madwood	50
Pedestrian Bridge - Steel, Concrete	100
Causeway	100
Signs and Street Furniture	
Sign	30
White Posts, Guard Rails	25

Table 3: Asset Useful Lives



2.1. Financial Statements and Projections

2.1.1. Asset Valuations

Asset Category	Current Replacement Cost	Depreciable Amount	Written Down Value	Annual Depreciation Expense
Sealed Roads	121,079,508.02	121,079,508.02	78,305,487.00	2,148,103.72
Unsealed Roads	38,706,471.84	38,706,471.84	28,194,139.84	932,791.93
Kerbs	37,230,344.71	37,230,344.71	30,463,826.22	468,447.09
Footpaths	14,699,198.60	14,699,198.60	12,510,537.01	226,865.82
Car Parks	1,745,868.33	1,745,868.33	1,098,095.96	34,357.37
Bridges	9,873,188.72	9,873,188.72	8,020,686.65	119,429.79
Signs	970,773.03	970,773.03	538,163.44	32,359.10
Street Furniture	433,594.06	433,594.06	406,981.40	12,433.06
TOTAL	224,738,947.32	224,738,947.32	159,537,917.52	3,974,787.88

Table 4: Asset Valuations at 30 June 2019

The Depreciation expense associated with Council's Civil and Transport Infrastructure is calculated through applying a "straight line" model and using the condition of each asset to determine its remaining useful life. Pedestrian bridges have been excluded from this model as there is insufficient condition data; as such the age of the bridge has been used to determine financial information.

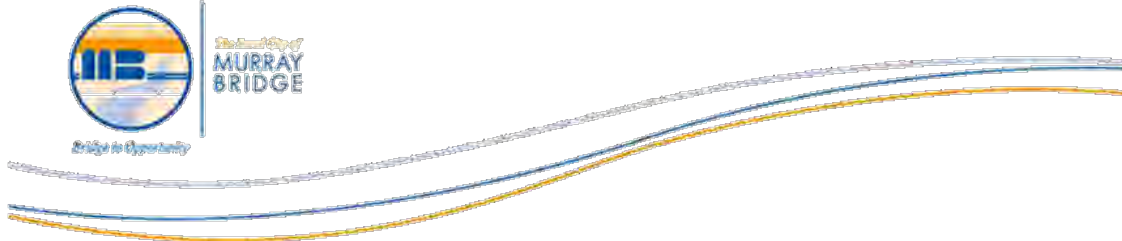
2.2 Funding Models

As previously stated in this plan, the Rural City of Murray Bridge uses **Asselic MyPredictor** as a tool to assist in the modelling of funding requirements and future works programs.

The tool, through the implementation of asset degradation curves, current asset condition and asset hierarchy, produces a list of candidates (proposed projects) that are likely to be required in future financial periods.

The level of accuracy and confidence Council places in the list of candidates produced reduces the further into the future the prediction are and therefore Council's approach is not to adopt and proceed with projects without first determining the need and scope of works on an annual basis.

In order to develop a funding model Council first needs to understand the Level of Service the community desires as well as what is practical and financially responsible. A balance between the aspirational and realistic goals of the community, as well as the time the community are prepared to wait is a matter that requires careful management and consultation.



Council's road network, which consists of 474km of sealed and 522km of unsealed road, have a current measured Overall Condition Index (OCI) of 1.79 and 2.84 respectively.

This represents a level of service being provided by Council's sealed road network as being Good to Very Good and an unsealed road level of service being considered Average to Good. In order for Council to provide a level of service the community expect, clearly the condition of Council's unsealed road network needs to improve.

A realistic position for Council to aim for is to provide a level of service represented by an aspirational OCI of 1.5 for the sealed road networks and 1.75 for the unsealed road network.

2.2.1 Sealed Road Network

The gap between Council's Current Level of Service and its aspirational Level of Service (LOS) is relatively small (1.79 to 1.5) and therefore only minor adjustments are required to achieve a trend towards a desired OCI of 1.5.

In order for Council to model its sealed road performance over time and to determine a funding model to achieve the desired outcome three management scenarios were tested.

Unrestrained Budget

An unrestrained scenario is designed to deliver a works program and funding model based on only intervening on assets when the degradation model predicts they will reach the end of their useful life.

By applying this form of scenario assets will only be included in a works program when they are fully depreciated and therefore any loss on sale of assets will be minimised. In its purest form, this is the most efficient management strategy however it does not account for variances in condition. In addition it does not provide a consistent annual works program and therefore prevents Council from providing its staff continuous meaningful work.

By implementing an unrestrained budget over a 25 year period, the model yields the desired outcome of an overall condition index of 1.4 with an average capital expenditure of \$2.1M which is consistent with Council's annual estimated depreciation expense of \$2.15M for the sealed road network.

It is clear from the graph below that fluctuations in annual spend resulting from an unrestrained model, represented by the blue trend line, would provide challenges for Council's operations with years 11 to 14 requiring significant additional resources and conversely years 15 to 19 having inadequate works to occupy staff.

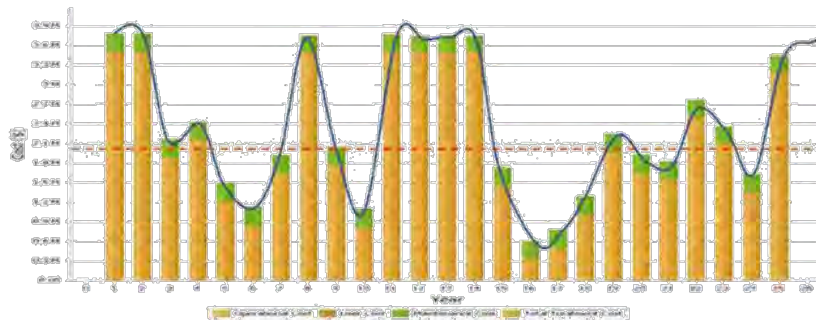
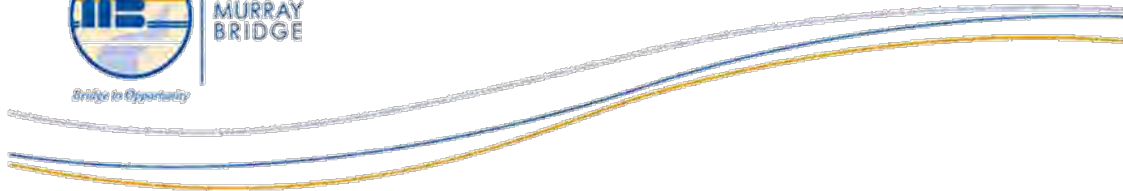


Figure 11: Sealed Roads Unrestrained Budget Model

\$2.6M Capital Spend Limit

Similar to an unrestrained budget, a scenario with an upper limit of \$2.6M is intended to normalise the annual spend and provide a more consistent work flow for Council Staff.

While a capital expenditure budget of \$2.6M is far higher than Council's annual depreciation expense (\$2.15M) the scenario provides very little variance from the unrestrained model over a 25 year period. After 25 years this scenario yields an overall condition index of 1.42 with an annual average expenditure of \$2.04M.

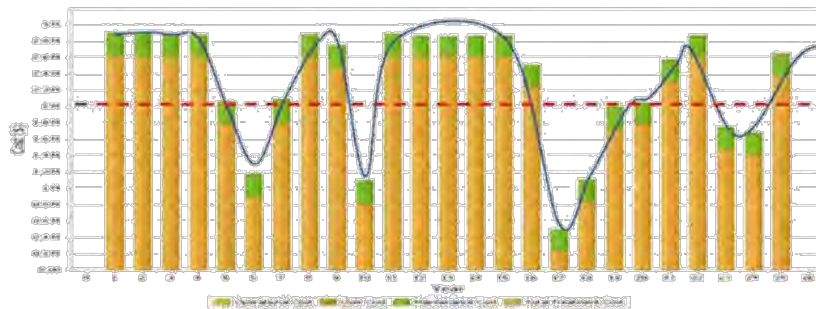
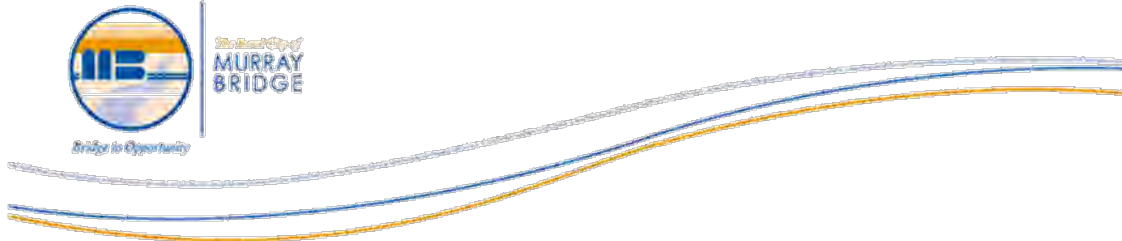


Figure 12: Sealed Roads \$2.6M Budget Model

\$1.9M Capital Spend

The intent of implementing a model with a capital expenditure limit less than Council's annual depreciation expense is to force the model to allocate 100% of funds provided each year and generate a consistent annual budget.



Interestingly by implementing this scenario over a 25 year period the overall condition index generated is extremely close to those generated by the unrestrained budget scenario and \$2.6M capped scenario.

This scenario yields an overall condition index of 1.43 with an average capital expenditure of \$1.9M

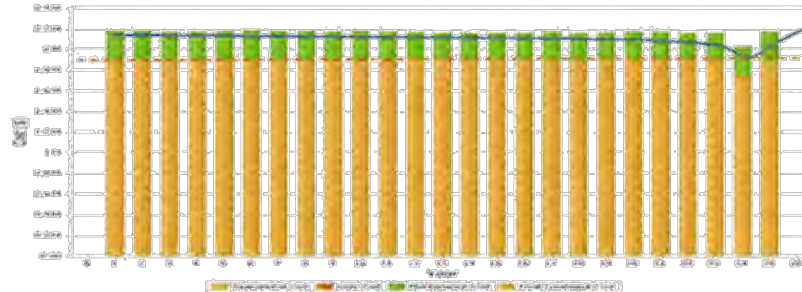


Figure 13: Sealed Roads \$1.9M Budget Model

Proposed Funding Model

Based on the scenario testing detailed in section 2.2.1 of this plan, it is clear that the adoption of a normalised model:

- Does not affect long term Level of Service
- Provides Generational Equity
- Enables a consistent approach to Work Force Management
- Allows for a consistent long term capital budget allocation
- Provides improvement in the network condition in a sustainable manner.

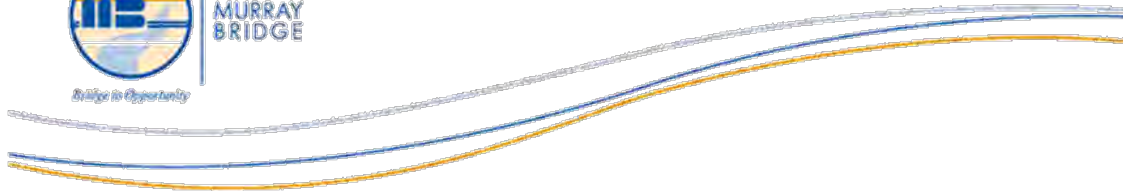
Based on Council's annual sealed road depreciation expense and the predicted works program generated by Council's asset management software an annual capital expenditure budget of **\$2.1M** is required. This provides an average asset sustainability ration (ASR) of 98% which is consistent with Council's goal of achieving an ASR of 100%.

2.2.2 Un-Sealed Road Network

Identical scenario testing was undertaken on Council's unsealed road network in order to close the gap between the current OCI (2.84) and the desired outcome of (1.75).

The management of unsealed networks is far more flexible than sealed networks as condition can change rapidly due to weather and rectification works can occur at a significantly lower cost than those required to renew a sealed road.

As such there is far less confidence in the modelling of unsealed road networks and funding models generated must be checked regularly to ensure the network condition is trending as intended.



Unrestrained Model

By applying an unrestrained model a similar outcome to the sealed road network occurred. Over a period of 25 years an average annual spend of \$1.25M and OCI of 1.56 was forecast however there are several years with an estimated spend greater than \$3M and less than \$300K.

This again highlights significant fluctuations that would pose operational challenges for Council.

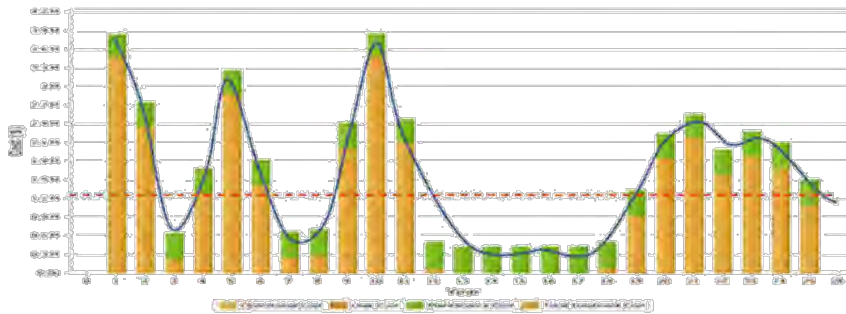


Figure 14: Unsealed Roads Unrestrained Budget Model

Normalised Model

A normalised model based on a Capital Expenditure ceiling of \$1.2M was tested to determine how the OCI would trend over a 25 year period. A figure of \$1.2M was adopted to account for Council's estimated annual depreciation of \$932K, plus an allowance for expansion works where an unsealed road would be sealed.

An average annual expenditure of \$1.07M and OCI of 1.78 is generated through the implementation of this model.

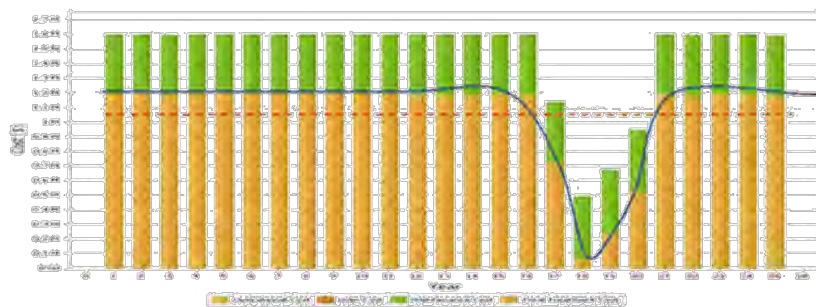
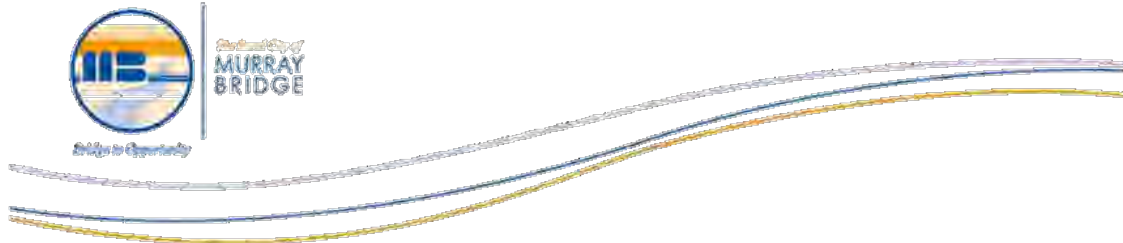


Figure 15: Unsealed Roads Normalised Budget Model



This scenario provides the desired consistent level of work however a reduction in the need of capital funding from years 17 to 20 is evident in the above graph. This reduction is a function of unsealed pavements having an estimated useful life of 20 years and it is anticipated that this "dip" in the model will move along as years progress and remain 17 to 20 years into the future; however this needs to be monitored on an annual basis.

Proposed funding Model

Like the sealed road funding model, a normalised approach based on Council's annual depreciation expense is recommended.

This model generates an annual capital expenditure budget of **\$932K** and an average asset sustainability ratio (ASR) of 100% which is consistent with Council's goal of achieving an ASR of 100%.

Provided Council continues to upgrade and seal unsealed roads using external funding such as Roads to Recovery and Special Local Roads a desired overall condition index of 1.75 will be achieved.

2.2.3 Kerbs & Footpaths

Council's kerb and footpath inventory is in a satisfactory condition and since 2016 a significant focus has been placed on expansion of infrastructure rather than renewal.

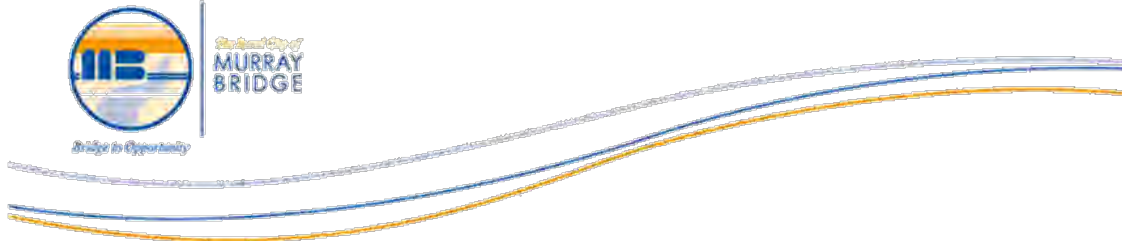
Throughout the Rural City of Murray Bridge there are many roads that do not have concrete kerbing or on all weather constructed footpath. As such Council identified the need to make a significant investment towards the expansion of both the kerb and footpath and in September 2017 adopted its footpath expansion strategy which provides the framework for the prioritisation and funding of the footpath network. Currently Council is funding kerbing and footpath expansion in the order of \$250,000 and \$500,000 per annum respectively.

Council's kerbing has a current replacement value of \$37.2M and an Annual Depreciation Expense of \$470,000. These figures are based on the premise the kerbing has a useful life of 80 years which is an evidence based, industry benchmarked assumption.

It's worth noting that as the quality control regarding the production of concrete, including testing and post cure strength guarantees, as well as the introduction of machine laid/extruded kerbing, it is anticipated that the useful life of kerbing and other concrete products will increase.

In lieu of asset renewal and the genuine need to expand the kerbing network for drainage performance, localised flooding control and township aesthetics, it is recommended to temporarily adopt an asset sustainability ratio of 50% for the life of the plan (30 June 2023) and continue to expand the network until completed.

This approach will have a minimal impact on the overall lifecycle management of kerbing assets and will improve the overall condition performance of the kerbing network as there will be a higher percentage of brand new kerbs in the network. In addition, the annual



depreciation expense will increase by only 2% (excluding inflation) through the expansion of the kerbing network. This is considered immaterial.

Asset Category	Current Replacement Cost	Annual Depreciation Expense	Renewal Expenditure	Expansion Expenditure
Kerbs (2020)	37,230,344.71	468,447.09	234,425.00	234,425.00
Kerbs (2023)	38,168,044.00	477,100.55	477,100.55	0

Table 5: Proposed Kerb Funding 2020 vs 2023

Similarly, Council's constructed, all weather footpath network is undergoing a significant period of expansion where Council has funded \$500,000 per annum over and above renewal expenditure which aligns to the adopted Footpath Expansion Strategy.

Council's constructed footpath network has a replacement value of \$14.7M and an annual depreciation expense of \$229,000. These figures are based on the premise the footpath has a useful life of 55 years which is an evidence based, industry benchmarked assumption.

Like kerbing, as quality control regarding the production of concrete, and construction techniques including the use of steel reinforcement, it is anticipated that the useful life of footpaths will increase.

Council's current level of investment for expansion is more than twice the annual depreciation expense and therefore the percentage of new footpath in the network will continually improve the overall condition performance. During the period where Council's focus is on expansion the investment required to renew Council footpath assets can temporarily reduce and an asset sustainability ration of 50% be adopted for the life of this plan.

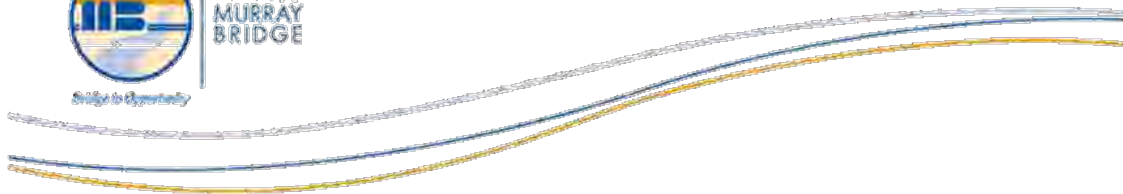
Asset Category	Current Replacement Cost	Annual Depreciation Expense	Renewal Expenditure	Expansion Expenditure
Footpaths (2020)	14,699,198.60	226,845.82	112,500	500,000**
Footpaths (2023)	14,699,198.60	256,910.75	113,500	500,000

** \$450,000 allocated to footpath expansion and \$50,000 allocated to roundhouse footpath upgrade

Table 6: Proposed Footpath Funding 2020 vs 2023

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2.3. Projected 10-Year Funding Requirements

The 10-Year funding requirements for the renewal of Council's Civil and Transport Infrastructure Network are set out in Table 5.

The funding requirements are calculated using theoretical base models. Factors outside of Council's control including but not limited to extreme weather events, increased heavy vehicle traffic and population changes greater than or less than projections may change the required funding needs from time to time. These factors have been ignored for the purpose of developing a projected 10 year works program, however Council will undertake analysis and check proposed models prior to confirming each annual works program.

Council's level of funding directly relates to the level of service the community expects and the level of sustainability Council wishes to manage its assets at.

Asset Sustainability Ratio is a measure by which Council compares the level of funding made available to renew its asset inventory versus the rate in which assets are being consumed by the community.

Each asset category needs to be managed differently as there can be significant variations in how performance varies and how sensitive an asset category may be to underfunding.

Inert, long life assets, such as footpaths and kerbs depreciate very slowly. Underfunding these assets during periods of their useful life, provided the overall average is consistent, will not have an adverse effect on asset performance and level of service.

Conversely, assets that are fluid, where condition can change rapidly, such as unsealed roads, require a far more consistent and structured level of funding and neglecting these assets for short periods of time can result in adverse and irreversible deterioration and early impairment.

As such the level of funding to sustain Council's Civil and Transport Infrastructure over a 5 year period will be based on setting both a desired level of service, measured by Overall Condition Index (OCI) and a measure of Asset Sustainability Ratio. The remaining 5 years of the 10 year model (years 6 to 10) will be simply based on current depreciation figures however these will be reviewed annually as expansion projects increase Council's total asset replacement value.

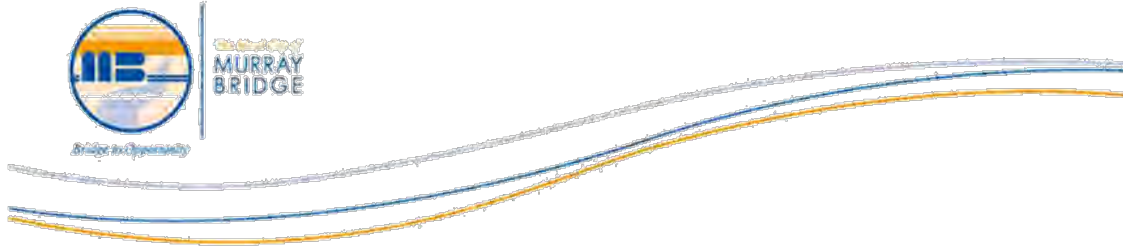
Asset Category	Annual Depreciation	Current OCI	Goal OCI	2019/20 Budget		2020/21 Forecast		2021/22 Forecast		2022/23 Forecast		2023/24 Forecast		2024/25 Forecast	
				ASR	Budget	ASR	Budget	ASR	Budget	ASR	Budget	ASR	Budget	ASR	Budget
Sealed Road	\$ 2,048,000.00	157	1.5	88%	\$ 2,094,000.00	99%	\$ 2,072,000.00	92%	\$ 2,061,000.00	97%	\$ 2,072,000.00	93%	\$ 2,078,500.00	98%	\$ 2,082,910.00
Unsealed Rd	\$ 932,551.93	284	1.5	100%	\$ 932,000.00	100%	\$ 932,551.93	100%	\$ 932,551.93	100%	\$ 932,551.93	100%	\$ 932,551.93	100%	\$ 932,551.93
Leis	\$ 488,400.00	17	1.5	60%	\$ 234,000.00	60%	\$ 234,000.00	60%	\$ 234,220.00	60%	\$ 234,220.00	60%	\$ 481,600.00	100%	\$ 488,400.00
Footpath	\$ 212,600.00	780	1.5	92%	\$ 212,000.00	92%	\$ 113,432.91	60%	\$ 113,432.91	60%	\$ 113,432.91	60%	\$ 113,432.91	60%	\$ 113,432.91
Car Parks	\$ 34,550.00		1.5	0%		0%	\$ 24,000.00	60%	\$ 22,450.00	60%	\$ 32,921.43	100%	\$ 34,550.00	100%	\$ 34,550.00
Bridges	\$ 112,420.00		1.5	100%	\$ 112,000.00	100%	\$ 112,420.00	100%	\$ 112,420.00	100%	\$ 112,420.00	100%	\$ 112,420.00	100%	\$ 112,420.00
Signs	\$ 32,500.00		2	100%	\$ 32,000.00	100%	\$ 32,500.00	100%	\$ 32,500.00	100%	\$ 32,500.00	100%	\$ 32,500.00	100%	\$ 32,500.00
	3,962,354.82				3,970,500.00		3,574,091.70		3,524,824.10		3,542,921.67		3,739,016.04		3,803,733.82

Asset Category	5 year Average	
	Average	ASR (5yr Ave)
Sealed Road	\$ 2,062,000.00	92%
Unsealed Rd	\$ 932,551.93	100%
Leis	\$ 504,400.00	60%
Footpath	\$ 132,600.00	60%
Car Parks	\$ 32,234.49	60%
Bridges	\$ 112,420.00	100%
Signs	\$ 32,500.00	100%
	3,400,886.97	91%

***NOTE:** An Asset Sustainability Ratio (ASR) of 91% is related to renewal projects only.

As Council continues to expand its asset inventory, there will always be a component of renewal associated with the delivery of expansion/enhancement project. It is anticipated that the renewal component of expansion work will more than account for the 9% shortfall 5 year average ASR reported.

Figure 14: Projected Expenditure for the Long Term Financial Plan



3. REFERENCES

Local Government Act 1999, South Australia

International Infrastructure Maintenance Manual

**SSS17.6 ASSET MANAGEMENT PLAN - PLANT AND FLEET**

Author Matt James

Legislative (x)**Corporate ()****Other ()****Purpose**

To present to the Audit Committee the 2019-2024 Plant and Fleet Asset Management Plan for consideration and endorsement by Council, for the purpose of public consultation.

Background

The Rural City of Murray Bridge's vision is to be connected with and working towards the aims and aspirations of its community. In order to achieve this Council must continually service and maintain its current asset inventory aligned to Asset and Operational Management Plans. The Plant and Fleet Asset Management Plan is a critical support element in the provision of achieving this vision.

Plant and Fleet plays a significant role in the delivery of service and infrastructure to the Community. It is Council's goal to ensure its Plant and Fleet is managed in a manner that is fit for purpose, aligned to operational delivery model, is adaptable, safe, and is financially responsible.

The 2019-2024 Plant and Fleet Asset Management Plan specifically address the changing needs of the community and will inform Council's future Plant and Fleet requirement. It will address how this transition will be managed both operationally and financially and highlight potential gains through the sale of surplus Plant and Fleet.

The changing landscape of Murray Bridge and its community will drive Council's Plant and Fleet Asset Management Plan from a "Like for Like" renewal model to a "Fit for Purpose" model where innovation and efficiency are key.

It is therefore the specific goal of the Plant and Fleet Asset Management Plan 2019-2024 to transition Council's Plant and Fleet inventory from being primarily construction focused, to a fluid and adaptable model that is able to address the changing expectations of the community.

Over a 5-year period, the goal of this Asset Management Plan is to:

- Eliminate Plant and Fleet renewal backlog.
- Transition Plant and Fleet inventory to match Council contemporary operating model.
- Create flexibility to address changing technology and operational methodologies.
- Address surplus Plant and Fleet and utilise gain of sale to fund new Plant and Fleet.
- Communicate the consequences for service levels and risk, where desired funding is not available.

It is noteworthy that this plan transitions Council away from contemporary asset management models where renewal is considered on a like for like basis. It is intended that the 2019-2024 Plant and Fleet Asset Management Plan will supersede the existing 2016-2020 plan upon adoption (or otherwise)

**Proposal**

That the Audit Committee endorse "in principle" the Rural City of Murray Bridge – Plant and Fleet Asset Management Plan 2019-2024 as contained in **Attachment 1**, for endorsement by Council for the purpose of public consultation

Legislative Requirements

The following legislative requirements are relevant to this Report:
Local Government Act, 1999
Work Health and Safety Act 2012

Council Policy

The following policies are relevant to this report:

- Asset Accounting Policy
- Asset Management Policy

Financial Implications

The investment required to deliver the 2019-2024 Plant and Fleet Asset Management Plan will be incorporated into Council Long Term Financial Plan and implement in each year's Annual Business Plan and Budget.

A detailed review of the proposed renewal and disposal plan will be undertaken annually to ensure the plan remains relevant and financially achievable.

Risk

The 2019-2024 Plant and Fleet Asset Management Plan is intended to enable Council operational staff to continue to deliver the existing level of service but is also intended to respond to the evolution of delivery models overtime

WHS

All plant and fleet are subject to a pre-purchase risk assessment and ongoing hazard and risk assessments.

Each plant item undergoes and detailed pre-start inspection prior to commencing a shift and is managed and serviced by Council mechanical teams in accordance with the manufactures recommendations

Asset Management

Council's Plant and Fleet Asset Management Plans primary purpose is to improve Council's management practices and help build financial sustainability.

Implementation Strategy

The delivery of Council Plant and Fleet Renewal program will commence on the adoption of the Plant and Fleet Asset Management Plan

Communication Strategy

Following the Council's endorsement of the draft Plant and Fleet Asset Management a community consultation process will be undertaken seeking comments. Community consultation will be undertaken for a period of twenty one days, as required by Council's Consultation Policy.

Strategic Plan

Goal 5 - Our Commitment
5.1 – Effective



Recommendation

1. That item number SSS17.6 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Rural City of Murray Bridge Audit Committee recommend the 2019/2024 Plant and Fleet Asset Management Plan to Council for endorsement for public consultation.

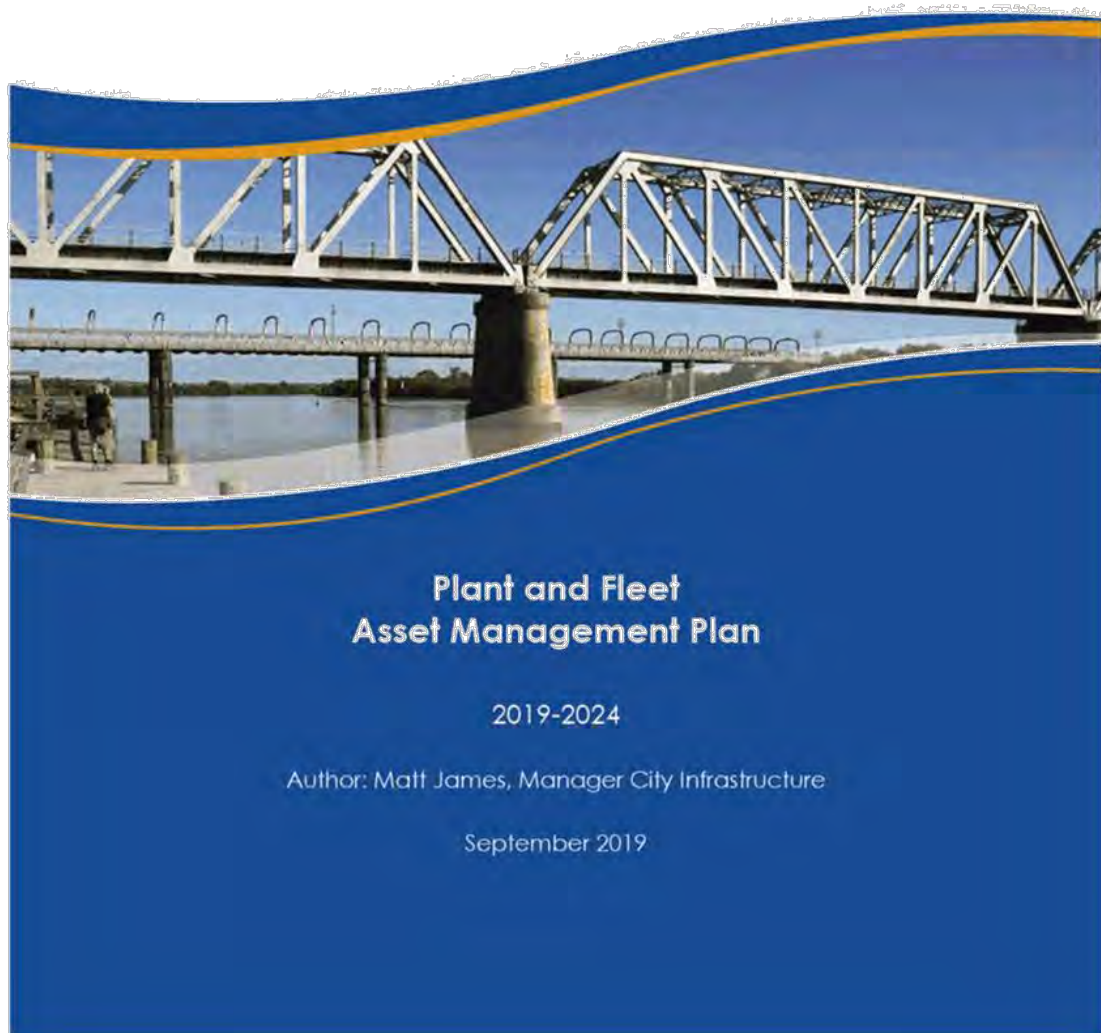
Attachments

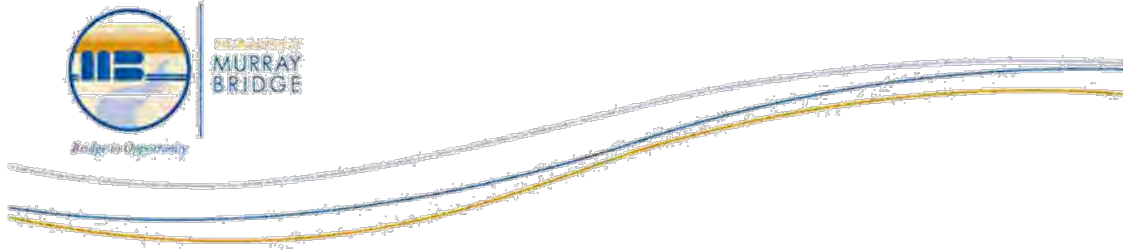
[1.](#) | Plant and Fleet Asset Management Plan | Attachment

Peter Canaway moved

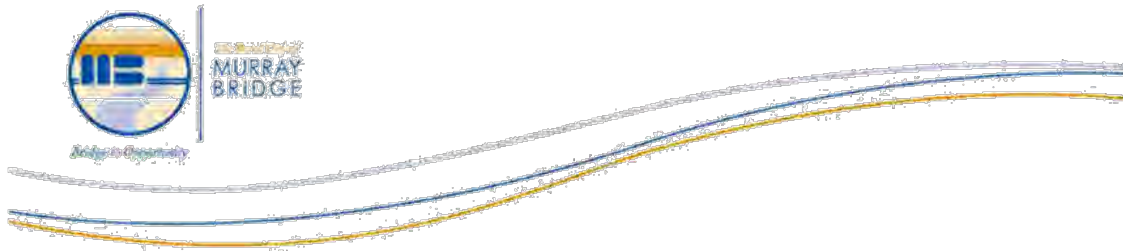
1. That item number SSS17.6 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Rural City of Murray Bridge Audit Committee recommend the 2019/2024 Plant and Fleet Asset Management Plan to Council for endorsement for public consultation.

Seconded by Luke Williams and CARRIED



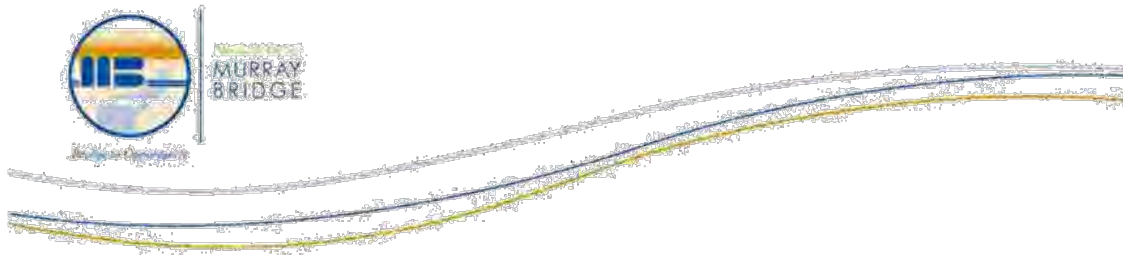


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CONTENTS

CONTENTS	2
1. EXECUTIVE SUMMARY	9
2. INTRODUCTION	9
2.1. Background	9
2.2. Goals and Objectives of Asset Management	10
2.3. Key Stakeholders	11
2.4. Plan Framework	13
3. LEVELS OF SERVICE	14
3.1. Customer Expectations	14
3.2. Legislative & Policy Requirements	14
3.3. Current Levels of Service	16
3.3.1. Community Levels of Service	16
3.3.2. Technical Levels of Service	16
4. FUTURE DEMAND	10
4.1. Demand Forecast	10
5. LIFE CYCLE MANAGEMENT PLAN	11
5.2. Risk Management	11
5.3. Routine Maintenance	12
5.4. Plant Replacement Program	12
5.4.1. Renewal	12
5.4.2. Enhancement	13
5.4.2. Disposal	13
6. FINANCIAL SUMMARY	16
6.3. 5-Year Funding Requirements	16
7. DETAILED ASSET RENEWAL, ENHANCEMENT & DISPOSAL PLAN	18



1. EXECUTIVE SUMMARY

The Rural City of Murray Bridge's vision is to be connected with and working towards the aims and aspirations of its community.

In order to achieve this Council must continually service and maintain its current asset inventory aligned to Asset and Operational Management Plans

The Plant and Fleet Asset Management Plan is a critical support element in the provision of achieving this vision.

2. INTRODUCTION

2.1. Background

The intent of this Plant and Fleet Asset Management Plan is to provide for the responsive management of assets through efficient, effective and adaptive Plant and Fleet Management aligned to compliance with regulatory requirements.

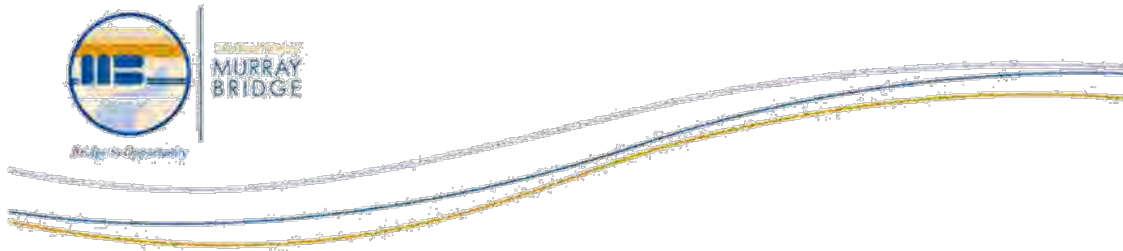
The Asset Management Plan is to be read in conjunction with Council's Asset Management Policy, Asset Management Strategy, complementary Asset Management Plans and the following associated planning documents:

- Rural City of Murray Bridge Community Plan 2016-2032
- Rural City of Murray Bridge Strategic Plan 2016-2020
- Rural City of Murray Bridge Long Term Financial Plan

This plan will specifically address the changing needs of the community and this will inform Council's future Plant and Fleet requirement. It will also address how this transition will be managed both operationally and financially and highlight potential gains through the sale of surplus Plant and Fleet.

New technology, improved construction and maintenance methodologies, and the changing landscape of Murray Bridge and its community will drive Council's Plant and Fleet Asset management plan from a "Like for Like" renewal model to a "Fit for Propose" model where innovation and efficiency are key.

It will be critical for Council Administration to lead this Transition by clearly articulating the reasons and benefits, while carefully managing the emotions of both staff and the community associated with fear of managing Plant and Fleet differently to achieve Council's vision.



2.2. Goals and Objectives of Asset Management

The Rural City of Murray Bridge exists to provide services to its community and deliver outcomes that align to the Rural City of Murray Bridge Community Plan 2016-2032 and Strategic Plan.

This Plant and Fleet Asset Management Plan will provide guidance in the development of Council's Long Term Financial Strategy and Annual Business Plans.

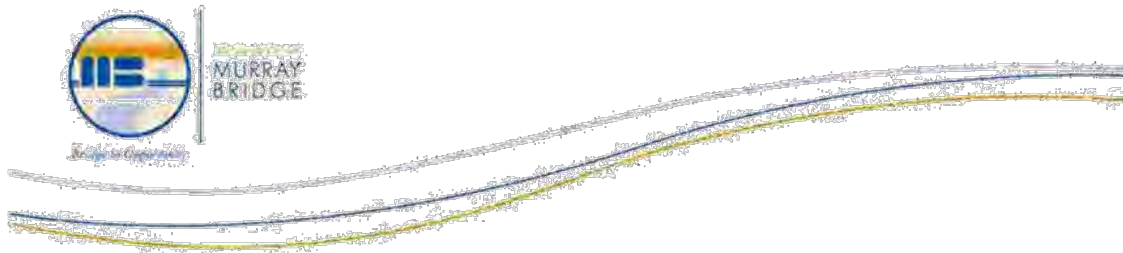
The following Strategic Goals will be addressed by this Plan

Valued Environment - Creating the Environment - 2016-2032	
1.1 Current Assets	We manage our existing infrastructure and assets in a manner that demonstrates the pride we take in our built environment.
1.2 Infrastructure Development	We commence work on meeting the community's aspirations for future infrastructure development.
1.3 Open space	We will ensure that future growth is planned in a manner that provides access to and does not detract from, the community's environmental values.
1.4 Planned reduction of our carbon footprint	Council will lead by example in the fields of sustainable development and resource efficiency.
Great People and Lifestyle - Unleashing the Potential - 2016-2032	
2.2 Care for the community	We will develop our service offering to the community to ensure all members have access to required levels of support.
2.3 Recreational and cultural pursuits	We will ensure that community members are provided with opportunities for cultural growth and development through provision of innovative services and programs.
Upwards Economy - Grow (Change) - 2016-2032	
3.1 Identity	Establish a strong, positive, aspirational identity that includes the message that the Rural City of Murray Bridge is "Open for Business".
3.4 Tourism is contributing to a diverse economy and creating opportunity	Murray Bridge, its townships and the tourism region are positioned as a unique and desirable activity-based destination for travellers and Adelaide day trippers.
Connected Communities - Engagement - 2016-2032	
4.2 Effective communication	The community's thoughts and ideas are valued, shared and instrumental in Council's decision making.
4.3 Sense of community	We foster a sense of community by encouraging and supporting participation in community life.

Table 1: Linkages to Key Strategic Documents and Strategic Plan

Plant and Fleet plays a significant role in the delivery of service and infrastructure to the Community. It is Council's goal to ensure its Plant and Fleet is managed in a manner that is fit for purpose, aligned to operational deliver model, is adaptable, safe, and is financially responsible.

A component of the Plant and Fleet Asset Management Plan 2019-2024 is to address the renewal backlog that currently exists within Council's Plant and Fleet inventory. Historically, Plant and Fleet has not been renewed at a rate that matches



the level of utilisation, resulting in several items reaching and passing the end of their useful life, being fully depreciated and retained by Council with little resale value in the open market.

In addition to the underfunding of Plant and Fleet renewal, the landscape in which Council operates is rapidly changing. Construction equipment used for the development of a growing region is now surplus to Council needs and needs to be replaced with equipment specifically design for the maintenance of infrastructure and open space assets.

It is therefore the specific goal of the Plant and Fleet Asset Management Plan 2019-2024 to transition Councils Plant and Fleet inventory from being primarily construction focused, to a fluid and adaptable model that is able address the changing expectations of the community.

Over a 5-year period, the goal of this Asset Management Plan is to:

- Eliminate Plant and Fleet renewal backlog.
- Transition Plant and Fleet inventory to match Council contemporary operating model.
- Create flexibility to address changing technology and operational methodologies.
- Address surplus Plant and Fleet and utilise gain of sale to fund new Plant and Fleet.
- Communicate the consequences for service levels and risk, where desired funding is not available.

To achieve Plant and Fleet management goals Council will need to:

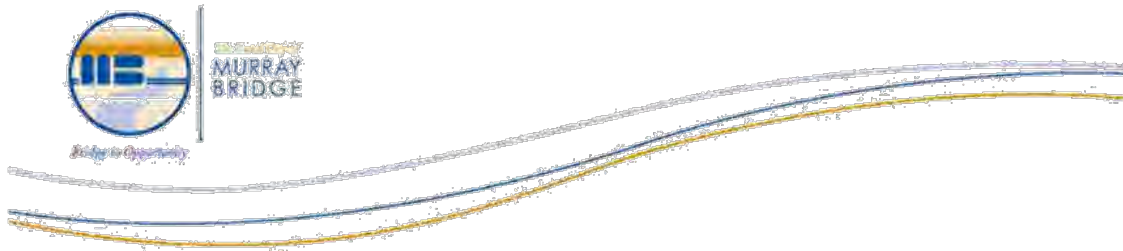
- Develop cost-effective models for the long-term management of Plant and Fleet.
- Provide a defined level of service and monitoring performance.
- Manage risks associated with asset failures, poor utilisation and items not fit for purpose.

2.3. Key Stakeholders

The Rural City of Murray Bridge Plant and Fleet Asset Management Plan 2019-2024 has several key stakeholder groups and it is critical that each of these groups understand the role they have in the management of the each asset class under Council care and control.

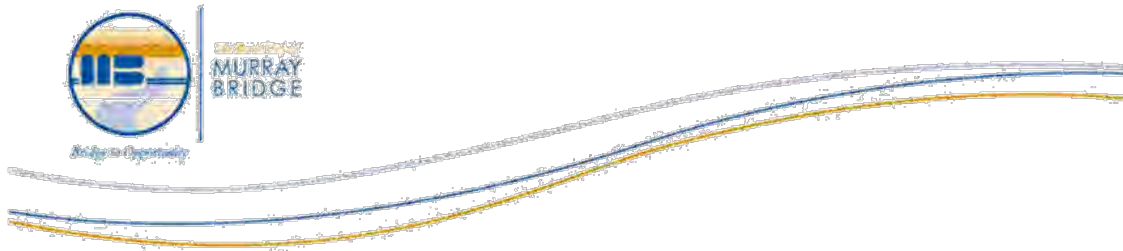
The Rural City of Murray Bridge has an organisational structure consisting of four (4) levels with an overarching level, the community, represented by the Mayor and Elected Members.

Each level within the organisations structure plays a critical role in the successful management of Councils Plant and Fleet. Roles range from the Elected Body setting the strategic direction of Councils that guides the development of operational models, through to the day-to-day operation and maintenance of an individual plant item. The table below details the key groups that have an interest in the management and use of the Plant and Fleet assets and the functional roles each perform.



Stakeholder Group	Asset Management Functions
Elected Members (The Community)	<ul style="list-style-type: none"> • Endorsement of the asset management policy, strategy and plans. • Setting high-level direction through the development of asset management principles in the Community Strategic Plan.
Executive Management	<ul style="list-style-type: none"> • Endorse the development of asset management plans and provide the resources required to complete this task. • Set high-level priorities for asset management development in Council and raise the awareness of this function among Council staff and contractors. • Support the implementation of actions resulting from this plan and lead change to ensure continuous improvement regarding the management of assets and the delivery services. • Support asset management principals in driving budget development and Councils Long Term Financial Plan
Leadership & Management	<ul style="list-style-type: none"> • Provide strategic information to Executive Management regarding the management of Councils assets. • Lead the development of Asset Management Plans • Undertake financial analysis to support the development of Council annual budget and Long Term Financial Plan. • Lead change by developing and implementing efficient operating models that meet the changing needs of the community
Council Officers and Operations Staff	<ul style="list-style-type: none"> • Provide detailed knowledge on all assets • Perform repairs and maintenance on assets. • Undertake selected capital works projects including the procurement of Plant and Fleet • Analyse and manipulate asset data in order to provide recommendation regarding the management of asset. • Managing the Asset Register and ensuring the asset valuations are accurate. • Development of supporting policies such as capitalisation and depreciation. • Preparation of asset sustainability and financial reports incorporating asset depreciation in compliance with current Australian Accounting Standards.

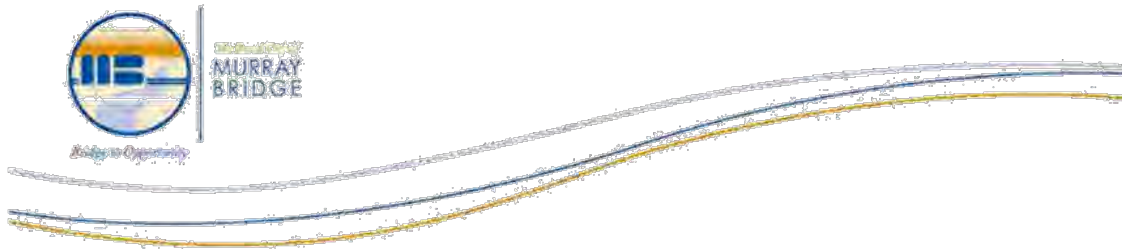
Table 2: Key Stakeholders in Council's Assets



2.4. Plan Framework

The key elements of this Asset Management Plan are:

- Levels of service – specifies the attributes Council's Plant and Fleet are measured against in providing core service to the community and what is deemed acceptable.
- Future demand – how the changing landscape in Murray Bridge will impact on the decisions Council will need to make regarding the make-up of its Plant and Fleet inventory. This will relate to the provision of future service delivery and how these services will be met.
- Life cycle management – relates to how Council will manage its existing and future assets to provide the required services.
- Financial summary – Details the levels of funding required to support the most efficient and economical life cycle management of Council Plant and Fleet inventory required to meet both internal and external customer requirements.
- Monitoring – how the Asset Management Plan will be monitored to ensure it is meeting Council's regarding the management of Plant and Fleet



3. LEVELS OF SERVICE

3.1. Customer Expectations

The provision of reliable M for purpose and efficient Plant and Fleet is a key element in the provision services that meet or exceed the expectation of the Community.

While provision of Plant and Fleet is not a direct service the community enjoys, the result of what Council's Plant and Fleet provides does have a direct impact on the Community and is therefore critical that the "customer" can see value in how Council manages its Plant and Fleet.

Rural City of Murray Bridge has a broad and varied range of customers who perceive the management of Plant and Fleet in terms of:

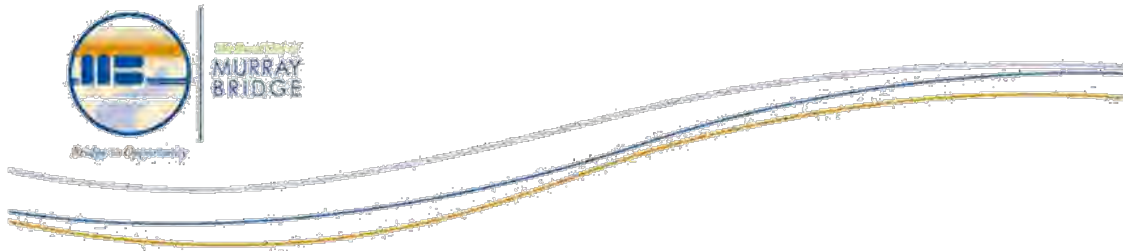
- Safety
- Quality
- Quantity
- Reliability
- Responsiveness
- Cost, value and efficiency
- Legislative compliance,

The community expects that services are delivered on time and on budget, displays value, are environmentally sustainable, and are undertaken in a safe and efficient manner. Plant and Fleet that is not fit for purpose, inadequate, unreliable resulting in down time, or is unsafe, can significantly affect the provision of service resulting in a poor reflection on Council competence.

3.2. Legislative & Policy Requirements

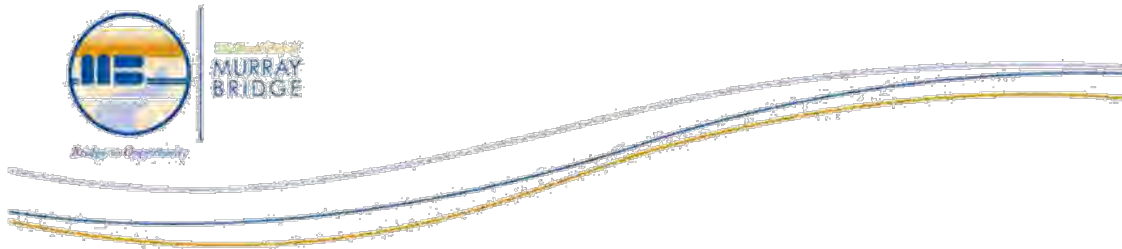
The Rural City of Murray Bridge must meet many legislative requirements including Australian and State legislation and State regulations. Those key requirements are set out in Table 4.

Legislation	Requirement
Local Government Act, 1999	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Road Traffic Act, 1974	Requirement to license vehicles to be driven on the road, and all driving regulations.
Road Traffic Amendment Act, 2000	Requirement for the owner of the vehicle to be liable for drivers' compliance with the regulations
Motor Vehicle Standards Act, 1989	Requirement to register and assign identification to each vehicle imported to or manufactured in Australia
National Environment Protection (Diesel Vehicle Emissions) Measure	Supporting legislation to the National Environment Protection Council Act 1994 that requires monitoring and control of emissions from diesel vehicles.
Australian Design Rules	Requirement for all new vehicles sold in Australia to meet standards relating to anti-theft, safety and emissions.



Legislation	Requirement
Australian Accounting Standards	Prescribes requirements for recognition and depreciation of property, plant and equipment assets.
Commonwealth Disability Discrimination Act, 1992	The responsibilities and power of the Council in providing equitable access for a person with disability
Work Health and Safety Act, 2012 Work Health and Safety Regulation, 2012	The responsibility of the Council to provide safe work practices and work site.
Asset Accounting Policy	Responsible long-term financial sustainability includes ensuring: <ul style="list-style-type: none"> Funding is made available for the maintenance, replacement and upgrade of assets to meet community expectations Consistent delivery of essential community services and the efficient development of infrastructure Maintenance of community assets so that the cost does not become a burden for future ratepayers.
Asset Management Policy	This policy seeks to ensure: <ul style="list-style-type: none"> Assets will be managed using a "life-cycle cost" approach and in accordance with best practice asset management techniques Assets will be utilised to achieve their fullest potential to maximise usage and economic performance The asset portfolio will be continually monitored and reviewed to ensure it is responsive to service delivery requirements Assets will be properly maintained to ensure that they continue to function effectively for the duration of their economic life
Asset Sale and Disposal Policy	This policy seeks to <ul style="list-style-type: none"> Define the methods by which Council Land or Assets are sold or disposed Demonstrate accountability and responsibility of Council to ratepayers Be fair and equitable to all parties involved Enable all processes to be monitored and recorded Ensure that the best possible outcome is achieved for the Council
Risk Management Policy & Framework	Council's Risk Management Policy ensures a consistent and structured approach to: <ul style="list-style-type: none"> Protecting against potential exposure to risk Minimising uncertainty in achieving its goals and objectives Meeting all relevant Legislative responsibilities In particular the Policy: <ul style="list-style-type: none"> Enables Council to demonstrate that it is actively managing its risks Minimises exposure to financial losses and facilitates the protection of physical and intangible assets Minimises interruptions to services provided to the Community Improves and increases community confidence in Council's performance Promotes a culture of measured risk taking and effective management of risks through a continuous improvement approach Facilitates effective delivery of Council programs and allocation and use of resources.

Table 3: Key Legislative Requirements



3.3. Current Levels of Service

The 'level of service' is the defined service quality for a particular activity or service area against which service performance is measured. Level of Service provides the basis for the life-cycle management strategies and works programme identified within the Asset Management Plan.

Two forms dictate Levels of Service - Community Levels of Service and Technical Levels of Service

3.3.1. Community Levels of Service

Community Levels of Service relate to the service outcomes that the community wants in terms of safety, quality, quantity, reliability, responsiveness, cost effectiveness and legislative compliance.

Community Levels of Service measures used in this Asset Management Plan are:

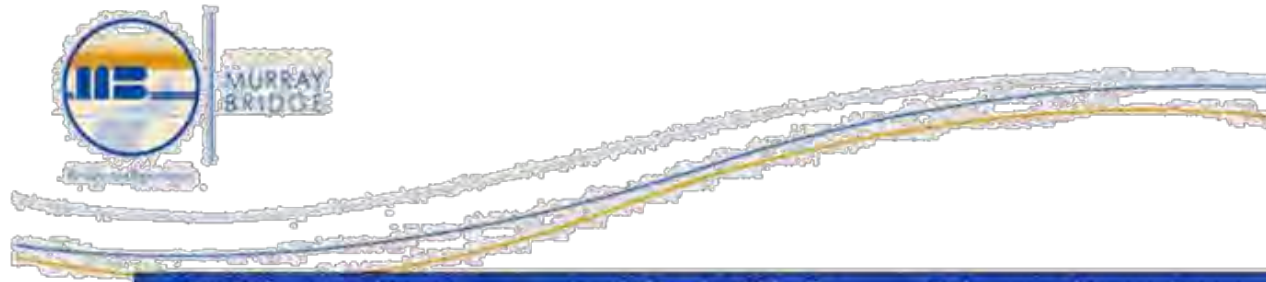
- Quality - How good is the service?
- Function - Does it meet users' needs?
- Capacity or Utilisation - Is the asset sustainable - over or under capacity?
- Safety - Is the service safe?

3.3.2. Technical Levels of Service

Detailed Technical Levels of Service are required to assess performance on a day-to-day basis and guide decision making and work flows. The prime objective in setting the Technical Levels of Service is to set targets that will lead to achieving the desired Community based Service Levels.

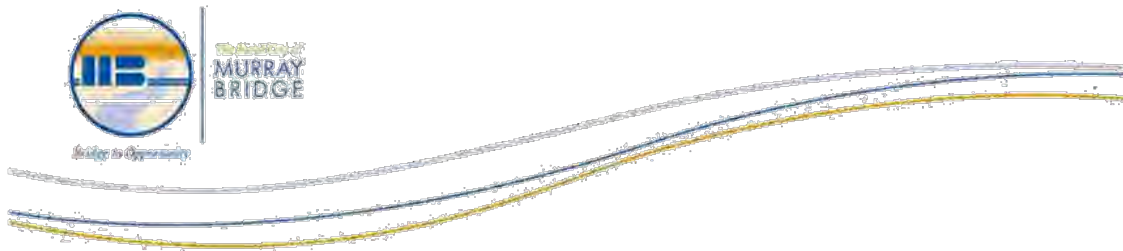
Technical Levels of Service measures are linked to annual budgets covering:

- Fit for Purpose - Is the Plant/Fleet item performing the task it is designed to undertake?
- Condition - Is Plant/Fleet item in good working order?
- Operation Expense - Is the Plant/Fleet item cost effective and efficient?
- Utilisation - Is the Plant/Fleet item standing idle for a substantial period of time (daily/monthly/annually)?
- Maintenance Expense - Does the Plant/Fleet item attract unreasonable levels of maintenance?
- Plant Renewal/Sale - Has the Plant/Fleet item reached the end of its useful life (age) and represent value through its disposal (sale/trade)?



Key Performance Measure	Level of Service Objective	Performance Measure Process	Current Level of Service	Desired Level of Service
Operations and Maintenance	Fit for purpose (Function)	Consultation with operators over renewal options and timeliness	Plant review group make recommendations regarding the purchase of new equipment	Consultation with operators over renewal options and timeliness 100% of time
		Plant items are being used for their intended purpose and do not exceed operating guidelines	Not formally measured. All staff are trained in Safe Operating Procedures	100% of staff who operate plant are formally trained in plant and fleet SOP's and deemed competent
		Plant and fleet is procured in accordance with operating models and consultation with end users is undertaken	Plant and fleet asset management has historically been renewed based on a like for like model	Plant and fleet review committee consult with end users and develop fit for purpose recommendations based on operational models aligned to service levels.
		Plant items used are best practice items, using latest technology available	Plant and fleet asset management has historically been renewed based on a like for like model	Plant and fleet review committee consult with end users and develop fit for purpose recommendations based on operational models aligned to service levels.
	Condition (Quality)	Plant is in good working order, deemed safe and is clean and tidy condition	Prestart inspection are undertaken on each Plant and Fleet item at the commencement of each shift	Plant is cleaned when required each day both inside and out ready for use the next day 80% Plant and Fleet is thoroughly cleaned at the end of each fortnight 60%
		Plant and fleet hours/kilometres are within agreed benchmark levels	Not measured	Plant and fleet are have a prestart inspection undertaken 100% of the time where hours/kilometres and general condition is recorded
		Breakdowns per annum	Rounded informally and used as a trigger for renewal	Plant renewal and disposal take account of plant and fleet utilisation and adjusted accordingly
	Operational Expense	Maintenance schedules programmed as per manufacturer's specification	Measured through service data but not analysed	<10% of total available hours lost due to breakdowns (including planned maintenance)
		Fleet safety checks are performed on every item of plant and equipment	100% - Planned service is carried out in accordance with Specification	100% - Planned service is carried out in accordance with Specification
		Plant and fleet utilisation rate to be benchmarked against industry standards and provide value to the community	100%	100% - Develop technology digital based system that provides automatic prompts and develops work schedule
	Maintenance Expense	Plant items do not attract higher than expected maintenance attention	Measured but not analysed	Plant utilisation to be minimum of 75% available working hours per annum
		Pre purchase risk assessment carried out prior to 100% of purchases	Measured but not analysed	Routine scheduled maintenance costs are not exceeded by 20%
Replacement	Plant provided meets the needs of the operators	Pre purchase risk assessment carried out prior to 100% of purchases	Pre purchase risk assessment carried out prior to 100% of purchases	
	Consultation with operators over renewal options and timeliness	Consultation with operators over renewal options and timeliness	Discussion informally but not documented	
	Develop analyses of life cycle costs and make recommendations for Plant replacement program	Develop analyses of life cycle costs and make recommendations for Plant replacement program	Plant replaced in accordance with Plant Replacement Policy	Consultation with operators and Fleet Assessment Office on 100% of renewal options. Hold plant review meeting and minute decisions
	Minimise life cycle asset costs	Plant replaced in accordance with Plant Replacement Policy	For each item of Plant with a value > \$100,000	

Table 4: Key Performance Measures



4. FUTURE DEMAND

4.1. Demand Forecast

As indicated in previous sections of this Asset Management Plan, the management of Plant and Fleet directly relates to the services the Community expect Council to deliver. Plant and Fleet are the tools Council staff utilise to deliver works and services in an efficient, safe and high quality fashion and is vitally important for Council to anticipate changing demands that may influence the make-up of Councils Plant and Fleet inventory

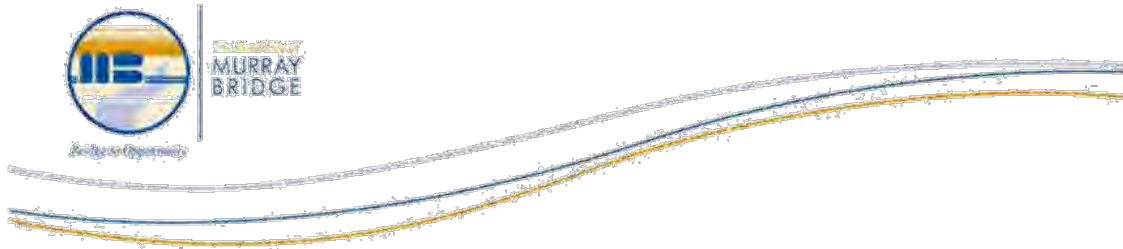
The modelling of demand changes is a critical factor in ensuring Councils manages its Plant and Fleet in a sustainable manner. The key factors influencing the demand for Plant and Fleet managed by the Rural City of Murray Bridge include:

- Changes to agriculture and associated industry
- Variations in population demographics
- Economic factors
- Increased tourism.
- Improved riverfront infrastructure and recreational open space
- Development including major residential land subdivisions
- Current Plant and Fleet inventory, (efficiency, fit for purpose, utilisation)
- Changes in technology, methodology, ideology

Forecasting the affect these key factors have on Councils operating model is difficult to quantify in a manner that provides a sufficient level of confidence. Variations in Councils strategic direction and changes in the regional landscape can significantly and rapidly alter the needs of the community and therefore the Plant and Fleet necessary to deliver outcomes. It is therefore paramount to develop a Plant and Fleet Asset Management Plan that is flexible enough to accommodate these changes.

Monitoring changes in demand and altering Council forward Plant and Fleet procurement requirements is a process that requires constant attention, and unlike other Infrastructure Asset Management Plans, requires a full annual review.

In addition to the demand the Community has for service that drive the Plant and Fleet needs of Council, there is a market demand for the purchase, trade and sale of Plant and Fleet. These fluctuations have potential to significantly influence the estimated replacement cost and well as the proceeds generated through the disposal of Plant and Fleet.



5. LIFE CYCLE MANAGEMENT PLAN

Life Cycle Management is recognised by Council as an essential component by which Plant and Fleet is managed. It provides a framework regarding how Council operate Plant and Fleet assets at agreed levels of service while optimising life cycle costs for the entire useful life each Plant and Fleet item.

This section of the Plan provides details of data necessary, and the processes required, to effectively manage, renew and upgrade the Council's Plant and Fleet inventory. It also documents the analysis that Council undertakes regularly to predict and monitor expected future expenditure required to responsibly manage Plant and Fleet renewal.

Undertaking life cycle asset management means considering all management options and strategies as part of the asset life cycle, from planning, procurement, operation and disposal. The objective of managing the assets in this manner is to look at long-term cost impacts (or savings) when making asset management decisions.

Data collected for each individual plant item is collected and analysed to measure, performance, utilisation, age and demand (internal and external) in order to make sound decisions. This data, coupled with levels of service measurements, enables Council to determine the optimum life cycle (period of ownership) for each assets.

This data includes:

- Build year
- Make and Model
- Date of Purchase
- Estimated/Optimum useful life
- Estimates Resale value (market value at end of useful life)
- Utilisation (km, hours over a set period of time)
- Estimate/Optimum disposal date

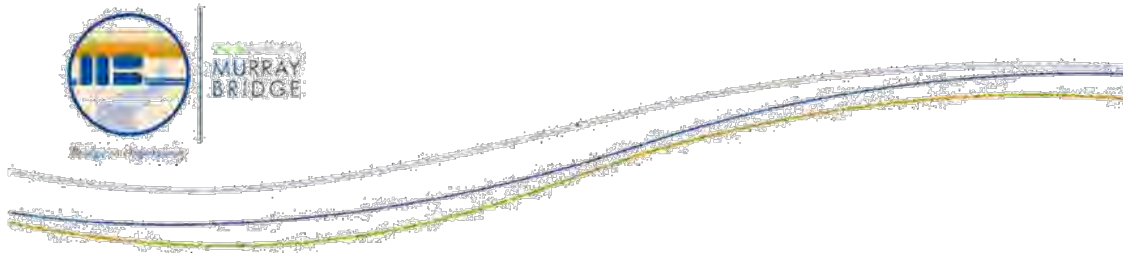
5.2. Risk Management

All Plant and Fleet items are required to undergo a three-step risk assessment process that includes

1. A pre purchase assessment to determine that the plant items is fit for purpose and safe to operate.
2. A daily operational risk assessment to assess that the plant item is in good working order and safe to perform the intended task during the shift
3. An annual risk assessment to review all aspect of the plant and how it is operated

The risk assessment process can be summarised as follows:

- Identify credible risks
- Assess the likelihood of the risk event occurring



- Assess the consequences should the event occur
- Develop a risk rating
- Evaluate the risk
- Develop and implement a risk treatment plan for non-acceptable risks

Treatment plans for risk may include elimination, engineering, signage, personal protective equipment or education. All uncontrolled risk rated "high" or greater must be reported to management and the associated Plant or Fleet item must not be operated or used until all non-acceptable risks are controlled.

5.3. Routine Maintenance

Routine maintenance is the undertaking of preventative tasks and performed in accordance with manufacturer's recommended service periods and schedules. The work includes minor tasks necessary to keep assets on their expected life cycle path. Failing to carry out necessary maintenance when it is required will result in assets deteriorating faster than expected. Plant and Fleet assets that do not reach their expected life place a financial burden on Councils as it forces early renewal resulting in generation inequity and financial loss on disposal.

Reactive maintenance is unplanned repair work carried out in response to service requests generated by breakdown or failure. This work is unplanned but inevitable and therefore it is necessary to make an allowance as part of Council operating budget development. This formulation of the operating budget is not part of this Plant and Fleet Asset management Plan

5.4. Plant Replacement Program

5.4.1. *Renewal*

Plant and Fleet management is a dynamic environment, subject to changing technology, differing markets, improvements to management systems and operating models. It is important that Council's Plant and Fleet policies are flexible and adaptable in order to take advantage of positive trends or protect and isolate negative aspects that may place a financial burden on Council.

Council's Plant Renewal Program has been developed with the goal of achieving least cost to Council by striking a balance between annualised change over costs that generally decrease with age, and annual maintenance and repair costs that generally increase with age. Retention periods have been initially set based on general industry standards, anticipated servicing costs and resale market values.

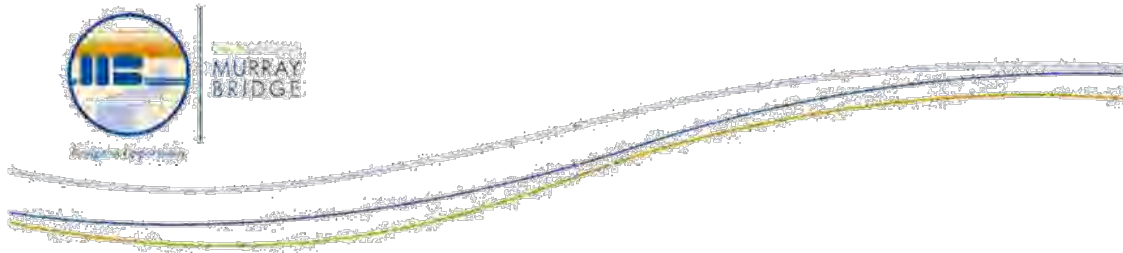
The Plant and Fleet asset category comprises a complex mix of asset types, age, function and condition. Council's Plant Review Group have developed a set of standard retention periods and usage thresholds that are based on industry standards, advice from Council's Senior Mechanic and market trends. (Table 5: Plant and Fleet Useful Life and Retention Triggers)

Notwithstanding the need for Council to benchmark itself against industry standards, it is also important to note that by implementing standard retention periods and usage thresholds it identified that many Plant and Fleet items within Council inventory (as at 30 June 2019) have already exceeded their useful life. For Council to address this renewal backlog it will need consider increasing its annual Plant and Fleet renewal budgets over and above annual depreciation for a period depending on the appetite Council has for eliminating the backlog. This plan recommends that the identified backlog is addressed over a 5 year period.



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

310



A previously indicated in the plan, some Plant and Fleet items will become redundant as a result in the changing landscape in which Council operates. As such, from time to time, Council will be in a position where an item of Plant will be disposed of and not replaced. Provided the Plant can be sold at a higher value than its written down (book) value, there will be gain on sale which will generate income for Council to be utilised in the provision of new Plant and Fleet. Conversely, any loss on sale will need to be absorbed within the allocated capital budget for the provision of Plant and Fleet renewal.

From an accounting point of view, an Asset Renewal Program is intended to return assets of a given type to an 'as new' condition. Renewal activities are appropriate for all assets types and can involve the complete replacement of the asset with the new, providing the original (intended) level of service is maintained.

In theory, this practice is simple and historically Council has renewed its Plant and Fleet using a "Like for Like" model. This practice replaces a Plant/Fleet item with an identical item, but without adequately considering the operational needs of the organisation, the needs of staff, and most critically, the service expectations of the community.

In order to address the compounding issue, the approach to acquisition and disposal needs to be one of continuously analysing and updating the Council's entire Plant and Fleet inventory as a whole in order to respond to Level of Service requirements and operating models rather than the renewal of individual items that Council no longer requires.

This approach provides Council administration with the flexibility to dispose of a surplus plant items and renew its entire fleet by introducing new or improved plant items it previously did not have without placing a financial burden on Council regarding the level of capital investment it allocates to the provision of Plant and Fleet. While this practice is not considered renewal in isolation, and contains a component of enhancement, it is the most appropriate and financially responsible strategy for the management of Plant and Fleet.

This plan recommends that Council review and reissue its plant and fleet renewal program annually

3.4.2. Enhancement

The purchase of new Plant and Fleet, is considered "enhancement" of Council's inventory and separate to the renewal of Council assets. As such, the purchase of new plant needs to be isolated within council Capital Budget and funded through the provision of budget allocation over and above renewal funds or the proceeds gained through the sale/disposal of surplus Plant and Fleet.

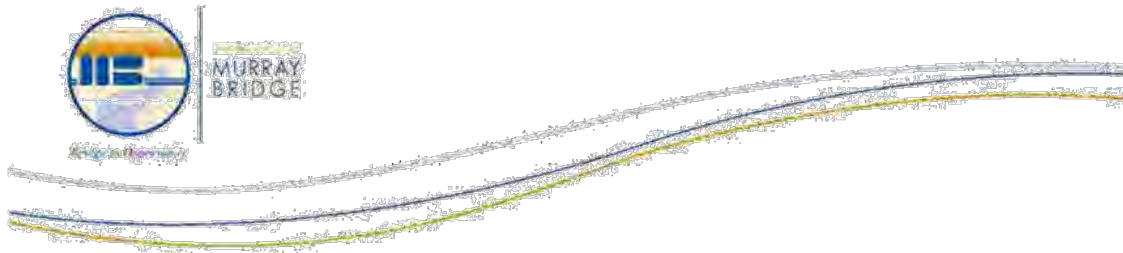
New Plant will often be required to provide changed or new services required by the community. These changes can be driven by new development, change in legislation or development of new technology. Irrespective of the drivers that initiates change, Council's Plant and Fleet Asset Management and Procurement practices need to be adaptable and accommodate the acquisition of new Plant and Fleet items as required.

3.4.2. Disposal

Two key factors can trigger the need for Council to dispose of a Plant and Fleet asset: **Age and Utilisation.**

The age of a plant item is primarily measured in two ways: **Useful Life** and **Optimal Retention Period.**

Council has adopted an age measure where the useful life of a plant item determines the annual depreciation by applying a straight-line model. A plant item will attract an equal depreciated (Replacement Value ÷ Age) expense each year over its useful life until a book value of zero (\$0.00) is reached.



Optimal Retention/Ownership Period is a measure of time that the Council will retain or "own" an asset and will be determined by the point in time when Council will receive the most financially beneficial return on disposal. The point in time at which this measure tips in favour of disposal is variable and can depend greatly on market drivers, economic environment and the needs of the organisation.

Council's disposal plan is driven by Optimal Retention Period must always be less than or equal to Useful Life - Table 5 below details the current Useful Life and Optimal Retention Period for each Plant and Fleet type.

Utilisation of a Plant item is also measured in two ways; A unit measure of **Operational Time**, and **Physical Condition**.

Operational Time is a measure of how many hours/kilometres (units) an item of plant operates and is used to determine how efficiently an item of plant is being used daily, monthly and annually.

Daily, Monthly and Annual utilisation is a measure of operational hours versus working hours available. It is Council's target performance measure, as detailed in Table 4, to have an annual utilisation figure of 70% for all plant items. Any plant items that fall below a utilisation measure of 70% should be reviewed and potentially considered for disposal.

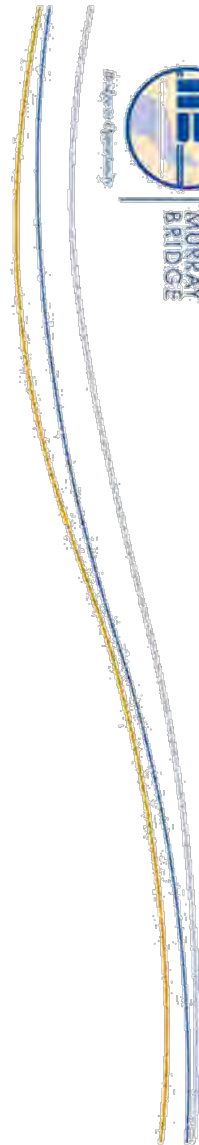
The Accumulation of total Operating Hours measures the total amount of work a plant item has undertaken during its life. Council has set benchmark thresholds (detailed in table 5) for each plant type based on when it is likely to achieve optimum resale value to maximise gain on sale and before operational expenses become problematic. These thresholds will be monitored and reviewed annually.

The **physical condition** of plant and fleet items is also an indication of utilisation; the more work an asset performs the more likely its condition will deteriorate. The physical condition of Plant and Fleet can be significantly impacted through operator error resulting in damage over and above what could be expected from normal use. When unforeseen damage occurs that renders a plant item no longer fit for purpose or safe, Council will impair the Plant and Fleet asset and dispose, at a loss, before the optimal retention time or operational threshold is reached.



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

312

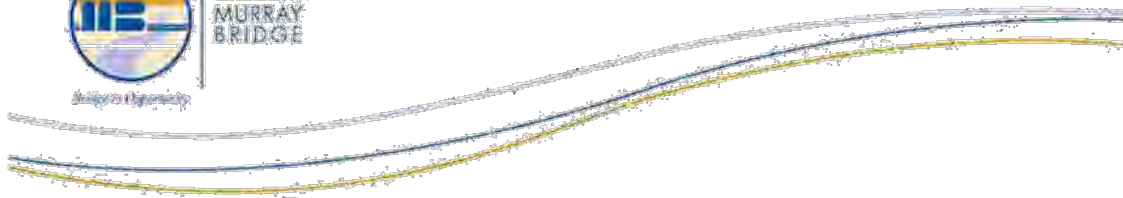


Fleet/Fleet Type	Number	Annual Depreciation	Replacement Value	Est Useful Life	Optimal Retention	Optimal Disposal (km/hr)
Bulldozer	1	\$44,444.44	\$800,000.00	18	15	7500 hr
Bus	1	\$8,398.17	\$76,034.01	12	10	250000 km
Compaction Roller	4	\$38,214.29	\$335,000.00	14	12	4000 hr
Grader	3	\$125,000.00	\$1,125,000.00	9	7	7500 hr
Loader	2	\$48,222.22	\$434,000.00	9	7	7500 hr
Medium Road Truck	8	\$86,055.96	\$940,000.00	9	7	250000 km
Miscellaneous	6	\$16,308.89	\$173,290.00	NA	NA	NA
Mower	4	\$22,317.68	\$218,359.10	9	7	4000 hr
Passenger Vehicle	7	\$29,892.00	\$179,351.99	6	5	75000 km
Prime Mover & Side Tipper	1	\$25,000.00	\$225,000.00	9	7	500000 km
Small Load Shifting	4	\$46,222.22	\$416,000.02	9	7	6000 hr
Tandem Tipper and Trailer	8	\$143,777.78	\$1,294,000.00	9	7	500000 km
Tractor	3	\$37,555.56	\$338,000.00	9	7	5000 hr
Tractor Small	8	\$24,744.68	\$222,702.15	9	7	NA
Jet-patcher	1	\$30,555.56	\$275,000.00	9	7	400000 km
Utility	16	\$96,301.12	\$658,473.40	9	7	125000 km
Water Truck	2	\$29,434.44	\$315,000.00	12	10	40000 km
TOTAL		\$667,312.87	\$8,725,245.67			

Table 5: Plant and Fleet Useful Life, Retention Triggers, Annual Depreciation & Replacement Value

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6. FINANCIAL SUMMARY

By implementing a change in Acquisition and Disposal philosophy, in conjunction with revised Renewal and Enhancement Plans, Council has been able to develop financial models and forecast a 5 year Plant and Fleet Asset Management Plan that meets the operational model needs and the needs of the community.

Through the review of Plant and Fleet replacement values, based on current market trends, a far more accurate calculation of Councils annual Plant and Fleet depreciation expense has been calculated, it will enable Council administration to manage its existing inventory in a sustainable manner.

Table 5 above summarises Councils Plant and Fleet into specific categories and provides a depreciation allocation for each. The total calculated depreciation expense, based on plant replacement value is \$862,392.60 per annum. This figure does not take into consideration the accumulated depreciation of the existing plant nor does it account for the processed generated through the sale of Plant and Fleet.

6.3. 5-Year Funding Requirements

For Council to deliver on the proposed acquisition and disposal plan, as well as eliminate renewal backlog, Council will need to allocate sufficient funds within its annual business plan and budget to accommodate current renewal requirements, the existing backlog legacy, and the enhancement of Councils Plant and Fleet inventory required to accommodate the communities' changing needs.

In order to fund its current renewal requirements, Council will need to allocate \$862,392.60 per annum to replace its existing Plant and Fleet. This figure accounts for plant and fleet items to be depreciated to a level consistent with the optimal retention time but does not account for any future gains (or losses) made on the sale of assets. As a majority of Plant and Fleet will have a residual market value remaining at time of sale it is proposed that any gain (or loss) on sale will be reinvested in to the renewal, replacement or enhancement of Councils Plant and Fleet inventory in future years and quarantined in a Plant Reserve Fund.

The management of Backlog within Councils Plant and Fleet inventory will need to be managed through a robust consultative process involving Council Operational Staff and applying a risk-based approach ensuring that backlog is cleared over a sustainable period. In order to achieve this Council will need to allocated funds to its renewal budget over and above the current depreciation for the life of this plan before returning to purely funding renewal in 2025/26. **Table 6** below details the proposed renewal plan and indicates the level of funding required each year over and above annual depreciation.

The enhancement (expansion) of Council Plant and Fleet is a function of changing operating models driven by the needs of the community. In the long term, funding of new Plant and Fleet must not be undertaken at the expense of renewal otherwise Councils renewal backlog will not be cleared and the compounding liability will simply be shifted to future generations. Plant and Fleet Expansion must be funded through budget saving and justified through sound business case development.

As a result of the communities desire to improve the amenity of Murray Bridge, Council Open Space team has undergone a rapid expansion and has develop a new operating model design to deliver the on communities requirement. As a result of this new operating model a transition over 2 consecutive budget is required and will involve the acquisition of \$1.2M worth of new Plant and Fleet. This expansion has been included in Council 5 year Plant and Fleet Asset Management Plan and is detailed in Table 6



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

314



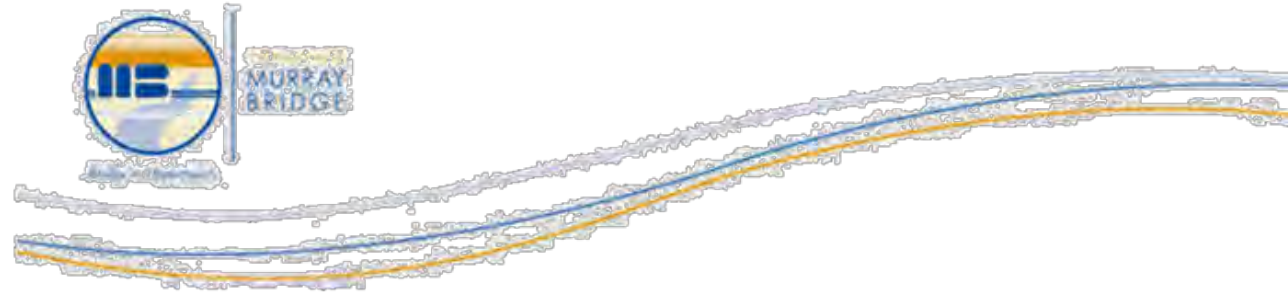
Planned Disposal Year	Profit on Sale	Renewal*	Backlog †	Enhancement	Total	ASR
2019/2020	\$ 127,068.35	\$ 831,000.00	\$ -	\$ 570,000.00	\$ 1,427,991.85	99%
2020/2021	**	\$ 827,954.90	\$ -	\$ 525,000.00	\$ 1,452,954.90	98%
2021/2022	**	\$ 1,012,313.96	\$ 148,921.99	-	\$ 1,072,313.96	117%
2022/2023	**	\$ 1,082,313.85	\$ 216,920.95	-	\$ 1,082,313.85	126%
2023/2024	**	\$ 1,022,567.90	\$ 160,174.30	-	\$ 1,022,567.90	119%
2024/2025	**	\$ 975,926.35	\$ 113,533.75	-	\$ 975,926.35	113%
Average	\$ -	\$ 958,679.44	\$ -	\$ -	\$ 1,135,001.42	111%

* Annual Depreciation (as at 30/6/18) \$662,392.60

** No Profit on sale has been included after year 1 (2020). This will be addressed as part of each annual review of the Plant and Fleet Asset Management Plan

† Backlog is not addresses in year 1 or 2 of this plan to accommodate required enhancement in the Open Space area

Table 6: Plant and Fleet Asset Management Plan Summary



7. DETAILED ASSET RENEWAL, ENHANCEMENT & DISPOSAL PLAN

Asset Name		Planned Disposal Year	Profit on Sale	Revenue*	Enhancement	Total
Bobcat K Series loader QV1522		2020	\$ 6,250.00	\$ 80,000.00	\$ 0	
Bulldozer/Tractor, Caterpillar S19SRN	Dispose	2020	\$ 62,273.00	\$ 0	\$ 0	
Grader, Caterpillar QV192B		2020	\$ 11,875.00	\$ 375,000.00	\$ 0	
Mower, Howard Pegasus (model 493)		2020	\$ 1,500.00	\$ 20,000.00	\$ 0	
Tractor, John Deere, KPS344		2020	\$ 6,000.00	\$ 90,000.00	\$ 0	
Tractor, Massey Ferguson, HV1775		2020	\$ 7,867.14	\$ 99,000.00	\$ 0	
Trailer, YLR021 (for Mack Road Tipper) (*)	Dispose	2020	\$ 3,000.00	\$ 0	\$ 0	
Truck, Mack Tipper, WW0221 (*)	Dispose	2020	\$ 19,008.76	\$ 0	\$ 0	
Utility, Holden Colorado, S108AA0		2020	\$ 6,867.06	\$ 42,000.00	\$ 0	
Utility, Holden Colorado, S110BA0		2020	\$ 10,137.50	\$ 42,000.00	\$ 0	
EWP - Tree Care	New	2020	\$ -	\$ -	\$ 200,000.00	
Small Truck - Outer Parks	New	2020	\$ -	\$ -	\$ 115,000.00	
Trailer - Outer Parks	New	2020	\$ -	\$ -	\$ 20,000.00	
Deck Mower - Other Parks	New	2020	\$ -	\$ -	\$ 85,000.00	
Vac Truck - 3000Ltr Hino FM1628	New	2020	\$ -	\$ -	\$ 150,000.00	
Utility, Holden Colorado, SX S700ALU		2020	\$ 0	\$ 42,000.00	\$ 0	
		2020	\$ 127,068.15	\$ 831,000.00	\$ 580,000.00	\$ 1,203,931.85
Car, Holden Evolve, S920BAA		2021	\$ 0	\$ 28,177.45	\$ 0	
Station Wagon, Holden Evolve, S708BAU		2021	\$ 0	\$ 29,177.45	\$ 0	
Loader, John Deere, JVP751		2021	\$ 0	\$ 211,000.00	\$ 0	
Motorcycle, Kawasaki, YY5611		2021	\$ 0	\$ 6,000.00	\$ 0	
Roller, Dynapac (single drum) EVP234		2021	\$ 0	\$ 200,000.00	\$ 0	
Tipper, Isuzu, XFE859 (Wood Chipping)		2021	\$ 0	\$ 135,000.00	\$ 0	
Tipper, Isuzu, XFE856 (Water Truck)		2021	\$ 0	\$ 135,000.00	\$ 0	
Truck, Mitsubishi Fighter, XD0349 (Water Truck)		2021	\$ 0	\$ 135,000.00	\$ 0	
Trailer - Town Entrance	New	2021	\$ -	\$ -	\$ 20,000.00	
Vac Mower - Town Entrance	New	2021	\$ -	\$ -	\$ 75,000.00	
eCombi Broons Roller	New	2021	\$ -	\$ -	\$ 120,000.00	
Excavator - Cemeteries	New	2021	\$ -	\$ -	\$ 120,000.00	
Small Truck - Town Entrance	New	2021	\$ -	\$ -	\$ 115,000.00	
Small Truck - ports Grounds	New	2021	\$ -	\$ -	\$ 115,000.00	
Trailer - River Res	New	2021	\$ -	\$ -	\$ 20,000.00	
Ute - Response	New	2021	\$ -	\$ -	\$ 40,000.00	
		2021	\$ -	\$ 877,954.00	\$ 675,000.00	\$ 1,422,954.00
Car, Toyota Camry, L4 Altise, S10ZHKA		2022	\$ 0	\$ 21,388.40	\$ 0	
Car, Toyota RAV4 GX Station Wagon, S198RKA		2022	\$ 0	\$ 27,566.46	\$ 0	
Mower, Toro		2022	\$ 0	\$ 10,150.00	\$ 0	
Roller, Dynapac, EVC295		2022	\$ 0	\$ 35,000.00	\$ 0	
Roller, Dynapac, EVER08		2022	\$ 0	\$ 200,000.00	\$ 0	
Tipper, Isuzu, XFE857 (maintenance)		2022	\$ 0	\$ 135,000.00	\$ 0	



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

Asset Description	Year	Value	Category	Value	Category	Value	Category
Truck, Isuzu Tipper, SB14F2 (Crane Truck)	2022	\$	0	\$	115,000.00	\$	0
Truck, Isuzu Fighter Water Truck, SB51BL	2022	\$	0	\$	200,000.00	\$	0
Truck, Isuzu, SB41J2 (Sign Truck)	2022	\$	0	\$	115,000.00	\$	0
UMV, Toyota Workmate, X01153	2022	\$	0	\$	80,000.00	\$	0
	2022	**		\$	1,012,313.96	\$	1,012,313.96
Backhoe, Caterpillar, S685TY	2023	\$	0	\$	170,000.00	\$	0
Car, Mazda Hatch, S401BPF	2023	\$	0	\$	19,023.91	\$	0
Generator, SB57DF	2023	\$	0	\$	275,000.00	\$	0
Trailer, Isuzu, X1-0003 (dual cab)	2023	\$	0	\$	135,000.00	\$	0
Trailer, Site Tipper for Mack Prime Mover, Y01003	2023	\$	0	\$	150,000.00	\$	0
Truck, Mack Prime mover, SB22AL	2023	\$	0	\$	275,000.00	\$	0
UMV, Isuzu D-Max, S133BKP	2023	\$	0	\$	38,658.54	\$	0
UMV, Isuzu D-Max, S134BKP	2023	\$	0	\$	34,302.45	\$	0
UMV, Isuzu D-Max, S135BKP	2023	\$	0	\$	35,278.55	\$	0
	2023	**		\$	1,082,313.55	\$	1,082,313.55
Stump Grinder, Bobcat S200	2024	\$	0	\$	13,000.00	\$	0
Car, Holden Colorado TrailMaker (F, S138VQ)	2024	\$	0	\$	34,254.41	\$	0
Car, Mazda Sedan Neo, S401B7P	2024	\$	0	\$	19,023.91	\$	0
Front End Loader, Mitsubishi, QV1804	2024	\$	0	\$	45,000.00	\$	0
Grader, Caterpillar 12M, S485CL	2024	\$	0	\$	375,000.00	\$	0
K9 Kubota	2024	\$	0	\$	16,040.00	\$	0
Tool cat (Flow) UMV	2024	\$	0	\$	83,000.00	\$	0
Tool cat (Flow) UMV	2024	\$	0	\$	83,000.00	\$	0
Truck, Isuzu, SB4230 (tipper)	2024	\$	0	\$	115,000.00	\$	0
Water Truck, Isuzu Giga, SB135J	2024	\$	0	\$	200,000.00	\$	0
UMV, Mazda 2 iL Freestyle 4x4 XL, S407BFP	2024	\$	0	\$	28,400.00	\$	0
	2024	**		\$	1,022,567.91	\$	1,022,567.91
Loader, Hyster, PSV2, 2-Axis, ZW140.3, S395FB	2025	\$	0	\$	217,000.00	\$	0
Truck, Freightliner Coronado (LX-N3) Tipper, SB16MU	2025	\$	0	\$	274,000.00	\$	0
Trailer, Dog Tipping Trailer, SY61HG (Freightliner)	2025	\$	0	\$	110,000.00	\$	0
Trailer, BOMBA, Gravel Removal	2025	\$	0	\$	31,302.45	\$	0
UMV, Holden Colorado, S132BVQ	2025	\$	0	\$	38,049.14	\$	0
UMV, Holden Colorado, S133BVQ	2025	\$	0	\$	38,049.14	\$	0
UMV, Holden Colorado, S134BVQ	2025	\$	0	\$	35,199.50	\$	0
UMV, Holden Colorado, S137BVQ	2025	\$	0	\$	40,049.59	\$	0
UMV, Mazda BT-50 Dual Cab 4x4, S423BFP	2025	\$	0	\$	40,003.91	\$	0
UMV, Mazda BT-50 SE, S418BFP	2025	\$	0	\$	34,391.92	\$	0
Wood chipper, Vermeer, BC1000, S125E11 with Branch Chipper	2025	\$	0	\$	88,000.00	\$	0
UMV, Holden, S3881W1	2025	\$	0	\$	40,000.00	\$	0
UMV, Holden, S369HW1	2025	\$	0	\$	40,000.00	\$	0
	2025	**		\$	975,026.35	\$	975,026.35



S17.7 INTERNAL AUDIT REPORT - CUSTOMER EXPERIENCE

Author Ros Kruger

Legislative ()

Corporate (X)

Other ()

Purpose

To provide the Audit Committee with the report on Customer Experience which forms part of the 2019-2020 Internal Audit Plan.

Background

The Audit Committee at its meeting on the 10 December 2018 item 37.3 endorsed the 2019-2020 Internal Audit Plan.

Customer Experience was identified as an Internal Audit review project with a Strategic Risk Focus.

Proposal

The overall objective of this internal audit focused on Council's customer management strategies, planning and operations. The review also included consideration of the processes in place for managing customer complaints, including benchmarking against ISO 10002 Customer Satisfaction and Complaints Handling.

The Customer Experience Internal Audit Report (**Attachment 1**) contains internal audits recommendations and management responses.

The internal audit identified 8 actions.

- Risk Rating High – 1
- Risk Rating Moderate – 3
- Risk Rating Low – 3
- Process Improvement -1

Legislative Requirements

Local Government Act 1999

Council Policy

Good Governance Framework
Risk Management Framework

Financial Implications

There are no direct financial implications as a result of this report

Risk

The completion of actions in response to the recommendations of this internal audit review will provide for management of Council's risks in relation to Customer Experience.

WHS

N/A

Asset Management

N/A

Implementation Strategy

All agreed management actions have been assigned to responsible officers and target dates for completion have been set.



Communication Strategy

The Audit Committee will be provided with a regular status report on completion of all recommendations in accordance with Council's Risk Management Framework.

Strategic Plan

Goal 5 - Our Commitment
5.3 - Responsive

Recommendation

1. *That item number S17.7 on Special Audit Committee agenda of 2 October 2019 be received and noted.*

Attachments

[1. Customer Experience Internal Audit Report Attachment](#)

Luke Williams moved

1. *That item number S17.7 on Special Audit Committee agenda of 2 October 2019 be received and noted.*

Seconded by Peter Canaway and CARRIED



KPMG

**Rural City of Murray
Bridge**

Internal Audit Report

**Customer Experience
(including complaints
management)**

30 September 2019



The Rural City of
**MURRAY
BRIDGE**





Rural City of
**MURRAY
BRIDGE**

Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Contents

- 1.0 Executive summary 2
- 2.0 Summary of internal audit findings 3
- 3.0 Background 4
- 4.0 Internal audit findings to be actioned 8
 - Appendix 1 – The customer and the RCMB 21
 - Appendix 2 – Better Practice Assessment 22
 - Appendix 3 – Classification of internal audit findings 27
 - Appendix 4 – Stakeholders 28

Distribution	
For information:	For action:
RCMB Audit Committee Michael Sedgman, Chief Executive Officer Tim Vonderwal, General Manager Corporate Services	Martin Smartidge, Manager, Organisational Development Michelle Chambers, Team Leader Customer Support

This report has been prepared as outlined by the Executive Summary of this report. The statistics provided by comparison with the appropriate competitor are advisory only and do not constitute a financial audit. The audit was conducted in accordance with the standards of the Australian Chartered Institute of Accountants (ICAEW) and the Australian Institute of Auditors (AIA). The audit was conducted in accordance with the standards of the Australian Chartered Institute of Accountants (ICAEW) and the Australian Institute of Auditors (AIA). The audit was conducted in accordance with the standards of the Australian Chartered Institute of Accountants (ICAEW) and the Australian Institute of Auditors (AIA).

The report is a summary of the findings of the audit. It is not intended to be a substitute for a financial audit. The audit was conducted in accordance with the standards of the Australian Chartered Institute of Accountants (ICAEW) and the Australian Institute of Auditors (AIA). The audit was conducted in accordance with the standards of the Australian Chartered Institute of Accountants (ICAEW) and the Australian Institute of Auditors (AIA). The audit was conducted in accordance with the standards of the Australian Chartered Institute of Accountants (ICAEW) and the Australian Institute of Auditors (AIA).

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

322



1.0 Executive summary

In accordance with the 2019 Internal Audit Plan of the Rural City of Murray Bridge (RCMB), as approved by RCMB's Audit Committee, an internal audit of the RCMB's customer experience (including complaints management) was undertaken. The objective and scope for the internal audit are detailed below.

Objective

The overall objective of this internal audit project focused on the RCMB's customer management strategies, planning and operations. The review also included consideration of the processes in place for managing customer complaints, including benchmarking against ISO 10002 Customer Satisfaction and Complaints Handling.

Scope

To address the overall objective above, KPMG's Six Pillars of Customer Experience Excellence™ methodology was utilised for this internal audit.

The scope of this engagement included consideration of the following:

- Review of the overall organisational structure, culture, resources, roles and responsibilities in relation to customer experience across the RCMB.
- Consistency of the structure of the Service Level Agreements (SLA), Key Performance Indicators (KPIs) and reporting for a sample of key services provided by the RCMB.
- Addressing the processes for managing customer service requests and complaints (including Section 270 review) in accordance with the RCMB's SLAs (including returned phone calls). In addition to the escalation processes to manage brand and reputation.
- Review of the processes and methods utilised throughout the RCMB to obtain and record customer feedback.

Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

- Review of the customer experience and complaints monitoring and reporting processes.
- Customer experience training provided to employees during the onboarding process and throughout their employment with the RCMB.
- Benchmarking against ISO 10002 Customer Satisfaction and Complaints Handling.

The internal audit considered customer experience across the following areas of the RCMB:

- Depot
- Governance and Complaints
- Customer Service
- Library
- Rates
- Communications (incl. Social Media)
- Digital Services
- Development and Regulations (incl. Environmental Health and Compliance)

Key findings and recommendations

The number of findings identified during the course of this internal audit project is shown in the table below. A full list of the findings identified and the recommendations made is included in this report. Classification of internal audit findings are detailed in Appendix 3 to this report. In accordance with the RCMB's risk management framework, these findings, performance improvement opportunities (PIO) and recommendations were discussed with RCMB Management responsible for customer experience. Management has accepted the findings and agreed action plans to address the recommendations.

Numer of internal audit findings	High	Moderate	Low	PIO
0	1	3	3	1

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2.0 Summary of internal audit findings

Ref #	Description of internal audit findings and recommendations	Rating of internal audit findings
1	Lack of holistic view of the customer	High
2	Regular reviews of social media user access are not performed	Moderate
3	Lack of monitoring and reporting of KPIs, which are not linked to customer satisfaction	Moderate
4	Lack of a consistent technological understanding across all areas of the organisation	Moderate
5	Inconsistent marketing and communications materials	Low
6	Minimal formal knowledge sharing between teams	Low
7	Lack of customer experience and complaints training, in particular on-boarding and refresher training	Low
8	Opportunities to improve the accessibility and guidance in relation to the Complaint Management Framework	PIO

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3.0 Background

Customer experience

Customer experience is the sum of all experiences a customer has with an organisation over the duration of their relationship. At the RCMB, there is a drive across all teams to deliver excellent customer experience to their customers and community. The RCMB's customers have varying needs and expectations that need to be met or mitigated during their interactions with the RCMB to create a positive overall experience.

Across the RCMB there are many different areas that interact with customers and touch points that contribute to the customer's experience, which are highlighted in Appendix 1. The RCMB's main interaction points with its customers are through the Customer Support team where customers speak directly to employees, or alternatively email or write queries and complaints.

Customer experience at the RCMB is overseen by the Customer Support team and is governed by the Customer Service Charter, which was introduced to the RCMB two years ago. In the last 18 months the Customer Support team has implemented a number of customer experience initiatives and changes, which have included:

- Designing and implementing a new service request process through the RCMB's service request system, MagIQ. The new service request process streamlines the process of capturing customer queries and complaints and allows the Customer Support team to workflow the request to the responsible team and then close requests. This has enabled Customer Support to manage customers' expectations through prompt communication with the customer. While the new process has only been introduced in full to the Depot and Rates teams, it is expected to be introduced to all areas of the RCMB in the future.

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Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

- Introduction of the Depot's Rapid Response team, which prioritises customer service requests based on a triaging risk based process.
- Weekly reporting from MagIQ to managers over open service requests. These reports are used to help ensure that outstanding requests are closed and customer outcomes are communicated to the customer.
- Quarterly and annual reporting has been developed of service requests received.
- Facilitating two training programs (through an external provider) available to all teams at the RCMB, covering "Dealing with Difficult People" and "Customer Services 101".

Why does customer experience matter?

Customer experience can help guide resource allocation, in order to maximise growth and reduce wastage. Customer centricity is not a new concept, but it can be a challenging one for organisations to unravel.





Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

325



In creating customer experience, it is important to balance the business' values with those of the customer and avoid both under and over delivering with respect to customer experience.

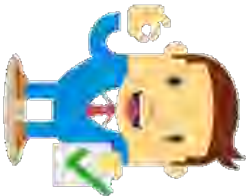
At the RCMB, there is motivation across the organisation to deliver excellent customer service and provide customers with their desired outcomes, which is driven from the top-down and was demonstrated throughout Internal Audit's stakeholder interviews. Employees of the RCMB have a strong understanding of what constitutes good customer service, including the appropriate escalation process in the event of a difficult customer query or complaint and the importance of managing customers' expectations.

There is an opportunity however to improve the consistency of customer experience provided across all divisions. This includes monitoring and reporting on customer KPIs, consistency of practices in relation to customer service requests, knowledge sharing between teams and gaining a holistic view of the customer. Improvement in these areas will assist the RCMB to provide consistent customer experience to its customers across the Council.

Positive observations

During our Internal audit, the following key positive observations were observed:

- ✓ **Following the implementation of the new service request process in January 2018 for the Depot and Rates, and the introduction of the Rapid Response team in July 2018 for the Depot, Customer Support have noted a significant decrease in the number of complaints received.**
- ✓ **Positive customer feedback is captured by all areas of the RCMB, usually in MagIQ or by Team Leaders, and is celebrated in monthly staff meetings. On an annual basis, an employee is also named the ABC Champion, who provides information on service delivery better practices.**
- ✓ **A clear and well understood escalation process for complaints is in place at the RCMB (refer Page 6).**



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5

Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Relevant systems

MagIQ

The RCMB's Customer Support team, along with all other teams at the RCMB, utilise MagIQ to document and track all customer related enquiries, requests, feedback, and complaints requiring a service request to be raised. Subsequent to the Customer Support team receiving a service request (via phone, email, letter etc.), the interaction is logged in MagIQ. The relevant team is then selected and the query is workflowed to the relevant Team Leader, whose responsibility it is to investigate and resolve the issue. Depending on the query or complaint, the customer is either contacted by the Team Leader, or the request is workflowed back to Customer Support for resolution. Anyone with access to MagIQ has the ability to raise a service request in MagIQ.

Authority

The RCMB's Rates and Development and Regulations teams utilise the Authority system to store information relating to customer queries and to facilitate rate payment plans. All corresponding documentation is referenced to a location on the T-Drive. Authority works in conjunction with MagIQ when a service request is required, however, they are not integrated.

Dogs and Cats Online (DACO)

The RCMB utilises the DACO website when assisting a customer with a query relating to a dog or cat. The site stores information on registrations, lost dogs and cats and other various information. When Customer Support receives a dog or cat related query or complaint, a service request is logged in MagIQ. The team can then refer to DACO for further information and store themes for future reference.

A-Z Services (A-Z)

A-Z is a knowledge index located on the RCMB's Intranet. It provides details (e.g. location, contact details, fees etc.) related to various types of service requests. It is understood that currently, the information on A-Z is out of date, however it is noted there are plans to update A-Z with the update of the website.



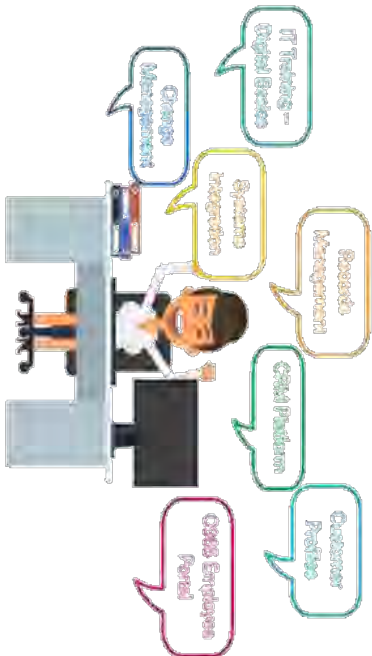
Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



The Digital Strategy

The Digital Strategy (the Strategy) was endorsed in 2017 to provide a three-year strategic digital direction for the RCMB. The Strategy project managed by the Business Analyst, Business Systems and is built on five key pillars: Purpose, People, Process, Product and Platform.

There are a variety of projects included on a three year roadmap as part of the Strategy, including the new Customer Relationship Management (CRM) tool. While the RCMB strives to deliver excellent customer experience, their ability to continue to improve their customer experience is restricted by current processes and system limitations. A purpose-designed CRM system will provide the RCMB with the ability to gain a central and holistic view of each of the Council's customers through a single search. This functionality will elevate the RCMB's customer experience offering and also create efficiencies in processing customer queries and requests.



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Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

It is noted that the rollout of the Digital Strategy has faced some challenges to date. This includes recent leadership changes, an ongoing focus on change management needed and general IT capability gaps required across the organisation.

Complaints management

The Complaints Management Guideline (the Guideline) governs the handling of customer complaints at the RCMB. The Guideline is an internal document which is to be supported by a new Customer Service Charter System, currently in draft format. For customers, the Complaints Management Framework (the Framework) is a document available on the RCMB's website, which details how customers can escalate complaints and challenge complaint outcomes (e.g. Internal review by the RCMB or delegate, or external review handed outside the RCMB).



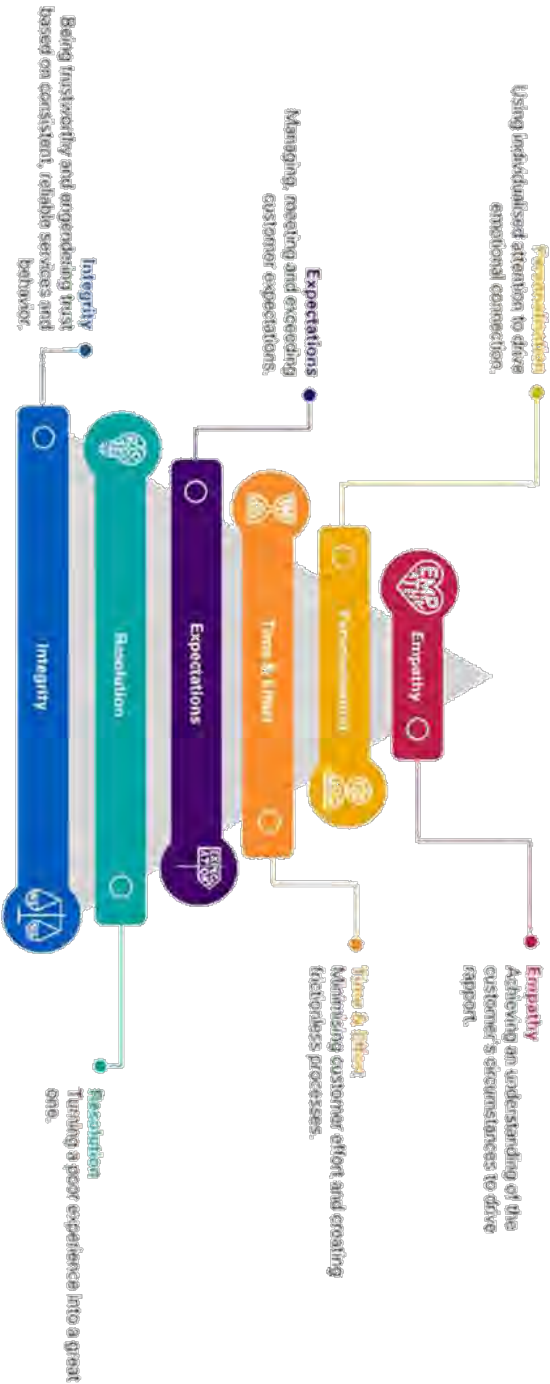
At the RCMB, there is a strong focus on the importance of maintaining a sound service request system to minimise the number of complaints. There is a clear understanding of the internal escalation process for complaints, which is outlined in the Guideline. Complaints are typically received by Customer Support and will attempt to be resolved at this stage. However, if the complaint is complex, it will be work-flowed to the relevant Team Leader or Manager of the business unit to be resolved. If the complaint is still unable to be resolved, it will be escalated further to the relevant General Manager, and then to the Executive Officer or Chief Executive Officer for review.

Section 270 reviews, or 'Internal reviews', also follow the above escalation process. It is noted that very limited occurrences of Internal reviews have occurred at the RCMB, with only one review performed over the last three years.



KPMG Six Pillars of Customer Experience Excellence™

KPMG's Customer Experience Excellence Centre has conducted a research project, involving over two million customer evaluations, and covering more than 920 brands. From this, KPMG has developed the Six Pillars of Customer Experience Excellence. This framework (and the research tool it supports) is used by KPMG to diagnose the individual drivers organisations need to focus on in order to deliver excellent customer service.



The Six Pillars of Customer Experience Excellence have been considered throughout the review and incorporated into the recommendations for the Internal Audit Findings and PICs where appropriate.

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Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

4.0 Internal audit findings to be actioned

1. Lack of holistic view of the customer		
Findings) and impact:	Recommendation(s):	Rating of internal audit finding: High Likelihood: Likely, Consequence: Moderate
<p>The RCMB currently lacks a holistic view of their customers due to the inability to track customer requests and touch points throughout the RCMB. In particular, it was noted that:</p> <ul style="list-style-type: none"> All customer queries and complaints are logged in MagIQ, however staff are unable to perform a search to retrieve the customer's history in a single location. Searching requests by customer name in MagIQ is difficult, with the Records team sometimes required to assist in locating customer data. Customer interactions are logged in multiple systems, which are not integrated, and MagIQ is not used by all staff members. As a result of these issues: <ul style="list-style-type: none"> Front line staff are currently unable to access information around customers in a single view and have to rely on multiple sources to build a full picture. This increases the time spent with customers creating a negative experience and inefficiencies. Customers may be required to relay information multiple times to various areas across the Council. This results in inefficient customer-facing processes, a negative customer experience and a higher cost of operations. 	<p>Internal Audit recommends that the RCMB:</p> <ol style="list-style-type: none"> As part of the Digital Strategy, it is understood that key customer channels and end-to-end customer journey maps will be completed. As part of these projects, it is recommended that: <ul style="list-style-type: none"> The customer journey maps include pain points and moments of trust are identified for the customer. The timing of when this work is scheduled is further considered, and potentially brought forward. Investigate opportunities to drive process efficiencies in customer experience. For example, single point of access for customers, service-led organisation, reducing approval workflows, etc. Investigate data governance as part of the digital strategy review. In particular, establishing a common approach to managing customer data for improved data analytics and insights into true service-based costing. 	<p>Agreed Management action(s):</p> <ol style="list-style-type: none"> Agreed. As part of the Digital Strategy, the RCMB has included consideration of two customer profile initiatives focusing on a holistic view of the customer and two-way communication method. While undertaking these initiatives, the RCMB will ensure key customer channels and end-to-end journey maps with pain points and moments of trust are considered, as well as the timing of when this work is done will be completed. Agreed. As part of the Digital Strategy, the initiatives above will include opportunities to streamline customer services. This will include the customer profile initiative and also understanding two-way customer communication. Agreed. The Digital Strategy Program already includes a data management project. As part of this project, data governance will also be considered.

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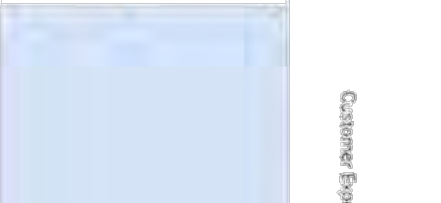


Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

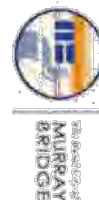
329



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

<p>It is noted that as part of the Strategy a new CRM system is scheduled to be implemented across the RCMB, commencing in FY20 (see Background).</p> <p>The lack of access to accurate customer data on demand and understanding of customer satisfaction creates the risk that the RCMB may not be able to improve its customer experience offering, and may fail to meet the expectations of the customer. This could lead to potential negative reputational risks for the RCMB.</p>	<p>KPMG Six Pillars of Customer Experience Excellence™</p> <p>Perseparation Resolution</p> <p>Expectations Time and Effort</p>	
<p>Responsibility: General Manager Corporate Services</p>		
<p>Target date: 1. 30 June 2020; 2. 30 June 2022; 3. 30 June 2021.</p>		

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Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

<p>2. Regular reviews of social media user access are not performed</p>			
<p>Finding(s) and impact:</p>	<p>Regular reviews of user access to social media accounts are currently not performed. The RCMCB has Facebook, Instagram, Twitter and YouTube accounts for various divisions under the RCMCB's responsibility including, but not limited to the Library and Swimming Centre). Through stakeholder discussions, it was advised that user access for each of these accounts is not reviewed on a regular basis. A review performed by the RCMCB of current user access undertaken at the time of the review identified employees with access to social media accounts, subsequent to their departure.</p> <p>The RCMCB has a Social Media Policy (the Policy) in relation to social media, which provides guidance over acceptable conduct and appropriate course of action in response to customer public comments or private messages. However, the Policy has not been updated since 2015, and does not include user access requirements. Further, it was noted that a review of social media access is not done as part of the employee "exit" checklist process. It is noted that a review of the Policy is due this year. A lack of regular review over social media user access creates a risk that ex-employees may go "rogue" and post content that does not align to the RCMCB's Social Media Policy and the RCMCB brand. This may cause reputational damage to the RCMCB. It is better practice to have a policy that requires regular reviews of user access.</p>		
<p>Recommendation(s):</p>	<p>Internal Audit recommends that the RCMCB:</p> <ol style="list-style-type: none"> 1 Introduce regular (i.e. bi-annually) reviews of social media account holders and user access delegations to ensure they are up to date and relevant. 2 As part of the upcoming review of the Social Media Policy and supporting guidelines, user access roles and responsibilities should be detailed, to ensure employees are aware of the terms of their access privileges. 3 The Social Media Policy and related guidelines should be reviewed on at least on bi-annual basis, or as required, as the social media landscape is fast-paced and ever-changing. 4 Integrate the removal of social media user access into the entry and existing exit checklists for staff. Consideration should also be given to include a review of the user access as part of the change in employee roles. <p>KPMG Six Pillars of Customer Experience Excellence™</p> <p>Integrity Expectations</p>		
<p>Rating of internal audit finding: Moderate Likelihood, Likely, Consequence: Minor</p>	<p>Agreed Management action(s):</p> <ol style="list-style-type: none"> 1 Agreed. Reviews of social media users will be performed on a six monthly basis 2 Agreed. The Social Media Policy is scheduled to be reviewed within the next six months. This review will include consideration of user access roles and delegations. 3 Agreed. Review of the Social Media Policy will be completed during each change of Council Term. More frequent reviews of the guidelines will be done by RMCBA Management. 4 Agreed. The employee exit procedure will be updated to include removal of employee access to social media accounts, and the employee role change process (including employees 'acting in positions') will be updated to include review of relevant social media delegations. 		
<p>Responsibility</p>	<p>General Manager Corporate Services</p>		
<p>Target date</p>	<p>1. 31 December 2019; 2. 31 July 2020; 3. 31 July 2020; 4. 31 December 2019.</p>		

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

331



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

<p>3. Lack of monitoring and reporting of KPIs, which are not linked to customer satisfaction</p>		
<p>Finding(s) and impact:</p>		
<p>There is a lack of monitoring and reporting of the RCMB's Customer Service Charter Key Performance Indicators (KPIs) in relation to customer experience and complaints at the RCMB. While reporting on service requests being actioned and closed is performed through MagIQ on a weekly and monthly basis, it was noted that there is no regular monitoring and reporting of KPIs performed consistently across the RCMB. It is understood this is due to not all information being included in the service request templates at the first point of contact, therefore linking MagIQ's ability to provide meaningful data. It is noted the Customer and Depot teams are currently working together on a solution to capture more information. It is understood that the KPIs followed by all teams in relation to customer interactions are based on the RCMB's Customer Service Charter. These KPIs were adapted from a State Government Agency and reviewed and updated to match the KPIs of other rural councils. However it was noted that these KPIs have not been directly linked or tested to customer satisfaction at the RCMB. It is noted that the KPIs are due to be reviewed and updated this year.</p>		
<p>Recommendation(s):</p>		
<p>Internal Audit recommends that the RCMB:</p> <ol style="list-style-type: none"> 1 Undertake a review of the Customer Service Charter and its KPIs, and ensure they are aligned to customer satisfaction and to relevant documents. This may include a survey or focus group to gain a current understanding of customer expectations. This review should also include sufficient guidance on minimum requirements to be recorded within customer Service Requests. 2 A review on KPIs be done each Council term to ensure their alignment with customer expectations and changes in process which occur at the RCMB. 3 Conduct regular reporting on KPIs by team to assist in ensuring the customer's experience is timely and consistent across the RCMB. This reporting should be provided to team leaders to help inform feedback discussions with relevant staff. 4 If delays are a recurrent issue, understand why it is not possible to meet the KPI and have clear communication in place to bridge the gap for customer expectations. Any delays should be accompanied by timely communication with the 		
<p>Rating of internal audit finding: Moderate Likelihood, Likely, Consequence: Minor</p>		
<p>Agreed Management action(s):</p> <ol style="list-style-type: none"> 1 Agreed. The review of the Customer Service Charter will be completed, which will include consultation with key RCMB customers. 2 Agreed. KPIs will be reviewed during next change of Council Term. 3 Subsequent to the relevant system implementations as part of the Digital Strategy, customer experience reporting will be developed. 4 Agreed. Identified improvements highlighted from reporting as well as good practice and positive feedback will be completed subsequent to the development of reporting 		

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

332



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

	<p>customer of the status of remedial actions, in order to mitigate potential dissatisfaction.</p> <p>KPMG Six Pillars of Customer Experience Excellence™</p> <p>Expectations Time and Effort</p> <p>Integrity Resolution</p>	
<p>Responsibility</p>	<p>General Manager Corporate Services</p>	
<p>Target date</p>	<p>1. 30 June 2020; 2. Next Council term; 3. 1 October 2020; 4. 30 June 2021.</p>	

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

333



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

4. Lack of a consistent technological understanding across all areas of the organisation		
<p>Finding(s) and impact:</p> <p>During our review it was observed that some employees lacked basic technological skills to provide efficient and timely assistance to customers and some staff in peripheral teams. This included the ability to use printers and email.</p> <p>The lack of technological understanding has the potential to create a barrier or roadblock for the RCMB's Digital Strategy, as some employees may require training on basic computer-based tasks prior to embracing the Digital Strategy. Due to the ever-changing technological landscape, it is key that the technological skills of employees are kept up to date and relevant.</p> <p>Going forward, it will be critical for the RCMB to consider:</p> <ul style="list-style-type: none"> A robust change management program and plan to be put into place as part of the Digital Strategy. The resourcing required and core skills and experience required to deliver a change initiative. <p>A lack of a baseline of technology and digital capability is a risk to the RCMB due to:</p> <ul style="list-style-type: none"> Customer experiences being negatively impacted through increased wait time for simple requests. Negatively impacting on the ability of RCMB staff to deliver future digital services and customer requirements. 	<p>Recommendation(s):</p> <p>It is recommended the RCMB consider the following:</p> <ol style="list-style-type: none"> 1 Introduce basic and intermediate technological skills training for all staff, for varying levels of competency. Staff in customer-facing roles should have this tailored to service request scenarios. 2 Implement a technology-based induction training for all new staff, where required. This could cover basic computer skills and systems training to assist new starters in having a minimum standard of technological skill. 3 In consideration of the roll-out of the Digital Strategy, it is also recommended that the RCMB consider the following items as part of the change management as part of the Digital Strategy: <ul style="list-style-type: none"> A change readiness assessment and change impact assessments performed on a regular basis throughout the roll-out of the Digital Strategy. A training needs analysis and a training plan, which can be done in conjunction with items 1 and 2 above. 	<p>Rating of internal audit finding: Moderate Likelihood, Likely, Consequence: Minor</p> <p>Agreed Management action(s):</p> <ol style="list-style-type: none"> 1 Agreed. IT basics training is currently in process and has identified a group of staff which require baseline IT training. A staff resource from the library has been identified to roll out this training. 2 Agreed. See above. 3 Change management is currently included as a core component of the Digital Strategy. The Change Management Plan will be updated to include details of the change readiness assessment and ongoing impact assessments. As the Digital Strategy is rolled out, training needs will be identified and completed.

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

334



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Responsibility	KPMG Six Pillars of Customer Experience Excellence™	
Target date	Expectations	Time and Effort
General Manager Corporate Services	1. 31 December 2019; 2. 31 December 2019; 3. 31 December 2020	

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14



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

336



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

<p>● The Communications team does not have administration access to all of the RCMB's social media tools, such as the Gallery's website and Instagram, and The Station's YouTube account.</p> <p>The above creates the potential for incorrect sent messages to be sent to customers, affecting their view of, or experience with, the RCMB. There is also the risk that receiving multiple emails from the RCMB over short periods of time may irritate customers and potentially dampen or detract from their customer experience.</p>			
<p>Responsibility</p>	<p>General Manager Corporate Services</p>		
<p>Target date</p>	<p>1. 30 June 2020</p>		

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10



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

337



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

5. Minimal formal knowledge sharing between teams		
Findings) and impact:		
<p>There is limited formal knowledge sharing between teams at the RCMB. As a result, Customer Support is not adequately supported or informed which can impact on the timeliness and accuracy of customer service.</p> <p>Currently, Customer Support relies on verbal knowledge sharing between teams and the experience of the Team Leader and Senior Customer Service Officer to tend to customer queries and complaints. However, there is no formal notification process of events or change circumstances that may impact customers (e.g. road closures). While Customer Support has participated in training regarding Rates, there are no other current or ongoing knowledge sharing activities throughout the RCMB.</p> <p>Within RCMB's intranet, there is a knowledge index called 'A-Z' which provides information and contact details for various types of service requests (see Background). While available to all staff, A-Z was noted as being rarely used as it lacks relevant and timely information, as there is no formal process to review and update pages by relevant teams. This may result in a lack of knowledge by Customer Support and other teams when relying on A-Z.</p> <p>Without adequate knowledge sharing processes in place, there is a risk to the RCMB that:</p> <ul style="list-style-type: none"> Customers may have a negative experience due to increased wait times resulting from lack of knowledge or incorrect workflow of a request. This may lead to reputational risks to the RCMB due to unsatisfied customers. 		
Recommendation(s):	<p>Internal Audit recommends that the RCMB:</p> <ol style="list-style-type: none"> Investigate the potential incorporation of cross-divisional training into the onboarding process for new staff, particularly within Customer Support. This could include a few hours spent in other teams to gain an understanding of how each team operates and their offerings to the customer. For customer-facing staff in other teams, an afternoon spent with Customer Support could be beneficial to better understand the types of queries the RCMB receive on a daily basis. Consider encouraging existing staff to spend time in other teams e.g. accompany the Depot team on a response to a service request. Update the A-Z index to provide valuable information for all RCMB staff as part of the new website and the Digital Strategy. It is recommended that this include information such as contact details of relevant staff members, frequently asked questions and upcoming events relevant to the team/topic. It is noted that there are plans to update A-Z with the update of the new website. 	
Agreed Management action(s):	<ol style="list-style-type: none"> Agreed: Management will investigate opportunities for cross-divisional training and will implement this training where practical Agreed: Management will consider opportunities for staff to spend time within other teams. It is noted that cross team learnings has already commenced, which has included staff members from other Business Units attending Customer Support team meetings to provide specific updates on topics as required. The Spectrum Spatial Analysis (SSA) rollout, planning legislation changes and Strategic Plan engagement process have provided further opportunity for staff members across Business Units to come together and share experiences. Customer Support team members are also attending team meetings to increase information sharing to the Customer Support, City Infrastructure and City Asset teams Agreed: Plans are already underway to update the A-Z database and this will be considered through the Digital Strategy 	
Rating of internal audit finding: Low Likelihood, Possible, Consequence, Insignificant		

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

338



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

<ul style="list-style-type: none"> If the Team Leader Customer Support or Senior Customer Service Officer are away or leave the RCMB, there may be insufficient knowledge within Customer Support to resolve the queries at the first point of contact. This may lead to negative customer experience and potential reputational risk to the RCMB. <p>Building a better understanding across teams will assist the RCMB deliver a consistent and informed experience to its customers through the effective and efficient resolution of queries and complaints. Increased knowledge of other teams may also lead to more first call resolutions, which could decrease the number of service requests work-flowed to the various teams.</p>	<p>KPMG Six Pillars of Customer Experience Excellence™</p> <p>Integrity Expectations</p> <p>Resolution</p>	
<p>Responsibility</p>	<p>General Manager/ Corporate Services</p>	
<p>Target date</p>	<p>1. 31 December 2019; 2. 31 December 2019; 3. 31 December 2019</p>	

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

7. Lack of customer experience and complaints training, in particular on-boarding and refresher training		
Findings) and impact: <p>There is a lack of training for RCMB staff in relation to customer experience and complaints. With particular regard to on-boarding and refresher training. Currently, the RCMB's on-boarding process includes a checklist of policies for staff to read, including the Customer Service Charter, however there is no further customer experience and complaints on-boarding training for any staff including customer facing staff.</p> <p>In the past 18 months, the RCMB has provided two optional customer related trainings to staff: 'Dealing with Difficult People' and 'Customer Service 101'. However, while open to all staff, only nine and 14 employees attended each of the trainings respectively.</p> <p>Through stakeholder discussions it was further noted that there is a lack of understanding of MagIQ across the RCMB, with some employees relying on others in their team to enter and complete service requests on their behalf. This creates potential inefficiencies in the customer service process.</p> <p>Due to the above issues, there is the risk that the customer experience provided across by the RCMB is not consistent. This creates the risk of reputational damage to the RCMB if customers have a negative experience.</p>	Recommendation(s): <p>It is recommended that the RCMB:</p> <ol style="list-style-type: none"> 1 Conduct an internal survey of RCMB staff to gauge the current understanding of customer experience across the RCMB. Results of this survey could help to inform areas for further training and awareness. It is noted that an example survey has been provided to RCMB Management by KPMG. 2 Introduce customer experience and complaints training to on-boarding for the relevant roles. 3 Implement mandatory customer experience and complaints refresher trainings for Team Leaders and the Leadership Team. It is recommended that this also be mandatory for all staff in customer-facing positions. 4 Introduce a mandatory training on MagIQ, including a step-by-step process of logging a service request through to resolution. <p>KPMG Six Pillars of Customer Experience Excellence™</p> <p>Expectations Team and Effort</p> <p>Resolution Empathy</p>	<p>Rating of internal audit finding: Low Likelihood: Possible, Consequence: Insignificant</p> <p>Agreed Management action(s):</p> <ol style="list-style-type: none"> 1 Agreed: RCMB will undertake an internal survey of staff to inform further training and awareness of customer experience December 2020 2 Agreed: The RCMB will introduce customer experience and complaints training to relevant roles. 3 Agreed: The RCMB will introduce mandatory customer experience and complaints refresher trainings for Team Leaders and the Leadership Team, as well as all staff in customer-facing positions. 4 Agreed: The RCMB will introduce mandatory training on MagIQ, including a step-by-step process of logging a service request through to resolution.
Responsibility	General Manager Corporate Services	
Target date	1 - 4, 31 December 2020	

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

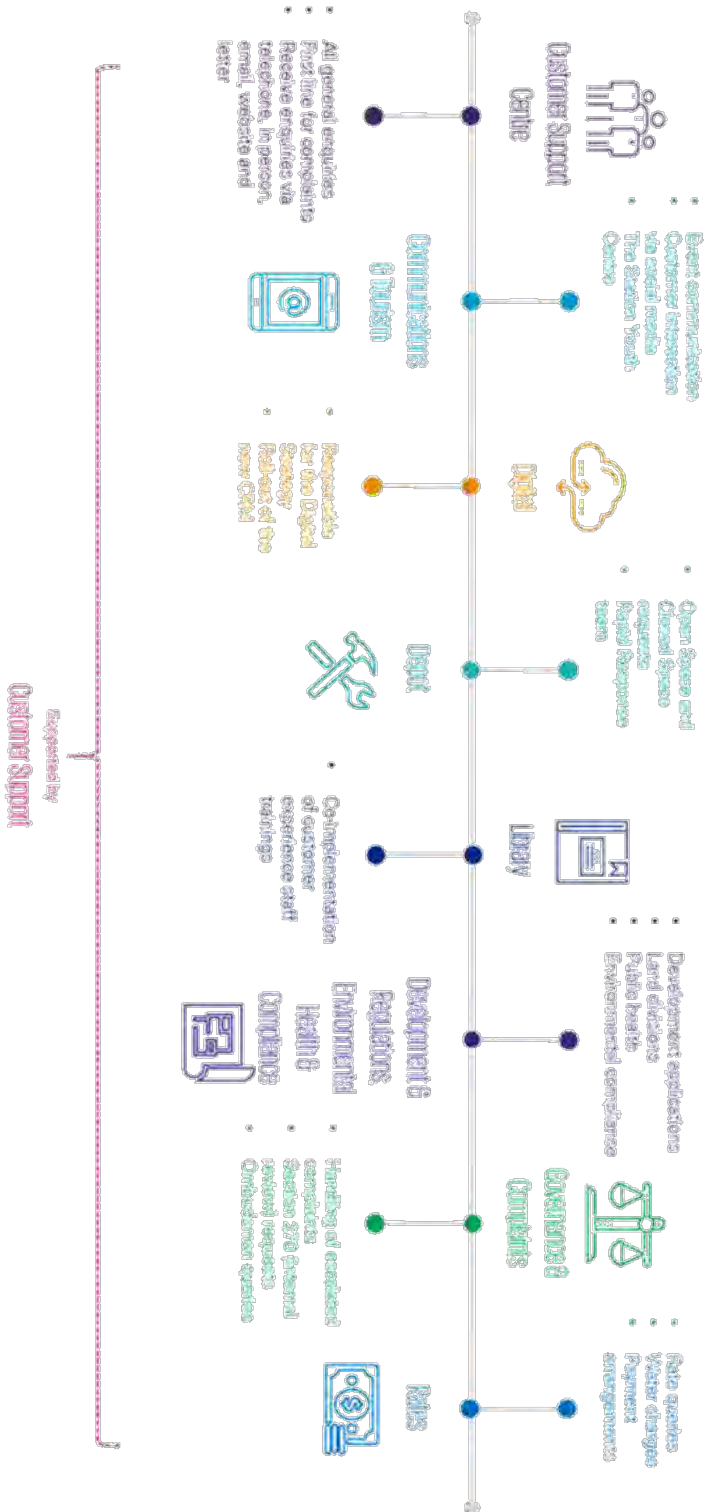
<p>6. Opportunities to improve the accessibility and guidance in relation to the Complaint Management Framework</p> <p>Finding(s) and impact:</p> <p>The Complaint Management Framework (the Framework) is only available to customers on the RCMB's website (in English), however no version of the Framework is available in the Customer Support Centre. Under section 4.5 of ISO 10002 Customer Satisfaction and Complaints 2018, the complaint handling process should be easily accessible to all complainants (see Appendix 21).</p> <p>Specifically, section 4.5 states that: "Information and assistance in making a complaint should be made available, in whatever languages or formats that the products and services were offered or provided (including alternative formats, such as large print, Braille, or audiotape, so that no complainants are disadvantaged."</p> <p>In addition to the above, there is no formalised "how-to" procedure in place to assist with the consistent handling of internal reviews (e.g. Section 270 review). It is understood that Section 270 reviews can be handled by the Executive Officer, Chief Executive Officer or the General Manager of the relevant team. While they understand the process, there is no documented procedure that can be followed or communicated to other staff.</p> <p>Finally, it is understood that there is typically no collection of customer complaint data unless logged into MyCQ for a service request to be raised, nor is it reported on.</p>	<p>Recommendation(s):</p> <p>It is recommended that the RCMB:</p> <ol style="list-style-type: none"> 1 Provide copies of the Framework in the Customer Support Centre in the manner specified in section 4.5 of ISO 10002 Customer Satisfaction and Complaints 2018. 2 Investigate providing copies of the Framework and other key customer related documents on the RCMB website can be made available in audiotape format and in other languages. The languages selected could be modelled on customer/visitor data if known. 3 Introduce a standard procedure to govern the handling of Section 270 reviews, to ensure the review is conducted in a consistent manner across the RCMB. <p>KPMG Six Pillars of Customer Experience Excellence™</p> <p>Integrity Resolution</p> <p>Time and Effort Empathy</p> <p>Personalisation</p>	<p>Rating of internal audit finding: PIO</p> <p>Agreed Management action(s):</p> <ol style="list-style-type: none"> 1 The Customer Support Centre currently prints copies of the Framework when required, and will continue to do so 2 As part of a review of the RCMB website, all documents available, including the Framework, will be reviewed to see if they be made more accessible through translation of key documents, or via web page 3 Agreed: The RCMB will introduce a standard procedure to govern the handling Section 270 reviews
<p>Responsibility</p> <p>Target date</p>	<p>General Manager Corporate Services</p> <p>1. No action applicable. 2. 30 June 2020. 3. 30 June 2020</p>	

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Appendix 1 – The customer and the RCMB

The diagram below shows the customer-facing teams that were in scope for the internal audit (refer to the Executive Summary), along with their key customer related interactions.



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Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Appendix 2 – Better Practice Assessment

The following table provides an overview of our approach for consideration of the customer complaint handling practices as part of this Internal audit. Internal Audit held discussions with key stakeholders and reviewed supporting documentation for each consideration. The overall structure and elements are based on the principles per the ISO 10002 Customer Satisfaction and Complaints, guidelines for complaints handling in organisations.

Customer Complaint Considerations	Description	Traffic Light Assessment	Observations and Commentary	Reference IA Finding
1. Commitment	The organisation should be actively committed to defining and implementing a complaints handling process		<ul style="list-style-type: none"> The RCMB has a Customer Centre which actively tries to resolve complaints at the first point of contact. In addition to the Customer Centre, the RCMB has a centralised complaints function as the Executive Officer, who handles all complaints escalated by RCMB staff 	N/A
2. Capacity	Sufficient resources should be made available for and committed to complaints handling, and should be managed effectively and efficiently		<ul style="list-style-type: none"> Through discussions with stakeholders, it's noted that all areas of the RCMB that handle complaints (including the Executive Officer) feel adequately staffed to handle the number of complaints received. 	N/A

Key:

- Significant issues identified requiring immediate escalation to Management and short-term corrective actions.
- Some issues identified requiring attention, to be raised to Management in due course and a plan put in place for corrective actions.
- No significant issues identified with element assessed in relation to customer satisfaction and complaint.

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Customer Complaint Considerations	Description	Traffic Light Assessment	Observations and Commentary	Reference / Finding
3. Transparency	<p>The complainants handling process should be communicated to customers, personnel and other relevant interested parties. Individual complainants should be provided with adequate information about the handling of their complaint.</p>	<input type="radio"/> Green <input type="radio"/> Yellow <input checked="" type="radio"/> Red	<ul style="list-style-type: none"> The RCMB has a "feedback and suggestions" webpage, where it outlines their appreciation for feedback. Customers can submit feedback and complaints via an online form or contact details at the bottom of the page. The Complaint Management Framework is available on the webpage and specifies levels of complaint through to an externally reviewed dispute. The Framework includes timeframes to resolution, however some more specific wording e.g. use of "Section 270 review" and "Ombudsman" could be used to assist in providing clarity for customers. 	N/A
4. Accessibility	<p>A complainants handling process should be easily accessible to all complainants. Information should be made available on the details of making and resolving complaints. The complainants-handling process and supporting information should be easy to understand and use. The information should be in clear language. Information and assistance in making a complaint should be made available, in whatever languages or formats that the products and services were offered or provided in, including alternative formats, such as large print, Braille, or audiotape, so that no complainants are disadvantaged.</p>	<input type="radio"/> Green <input checked="" type="radio"/> Yellow <input type="radio"/> Red	<ul style="list-style-type: none"> Details of the complainants process is on the website, including different methods to submit a complaint (i.e. online form, phone, email, fax or in-person). The Complaint Management Framework and website is in clear language. The Framework is not available in any format at the Customer Centre (e.g. large print, audio tape, other languages or in Braille), and is only available in English on the website. 	PIO 1

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



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

344



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Customer Complaint Considerations	Description	Traffic Light Assessment	Observations and Commentary	Reference IA Finding
5. Responsiveness	The organisation should address the needs and expectations of customers with respect to complaints handling		<ul style="list-style-type: none"> The RCMB follow timeframes in relation to acknowledgement, investigation and resolution, which are available to view in the Complaint Management Framework. However, there is no current measure as to whether these timeframes meet the expectations of customers. 	Finding 7
6. Objectivity	Each complaint should be addressed in an equitable, objective and unbiased manner through the complaints handling process		<ul style="list-style-type: none"> Complaints escalated to the Executive Officer are handled in a standardised manner, starting with the review of all facts and evidence. However, there is no formalised "how-to" procedure to guide this process. 	PIO 1
7. Charges	Access to the complaints handling process should be free of charge to the complainant		<ul style="list-style-type: none"> There is no fee charged to customers in relation to the complaints handling process. Councils are not allowed to charge a fee for Section 270 reviews under the Local Government Act 1999 (SA) 	N/A
8. Information Integrity	The organisation should ensure that the information about its complaints handling is accurate and not misleading, and that data collected is relevant, correct, complete, meaningful and useful		<ul style="list-style-type: none"> The Complaint Management Framework refers to the escalation options available to the customer Complaints data is typically not monitored unless added to MagiQ for a corresponding service request to be raised Complaints data is not reported on 	PIO 1

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Customer Complaint Considerations	Description	Traffic Light Assessment	Observations and Commentary	Reference IA Finding
9. Confidentiality	Personally identifiable information* concerning the complainant should be available where needed, but only for the purposes of addressing the complaint within the organisation and should be actively protected from disclosure, unless the customer or complainant expressly consents to its disclosure or disclosure is required by law.	<input type="radio"/> Green <input type="radio"/> Yellow <input checked="" type="radio"/> Red	<ul style="list-style-type: none"> Information is stored in the Shared Drive and is accessible by RCMB staff depending on the type of complaint (e.g. HR has high security, portfolio maintenance has low security). Additional security can be added to the particular complaint as required. There appears to be no privacy policy visible on the "feedback and suggestions" webpage. It is noted that the South Australian Information Privacy Principles do not apply to Local Government Agencies. 	N/A
10. Customer-focused approach	The organisation should adopt a customer-focused approach with respect to handling complaints and should be open to feedback.	<input type="radio"/> Green <input type="radio"/> Yellow <input checked="" type="radio"/> Red	<ul style="list-style-type: none"> It was noted that the RCMB openly requests feedback from the customer via their website and Complaints Management Framework, in order to better serve their customers. However, there is no external validation to determine whether the RCMB's resolution timeframes adequately reflect the needs of the customer. 	Finding 1 Finding 7
11. Accountability	The organisation should establish and maintain accountability for, and reporting on, the decisions and actions with respect to complaints handling.	<input type="radio"/> Green <input type="radio"/> Yellow <input checked="" type="radio"/> Red	<ul style="list-style-type: none"> The RCMB's Executive Officer is the centralised function responsible for escalated complaints. There is minimal reporting performed on complaints received at this level and the actions taken with respect to complaints handling, however, it is noted that the RCMB generally do not receive many complaints. 	Finding 7




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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Customer Complaint Considerations	Description	Traffic Light Assessment	Observations and Commentary	Reference /A Finding
12. Improvement	Increased effectiveness and efficiency of the complaints handling process should be a permanent objective of the organisation.		<ul style="list-style-type: none"> The RCMB are currently creating a Customer Service Charter System to provide an overarching policy on the handling of complaints, to ensure all policies are dove-tailed and consistent. Since the introduction of the service request process, the Customer Centre have experienced a significant decrease in complaints. Escalated complaints are directed to team management and subsequently the Executive Officer for complex issues. 	N/A
13. Competence	Organisation personnel should have the personal attributes, skills, training, education and experience necessary to handle complaints.		<ul style="list-style-type: none"> Nine key employees from various teams at the RCMB took part in the most recent 'dealing with difficult people' training. Although accessible by all staff, this was not made mandatory council-wide. It is noted that the Customer team have plans to provide more complaints training in the future, and wish to see it incorporated in staff on-boarding training. 	Finding 6
14. Timeliness	Complaints should be handled as expeditiously as feasible given the nature of the complaint and of the process used.		<ul style="list-style-type: none"> Customer queries and complaints are provided with a priority rating using the risk matrix prior to entering the request in MagiQ. This may be escalated upon review by the Rapid Response team where necessary. There is no external validation to determine whether the RCMB's resolution timetables adequately reflect the needs of the customer. 	Finding 7

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Rural City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Appendix 3 – Classification of internal audit findings

RISK ASSESSMENT MATRIX		CONSEQUENCE				
RISK ACTIONS	RISK LEVEL	Very Low	Low	Medium	High	Critical
		<p>Very Low The risk is so low that it is considered to be of negligible consequence. It is not necessary to take any action to reduce the risk.</p> <p>Low The risk is low and it is considered to be of low consequence. It is not necessary to take any action to reduce the risk.</p> <p>Medium The risk is medium and it is considered to be of moderate consequence. It is necessary to take action to reduce the risk.</p> <p>High The risk is high and it is considered to be of high consequence. It is necessary to take action to reduce the risk.</p> <p>Critical The risk is critical and it is considered to be of critical consequence. It is necessary to take action to reduce the risk.</p>	Very Low	Low	Medium	High

RISK LEVEL		MANAGING RISK – PRIORITY RATING				
Very Low	Low	Medium	High	Critical	Very High	
Very Low	Low	Medium	High	Critical	Very High	

RISK LEVEL	MANAGING RISK – PRIORITY RATING
VERY LOW	<ol style="list-style-type: none"> Add to Council's Risk Register Specify the risk immediately to Chief Executive Officer / Executive Management Team / Risk Management and Chief Executive Officer / Executive Management Team Refer to the register Identify and develop the risk management strategy for the risk Monitor and review the risk management strategy Provide direction and information to relevant stakeholders including Audit Committee and Council
HIGH	<ol style="list-style-type: none"> Add to Council's Risk Register Escalate the risk to Chief Executive Officer / Executive Management Team / Risk Management and Executive Management Team Refer to the register Identify and develop the risk management strategy for the risk Monitor and review the risk management strategy to manage the risk to an acceptable level Provide direction and information to relevant stakeholders including Audit Committee and Council
MODERATE	<ol style="list-style-type: none"> Add to Council's Risk Register Manage within budget and time Identify and develop the risk management strategy for the risk Monitor and review the risk management strategy to manage the risk to an acceptable level Provide direction and information to relevant stakeholders including Audit Committee and Council
LOW	<ol style="list-style-type: none"> Add to Council's Risk Register Monitor and review the risk management strategy to manage the risk to an acceptable level Provide direction and information to relevant stakeholders including Audit Committee and Council

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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Royal City of Murray Bridge
Customer Experience Internal Audit Report
30 September 2019

Appendix 4 – Stakeholders

Detailed below, we have provided the list of stakeholders consulted as part of this internal audit.

Name	Position
Tim Vonderwal	General Manager Corporate Services
Martin Smallbridge	Manager, Organisational Development
Michelle Chambers	Team Leader Customer Support
Brad Werncken	Chief Finance Officer
Lisa Schubert	Senior Customer Service Officer
Ros Kruger	Executive Officer
Janice Blair	Team Leader Communications & Tourism
James Mahnes	Group Leader Infrastructure Operations
Sue Reynolds	Business Analyst – Business Systems
Cherry Gensom	Team Leader Development
Bethnda Ludewigs	Planning Support Officer, Development
Jeremy Byrnes	Team Leader Regulation
Tim Law	Team Leader Library

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**S17.8 INTERNAL AUDIT PROGRAM - UPDATE**

Author Ros Kruger

Legislative ()

Corporate (x)

Other ()

Purpose

To provide the Audit Committee with an update of the findings and status of the actions arising from the Internal Audit Program and to present revised dates for the delivery of a number of actions not able to be completed by the due date.

Background

KPMG were reappointed in August 2018 for a further two years to undertake the Internal Audit Program.

The Audit Committee approved an extension of timelines at its meeting held on the 8 August 2018, item 25.1.

Council Administration are continuing to work on the actions of the following Internal Audits:

- Building Management/Utilisation
- Procurement and Contract Management Compliance
- IT Security
- Environmental Management Compliance
- Dog and Cat Management
- Capital Works Delivery
- Event Management

2019 Current internal audits

- Customer Experience (refer previous report)
- Vulnerable Persons Review – has commenced

2020 Identified Internal Audits

- Business Continuity & Disaster Recovery
- Contract Management
- Fraud Risk Assessment

Proposal

For the Audit Committee to note the findings of the Internal Audits already undertaken, note the progress of the completion of the actions arising from the resultant findings and the amendment to the proposed completion dates are summarized as follows and provided in **Attachment 1**.

Actions from the Procurement and Contract Management and IT Security audits will have a positive impact on areas such as delivering the Capital Works Program, Building Utilisation Audit and Environmental Management. The delivery of the requirements of the internal audit actions are being undertaken collaboratively by the three (3) General Managers with oversight of the Chief Executive Officer.


Status Summary of Internal Audits Summary

Internal Audit	Actions				
	Severe	High	Moderate	Low	Process Improvements
Building Management Utilisation Audit Committee on 26 October 2016 (Item 20.5)	0	0	3	8	0
<i>Extension of time sought</i>			3	5	
Actions Completed				3	
<i>Comment</i>	<ul style="list-style-type: none"> One of the low risk actions, (9) has been raised to a moderate risk by Administration as the assessment of the condition of Council occupied buildings is essential to inform other actions. In addition, themes that refer to multi-use facilities will be subject to further consultation and are part of the development for Council's Strategic Management Plan for 2020/24 				
Procurement and Contract Management Compliance Audit Committee on 2 August 2017 (Item 13.6)	0	0	5	1	1
<i>Actions on Track</i>			4	1	
Actions Completed			1	1	
<i>Comment</i>	<ul style="list-style-type: none"> Administration are working with external support to review Council's Procurement framework through a road map to March 2020. This work will also assist in the timely delivery of Council's Capital Works Program 				
IT Security Audit Committee on 7 November 2017 (Item 21.1)	0	4	1	0	0
<i>Extension of time sought</i>		2	1		
Actions Completed		2			
<i>Comment</i>	Administration are working with external support to review Council's IT framework through a road map to March 2020. This work will also assist in the Procurement and Contract Management, Capital Works Delivery, Environmental Management areas.				
Environmental Management Audit Committee Audit Committee 8 August 2018 (Item 25.2)	0	2	1	3	3
<i>Extension of time sought</i>		1	1	2	2
Actions Completed		1		1	1
<i>Comment</i>	The replacement of the Senior Environment Officer has occurred (September 2019) and the officer has commenced working through the actions listed below to ensure the updated target dates are met.				


 Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes

351

Dog and Cat Management Audit 8 August 2018) (item 25.3)	0	0	3	4	2
<i>Actions on Track</i>			1		
Actions Completed			2	4	2
<i>Comment</i>	Work has been undertaken in relation to the review of Council's Animal Management Plan 2020-24 with Council endorsing the Plan at its meeting on the 12 August 2019 for referral to the Dog and Cat Management Board.				

Capital Works Delivery 10 December 2018 (item 37.5)	0	1	5	1	0
<i>Actions on track</i>		1	5	1	
Actions Completed					
<i>Comment</i>	<ul style="list-style-type: none"> The program of works is (below), is expected to be delivered by December 2019, and has been reliant on the development of the development/refinement of Internal Project Management systems/guide – this work is now completed and thus allows for the remaining and integrated items to be completed by December 2019. Work in the procurement and contract management areas will also assist in the timely delivery of capital works program. 				

Event Management Audit Committee 1 May 2019 (item 15.4).	0	2	3	1	2
<i>Actions on Track</i>		2	3	1	2
Actions Completed					
<i>Comment</i>	The actions from the Event Management audit are on track and are expected to be delivered within the initial timelines.				

Actions from the Procurement and Contract Management and IT Security audits will have a positive impact on areas such as delivering the Capital Works Program, Building Utilisation Audit and Environmental Management. The delivery of the requirements of the internal audit actions are being undertaken collaboratively by the 3 General Managers with oversight of the Chief Executive Officer.

Further enhancements to the reporting of internal audit actions are being explored including identifying the % of the action completed

Legislative Requirements

Local Government Act 1999

Council Policy

Internal Controls Policy #743236

**Financial Implications**

There are several financial implications resulting from this report in improving processes and developing documents. These costs have been factored in Council's operational budget. The cost of undertaking the three year Internal Audit Program has been budgeted for in each of the three years.

Risk

Undertaking internal audits and actioning the resultant findings significantly reduces the inherent risks of each activity.

WHS

No new issues have been identified

Asset Management

Not applicable

Implementation Strategy

The internal audits are performed according to the agreed program. On the completion of each audit, an action plan to address the findings is prepared and will be reported to the Audit Committee on a six monthly basis.

Communication Strategy

Not applicable

Strategic Plan

Goal 5 - Our Commitment

5.1 - Effective

5.4 - Transparent

Recommendation

1. That item number S17.8 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Audit Committee notes the status of the actions arising from the Internal Audit Program and the proposed revised dates of the actions as detailed in this report.

Attachments

1.	Internal Audit Actions Summary	Attachment
----	--------------------------------	------------

Peter Canaway moved

1. That item number S17.8 on Special Audit Committee agenda of 2 October 2019 be received.
2. That the Audit Committee notes the status of the actions arising from the Internal Audit Program and the proposed revised dates of the actions as detailed in this report.

Seconded by Cr Toogood and CARRIED


 Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes

353

BUILDING MANAGEMENT/UTILISATION - 969047

The full report on the audit findings was provided to the Audit Committee on 26 October 2016 (Item 20.5). The audit review identified 11 actions.

- Risk Rating Severe - Nil
- Risk Rating High - Nil
- Risk Rating Medium - 3 (action 9 moved from low to moderate as all actions depended on this action.)
- Risk Rating Low - 8 (3 completed)

The delivery of the recommendations will be undertaken over the medium to longer term as they rely on the completion of action 9 (formally assess the condition of Council occupied buildings (ie IGC, Depot) and plan refurbishment) in December 2019.

In addition, themes that refer to multi-use facilities will be subject to further consultation and are part of the development for Council's Strategic Management Plan for 2020/24.

Revised due dates are summarised as follows:

Audit Action	Risk Rating	Resp Officer	Target Date	Status
Agreed Management action 1 - Develop a long term development master plan for RCM8 property assets based on community needs and aspirations	Moderate	GMA/MCA	31/12/17 31/12/19 31/12/20*	Dependent on condition assessment - action 9
<ul style="list-style-type: none"> • Development of a long term Master Plan is supported. Funding as a key project will be considered as part of 2017-18 Annual Business Plan and budget process • Master Plan to be developed and delivered to Council for their endorsement in 2018-2019 • Demographic data and growth trends from sport recreation and open space strategy will assist in guiding future needs and specifically a regional sporting and community hub. 				

* AC 8/8/18 Item 25.1 extension

† AC 25/9/19 Item extension

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019

1 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

354

<p>2 - Develop a detailed asset management program (10 Years) for the property portfolio based taking into account condition assessment data, utilization and future strategies</p> <p>The development of a detailed asset maintenance plan is supported. The asset maintenance plan will be a subset of the long term master plan. In the absence of a long term master plan, annual maintenance plans for 2016-17 and 2017-18 will need to take a strategic view to ensure funds are not wasted on buildings that do not have a long economic life or are unlikely to be held within the property portfolio in the longer term.</p>	Moderate	GMAI MCA	31/12/17 31/12/19s 30/6/20s	Dependent on condition assessment – action 9
<p>3 - Consider developing a dedicated strategy for the development of a new modern multi use sports and community facility for the Murray Bridge Community</p>	Low	GMAI MCA	30/6/17 30/7/19 June 2020	<ul style="list-style-type: none"> Themes that refer to multi-use facilities will be subject to further consultation and one part of the development for Council's Strategic Management Plan for 2020/24 Council workshop/briefing – Council report 13/5/19 Item 82.1 Council report Oxal Masterplans 12/8/19 Item 129.1 endorsed by Council. Scout lease ends 2023; Swimming Pool Master Plan endorsed in principle – Council 8/7/19 Item 132.1 Themes that refer to multi-use facilities will be subject to further consultation and one part of the development for Council's Strategic Management Plan for 2020/24
<p>Consider consolidation of the Christian Road netball and tennis court facilities to a new multi use site. The Christian Road is fast land in a residential area which could represent potential value in terms of selling the property and raising funds for re-investment by the Council.</p> <p>Scouts and Guide Halls relocation to multi use site freeing up space to accommodate development under the future peaks report.</p>			June 2020s	

³ AC 8/8/18 Item 25-1 extension

⁴ AC 25/9/19 Item - extension

⁵ AC 8/8/18 Item 25-1 extension


**Audit Committee
 Wednesday 2 October, 2019
 Public Excluded Minutes**

355

4 - Consider developing a dedicated strategy for the development of education/communities facilities as part of the TAFE SA precinct The creation of an adult learning hub, utilising the expertise of TAFE SA, the RDA, RCMB, the high schools in Murray Bridge and other stakeholders Opportunities to leverage the Beatty Terrace Community facility as an adjacent site to TAFE SA	Low	GMSC	June 17 ongoing Dec 2018 ⁴ ongoing	<ul style="list-style-type: none"> Development of new Adult Learning Hub – 888F Funding Murray River Study Hub underway Briefing Council 14/5/18 Funding My Neighbourhood project received funding plus a community grant. Remaining work pending late redevelopment. Themes that refer to multi-use facilities will be subject to further consultation as part of Council's Strategic Management Plan 2020/24
6 - Consider public consultations requirements in relation to the proposed development of new multi use (eg sporting and community facility, education precinct and sixth street) to gain community support	Low	GMSC	30/4/17 June 20 ⁵ ongoing	Funding My Neighbourhood project received funding plus a Community Grant. Remaining work pending TAFE redevelopment. Themes that refer to multi-use facilities will be subject to further consultation as part of Council's Strategic Management Plan 2020/24
Multipurpose sporting and community facility				Council briefing 3/4/18; 19/3/19 Council report 13 May 2019, Item 82.1 – 924435 (Ovals Masterplan) Council report Oval Masterplans 12/8/19 Item 129.1 enclosed by Council for Christian Reserve and Jaensch and Hamburg Ovals.

⁴ AC 8/8/18 Item 25-1 extension
⁷ AC 8/8/18 Item 25-1 extension
⁵ AC 8/8/18 Item 25-1 extension

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019

3 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

356

Education Precinct						Development of new Adult Learning Hub – BRRF Funding Murray River Study Hub Briefing Council 14/5/18
7 - Develop a business case for the expansion of the Lerwin Aged Care Facility including robust asset management and maintenance plans to ensure that this valuable asset is maintained	Low	GMSC GMAI	30/6/17 May 19 Dec 19	Dec 18 ⁹	<ul style="list-style-type: none"> • Council briefing 4 February 2019 - 265584 update report to Council 11 February 2019 Item 36.1 – 261562 – Business Case • Asset management plan pending refurbishment 2020 	
<ul style="list-style-type: none"> • Prepare a business case considering the potential for refurbishment expansion and reconfiguration of Lerwin to assist with its long term financial sustainability • Gain endorsement from Council for the proposed course of action arising from the business case 					<ul style="list-style-type: none"> • Decision pending report to Council/ December 2019, this will inform the plans. 	
Develop and commence implementation of a fully developed asset management and maintenance plan for Lerwin				Dec 18 ⁹ Dec 19	<ul style="list-style-type: none"> • Decision pending report to Council/ December 2019, this will inform the plans. 	
8 - Develop a long term management strategy for rural community halls including Monarto War Memorial Hall, Woods Point Hall and Mypolonga Institute	Low	GMAI	31/12/17 Dec 2020	Dec 2020	Dependant on condition assessment – action 9	
<ul style="list-style-type: none"> • This will be a subset of the long term Master plan for Property assets 						
9 - Formally assess the condition of Council occupied buildings (IGC, Depot) and plan for refurbishment	Low Moderate	GMAI	31/12/17 June 2020 ¹⁰ 20/21		Identified as moderate or other actions are dependant on finalisation of this action Linked to VIC resolution - Council report 12 March 2019 Item 54.9 – Cultural Precinct Prioritisation - 265584	

⁹ AC 8/8/18 Item 25-1 extension
¹⁰ AC 6/8/18 item 25-1 extension
¹¹ AC 8/8/18 item 25-1 extension



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

357

Completed Actions – Building Management/Utilisation

<p>5 - Integrate property considerations in relation to the upgrade of Sixth Street</p> <p>Continue negotiation with DEMWR in relation to acquiring the old police station for the future Town Square development</p>	Low	GMAL	Completed	<ul style="list-style-type: none"> Confidential briefing – Old Police Station Council report 12 March 2019 Item 54.3 – Cultural Precinct Prioritisation - 255/84
<p>Investigate opportunities to repurpose the Baden Powell Band practice building in respect of commercial/retail opportunities which match the Sixth Street upgrade and location next to Gallery</p>				<ul style="list-style-type: none"> Dependent on Cultural Precinct Prioritisation Completion of Sixth Street works in 2017/2018
<p>10 - Continue with current strategies for Riverfront Road and Long Island shacks of acquiring properties when they become available and subsequently reverting to open space</p> <ul style="list-style-type: none"> Ongoing ideally purchases need to be 50% funded by Open Space Grants 	Low	GMAL	Completed	<ul style="list-style-type: none"> Riverfront Road – pending Riverbank Collapse discussions with State Government and LGMUS Long Island Shacks – Council resolution 8 April 2019 Item 67.3 - 994204
<p>11 – Confirm establishment of the capital futures fund to receive and quarantine funds associated with asset sales, for reinvestment in community assets</p> <ul style="list-style-type: none"> Establishment of Capital Futures Fund 	Low	GMCS	Completed	<p>Council 12 September 2016, Item 184.2 – Strategic Property Framework – 812289 supported development of Future Fund</p>


Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

358

PROCUREMENT AND CONTRACT MANAGEMENT COMPLIANCE - 969054

The Procurement and Contract Management Compliance Audit report was presented to the Audit Committee on 2 August 2017 (Item 13.6). The audit review identified 7 actions.

- Risk Rating Severe - Nil
- Risk Rating High - Nil
- Risk Rating Moderate - 5 (1 completed)
- Risk Rating Low - 1 (completed)
- Process Improvement - 1

Administration are working with external support to review Council's procurement framework through an agreed road map to March 2020.

Audit Action	Risk Rating	Resp Officer	Target Date	Status
1 - Forward procurement plans for key spend areas should be developed <ul style="list-style-type: none"> • Formalise a capital expenditure program that enables forward procurement planning • Formalise an operational expenditure program that enables forward procurement planning • Identify lead times for <ul style="list-style-type: none"> • Procurement activities within categories • Strategic sourcing procurement opportunities • Formalise a strategic procurement planning program 	Moderate	SFA GMM	Aug 18 th June 19 th	Project planning timelines established. Need to incorporate operating contracts into plan. SFO & SFA discussed modifications to ensure a 'single source of truth' document. Project 'parents' needs 'children' for procurement planning. New timelines established as part of procurement review. Subject to resourcing requirements being provided. External resources will be required to

¹⁰ AC 8/8/19 Item 25-1 extension

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019

6 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

359

<ul style="list-style-type: none"> Develop a process linking Capital/Opex expenditure programs to itself provide a Forward Procurement Plans with lead times, which will assist in secondly identifying strategic sourcing opportunities bundling for economies of scale, value for money, efficiencies, cost and lead times for short and long term procurement activities 				comprehensively implement the framework and therefore will be budgeted to be undertaken in 2018/19.
<p>2 - A contract management framework should be implemented</p> <ul style="list-style-type: none"> Increase organisational development and maturity by implementing a Contract Management Framework across the organisation incorporating: <ul style="list-style-type: none"> roles, responsibilities, accountabilities of a Contract Manager Develop consistent tools which enable clear, logical contract management including milestones, KPIs, records (Dapoi) Define contract risk assessment processes and practices to be undertaken for the WOL (whole of life) of the contract, performed by the Contract Manager Develop minimum requirements for managing good relationships with contractors, including consistent monitoring and performance reporting for WOL (conformance and non-conformance recording etc) (Dapoi) Define consistent contractor payment approval for refusal/cancellation steps for consistency Develop final close out processes for the EOL (end of life) of the contract term, Development management of long term contracts (to 3-5 year terms) which have qualified from long term 	Moderate	CFO	Dec 18 June 19	New target date June 19 Subject to resourcing requirements being provided. External resources will be required to comprehensively implement the framework and therefore will be budgeted to be undertaken in 2018-19. Staff from Finance and Infrastructure are collaborating to deliver outcomes in relation to this action.
<ul style="list-style-type: none"> Development management of long term contracts (to 3-5 year terms) which have qualified from long term 				Dependant on implementation of contract management framework

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
7 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

360

	procurement plans for strategic sourcing					
	3 - Training for personnel who perform contract management duties is required	Moderate	SFA GAMI GMCS	Dec 18 June 19	New target date June 19	
	Training program to cover the contract management framework as outlined in 1 <ul style="list-style-type: none"> Escalation processes to manage disputes How to assess a contractor's performance consistently fairly professional and equivoally 				[Ensure on TNA register]	
	5 -IT Systems do not currently support efficient procurement and contract management practices	Moderate	CFO	June 18 June 20	New target date June 20 (also refer Capital Works action) [Digital Strategy outcome]	
	<ul style="list-style-type: none"> Digital Review Strategy being development to identify the appropriateness of RCMS Current authority system This will include assessing and substantiating the current system's capabilities to support the future progression to achieve a high performing organisation 					
	7 -Opportunity to improve the efficiency of lower risk lower value procurement activities via increased use of purchase cards	PIO	SFA	30/11/17 Aug 18+ June 2019	Pending	
	<ul style="list-style-type: none"> Substantiate quantity of purchase vs \$ value against thresholds for review Investigate the time vs \$ of obtaining quotes as per current thresholds Identify actions/controls required to mitigate risks Compare with Councils with similar regional requirements Put forward recommendations of new thresholds based on evaluations 				System report will be run to determine quantity and \$value thresholds thus enabling review complete	
					Complete	
				March 2019	Complete	
					Roll'd into procurement process and proquadification review	

Completed Actions – Procurement and Contract Management Compliance

¹⁹ AC 8/8/18 Item 25.1

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
8 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

361

4 - Non compliance with the Procurement and Financial Delegations Management Guideline Identified		Moderate	SFA	30/11/17	Completed
<ul style="list-style-type: none"> Provide refresher training to employees initiating procurement activities on correct processes to follow when engaging contractors, including requirements in relation to retention of key documents evidencing compliance with procurement requirements 	Moderate	SFA	30/11/17 August 2018	Completed in August/September via Skystust	
<ul style="list-style-type: none"> Improve and document process to check the contract register for currency prior to approving a purchase order referencing a contract 			Nov 17	contract register loaded with employees to be responsible to ensure it is updated.	
<ul style="list-style-type: none"> Continue to conduct an audit process to identify instances of recurring non-compliance with the Procurement Policy and reports that results of these audits to the relevant members of the senior management team. Leadership and emphasis on complying with corporate processes is required. 			May 18	Implemented and rolled out.	
4 - Key person risk within the procurement function	Low	SFA	30/9/17	Completed	
<ul style="list-style-type: none"> Identifies an alternative employee within the Finance team who is the nominated 'back up' for the Senior Procurement officer in their absence Provides the employee with sufficient training to be able to complete the key procurement activities to maintain compliance with relevant legislations and RCMB policies and procedures. 				Senior Management Accountant has become familiar with processes	

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019

9 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

362

IT SECURITY – 969052

The internal audit report – Information Technology Security – was provided to the Audit Committee on 7 November 2017 (Item 21.1). The audit review identified 5 actions.

- Risk Rating Severe - Nil
- Risk Rating High – 4 (2 completed)
- Risk Rating Moderate – 1

Administration are working with external support to review Council's IT framework through an agreed road map to March 2020.

Audit Action	Risk Rating	Resp Officer	Target Date	Status
Agreed Management action 1 - Lack of formal cyber security governance framework including underlying documentation and user education <ul style="list-style-type: none"> • Review, update & publish ICT policies 	High	CFO	30/6/18 June 2019	Underway Gap analysis undertaken, policies in draft
<ul style="list-style-type: none"> • Implement cyber security awareness tiered training via 3 party training provider 			Aug 18 th Aug 20	To be initiated
4 - Inadequate user access controls <ul style="list-style-type: none"> • Implementation of a formal physical access policy aligned to existing access controls including a structured approach to physical user access reviews 	High	CFO	30/6/18	The security system has been upgraded and the contractor is now licensed. Control is now possible and centralised from the Depot over all networked locations. If to provide & install computer in LGS server room with hard wire access to existing alarm system. Security contractor to facilitate connection and password access

¹⁴ AC 8/8/18 Item 25.1

Audit Committee Internal Audit Actions Summary – Updated 18 September 2019
10 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

363

<ul style="list-style-type: none"> Implementation of a formal network and application access policy aligned to existing ethoc controls and including a structured approach to logical user reviews Creation of formally documented password policy aligned to industry best practice. 			Dec 18 th	Building assets to facilitate door swipe programming access if to secure RCMG network connections and provide tenant with secure data cabinet (railway Station) – policy to be updated 60 day password implemented.
<p>5 - Lack of ability to identify and remediate vulnerability on an ongoing basis as well as to detect protect and respond to security threats</p>	Moderate	CFO	31/5/18 Sept 18 th	We currently use a MPLS network service from Telstra and is responsible for handling the Gateway to the outside world. This currently provides the protection and responses to these outside threats. For those threats that may enter our private internal WAN we maintain the web root product. The MPLS service will be reviewed as part of the phone replacement and the network design will be revisited as part of this process.
<ul style="list-style-type: none"> Develop vulnerability management program covering: <ul style="list-style-type: none"> Regular scheduled vulnerability identification Identification and mitigation procedures ensuring vulnerabilities are identified assessed prioritized and remediated appropriately. This can occur through utilization of security advisories and real time threat and vulnerability feeds Periodic scenario based technical testing ensuring to 				Vulnerability tests undertaken LGPS CQR appointed to undertake a wider security test in August Report is being reviewed.

¹⁵ AC 6/6/18 item 25-1
¹⁶ AC 8/8/18 item 25-1

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019

11 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

364

<ul style="list-style-type: none"> assess risk to RCIAB from both an external and internal threat Vulnerability scanning should be performed monthly, with quarterly vulnerability assessments and annual penetration tests undertaken by security specialists. Tools such as the Nessus Vulnerability Scanner can be utilised internally by appropriately RCIAB personnel. Special consideration should be given to testing over the SCADA environment. 					Received updated pricing for alternative
<ul style="list-style-type: none"> Develop a formal patch management policy and supporting procedure detailing patch management activities Implementation of an advanced automated network monitoring and protection solution in order to improve security threat detection and prevention 					

Completed – IT Security

<p>2 - Inadequate mobile device security controls</p> <ul style="list-style-type: none"> Audit current MDM solution and device level, implement policy Complete implementation of an MDM solution ensuring mobile devices connected to the corporate network are appropriately administered including the deploying, securing, monitoring, integrating and managing of these devices. 	High	CFO	30/4/18	Completed	Audit of equipment complete Policy activated on all new devices and register kept Policy redrafted
<p>3 - Inadequate remote access security controls</p> <p>Implementation of a formal Remote Access Policy detailing minimum expectations and acceptable methods of remotely accessing the corporate network. Review the feasibility of a multi factor authentication system for remote access to report to management.</p>	High	CFO	31/3/18	Completed	

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
12 | P a g e



ENVIRONMENTAL MANAGEMENT – 969056

The Environmental Management Review was reported to Audit Committee on 8 August 2018 (Item 25.2). The review identified 9 actions.

- Risk Rating Severe - Nil
- Risk Rating High – 2 (1 completed)
- Risk Rating Moderate – 1 (1 completed)
- Risk Rating Low – 3
- Process Improvement – 3 (1 completed)

One High Risk and one moderate risk action has been completed. The replacement of the Senior Environment Officer has occurred (September 2019) and the officer has commenced working through the actions listed below to ensure the updated target dates are met.

Audit Action	Risk Rating	Resp Officer	Target Date	Status
Agreed Management action				
2 - Lack of risk based approach to environmental management	High	SEO	31/8/18 June 20	
<ul style="list-style-type: none"> • Develop Environmental Risk Register leveraging the work performed as part of this internal audit including consultation with all relevant stakeholders • Risk Register to be presented to the RCMB Risk Committee for review and endorsement including risk ratings and any proposed mitigation actions 				
3 - There is limited formal documentation of environmental management planning for civil construction projects	Moderate	SEO	28/8/18 Dec 19	
<ul style="list-style-type: none"> • Develop a generic construction environmental management Plan (CEMP) to be used on all construction projects • Project specific items to be incorporated into 				Existing document to be reviewed in context of CAPEX project Management Process

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
13 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

366

<ul style="list-style-type: none"> generic CEMP as required Mechanism in place – SEO attends weekly Civil Operations meetings. Minutes of meeting stored in Council electronic records system 	Low	MCI	31/8/18 Dec 19	
<ul style="list-style-type: none"> Lack of environmental policy and lack of a comprehensive register of environmental management compliance obligations under legislative, regulatory, licence and other requirements Develop Environmental Policy Include a register of legislative documents in the Environment Policy 				
<ul style="list-style-type: none"> There are a number of un-remediated rubble pits across RCMB's Council area Develop a management plan to remediate historic rubble pits 	Low	MCI	31/8/18 Jun 20	
<ul style="list-style-type: none"> There is an opportunity to draft the new/updated environmental plan (2019-2024) which aligns with ISO14001 Review Environmental Management Plan Consider reference to the ISO1400 	PIO	SEO	21/1/18 Jun 2020	
<ul style="list-style-type: none"> There is an opportunity to monitor RCMB's carbon footprint and continue to progress carbon reduction initiatives Whilst desirable to monitor Council's carbon footprint it requires considerable resources which at present Council does not have. Council is currently achieving savings and reducing carbon footprint on specific projects and will continue to identify projects to reduce the carbon footprint. 	PIO	SEO	ongoing	

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
14 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

367

Completed Actions – Environmental Management						
1 -There is excessive stock piling of civil construction waste material at the Brinkley Site	High	MCI	31/7/18 30/6/19	Completed signed off by CEO 26/8/19	ELI noted and endorsed Brinkley Stockpile Plan 26 March 2019 - 989770	
<ul style="list-style-type: none"> Develop a management plan to manage existing stockpile material at Brinkley site including an estimate of tonnage that will need to go to landfill and an analysis of the costs associated with recycling material. 						
4 -There is limited longer term work programming and resource planning in relation to outside workforce	Low	GMAI	30/6/19	Completed		
<ul style="list-style-type: none"> Commence change management program to develop new operating model in progress 				Completed – CEO Approval May 2019		
<ul style="list-style-type: none"> Appointment of new position (Co-ordinator Open Space) to drive development of new forward operating programs 				Completed – Alison Allen commenced August 2018		
8 -There is an opportunity to extend the "3 bin" trial which was successful at RCMBs LGC to the Depot	PIO	SEO	21/12/18	Completed		
<ul style="list-style-type: none"> Extend 3 bin trial to works depot 				3 bin system extended to Station and Gallery Works Depot has had 3 bin system for		

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
15 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

368

DOG AND CAT MANAGEMENT - 96905Z

The Dog and Cat Management Review was reported to the Audit Committee on 6 August 2018 (Item 25.3). The audit review identified 9 actions.

- Risk Rating Severe - Nil
- Risk Rating High - Nil
- Risk Rating Moderate -- 3 (2 completed)
- Risk Rating Low -- 4 (4 completed)
- Process Improvement -- 2 (2 completed)

Work has been undertaken in relation to the review of Council's Animal Management Plan 2020-24 with Council endorsing the Plan at its meeting on the 12 August 2019 for referral to the Dog and Cat Management Board.

Audit Action	Risk Rating	Resp Officer	Target Date	Status
<p>2 - Risk and issues management (including an incident register) for dog and cat management should be developed and documented</p> <ul style="list-style-type: none"> • Risk Register to be developed in accordance with 2019-2024 Animal Management Plan • Incident register developed to capture all incidents relating to dog and cat management in a central repository. 	Moderate	MDR	31/12/18 30/6/19	Animal Management Plan 2020-24 endorsed by Council 12/8/19 Item 129.2 Dogs and Cats Online (DACO) system which commenced on 1 July 2018 maintains a central register of dog incidents. Staff incidents are recorded and managed on SkyTrust The Risk Register will be updated in accordance with Council's Risk Framework as part of the Business Unit Risk in December

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
16 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

369

<ul style="list-style-type: none"> Develop local Communication Plan stepping out key actions to provide public awareness under the Dog & Cat Act and Regulations. 	Low	GMCS	31/12/18 31/3/19	Animal Management Plan 2020-24 endorsed by Council 12/8/19 Item 129.2
<ul style="list-style-type: none"> Review ewica-authority and moqiq interface as part of Digital Strategy 				Following the Introduction of DACO, Authority is no longer utilised for Dog and Cat Management. All appropriate records are contained within Council's Electronic Records System. The interface between DACO and Moqiq will be considered within the Digital Strategy

Completed Actions – Dog & Cat Management

<p>1 - An overarching animal management 'management framework' or operations manual should be developed</p> <ul style="list-style-type: none"> Develop overarching operations manual which describes Council's policy, principle and procedures in relation to its management of animals, holistically and specifically in relation to dog and cat management. Aligned with legislative requirements and Animal Management Plan and capture existing practices undertaken by Compliance Team 	Moderate	MDR	31/12/18	Completed
<p>3 - A strong community education program should be developed (coinciding with introduction of new Regulations and DACO)</p> <ul style="list-style-type: none"> Develop local Communication Plan stepping out key actions to provide public awareness under 	Moderate	MDR	1/9/18	Completed

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
17 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

370

the Dog & Cat Act and Regulations.					
4 - The RCMB Animal Management Plan is out of date, leading to legislative non compliance (there is a plan to complete this in 2018/19)	Low	MIRD	1/9/18 30/6/19	Completed Council report 12/8/19 Item 129.2 - endorsed Animal Management Plan for endorsement by Dog & Cat Management Board Council briefing - 8/4/19	
<ul style="list-style-type: none"> Review Animal Management Plan in accordance with approved internal timelines. Develop measurable indicators for quality reporting. 					
6 - Ring fencing of dog & cat management registration fees is required under the Act, which not currently being complied with	Low	GMCS	1/7/18	Completed	
<ul style="list-style-type: none"> Review approach to ring fencing of relevant fees and expiations to ensure that they are managed in accordance with requirements. 					
7 - Invoice review and approval processes should be strengthened	Low	MDR GMCS	31/12/18	Completed	
<ul style="list-style-type: none"> Formal reconciliation of invoice against operational records Formal approval of invoices by assigned Compliance team members prior to advising Accounts Payable to pay 					
8 - Opportunity to streamline to a single payment method via DACO (with RCMB not collecting monies directly from citizens)	PIO	MDR GMCS	31/12/18	Completed Investigated but not able to be implemented	
<ul style="list-style-type: none"> Implementation of policy in Animal Management Plan 2019-2024 to refer all enquiries and payments for dog registration matters to State Wide DACO 					

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
18 | P a g e



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

371

<p>9 - RCMB should consider issuing tablets to compliance officers to leverage the new DACO online system which includes GPS functionality</p> <ul style="list-style-type: none"> Implement the use of tablets with DACO system. 	PIO	MIDR	1/8/18	<p>Completed</p> <p>Tablets have been procured</p>
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Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
19 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

372

CAPITAL WORKS DELIVERY – 969058

The Capital Works Delivery Review was provided to the Audit Committee on the 10 December 2018 (Item 37.5). The review identified 7 actions.

- Risk Rating Severe - Nil
- Risk Rating High - 1
- Risk Rating Moderate - 5
- Risk Rating Low - 1

Refer

Project Management
Digital Strategy
Procurement and Contract Management

The program of works is (below), is expected to be delivered by December 2019, and has been reliant on the development of the development/refinement of Internal Project Management systems/guide – this work is now completed and thus allows for the remaining and integrated items to be completed by December 2019.

Audit Action	Risk Rating	Resp Officer	Target Date	Status
<p>Agreed Management action</p> <p>1 -Time planned and schedule for capital works is not reflective of the time required</p> <p>It is recognised that it is not always possible to deliver the current Capital works program within a 1 year timeframe which includes design obtaining required approvals and completing construction works. The City Infrastructure team will work in collaboration with the ELT to develop a rolling program of works over a 3-5 year timeframe.</p> <ul style="list-style-type: none"> • Confirm intent and outcomes of indicative programs from Asset Management Plans and nominated program costs for next 3-5 years. • Develop indicative renewal and expansion program for 3 years with costs, ie roads. 	High	GMI MCI MCA SFA	30/6/19 30/12/19	Underway

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
2019090



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

373

<p>footpaths, toilets, playgrounds, Surf Reserve trees, signs etc</p> <p>2 - Project management documentation has not been consistently completed</p> <p>A Term of reference document will be developed that will outline the required documents for each project</p> <ul style="list-style-type: none"> • Develop TOR and Project Management guideline • Convert Project Management guideline and TOR document process to electronic process • Training session with staff involved in Project delivery • Review documents for consistency and relevance <p>An investigation will be performed to understand whether updating the version of Sharepoint will resolve records management issues. The feasibility of a BI for purpose Project Management system will be considered</p>			Moderate	GMAI	16/9/19 31/3/19 30/9/20	Completed September 2019
<p>3 - Contractor quality management guidelines have not been formally defined</p> <p>NCR guidelines will be developed by the City Infrastructure team with the updated guidelines to be communicated to all relevant staff</p> <ul style="list-style-type: none"> • Define process for non conformance reporting including recording of NCRs onto a central register and include in Project Management Guideline • Update non conformance report form to reflect process • Training session with staff involved in project 			Moderate	GMAI	31/3/19 30/12/19	Underway – has been awaiting 2a

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
21 | P a g e



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

374

<p>delivery</p>					<p>Underway -- has been awaiting 2d</p>
<p>Practical completion form will be updated to include a requirement to record any identified non conformances onto a central register which will be provided to the procurement team on a quarterly basis</p> <ul style="list-style-type: none"> Develop central register for recording of non conformances on Maqig Update practical completion form to include recording of non conformances for the project Develop procedure for practical completion certificates and non conformance reporting on central register and include in project management guideline Training session with staff involved in project delivery 					<p>Being considered as part revision of procurement process</p>
<p>Management will investigate the inclusion of a schedule within the tender documentation template that will require suppliers to provide any previously issued NCRs</p> <ul style="list-style-type: none"> Include a schedule in tender. <p>4 - Project risk registers are not updated through project delivery</p> <p>Project Management Model be updated to include a requirement for project risk registers to be reviewed and updated on a monthly basis of the Project Delivery Meeting.</p> <ul style="list-style-type: none"> Include require for project risk registers to be updated into project management guideline Include risk register hyperlink into sharepoint project update page to be updated monthly. 		<p>Moderate</p>	<p>GMAI</p>	<p>31/3/19 30/12/19</p>	<p>Include requirement in Risk Management Framework documents.</p>

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
22 | Page



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

375

<p>5 - Project closures are not consistently completed</p> <p>Project defects will be stored in a central register to allow for tracking against completion.</p> <ul style="list-style-type: none"> Develop central register for recording of status of defects for each project Develop procedure for recording defects and include in project management guideline Training session with staff involved in project delivery 		Moderate	GMAI	31/7/19 30/12/19	Underway - has been awaiting 2a Underway - has been awaiting 2a
<p>Project Managers currently conduct a closing meeting and document the discussions in meeting minutes. It will be referred to use the Project Completion checklists to document this meeting</p> <p>In additional a quarterly lessons learnt session will be conducted with all Project Managers to talk about overaching lessons learnt and potential updates to the process</p> <ul style="list-style-type: none"> Update project completion checklist and include in project management guideline Organise ongoing quarterly meetings with project delivery staff to discuss lessons learnt Training session with staff involved in project delivery <p>6 - Opportunity to improve procurement process</p>		Moderate	GMCS GMAI	31/7/19	Underway A scope document and resourcing plan to review procurement operating model, policies, procedures and systems is developed by

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
23 | P a g e



<p>Agree working group will continue to meet and discuss potential improvements to the procurement process A process flow is currently being developed which outlines what requirements needs to be undertaken based on a set of questions including cost and risk.</p> <p>Agree a feasibility study into the use of vendor panels will be considered from a cost/benefit perspective.</p> <p>7 Roles & Responsibilities where multiple Project Managers are involved on a single project are not clearly defined</p> <p>A form similar to the project close out form will be implemented to capture the roles and responsibilities of the parties involved in the projects</p> <ul style="list-style-type: none"> Develop terms of reference structure for project delivery team members and include in project management guidelines Training session with staff involved in project delivery 		Low	GMAI	30/4/19 30/12/19	<p>GMCS and CFO. Project Kickoff in September 2019.</p> <p>(also refer Procurement & Contract management action)</p> <p>Underway -- has been awaiting 2a</p> <p>Underway -- has been awaiting 2a</p>
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Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

377

EVENT MANAGEMENT – 984670

The Event Management Internal Audit was provided to the Audit Committee on the 1 May 2019 (Item 15.4). The review identified 8 actions which are all on track.

- Risk Rating Severe - nil
- Risk Rating High - 2
- Risk Rating Moderate - 3
- Risk Rating Low - 1
- Process Improvement - 2

Audit Action	Risk Rating	Resp Officer	Target Date	Status
Agreed Management action 1 An event safety framework, including WHS requirements has not been formally defined for RCMB events <ul style="list-style-type: none"> • Develop policy and procedure for event management process including consideration of relevant WHS requirements and an event safety framework 	High	MOD	31/10/19	Draft policy and procedures have been drafted. Awaiting approval of Event Strategy to accordingly update
<ul style="list-style-type: none"> • Develop external event guidelines to reflect policies & procedures 			31/10/19	External event guidelines have been completed
2 - Limitations identified with current risk assessments <ul style="list-style-type: none"> • Implement processes and document expectations to ensure adequate completion of event risk management documentation is performed 	High	MOD CEO	30/4/20 31/10/19	Event guidelines require a risk management plan for all events over 100 people to be completed and the process have been established for them to be reviewed by the OH&S officer

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
25 | P a g e



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

378

<ul style="list-style-type: none"> 6 months after updated event strategy framework has been approved an internal review will be performed with a report to the Event Steering Committee detailing compliance with updated framework. 		CEO	30/4/20	Event strategy has been completed and is now being requested to be ratified
<p>3 - An overarching event strategy should be developed</p> <ul style="list-style-type: none"> Development of Event Strategy incorporating what the RCMB is looking to achieve through its community sponsorship and RCMB events, including key targets and key initiatives and a roadmap for how RCMB will achieve its objectives. Development of strategy will align with RCMB 2024 Strategic Plan review Regular review process 	Moderate	MOD	31/10/19	Event strategy has been completed and is now being requested to be ratified
<p>4 - Lack of formalized event management policies & procedures</p> <ul style="list-style-type: none"> Develop policy framework (policy, guidelines) Communication Plan (internal/external) 	Moderate	MOD	31/12/19	Event policy and procedures for events have now been completed with reviews to follow
			31/7/19	Event policy and procedures for events have now been completed with reviews to follow
			31/10/19	Communication of event bookings and procedures for external event organisers has been updated to the RCMB website and communicated in various council collateral Individual Communications Plans are normally completed for specific

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
26 | P a g e



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

379

<ul style="list-style-type: none"> Communication plan (Internal/external) Audit of compliance with policy by event organisers 				31/12/19	Council events in consultation with the event team Sponsored events have the opportunity to use a number of council communication resources to promote their event To be initiated
<p>5 - Event outcomes are not defined and event post reviews are not performed consistently</p> <ul style="list-style-type: none"> Develop event outcomes and goals linked to event strategy as appropriate to the size or scale of event. Guidance around post event reviews which are appropriate for size and scale for different categories Records Management Process – including minutes and sufficient documentation 	Moderate	MOD		31/12/19	Event strategy has been completed and is now being requested to be ratified A process have now been developed to obtain feedback from competitors at events and establish metrics relating to economic activity to measure the impact of sponsored events
<p>6 - Documentation of events requires improvement</p> <ul style="list-style-type: none"> Records Management Process – updated filing structure for the document retention for events will be developed 	Low	MOD		31/12/19	A folder has been developed that includes all the current event forms and templates
<p>7 - Further opportunities to improve the event planning, communication and co-ordination process</p> <ul style="list-style-type: none"> Event planning checklist will be updated for items stated within the Internal audit observation Regular communication with relevant stakeholders will be undertaken across RCMB which will include additional forward planning provided to relevant 	PIO	MOD		31/12/19	Event checklist tool has been completed and is currently being utilised by staff Regular communication occurring with relevant RCMB staff including

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019

27 | Page



<p>RCMB teams</p> <ul style="list-style-type: none"> Event plans will include documentation of identified key stakeholders and involved personnel both internally and externally as required 	PIO	MOD	30/4/20	<p>attending weekly meetings of the RCMB depot and involving relevant RCMB staff in internal and external meetings of events</p>
<p>8 - Further opportunities to measure event success through the development of KPIs and attendee satisfaction survey</p> <ul style="list-style-type: none"> Event specific KPIs will be developed and applied where deemed relevant and appropriate Consultation will be undertaken with sponsors to determine current events which would benefit from an event survey to assess attendee satisfaction survey. Going forward sponsorship will include attendee surveys where deemed appropriate to include 				<p>A tool has been drafted in regards to measuring events in relation to the critical success factors</p> <p>Surveys and occuital surveys have been implemented for all sponsored events along with reports analysing economic impact</p>

Audit Committee Internal Audit Actions Summary - Updated 18 September 2019
28 | P a g e

**S17.9 PUBLIC INTEREST DISCLOSURE ACT 2018**

Author Ros Kruger

Legislative (x)**Corporate ()****Other ()****Purpose**

To provide information on the enactment of the *Public Interest Disclosure Act 2018* replacing the *Whistleblowers Protection Act 1993*.

Background

The Audit Committee Terms of Reference, item 9.3 – Whistleblowing provides for the Audit Committee to review Council's arrangements for its employees to raise concerns, in confidence, about possible wrong doings in financial reporting and other matters. The Audit Committee shall ensure these arrangements allow independent investigations of such matters and appropriate action follow up.

The *Public Interest Disclosure Act 2018* (PID Act) came into operation on the 1 July 2019 replacing the *Whistleblowers Protection Act 1993*.

Key features of the Public Interest Disclosure regime can be summarised as follows:

- Where an appropriate disclosure is made to a relevant authority (eg a Council) the informant will be protected from all liability, despite any duties of secrecy or confidentiality or any other restriction on disclosure (statutory otherwise) which would otherwise apply.
- Relevant authorities have a duty to act promptly upon receipt of an appropriate disclosure to assess the information, decide what action (if any) to take, and notify the informant and the Office of the Public Integrity (OPI) of the outcome of that assessment.
- If relevant authorities fail to act in the required timeframes, informants will be similarly protected from liability in relation to a subsequent disclosure of that information to a journalist or a Member of Parliament.
- Penalties apply for disclosing the identity of an informant without the consent of the informant, for victimizing, or for hindering a person from making an appropriate disclosure.
- Penalties apply for making a false or misleading disclosure.

Chief Executive Officers are required, within 3 months of commencement of the PID Act, to designate Responsible Officers who are responsible for the administration of the Act. Chief Executive Officers are also required to prepare and maintain a document describing the procedures for persons making appropriate disclosures, and for officers and employees required to deal with disclosures and for officers and employees required to deal with disclosures. Note, Councils are not legally required to prepare this document at the present time, however it is in accordance with best practices to do so to ensure compliance with the timeframes for responding to appropriate disclosures.

Council's Chief Executive Officer is the Principal Officer under the PID Act and has appointed the following Responsible Officers

- General Manager Assets & Infrastructure
- General Manager Community Services
- General Manager Corporate Services.
- Executive Officer



The Principal Officer and appointed Responsible Officers have all undertaken mandatory training conducted by ICAC.

All public sector agencies (including Councils) have 3 months to implement internal processes and provide training and awareness of the recently new requirements.

The purpose of the Public Interest Guideline is to:

- Encourage transparency and accountability in the Council's administrative and management practices
- Provide an environment where members of the public are supported in reporting potential substantial risks to public health or safety, or to the environment
- Provide the mechanisms where public officers are supported in reporting corruption, misconduct or maladministration in public administration
- Provide an environment where the identity of an informant making an appropriate disclosure is protected and the treatment of those involved is fair and objective
- Provide for a fair and objective disclosure, assessment, investigation process (where necessary) ensuring the disclosures are acted upon where practicable.
- Facilitate the implementation and compliance with the PID Act.

The Chief Executive Officer authorised information posted to Council's website on the 1 July 2019 advising of the change in legislation and providing interim guidance to members of the Public. (<http://www.murraybridge.sa.gov.au/page.aspx?u=1084>). Elected Members and Staff have been advised of the changes with awareness training being held in accordance with the Legislation and Council's Public Interest Disclosure Operating Guideline and also Council's Fraud and Corruption Prevention policy and guideline and Complaint Framework.

Training of Council's Leadership Team was held on the 5 September 2019 and the Elected Members was held on the 17 September 2019 by Norman Waterhouse. These training sessions also informed Council's Public Interest Disclosure Guideline.

Proposal

In accordance with requirements of the Public Information Disclosure Act 2018, the attached Public Interest Disclosure Guideline has been prepared to ensure Council is compliant with the Legislation (**Attachment 1**)

In implementing the required Legislative changes, a review of policy documentation has also been undertaken to ensure compliance. Documents requiring consequential changes aligned to the PID Act are attached for consideration by the Audit Committee

- Fraud & Corruption Prevention Policy and Reporting Fraud & Corruption Reporting Process, **Attachments 2 and 3**
- Complaint Framework, **Attachment 4**
- Audit Committee Terms of Reference, **Attachment 5**

Legislative Requirements

Public Interest Disclosure Act 2018.

ICAC Act 2012

Local Government Act 1999

Council Policy

Good Public Administration Framework

Risk Management Framework

Code of Conduct for Elected Members

Code of Conduct for Staff



Complaint Framework
Fraud & Corruption Prevention Policy
Delegations Policy

Financial Implications

Costs associated with the implementation of the Legislation has been accommodated within operational budgets.

Risk

Non compliance with the requirements of the *Public Interest Disclosure Act 2018* would create a serious risk for Council from a legislative and reputational perspective. The information contained within this report outlining the processes undertaken significantly reduce the likelihood of non conformance with this piece of Legislation.

WHS

Staff will be provided with awareness training and are able to discuss issues with their respective Managers and/or appointed Responsible Officers.

Asset Management

Not Applicable

Implementation Strategy

The Audit Committee's recommendations will be referred to Council for its consideration.

Communication Strategy

Council's website will be updated with Council's Public Interest Disclosures Guidelines.

Strategic Plan

Goal 5 - Our Commitment
5.3 - Responsive

Recommendation

1. That item number S17.9 on Special Audit Committee agenda of 2 October 2019 be received and noted.
2. That the Audit Committee recommend to Council that it notes the Public Interest Disclosure Guideline, Attachment 1, noting it replaces the Whistleblowers Protection Policy
3. That the Audit Committee recommend to Council the endorsement of the revised Fraud & Corruption Prevention Policy, Reporting Fraud & Corruption Reporting Process, and Complaint Framework, Attachments 2, 3 and 4.
4. That the Audit Committee recommend to Council the endorsement of the revised Audit Committee Terms of Reference, Attachment 5

Attachments

1.	Public Interest Disclosure Guideline	Attachment
2.	Fraud & Corruption Prevention Policy	Attachment
3.	Reporting Fraud & Corruption Reporting Process	Attachment
4.	Complaint Management Framework	Attachment



51.

Audit Committee Terms of Reference

Attachment

Cr Toogood moved

1. That item number S17.9 on Special Audit Committee agenda of 2 October 2019 be received and noted.
2. That the Audit Committee recommend to Council that it notes the Public Interest Disclosure Guideline, Attachment 1, noting it replaces the Whistleblowers Protection Policy
3. That the Audit Committee recommend to Council the endorsement of the revised Fraud & Corruption Prevention Policy, Reporting Fraud & Corruption Reporting Process, and Complaint Framework, Attachments 2, 3 and 4.
4. That the Audit Committee recommend to Council the endorsement of the revised Audit Committee Terms of Reference, Attachment 5

Seconded by Cr Thorley and CARRIED



PUBLIC INTEREST DISCLOSURES



MANAGEMENT GUIDELINE	
Reference Number	1016719
Responsible Business Unit	Office of the Chief Executive
Responsible Officer	Chief Executive Officer
Legislation	Public Interest Disclosure Act 2018 ICAC Act 2012 Criminal Law Consolidation Act 1935 Local Government Act 1999
Relevant Delegations	Chief Executive Officer Responsible Officers
Related Policies Management Guidelines Frameworks	<ul style="list-style-type: none"> • Good Governance Framework • Risk Management Framework • Fraud and Corruption Prevention • Code of Conduct for Employees • Code of Conduct for Council Members • Internal Review of Council decisions (\$270)
Link to Strategic Plan	Our Commitment
Date Endorsed by CEO	24 September 2019
Review Date	2023
Previous Revisions	Once every Council term or as required by Legislation

PRINCIPAL OFFICER STATEMENT

This Guideline has been developed to provide guidance to members of the public and Public Officers on how to make a public interest disclosure in accordance with the *Public Interest Disclosure Act 1998 (the PID Act)*, and how the Rural City of Murray Bridge will implement the PID Act.

This Guideline explains how the Rural City of Murray Bridge will ensure that public interest disclosures are managed in a way that will encourage and facilitate disclosures of public interest information.

It is my expectation that all public officers of the Council comply with the PID Act and their respective obligations.

I am committed to the protection of informants and to the genuine and efficient consideration and action in relation to information provided in a public interest disclosure.

If you believe your public interest disclosure is not being handled appropriately I would ask that you contact me direct to discuss your concerns. If you prefer you are also able to raise your concerns through OPI.

Michael Sedgman
Principal Officer / Chief Executive Officer.

OBJECTIVES

Encourage and facilitate

- further transparency and accountability in Council's administrative and management practices
- public interest disclosures of information about

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Page | 1



PUBLIC INTEREST DISCLOSURES



- a potential issue of a substantial risk to the environment or to the health and safety of the public generally or a significant section of the public
- a potential issue of corruption, misconduct or maladministration in public administration
- the protection of informants who make appropriate public interest disclosures in accordance with the *Public Interest Disclosure Act 2018*

Complement the reporting framework under the *ICAC Act 2012* and informs existing communication channels within Council and operates in conjunction with other Council policies, such as:

- Good Governance Framework
- Risk Management Framework
- Fraud and Corruption Prevention
- Code of Conduct for Employees
- Code of Conduct for Council Members
- Complaint Framework
- Internal Review of Council decisions [S270]

SCOPE

This guideline applies to all appropriate disclosures of public interest information made in accordance with the *PID Act*.

DEFINITIONS/INTERPRETATIONS

Definitions/interpretations apply as described in the

- [ICAC Act 2012](#)
- [Public Interest Disclosure Act 2018](#)

An extract of these definitions/interpretations are attached as **appendix 1**

DUTIES

Duties of the Principal Officer and the Responsible Officers are described in S12 and 13 of the *Public Interest Disclosure Act 2018* and an extract is attached as **appendix 2**

The Principal Officer is Council's Chief Executive, Mr Michael Sedgman

Council's Responsible Officers are:

- General Manager Assets & Infrastructure, Heather Barclay
- General Manager Community Development, Kristin Manson
- General Manager Corporate Services, Tim Vanderwall
- Executive Officer, Ros Kruger

TYPES OF DISCLOSURES

A person makes an appropriate disclosure of environmental and health information if:

- (a) the person:
 - i. believes on reasonable grounds that the information is true; or

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Page | 3



PUBLIC INTEREST DISCLOSURES



- ii. is not in a position to form a belief on reasonable grounds about the truth of the information, but believes on reasonable grounds that the information may be true and is of sufficient significance to justify its disclosure so that its truth may be investigated; and

(b) the disclosure is made to a relevant authority.

A person makes an appropriate disclosure of public administration information if:

(a) the person:

- i. is a public officer; and
- ii. reasonably suspects that the information raises a potential issue of corruption, misconduct or maladministration in public administration; and

(b) the disclosure is made to a relevant authority.

Public Interest Area	Disclosure relates to	Protection available under PID Act for
Environmental and Health Information	a substantial risk to the environment or to public health and safety	All persons
Public Administration	Potential corruption, misconduct or maladministration in public administration	Public Officers ¹

MAKING A DISCLOSURE

A disclosure may be made in one of the following ways:

Email: PublicInfoDisclosure@murraybridge.sa.gov.au

Post: Confidential - Public Information Disclosure,
Rural City Of Murray Bridge,
PO Box 421 Murray Bridge, 5253

Contacting one of the Council's Responsible Officers:

- General Manager Assets & Infrastructure, Heather Barclay, 85391 440
- General Manager Community Development, Kristen Manson, 85391 446
- General Manager Corporate Services, Tim Vonderwall, 85391 168
- Executive Officer, Ros Kruger, 85391 407

If a disclosure is made to a public officer of the Council they may refer the disclosure to one of Council's Responsible Officers to consider to ensure that the matters to which the information relates are properly investigated to ensure the public interest information is securely received and

¹ Note that members of the public have protections under the Independent Commission Against Corruption Act 2012 in relation to disclosures that relate to potential corruption, misconduct or maladministration in public administration

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PUBLIC INTEREST DISCLOSURES



stored, and to ensure the requirements of the PID Act are complied with. Protection under the PID Act for the informant continues in accordance with the PID Act.

Disclosures relating to matters outside of the responsibility of Council should be made to that relevant authority.

Disclosures of public interest information may also be made to the Office of Public Integrity.

Further information is available on Council's [website](#).

MAKING A DISCLOSURE – ENVIRONMENTAL AND HEALTH INFORMATION

In accordance with the PID Act any person may make an appropriate disclosure of environmental and health information that relates to a location within the area of the Council to a member, officer (including Responsible Officer) or employee of the Council.

Where information relates to a risk to the environment an appropriate disclosure can be made to the Environment Protection Authority.

An appropriate disclosure may also be made to a Minister of the Crown or the OPI. Further depending on the nature of the public interest information there may be other persons or bodies to whom an appropriate disclosure of environmental and health information may be made. Council's Responsible Officers are able to assist in ensuring the disclosure is made to the relevant authority.

MAKING A DISCLOSURE – PUBLIC ADMINISTRATION

In accordance with the PID Act a public officer may make an appropriate disclosure of public administration information to one of the following persons where the disclosure is about a public officer who is a member, officer or employee of the Council:

- to a Responsible Officer of the Council; or
- to the person responsible (either in fact, or as may be designated by the guidelines under the PID Act) for the management or supervision of the public officer the subject of the disclosure; or
- to the OPI; or
- to a Minister of the Crown.
- to a member of the police force where the information relates to the commission or suspected commission of any offence; or
- to the Auditor-General where the information relates to an irregular or unauthorised use of public money or substantial mismanagement of public resources.

In addition public officers have reporting obligations under the Independent Commission Against Corruption Act 2012.

Disclosures relating to other persons can be made to such relevant authorities as identified in the PID Act.

The Council's Responsible Officers are able to assist in ensuring the disclosure is made to the relevant authority.

A public officer who makes a report to the OPI under the ICAC Act may also be protected under the PID Act.

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Page | 4



PUBLIC INTEREST DISCLOSURES



DISCLOSURE PROCESS

1. Upon the receipt of an appropriate disclosure of public interest information:
 - 1.1. The Responsible Officer (if the Responsible Officer has received the disclosure or has had the disclosure referred to him/her) or other officer or employee of the Council who has received the disclosure will:
 - 1.1.1. assess the information as soon as practicable after the disclosure is made in accordance with these guidelines and, following such assessment—
 - 1.1.1.1. take action in relation to the information in accordance with any applicable guidelines prepared under section 14 of the PID Act or, if no applicable guidelines exist, take such action as is appropriate in the circumstances; and
 - 1.1.1.2. take reasonable steps to notify the informant (if the informant's identity is known) that an assessment of the information has been made and to advise the informant—
 - 1.1.1.2.1. of the action being taken in relation to the information; or
 - 1.1.1.2.2. if no action is being taken in relation to the information—of the reasons why no action is being taken in relation to the information; and
 - 1.1.1.3. provide OPI with information relating to the disclosure in accordance with any applicable guidelines prepared under section 14 of the PID Act.
 2. A person who takes action as set out above will:
 - 2.1. take reasonable steps to notify the informant (if the informant's identity is known) of the outcome of that action; and
 - 2.2. provide OPI with information relating to the outcome of that action in accordance with any applicable guidelines prepared under section 14 of the PID Act.
 3. Upon receipt of a potential disclosure, of public interest information the Responsible Officer (or where relevant, other officer being the recipient of the disclosure) with the assistance of such persons as may be necessary will immediately conduct an assessment to determine whether the potential disclosure constitutes an appropriate disclosure of public interest information. In particular, the officer will assess:
 - a) Whether the information disclosed is public interest information;
 - b) if the matter relates to public administration information: whether the informant is a public officer and therefore eligible for the protection of the PID Act;
 - c) Whether the relevant subjective elements in Sections 5(3)(a) or (b) or 5(4) of the PID Act are present (i.e. belief/reasonable suspicion on the part of the informant);
 - d) Whether the person who received the disclosure was a relevant authority for the purpose of receiving that particular kind of Public Interest Information;
 - 3.2. if the officer does not consider that the disclosure constitutes an appropriate disclosure of public interest information, then the officer will communicate this to the informant, and these guidelines no longer apply.

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Page 18



PUBLIC INTEREST DISCLOSURES



- 3.3. Where the officer is satisfied that the disclosure constitutes an appropriate disclosure of public interest information, the officer will undertake further assessment to determine:
- a) if the content of the disclosure suggests that there is an imminent risk of serious physical injury or death to any person or the public generally;
 - b) if the matter/s the subject of the disclosure involve potential corruption in public administration, or serious or systemic misconduct or maladministration in public administration; or
 - c) if the information disclosed justifies further action, including a decision as to whether the disclosure:
 - i. is frivolous, vexatious or trivial (in which case, no further action will be taken in relation to the disclosure);
 - ii. involves a matter which has already been investigated or acted upon by a relevant authority and there is no reason to re-examine the matter or there is other good reason why no action should be taken in respect of the matter (in which case, no further action will be taken in relation to the disclosure);
 - iii. otherwise does not justify the taking of further action;
 - iv. requires referral to another relevant authority; or
 - v. warrants investigation in accordance with the relevant Council procedure for information of the kind to which the disclosure relates.
- 3.4. Where the Responsible Officer (or, where relevant, other officer being the recipient of the disclosure) assesses that the content of the disclosure suggests there is an imminent risk of serious physical injury or death to any person or to the public generally, the officer must immediately communicate such information as may be necessary to mitigate that risk to the most appropriate agency (for example, South Australia Police, SafeWork SA, SA Ambulance, Environment Protection Authority).
- 3.5. Where the Responsible Officer (or, where relevant, other officer being the recipient of the disclosure) forms a reasonable suspicion that the matter/s the subject of the disclosure involve corruption in public administration, or serious or systemic misconduct or maladministration in public administration, the officer must comply with his/her reporting obligations under the ICAC Act.
- 3.6. Where the Responsible Officer (or, where relevant, other officer being the recipient of the disclosure) determines the disclosure warrants referral to an external body or another relevant authority, the officer will undertake the referral, including ensuring that such information as is necessary to enable action to be taken is communicated to the most appropriate person or relevant authority to take that action.
- 3.7. Where the Responsible Officer (or, where relevant, other officer being the recipient of the disclosure) determines the disclosure warrants further investigation, the officer will refer the matter for investigation in accordance with the Council's usual procedure for handling disclosures of that kind.

A Responsible Officer Public Interest Disclosure Assessment form is provided as **Appendix 3**.

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Page | 6



PUBLIC INTEREST DISCLOSURES



CONFIDENTIALITY

Council's Responsible Officers and Principal Officer will keep the identity of the informant confidential, unless the informant consents, the officer is authorised or required by law including any guidelines under the PID Act to disclose the identity of the informant or disclosure is necessary to ensure the matter/s to which the information relates is properly investigated:

In the case any of the above applies, the informant will be advised as far as practicable of the disclosure of their name and to whom their identity has been disclosed.

1. If the identity of the Informant is known to or reasonably ascertainable, the Responsible Officer (or where relevant other officer being the recipient of the disclosure) will notify the informant of the outcome of his/her assessment in writing (if practicable) as soon as is reasonably practicable after the assessment has been undertaken, and in any event **within 30 days of receipt** of the disclosure. In doing so, the officer must advise the informant of:
 - 1.1.1. any action that has been, or will be, taken in relation to the disclosure; or
 - 1.1.2. if no action is being taken in relation to the disclosure, the reason/s why.
2. As soon as reasonably practicable following the assessment and notification to the informant, the officer must use the dedicated online notification form at icac.sa.gov.au to notify OPI of the Disclosure (**Initial Notification**), and in doing so must ensure that the details required by the Guidelines under the PID Act are included in the Initial Notification.
3. The officer will retain the unique reference number issued by the OPI upon making the Initial Notification, and will ensure that reference number is provided to any other person or authority to whom the disclosure is referred.

HOW WILL WE KEEP YOUR APPROPRIATE DISCLOSURE CONFIDENTIAL?

The Rural City of Murray Bridge acknowledges your right to confidentiality and protection when making an appropriate disclosure.

We will protect your identity by keeping

- your identity confidential unless;
- You consent to your identity being disclosed or;
- Disclosure is required or authorised by law; or
- Disclosure is necessary to ensure the matters to which the information to which your disclosure relates is properly investigated

Ensuring all appropriate disclosure and associated records are securely received and stored in accordance with the *Public Interest Disclosure Act 2018* – refer **Appendix 4**

IF YOU BELIEVE YOUR DISCLOSURE IS NOT BEING APPROPRIATELY DEALT WITH

If you believe your Appropriate Disclosure has not been handled in accordance with the Public Interest Disclosure Act 2018 or your identity has not been kept confidential you are invited to contact Council's Principal Officer or report your concerns to OPI.



PUBLIC INTEREST DISCLOSURES



APPENDIX 1

PUBLIC INTEREST DISCLOSURE ACT 2012 (EXTRACT)

4—Interpretation

In this Act, unless the contrary intention appears—

appropriate disclosure—

- (a) in relation to environmental and health information—see section 5(3); and
- (b) in relation to public administration information—see section 5(4); and
- (c) in any case—see section 6;

Commissioner means the person holding or acting in the office of the Independent Commissioner Against Corruption;

corruption in public administration has the same meaning as in the *Independent Commissioner Against Corruption Act 2012*;

environmental and health information means information that raises a potential issue of a substantial risk to the environment or to the health or safety of the public generally or a significant section of the public (whether occurring before or after the commencement of this Act);

informant means a person who makes an appropriate disclosure of public interest information;

journalist means a person engaged in the profession or occupation of journalism in connection with the publication of information in a news medium;

judicial officer has the same meaning as in the *Judicial Conduct Commissioner Act 2015*;

liability includes a liability to disciplinary action;

maladministration in public administration has the same meaning as in the *Independent Commissioner Against Corruption Act 2012*;

misconduct in public administration has the same meaning as in the *Independent Commissioner Against Corruption Act 2012*;

news medium means a medium for the dissemination to the public or a section of the public of news and observations on news;

OPI means the Office for Public Integrity established under the *Independent Commissioner Against Corruption Act 2012*;

principal officer of a public sector agency or of a council means—

- (a) in the case of a public sector agency—
 - (i) if the agency consists of an unincorporated board or committee—the presiding officer; or
 - (ii) in any other case—
 - (A) the chief executive officer of the agency; or
 - (B) if there is no chief executive officer of the agency—a person designated as principal officer of the agency for the purposes of this definition by the responsible Minister for the public sector agency; and

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Page | 8



PUBLIC INTEREST DISCLOSURES



(b) in the case of a council—the chief executive officer of the council;

public administration has the same meaning as in the *Independent Commissioner Against Corruption Act 2012*;

public administration information means information that raises a potential issue of corruption, misconduct or maladministration in public administration (whether occurring before or after the commencement of this Act);

public interest information means—

(a) environmental and health information; or

(b) public administration information;

public officer has the same meaning as in the *Independent Commissioner Against Corruption Act 2012*;

public sector agency has the same meaning as in the *Public Sector Act 2009*;

public sector employee has the same meaning as in the *Public Sector Act 2009*;

relevant authority—see section 5(5);

responsible Minister in relation to a public sector agency means the Minister responsible for administration of the agency or the legislative instrument under which it is established and, if there is no such Minister, a Minister designated by the regulations as the responsible Minister or, in the absence of such a designation, the Minister responsible for the administration of this Act;

responsible officer means a person designated as a responsible officer under section 12.

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Page | 9



PUBLIC INTEREST DISCLOSURES



ICAC ACT 2012 (EXTRACT)

4—Interpretation

(1) In this Act, unless the contrary intention appears—

Australian Parliament means—

- (a) the Parliament of this State or any other State of the Commonwealth; or
- (b) the Parliament of the Commonwealth; or
- (c) a Legislative Assembly of a Territory of the Commonwealth;

Commissioner means the person holding or acting in the office of the Independent Commissioner Against Corruption;

complaint about public administration includes—

- (a) a complaint alleging corruption, misconduct or maladministration in public administration; and
- (b) any complaint about a public authority or public officer;

contract work means work performed by a person as a contractor or as an employee of a contractor or otherwise directly or indirectly on behalf of a contractor;

contravention includes failure to comply;

corruption in public administration—see section 5;

disciplinary action includes any process for termination of employment or dismissal from office;

document includes a written record that reproduces in an understandable form information stored by computer, microfilm or other process;

examiner—see section 14;

inquiry agency means—

- (a) the Ombudsman; or
- (d) a person declared by regulation to be an inquiry agency;

investigator—see section 14;

judicial body means a court, tribunal, body or person invested by law with judicial or quasi-judicial powers;

judicial officer means a person who alone or with others constitutes a judicial body;

law enforcement agency means—

- (a) the Australian Crime Commission; or
- (b) the Australian Federal Police; or
- (c) the Australian Commission for Law Enforcement Integrity; or
- (d) South Australia Police; or
- (f) the police force of another State or a Territory of the Commonwealth; or
- (g) in relation to New South Wales—the Crime Commission, the Independent Commission Against Corruption, the Inspector of the Independent Commission Against Corruption, the Police Integrity Commission or the Inspector of the Police Integrity Commission; or
- (h) in relation to Queensland—the Crime and Corruption Commission; or
- (i) in relation to Tasmania—the Integrity Commission; or
- (j) in relation to Victoria—the Office of Police Integrity, the Independent Broad-based Anti-corruption Commission or the Independent Broad-based Anti-corruption Commission Committee; or
- (k) in relation to Western Australia—the Corruption and Crime Commission or the Parliamentary Inspector of the Corruption and Crime Commission; or
- (l) a Royal Commission of the Commonwealth, the State or another State or a Territory of the Commonwealth; or
- (m) a person or body declared by regulation to be a law enforcement agency;

local government body means a council or a subsidiary of a council established under the Local Government Act 1999;

maladministration in public administration—see section 5;

Minister responsible for a public authority—see Schedule 1;

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Page | 10



PUBLIC INTEREST DISCLOSURES



Minister responsible for an inquiry agency means the Minister responsible for administration of the Act under which the agency is constituted or, if some other Minister is declared by regulation to be responsible for the agency, that Minister;

misconduct in public administration—see section 5;

Office means the Office for Public Integrity;

personal details of a person means—

- (a) the person's full name; and
- (b) the person's date of birth; and
- (c) the address of where the person is living; and
- (d) the address of where the person usually lives; and
- (e) the person's business address;

prescribed offence means corruption in public administration or an offence against this Act;

public administration—without limiting the acts that may comprise public administration, an administrative act within the meaning of the Ombudsman Act 1972 will be taken to be carried out in the course of public administration;

public authority—see Schedule 1;

public officer—see Schedule 1;

public sector agency has the same meaning as in the Public Sector Act 2009;

public sector employee has the same meaning as in the Public Sector Act 2009;

publish means publish by—

- (a) newspaper, radio or television; or
- (b) internet or other electronic means of creating and sharing content with the public or participating in social networking with the public; or
- (c) any similar means of communication to the public;

seconded—a police officer or special constable is seconded to assist the Commissioner for the purposes of this Act if the police officer or special constable is employed in accordance with an arrangement whereby the police officer or special constable is granted leave without pay in relation to his or her appointment under the Police Act 1998 for the purpose of being engaged as an employee under section 12 of this Act;

statement of information—see section 28;

vehicle means a vehicle, vessel or aircraft and includes a caravan, trailer and anything attached to a vehicle.

- (2) For the purposes of this Act, misconduct or maladministration in public administration will be taken to be **serious or systemic** if the misconduct or maladministration—
- (a) is of such a significant nature that it would undermine public confidence in the relevant public authority, or in public administration generally; and
 - (b) has significant implications for the relevant public authority or for public administration generally (rather than just for the individual public officer concerned).



PUBLIC INTEREST DISCLOSURES



APPENDIX 2

DUTIES AS OUTLINED IN PUBLIC INTEREST DISCLOSURE ACT

12—Duties of principal officers

- (1) The principal officer of a public sector agency or council must ensure that 1 or more officers or employees of the agency or council are designated as responsible officers of the agency or council for the purposes of this Act.
- (2) The regulations may prescribe qualifications for persons designated as responsible officers for the purposes of this Act.
- (3) The principal officer of a public sector agency or council must ensure that the name and contact details of each responsible officer of the agency or council are made available to officers and employees of the agency or council.
- (4) The principal officer of a public sector agency must ensure that a document setting out procedures—
 - (a) for a person who wants to make an appropriate disclosure of public interest information to the agency; and
 - (b) for officers and employees of the agency dealing with such a disclosure,is prepared and maintained in accordance with any applicable guidelines prepared under section 14.
- (5) the document required under subsection (4) must—
 - (a) without limiting that subsection, include—
 - (i) clear obligations on the public sector agency and its officers and employees to take action to protect informants; and
 - (ii) risk management steps for assessing and minimising—
 - (A) detrimental action against people because of public interest disclosures; and
 - (B) detriment to people against whom allegations are made in a disclosure; and
 - (b) be made available free of charge on the Internet, and at premises determined by the responsible Minister, for inspection by members of the public.
- (6) This section does not apply to—
 - (a) a public sector agency consisting only of a single person; or
 - (b) a public sector agency that has been granted an exemption, in writing, by the Commissioner.

13—Duties of responsible officers

A person designated as a responsible officer of a public sector agency or council for the purposes of this Act must—

- (a) receive appropriate disclosures of public interest information relating to the agency or council and ensure compliance with this Act in relation to such disclosures; and
- (b) make appropriate recommendations to the principal officer of the agency or council in relation to dealing with such disclosures; and

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Page | 8



PUBLIC INTEREST DISCLOSURES



(c) provide advice to officers and employees of the agency or council in relation to the administration of this Act,
and may carry out any other functions relating to this Act.

Schedule 1—Public officers, public authorities and responsible Ministers

For the purposes of this Act, the table below lists public officers, the public authorities responsible for the officers and the Ministers responsible for the public authorities.

Public officers	Public authority	Minister
Governor	Attorney-General	Premier
a person appointed to an office by the Governor	Governor Attorney-General	Premier
a Member of the Legislative Council	Legislative Council	
an officer of the Legislative Council		
a person under the separate control of the President of the Legislative Council		
a Member of the House of Assembly	House of Assembly	
an officer of the House of Assembly		
a person under the separate control of the Speaker of the House of Assembly		
a member of the joint parliamentary service	Joint Parliamentary Service Committee	
the principal officer of a judicial body	Attorney-General	Premier
a judicial officer that constitutes a judicial body		
a judicial officer (other than a judicial officer who is the principal officer of a judicial body or who constitutes a judicial body)	the principal officer of the judicial body of which the judicial officer is a member Attorney-General	Premier
a member of the staff of the State Courts Administration Council	State Courts Administration Council	Attorney-General
a person who constitutes a statutory authority or who is a statutory office holder	the Minister responsible for the administration of the Act under which the statutory authority is constituted or the statutory office holder is appointed	Premier

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Page | 13



PUBLIC INTEREST DISCLOSURES



Public officers	Public authority	Minister
a person who is a member of the governing body of a statutory authority	the statutory authority or statutory office holder	the Minister responsible for the administration of the Act constituting the statutory authority or statutory office holder
an officer or employee of a statutory authority or statutory office holder or a Public Service employee assigned to assist the statutory authority or statutory office holder		
a member of a local government body	the local government body	the Minister responsible for the administration of the <i>Local Government Act 1999</i>
an officer or employee of a local government body		
the Local Government Association of South Australia	the Minister responsible for the administration of the <i>Local Government Act 1999</i>	Premier
a person who is a member of the governing body of the Local Government Association of South Australia	the Local Government Association of South Australia	the Minister responsible for the administration of the <i>Local Government Act 1999</i>
an officer or employee of the Local Government Association of South Australia		
the chief executive of an administrative unit of the Public Service	the Minister responsible for the administrative unit	Premier
a Public Service employee (other than a chief executive)	the chief executive of the administrative unit of the Public Service in which the employee is employed	the Minister responsible for the administrative unit
a police officer	Commissioner of Police	the Minister responsible for the administration of the <i>Police Act 1998</i>
a protective security officer appointed under the <i>Protective Security Act 2007</i>	Commissioner of Police	the Minister responsible for the administration of the <i>Protective Security Act 2007</i>
an officer or employee appointed by the employing authority under the <i>Education Act 1972</i>	the employing authority under the <i>Education Act 1972</i>	the Minister responsible for the administration of the <i>Education Act 1972</i>
a person appointed by the Premier under the <i>Public Sector Act 2009</i>	Premier	Attorney-General

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Page | 14



PUBLIC INTEREST DISCLOSURES



Public officers	Public authority	Minister
a person appointed by the Minister under the <i>Public Sector Act 2009</i>	the Minister responsible for the administration of the <i>Public Sector Act 2009</i>	Premier
any other public sector employee	the public sector agency that employs the employee	<p>if the public sector agency is the Premier, the Attorney-General</p> <p>if the public sector agency is a Minister other than the Premier, the Premier</p> <p>in any other case, the Minister responsible for the public sector agency or the Premier</p>
a person to whom a function or power of a public authority or a public officer is delegated in accordance with an Act	the public authority or the public authority responsible for the public officer (as the case requires)	<p>if the public authority is the Premier, the Attorney-General</p> <p>if the public authority is a Minister other than the Premier, the Premier</p> <p>in any other case, the Minister responsible for the public authority</p>
a person who is, in accordance with an Act, assisting a public officer in the enforcement of the Act	the public authority responsible for the public officer	the Minister responsible for the public authority
a person performing contract work for a public authority or the Crown	if the work is performed for a public authority, the public authority or, in any other case, the Premier	the Minister responsible for the public authority
a person declared by regulation to be a public officer	the person declared by regulation to be the public authority responsible for the public officer	the Minister declared by regulation to be responsible for the public authority and its public officers

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Page | 18



PUBLIC INTEREST DISCLOSURES



Public Interest Appropriate Disclosure Assessment form - Appendix 3.

OPI Unique Reference			
Date Lodged			
Informant	Known	Anonymous	Referral
Informant details			
Lodged with	Responsible Officer	Principal Officer	Public Officer
Responsible Officer managing/assisting			

Timeline	Action	Outcome
Within 2 business days	Acknowledge receipt of disclosure	
	Report to appropriate authority if imminent risk or serious harm exists	
	Report to OPI	
Within 5 business days	Lodgement OPI	
	Referral to Responsible Officer to manage investigation	
	Assess against other Legislative requirements	
	Consider appointment of Independent assessor	
	Provide update to Informant <ul style="list-style-type: none"> Will name be required to be disclosed? 	
Within 90 business days If not extended	Advise informant of outcome	
	Advise OPI of outcome	
	Extension of time sought -- only one extension can be sought (min 12 months)	

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Page | 16



PUBLIC INTEREST DISCLOSURES



Disclosure Details		
Disclosure Type		
<i>Public Interest Area</i>	<i>Disclosure Relates to</i>	<i>Protections available for</i>
<ul style="list-style-type: none"> Environmental and Public Health Information 	a substantial risk to the environment or to public health and safety	All Persons
<ul style="list-style-type: none"> Public Interest 	Potential corruption, misconduct or maladministration in public administration	Public Officers
Meets criteria of	<ul style="list-style-type: none"> Believes on reasonable grounds that the information is true; or Is not in a position to form a belief on reasonable grounds about the truth of the information, but believes on reasonable grounds that the information may be true and is of sufficient significance to justify its disclosure so that the trust may be investigated, and 	
Confirm Council is the Relevant Authority	Yes / No	
	If No – Relevant Authority identified is	
Does Imminent Risk or Serious Harm Exist	Yes / No	
	If Yes – reported to	
Is the disclosure reportable to OPI (corruption, misconduct, maladministration)	Yes / No	
	If Yes – reported to OPI - icac.sa.gov.au	
Investigation	Refer to Responsible Officer to continue investigation in accordance with Council guidelines	
Assess against other Legislation	<ul style="list-style-type: none"> Local Nuisance and Litter Control Act 2016 Safe Drinking Water Act 2011 SA Public Health Act 2011 Water Industry Act 2012 Other: 	
Is an Independent Assessor required	Discussion with Responsible Officers and Principal Officer	

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Page | 17



PUBLIC INTEREST DISCLOSURES



<p>Lodge disclosure with OPI</p>	<p>The recipient of the disclosure must notify the OPI of the appropriate disclosure as soon as reasonably practicable after the receipt of the appropriate disclosure by making an electronic notification via the dedicated notification form on the ICAC website (icac.sa.gov.au) and must include in that notification</p>
	<ul style="list-style-type: none"> • the date the disclosure was received; • the name and contact details of the recipient of the disclosure; • a summary of the content of the disclosure; • the assessment made of the disclosure; • the action taken by the recipient of the disclosure including: <ul style="list-style-type: none"> ◦ whether the disclosure was referred to another relevant authority, public authority, public officer or other person; and ◦ if the disclosure was referred to another relevant authority, public authority, public officer or other person: <ul style="list-style-type: none"> ▪ other person: <ul style="list-style-type: none"> ▪ the date of the referral; • the identity of the relevant authority, public authority, public officer or other person to whom the disclosure was referred; • the manner of referral; and • the action to be taken by that relevant authority, public authority, public officer or other person (if known). • if no action was taken by the recipient of the disclosure, the reason why no action was taken; and • whether the identity of the informant is known only to the recipient of the disclosure or if the identity of the informant has been communicated to a relevant authority, public authority, public officer or other person (and if so, • the reasons why such communication was made).

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Page | 18



PUBLIC INTEREST DISCLOSURES



<p>Notification of Outcome to Informant</p>	<ul style="list-style-type: none"> • what (if any) findings were made in respect of the disclosure; • the nature of the action taken (if any); • the outcome of any action taken (if applicable);
<p>Notification of Outcome to OPI</p>	<p>The recipient of the disclosure or, if the recipient of the disclosure has referred the disclosure to some other person or authority, then that other person or authority, must notify the OPI as soon as reasonably practicable via the online notification form (oas.sa.gov.au) the following:</p> <ul style="list-style-type: none"> • the unique reference number issued by the OPI upon notification of the original disclosure; • the name and contact details of the notifier; • the name and contact details of the person or authority responsible for taking the action; • what (if any) findings were made in respect of the disclosure; • the nature of the action taken (if any); • the outcome of any action taken (if applicable); • whether the identity of the informant was disclosed to a person other than the original recipient of the disclosure; and • whether the informant was notified of the action taken and, if how that notification was made.

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Page | 19



PUBLIC INTEREST DISCLOSURES



Appendix 4

RECORDS MANAGEMENT

- PublicInfoDisclosure@murraybridge.sa.gov.au is a restricted email account with access by Council's Responsible Officers.
- All appropriate disclosures and associated documents will be stored securely within Council's electronic management system with restricted access to Council's Responsible Officers and Principal Officer.

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Page | 20



FRAUD AND CORRUPTION PREVENTION POLICY



COUNCIL POLICY – FRAUD AND CORRUPTION PREVENTION POLICY	
Reference Number	741624 (previous no 667642)
Responsible Business Unit	Office of the CEO
Responsible Officer	Chief Executive Officer
Legislation	Local Government Act 1999 ICAC Act 2012 Whistleblowers Protection Act 1993 Public Information Disclosure Act 2018 Development Act 1993 Planning Development & Infrastructure Act 2016
Relevant Delegations	Chief Executive Officer
Related Policies Management Guidelines Frameworks	Good Public Administration Framework - 741628 Reporting Fraud and Corruption Management Guideline - 741627 Code of Conduct for Elected Members - 682841 Code of Conduct for Employees - 679144 Code of Conduct for Volunteers - 743122 Code of Conduct for Independent Members of S41 Committees - 685233 Minister's Code of Conduct for CAP Whistleblowers Protection Policy - 741626 Public Information Disclosure Guideline Risk Management Framework Access to Council Meetings and Committee meetings Code of Practice - 676270 Policy Framework - 676271 Complaint Framework Internal Review of Council Decisions - 714555 Freedom of Information Policy - 688275 Internal Control Policy - 743236
Link to Strategic Plan	Objective 4.1 - Provide effective and accountable leadership and teamwork throughout the organisation
Council resolution	
Date Adopted	
Review Date	2019
Previous Revisions	9 June 2015, item 147.1 (Audit Committee 26/5/15) 13 May 2013, item 98.1 27 April 2009, item 820.1.3

1 INTRODUCTION

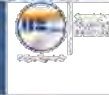
The Rural City of Murray Bridge ("The Council") is committed to acting in the best interest of the community and to upholding principles of honesty, integrity and transparency, which are all key components of good governance.

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Page | 1



FRAUD AND CORRUPTION PREVENTION POLICY



The Council recognises that Fraud and Corruption in Public Administration have the potential to cause significant financial and non-financial harm and that, therefore, the prevention and control of Fraud and Corruption should feature predominantly within the systems and procedures of a responsible Council.

2 POLICY STATEMENT

1. This Policy is designed to protect public funds and assets and the integrity, security and reputation of the Council.
2. This Policy outlines the Council's approach to the prevention of minimisation, identification and control of fraudulent and/or corrupt activity and summarises the associated responsibilities of Council Members and Council workers.
3. The Council will not tolerate fraudulent or corrupt activity and its commitment to its control and prevention by:
 - a. Complying with the requirements of the Independent Commissioner Against Corruption Act 2012 (ICAC Act)
 - b. Establishing and maintaining an effective system of internal controls and enforcing compliance with those controls;
 - c. Regularly undertaking risk assessment to identify circumstances in which Fraud and Corruption could potentially occur;
 - d. Implementing Fraud and Corruption prevention and mitigation strategies in its day to day operations.
 - e. Taking appropriate action in response to allegations of fraudulent and/or corrupt activity including
 - i. reporting allegations in accordance with the ICAC Act 2012 and the reporting system established by the Independent Commissioner Against Corruption (ICAC) under section 20 of the ICAC Act, and
 - ii. where allegations are substantiated, in addition to applicable criminal sanctions, may take disciplinary action in accordance with the Codes of Conduct for Council Members and Council Employees or, if relevant, a Council's Employee's contract of employment with Council.
 - f. Ensuring all Council Workers and Council Members are aware of their obligations in relations to the prevention of fraud and Corruption within the Council and the inclusion of preliminary education in any induction process.
 - g. Active participation in education and evaluation practices relevant to Fraud and Corruption.
 - h. Fostering an ethical environment in which dishonest and fraudulent behaviour is actively discouraged, and
 - i. General community awareness of the Council's commitment the prevention of fraud and corruption.

3 SCOPE

This policy is intended to compliment and be implemented in conjunction with other Council policy documents including:

- Good Public Administration Framework
- Code of Conduct – Council Members
- Code of Conduct – Employees
- Code of Conduct – Volunteers
- Code of Conduct – \$41 independent members (includes complaint handling)
- Minister's Code of Conduct for CAP
- Strategic Risk Framework
- Code of Practice – Access to Council and Committee meetings
- Council Member Allowances and Benefits Policy

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Page | 3



FRAUD AND CORRUPTION PREVENTION POLICY



- Internal Review of Council decisions
- Whistleblower Protection Policy
- Public Interest Disclosure Guideline
- Internal Controls
- Complaint Framework

This policy applies to all disclosures that relate to the actual or suspected occurrence of fraud and/or Corruption with the Council.

4 DEFINITIONS

For the purposes of this Policy the following definitions apply:

Corruption in public administration as described in the ICAC Act 2012, SS, as follows:

- An offence against Part 7 Division 4 (offences relating to public officers) of the *Criminal Law Consolidation Act 1935*, which includes the following offences:
 - bribery or corruption of public officers;
 - threats or reprisals against public officers
 - abuse of public office;
 - demanding or requiring benefit on basis of public office
 - offences relating to appointment to public office, or
- any other offence (including an offence against Part 5 (offences of dishonesty) of the *Criminal Law Consolidation Act 1935*) committed by a public officer while acting in his or her capacity as a public officer or by a former public officer and related to his or her former capacity as a public officer, or by a person becoming a public officer and related to his or her capacity as a public officer, or an attempt to commit such an offence (see appendix 1 for examples of offences under the *Local Government Act 1999*, *Local Government (Elections) Act 1999* and *Development Act 1993*); or
- any of the following in relation to an offence referred to in a preceding paragraph:
 - aiding, abetting, counselling or procuring the commission of the offence;
 - inducing, whether by threats or promises or otherwise, the commission of the offence;
 - being in any way, directly or indirectly, knowingly concerned in, or party to, the commission of the offence.
 - Conspiring with others to effect the commission of the offence.

Directions and Guidelines is a reference to the Directions and Guidelines issues pursuant to section 20 of the ICAC Act, which are available on the Commissioner's website (www.icac.sa.gov.au)

A **Worker** is any person who is employed by the Council, but also includes any contractors, volunteers and consultants undertaking work for, or on behalf of the Council (as defined under S7 of the Work Health and Safety Act 2012)

A **False Disclosure** is a disclosure of information relating to fraud or Corruption that is made by a person who knows the information to be false or, who is reckless as to whether it is false.

Fraud is an internal dishonest act or omission done with the purpose of deceiving.

(NB: unlike 'Corruption' there is no statutory definition of 'Fraud'. Fraud is a style of offending. The offences addressed under Part 5 and Part 6 of the *Criminal Law Consolidation Act 1935* are considered to constitute Fraud Offences.

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Page | 3



FRAUD AND CORRUPTION PREVENTION POLICY



Independent Commissioner Against Corruption (Commissioner) means the person holding or acting in the office of the Independent Commissioner Against Corruption.

Manager means any Employee of the Council who is responsible for the direct supervision of other Employees, and/or, for the management of a Council Department.

Office of Public Integrity (OPI) is the office established under the ICAC Act 2012 that has the function to:

- a. Receive and assess complaints about public administration from members of the public;
- b. Receive and assess reports about Corruption, misconduct and maladministration in public administration from the Ombudsman, the Council and public officers;
- c. Make recommendations as to whether and by whom complaints and reports should be investigated;
- d. Perform other functions assigned by the Office of the Commissioner.

Public Administration defined in section 4 of the ICAC Act 2012 means without limiting the acts that may comprise public administration, an administrative act within the meaning of the Ombudsman Act 1972 will be taken to be carried out in the course of public administration.

Public Officer defined under the ICAC Act 2012 includes:

- A Council Member
- A member of a Local Government Body (including a subsidiary of a Council established under the Local Government Act 1999); and
- A member of a Local Government body (including a subsidiary or a Council established under the Local Government Act 1999) and
- An Employee or Officer of the Council.

A Responsible Officer is a person (or persons) appointed by the Council pursuant to Section 302B of the Local Government Act 1999 who is (are) authorised to receive and act upon disclosures of public interest information reported to him/her under the Whistleblowers Protection Act 1993.

A Responsible Officer is a person (or persons) appointed by the Chief Executive Officer pursuant to Sections 12 and 13 of the Public Interest Disclosure Act 2018 (PID) who is (are) authorised to receive appropriate disclosures of public interest relation to Council and ensure compliance with the PID Act in relation to such disclosures and make appropriate recommendations to the principle officer of the council in relation to dealing with such disclosures and provide advice to officers and employees of the Council in relation to the administration of the PID Act and may carry out any other functions relating to the PID Act.

Volunteer – person who undertakes an activity on behalf of Council for no financial reward, includes work experience students

5. PREVENTION

1. The Council recognises that:
 - a. The occurrence of Fraud and Corruption will prevail in an administrative environment where opportunities exist for waste, abuse and maladministration; and
 - b. The most effective way to prevent occurrence of Fraud and Corruption is to promote an ethical environment in which internal control mechanisms have been implemented.
2. In general, the Council expects that Public Officers will assist in preventing Fraud and Corruption within the Council by:
 - a. Understanding themselves with the Council's policies and procedures and adhering to them;

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Page 14



FRAUD AND CORRUPTION PREVENTION POLICY



- b. Familiarising themselves with the Council's policies and procedures and adhering to them;
- c. Understanding what behaviour constitutes fraudulent and/or corrupt conduct;
- d. Maintaining an awareness of the strategies that have been implemented by the Council to minimise Fraud and Corruption;
- e. Being continuously vigilant to the potential of Fraud and/or Corruption to occur; and
- f. Reporting suspected or actual occurrences of Fraud or Corruption in accordance with Part 7 of this Policy.

3. Specific Responsibilities

- a. Collectively, as the decision making body of the Council, **Council Members** are responsible for ensuring that the **Council**:
 - i. Promotes community awareness of the Council's commitment to the prevention of Fraud and Corruption
 - ii. Provides adequate security for the prevention of Fraud and Corruption. This includes the provision of secure facilities for storage of assets and procedures to deter fraudulent or corrupt activity from occurring.
 - iii. Provides mechanisms for receiving allegations of Fraud or Corruption, including by ensuring a Responsible Officer⁹ is appointed.
 - iv. Ensures that, where appropriate, proper investigations are conducted into allegations that involve Fraud or Corruption.
 - v. Makes reports in accordance with Part 7 of this Policy and facilitates co-operation with any investigation undertaken by an external authority (such as SAPOL or the Commissioner);
 - vi. Ensures that all Workers are aware of their responsibilities in relation to Fraud and Corruption through the provision of appropriate and regular training.
 - vii. Promotes a culture and environment in which Fraud and Corruption is actively discouraged and is readily reported should it occur; and
 - viii. Undertakes a Fraud and Corruption risk assessment on a regular basis.
- b. **Managers** are responsible for:
 - i. the conduct of any Employees whom they supervise and, will be held accountable for such;
 - ii. Any properly under their control, and will be held accountable for such;
 - iii. Reporting in accordance with Part 7 of this Policy;
 - iv. Creating an environment in which fraud and Corruption is discouraged and readily reported by Workers. Such an environment shall be fostered by the Manager's own attitude and behaviours to fraud and Corruption and, by the accountability and integrity they both display and encourage from other Workers;
 - v. Ensuring that new Employees for whom they are responsible are aware of their responsibilities in relation to Fraud and Corruption and, of the standard of conduct expected from all Employees as outlined in the Code of Conduct for Council Employees and this Policy
 - vi. Identifying possible Fraud and Corruption risks; and
 - vii. Leading by example to promote ethical behaviour.
- c. **Workers** are responsible for:
 - i. Performing their functions and duties with care, diligence, honesty and integrity;
 - ii. Conducting themselves in a professional manner at all times.
 - iii. Adhering to these guidelines and other Council procedures that have been established to prevent Fraud and Corruption.

⁹ Responsible Officers are the General Managers and Executive Officer

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FRAUD AND CORRUPTION PREVENTION POLICY



- iv. Taking care for Council's property which includes avoiding the waste or misuse of the Council's resources;
- v. Maintaining and enhancing the reputation of the Council
- vi. Remaining scrupulous in the use of Council information, assets, funds, property, goods or services and;
- vii. Reporting in accordance with part 7 of this Policy.

d. — A **Responsible Officer** is a person (or persons) appointed by the Council pursuant to section 302B of the Local Government Act 1999 who is (are) authorised to receive and act upon disclosures of public interest information reported to him/her under the Whistleblowers Protection Act 1999.

A **Responsible Officer** is a person (or persons) appointed by the Chief Executive Officer pursuant to Sections 12 and 13 of the Public Interest Disclosure Act 2018 (PID) who is (are) authorised to receive appropriate disclosures of public interest relation to Council and ensure compliance with the PID Act in relation to such disclosures and make appropriate recommendations to the principle officer of the council in relation to dealing with such disclosures and provide advice to officers and employees of the Council in relation to the administration of the PID Act and may carry out any other functions relating to the PID Act.

6 FRAUD AND CORRUPTION RISK ASSESSMENT PROCESS

1. The Council's main objective in the prevention and control of fraud and Corruption is to minimise the occurrence of fraud and Corruption within the Council. The objective is generally achieved by:
 - Identifying fraud and Corruption Risks;
 - Determining strategies to control those risks; and
 - Defining responsibility for and, the time frame within which the strategies will be implemented.
2. Managers must be alert to the potential of fraud and Corruption to occur and remain wary of factors which must leave the Council vulnerable to fraud and Corruption, including:
 - Changes to Council delegations
 - Implementation of cost cutting measures
 - Contracting out and outsourcing
 - The impact of new technology; and
 - Changes to risk management practices.

7 EDUCATING FOR AWARENESS

1. The Council recognises that the success and credibility of this Policy will largely depend upon how effectively it is communicated throughout the organisation and beyond.
2. The Council, will, therefore, from time to time take proactive steps towards ensuring that the wider community is aware of the Council's zero-tolerance stance towards fraud and Corruption.
3. The Council will increase community awareness by:
 - a. Promotion of the Council's initiatives and policies regarding the control and prevention of fraud and Corruption on the Council's website and at the Council officers;
 - b. Make reference to the Council's fraud and Corruption initiatives in the Council's Annual Report; and
 - c. Facilitating public awareness to all of the documents that constitute the Council's Fraud and Corruption Framework.

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Page | 6



FRAUD AND CORRUPTION PREVENTION POLICY



8 CONCLUSION

1. The Council has established a number of procedures to assist with the prevention of fraud and Corruption. The effectiveness of these procedures will be continuously reviewed and assessed and will remain up to date with any future developments in fraud and Corruption prevention and control techniques.
2. The Council will review this Policy and associated frameworks, policies and management guidelines a least once in a Council term.

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Page | 7



REPORTING FRAUD AND CORRUPTION REPORTING PROCESS



MANAGEMENT GUIDELINE – REPORTING FRAUD AND CORRUPTION PROCESS	
Reference Number	741627
Responsible Business Unit	Office of the CEO
Responsible Officer	Chief Executive Officer
Legislation	Local Government Act 1999 Development Act 1993 ICAC Act 2012 Whistleblowers Protection Act Public Information Disclosure Act 2018 Development Act 1993 Planning Development & Infrastructure Act 2016
Relevant Delegations	Chief Executive Officer
Related Policies Management Guidelines Frameworks	Good Public Administration Framework - 741628 Fraud and Corruption Prevention Policy Code of Conduct for Elected Members - 682841 Code of Conduct for Employees - 679144 Code of Conduct for Volunteers - 743122 Code of Conduct for Independent Members of S41 Committees - 685233 Minister's Code of Conduct for CAP Whistleblowers Protection Policy - 741625 Public Information Disclosure Guideline Risk Management Framework Access to Council Meetings and Committee meetings Code of Practice - 676270 Policy Framework - 676271 Complaint Framework Internal Review of Council Decisions - 714555 Freedom of Information Policy - 688275 Internal Control Policy - 743236
Link to Strategic Plan	Objective 4.1 - Provide effective and accountable leadership and teamwork throughout the organisation
Date Adopted	
Review Date	2019
Previous Revisions	9 June 2015, item 147.1 (Audit Committee 26 May 2015) Previously combined within policy document

1. PURPOSE

This Management Guideline explains the process Elected Members and workers should follow in reporting Fraud and Corruption in accordance with the Independent Against Corruption's (the Commissioner's) Directions and Guidelines and the Whistleblowers Protection Act 1993, **Public Interest Disclosure Act 2018**.

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Page | 1



REPORTING FRAUD AND CORRUPTION REPORTING PROCESS



2. SCOPE

This Management Guideline applies to all Public Officers, to Elected Members, Council Workers.

Council's volunteers will be Public Officers (and therefore mandated to make reports under the Commissioner's Directions and Guidelines) where they:

- (a) Hold delegation from Council or the CEO; or
- (b) In accordance with an Act, assist a Public Officer in the enforcement of the Act.

Conversely, Council's Volunteers who do not hold such delegation or who do not so assist are not Public Officers and therefore not mandated to make reports under the ICAC Act, but they are encouraged to do so where appropriate under this Process and Council's supporting [Whistleblowing Protection Policy and Blowing the Whistle Process](#), [Public Interest Disclosure Guideline](#).

3. REPORTING FRAUD AND CORRUPTION

Reporting Corruption in Public Administration to the OPI

Reports by Public Officers

1. Any Public Officer worker or Council Member who has or acquires knowledge of actual or suspected Corruption in public administration must report this information to the OPI as soon as practicable.
2. Where a worker or Council Member suspects Corruption in public administration, that suspicion must be reasonably held. Section 6 of the Directions and Guidelines address what is required to form a reasonable suspicion. In this regard it is to be noted that suspicion is a state of mind that is distinct from a belief. It is not necessary for the Worker or Council Member to believe the relevant conduct amounts to Corruption in public administration. All that is required to make a report to the OPI is a reasonable suspicion based upon a proper consideration of the available facts (ie there must be a factual basis for the suspicion)
3. Reports to the OPI by a Worker or Council Member must be made in accordance with the reporting obligations contained in section 11 of the Directions and Guidelines. In particular, the following information must be included in the report.
 - a. The Worker or Council Member identify; and
 - b. The identity of the Council
 - c. The Worker's or Council Member's Council address, telephone number and email.
4. In addition the report must:
 - a. Identify the matter by reference to the conduct that the Worker or Council Member suspects is Corruption in public administration; and
 - b. Expressly identify that the Worker or Council Member suspects the conduct to be Corruption; and
 - c. Identify any public officer or other person suspected of having engaged in the conduct; and
 - d. To be accompanied by:
 - i. a statement as to how the Worker or Council Member became aware of the conduct; and
 - ii. the evidence known to the Worker or Council Members including any documentation relevant to the conduct; and
 - iii. a list of those persons who the Worker or Council Member believes can give evidence relevant to the conduct.

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Page | 2



REPORTING FRAUD AND CORRUPTION REPORTING PROCESS



5. A report to the OPI by a Worker or Council Members must be made on the online report form available at www.icac.sa.gov.au
6. Where the Worker's or Council Member's knowledge of Corruption has arisen due to a complaint/report he/she has received from another person (the informant), the Worker or Council Member should not include the informant's details in the report to the OPI if:
 - a. The report/complaint was made under the Whistleblowers Protection Act 2003; **Public Interest Disclosure Act 2018** and
 - b. The informant has not consented to the informant's identity being divulged; and
 - c. It is not necessary to divulge the identity of the informant to ensure that the matters to which the report to the OPI relates are properly investigated.
7. Nothing in this section is intended to prevent a Worker or Council Member from reporting Corruption in public administration internally to a Responsible Officer in accordance with the Council's Whistleblowers Protection Policy. Where an internal report relating to Corruption in public administration is received by another under the Whistleblowers Protection Policy **Public Interest Disclosure Guideline** the Responsible Officer must report the matter to OPI in accordance with this Policy.

Reports by the Council to the OPI

8. Where the Council (ie Council Members collectively) has or acquires knowledge of actual or suspected Corruption in public administration it must report this information to the OPI as soon as practicable after the Council becomes aware of the matter. The Chief Executive Officer is responsible for preparing a report to the OPI on behalf of the Council for these purposes. The Chief Executive officer must prepare the report immediately upon receiving direction from the Council (such as via the Mayor) to do so.
9. Any suspicion the Council has regarding conduct that constitutes Corruption in public administration must be reasonably held. Section 6 of the Directions and Guidelines address what is required to form a reasonable suspicion. In this regard it is to be noted that suspicion is a state of mind that is distinct from a belief. It is not necessary for the Council to believe the relevant conduct amounts to Corruption in public administration. All that is required to make a report to OPI is a reasonable suspicion based upon a proper consideration of available facts. (ie there must be a factual basis for the suspicion).
10. The report must:
 - a. Identify the matter by reference to the conduct that the Council suspects is Corruption; and
 - b. Expressly identify that the Council suspects the conduct to be Corruption in public administration; and
 - c. Identify any public officer or other person suspected of having engaged in the conduct, and
 - d. To be accompanied by:
 - i. A statement as to how the Council became aware of the conduct; and
 - ii. The evidence known to the Council including any documentation relevant to the conduct; and
 - iii. A list of those persons who the Council believes can give evidence relevant to the conduct.
11. A report to the OPI by the Chief Executive Officer on behalf of the Council must be made on the online report form available at www.icac.sa.gov.au

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Page | 3



REPORTING FRAUD AND CORRUPTION REPORTING PROCESS



12. Where the Council's knowledge of Corruption has arisen due to a complaint/report it received from another person (the informant), the Chief Executive Officer should include the informant's details in the report of the OPI if:
- The report/complaint was made under the *Whistleblowers Protection Act 1993*; *Public Interest Disclosure Act 2018* and
 - The informant has not consented to the informant's identity being divulged; and
 - It is not necessary to divulge the identity of the informant to ensure that the matters to which the report to the OPI relates are properly investigated.
13. Any consideration by the Council of the information relating to Corruption in public administration or a Council report to the OPI during a Council meeting must be considered in confidence. The grounds under section 90(3)(f) and (g) of the *Local Government Act 1999* may be relied upon to move into confidence for these purposes.

Reporting Fraud

14. Any Worker or Council Member that has or acquires knowledge or actual or suspected fraud that:
- does not constitute Corruption in public administration¹, and
 - impacts or causes detriment (or has the potential to impact or cause detriment) to the Council –
- must report such information to the Anti-Corruption Branch of SAPOL of the Responsible Officer appointed by Council.
15. A report made under clause 71 may be made under the *Whistleblowers Protection Act 1993* and managed in accordance with the Council's *Whistleblowers Protection Policy*, *Public Interest Disclosure Act 2018* and managed in accordance with Council's *Public Interest Disclosure Guideline*.

4. ACTION BY THE CHIEF EXECUTIVE OFFICER FOLLOWING A REPORT AND/OR INVESTIGATION INTO FRAUD AND CORRUPTION

- Following any report to the OPI or SAPOL under this Policy (or the *Whistleblowers Protection Policy*, *Public Interest Disclosure Guideline* as the case may be) of which the Chief Executive Officer has knowledge and, subject to the finalisation of any investigation undertaken by the Commissioner or SAPOL. The Chief Executive Officer will undertake a review into the area in which the Fraud or Corruption occurred to determine the cause for the breakdown in controls and, will report the findings of the review and provide recommendations (if any) to the Council. In undertaking any review, the Chief Executive Officer will have regard to any recommendations received from the Commissioner or the Ombudsman.
- In the event that allegations of fraud and/or Corruption are substantiated, the Council may take disciplinary action against any Worker who was involved.

5. FALSE DISCLOSURE

A person who knowingly makes a false or misleading statement in a complaint or report under the ICAC Act or makes a false or misleading disclosure, under the *Whistleblowers Protection Act 1993*, *Public Interest Disclosure Act 2018* is guilty of an offence.

¹ Such conduct may, for example, relate to persons who are not a public officer such as a non-elected member of a Council Committee and/or a member of a Council Assessment Panel
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REPORTING FRAUD AND CORRUPTION REPORTING PROCESS



Worker who makes a false disclosure, in addition to being guilty of an offence, may face disciplinary action that may include dismissal.

6. TRAINING

All Elected Members, Workers will be made of this process and overarching Policy during their induction and in refresher training upon request.

7. RECORDS MANAGEMENT

All records made by the Responsible Officer pursuant to receiving a Disclosure under the Whistleblowers Protection – Blowing the Whistle process- Public Interest Disclosure Guidelines will be maintained confidentially in accordance with the General Disposal and Council's Records Management Policy.

8. REVIEW

This reporting fraud and Corruption process shall be reviewed every Council term or more frequently if Legislation or Council needs change.

This review may include a review of:

- Legislative compliance issues
- Audit findings relating to incident reporting and investigation
- Incident reports, claims costs and trends
- Feedback from stakeholders

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Page | 8



Complaint Management Framework



FRAMEWORK – COMPLAINT MANAGEMENT	
Reference Number	851 180
Responsible Business Unit	Office of the Chief Executive
Responsible Officer	Chief Executive Officer
Legislation	Local Government Act 1999 ICAC Act 2012 Development Act 1993 Freedom of Information Act 1991 Aged Care Act 1997 Planning Development & Infrastructure Act 2016
Relevant Delegations	Chief Executive Officer
Related Policies Management Guidelines Frameworks	Good Public Administration Framework Risk Management Framework Customer Service Charter Communication Framework Code of Conduct Suite of Documents Public Interest Disclosure Guideline Fraud & Corruption Prevention Policy/Guideline A/NZ Standard – Guidelines for Complaint Management in Organisations
Link to Strategic Plan	Objective 5.3 Responsive
Date Adopted	
Review Date	at least once during a Council term
Previous revisions	10 December 2018, item 217.6 10 April 2017, item 67.2
Availability	Council's website and at the Local Government Centre
INTRODUCTION	

The Rural City of Murray Bridge's Strategic Governance Framework and associated Complaint Framework, policies and procedures have been developed based on Legislation and the following components;

- Commitment
- Facilitation
- Resourcing
- Learning
- Guidance

Council's Chief Executive Officer has been delegated authority by Council to manage the delivery of Council's services to the Communities by:

- strengthening relationships
- identifying potential issues
- improving service delivery and systems
- improving customer service

The Guiding principles for facilitating complaints:

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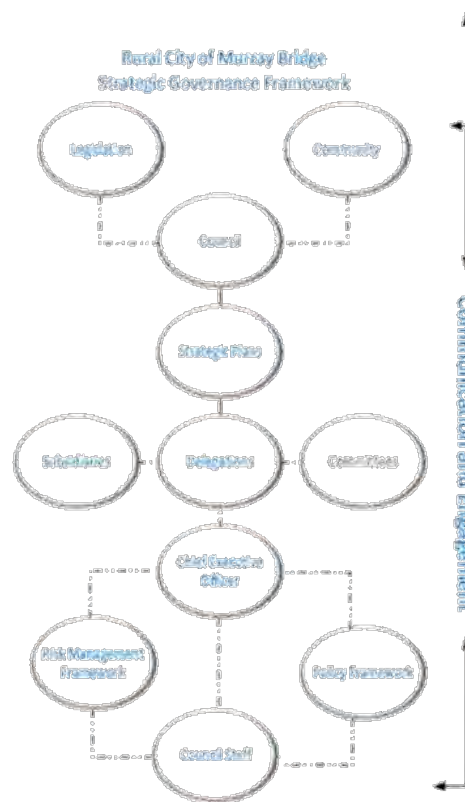
Page | 1



Complaint Management Framework



- **Visibility and transparency** – widely publicise information about how and where complaints may be made to Council
- **Accessibility** – implement a system to manage complaints that is easy to understand and accessible to people who may require assistance.
- **Supporting** – support and assist people who need help to make a complaint, without charge
- **Flexibility** – be flexible in how complaints may be made to about Council.
- **Acceptance** – accept anonymous complaints where they raise significant issues and there is sufficient information to be able investigation of the issues raised.



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Page 12



Complaint Management Framework



LEVELS

CUSTOMER SERVICE CHARTER

Council's commitment towards Customer Service

REQUESTS FOR SERVICE

Requests for approval
Requests for action
Routine inquiries about Council's business
Requests for the provision of services and assistance
Reports of failure to comply with laws regulated by the organisation
Requests for explanation of policies, procedures and decisions

FEEDBACK

Opinions, comments and expressions of interest or concern, made directly or indirectly, explicitly or implicitly, to or about us, about our services or complaint handling where a response is not explicitly or implicitly expected or legally required.

COMPLAINT (Level 1)

Frontline Complaint Handling and early resolution of complaints
Expression of dissatisfaction made to or about us, our services (request for service/feedback), staff or the handling of a complaint where a response or resolution is explicitly expected or legally required.
Reviewed by Manager of Business Unit

DISPUTE (Level 2)

Internal review of complaints and/or complaint handling may include Alternative Dispute Resolution
An unresolved complaint escalated within our organisation to the General Manager.

DISPUTE (Level 3)

Internal review of complaints and/or complaint handling or internal review of decision by Council or delegate may include Alternative Dispute Resolution
An unresolved complaint escalated within our organisation to the Chief Executive Officer

DISPUTE (Level 4)

External review of complaints and/or complaint handling
An unresolved complaint escalated outside our organisation.

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Page 13



Complaint Management Framework



PROCESS

Acknowledgement of Complaint

- within 5 working days of receipt either by email or letter
- include reference number for use by parties
- include name of customer contact officer
- Include process to be followed in managing complaint

Address and Investigate Complaint

- Customer contact officer to conduct initial assessment
- Provide initial feedback and next steps within 10 working days
- Alternative Dispute Resolutions options may be explored

Provide Reasons for Decision

- Our aim is to provide results of the complaint investigation within 30 days however depending on the complexity of the complaint advice may be forwarded regarding an extended timeline
- Customer contact officer will inform the complainant of the progress of the complaint (every 15 working days)

Options for Redress or Closure of Complaint

- Customer contact officer will inform the complainant of the processes involved in seeking an escalation of the complaint

Unreasonable Complainants

- Unreasonable and Vexatious complaints will not be tolerated by Council and the Chief Executive Officer is delegated authority to establish a process to manage unreasonable and vexatious complainants

Review of Complaints

- Chief Executive Officer review complaints to implement Continuous Improvement processes and report via Council's Annual Report

REPORTING

We will ensure that complaints are recorded in a systematic way so that information can be easily retrieved for reporting and analysis. Reporting will provided to the Council and Community through Council's Annual Report.

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Page 14



Complaint Management Framework



Alternative statutory processes are available to the applicant including:

Objections to rating and valuations made by a Council
(Rating Policy – Valuer-General / SACAT)

Appeals against orders made pursuant to Section 254 of the Local Government Act,
(refer order making Policy – District Court)

Appeals under the Development Act 1993

<http://www.courts.sa.gov.au/RepresentYourself/DevelopmentAppeals/Pages/Lodge-an-Appeal.aspx>

Minister for Planning (S103 Development Regulations 2008)

<https://www.sa.gov.au/topics/planning-and-property/land-and-property-development/engaging-building-industry-professionals/complaints-about-a-private-certifier-or-council>

Complaints under the Electoral Act and/or Local Government (Elections) Act
(Council Elections – Electoral Commissioner)

Reviews under the Freedom of Information Act 1991. (FOI / Access to Information
Policy – Ombudsman SA / SACAT)

Appeals of Control orders under the Dog and Cat Management Act 1995 – (SACAT)

Appeals under the SA Public Health Act 2011 - (SACAT)

Appeals under the Food Act 2011 – (SACAT)

Appeals under the Environment Protection Act 1993 – (SACAT)

Appeals under the Safe Drinking Water Act 2011 – (SACAT)

Appeals under the Supported Residential Facilities Act 1992 – (SACAT)

Appeals under the Expiration of Offences Act – Magistrate Court

Office of Public Integrity - <https://ficac.sa.gov.au/>

SA Ombudsman - <http://www.ombudsman.sa.gov.au/complaints/>

SA Civil and Administrative Tribunal - <http://www.sacat.sa.gov.au/about-sacat>

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Page | 5

**AUDIT COMMITTEE – TERMS OF REFERENCE****1. Establishment of Audit Committee**

Pursuant to Sections 41 and 126 of the Local Government Act 1999, the Council establishes an Advisory Committee to be known as the Audit Committee ("the Committee").

- 1.1 The Committee does not have executive powers and authority to implement actions in areas over which management has responsibility and does not have delegated financial responsibility.
- 1.2 The Committee does not have any management responsibilities and is therefore independent of management.
- 1.3 The purpose of the Committee is to:
 - 1.3.1 play a critical role in the financial reporting framework of Council by overseeing and monitoring the contributions of management and external auditors in the financial reporting process.

The Committee will also review issues such as the approach being adopted by Council and its management team to address business risks and strategies, corporate and financial governance responsibilities and legal compliance.

- 1.3.2 The principal functions and extent of authority for the Audit Committee is set out in Section 126(4) of the Local Government Act as follows:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the Council; and
- reviewing the Council's strategic management plans and/or annual business plan; and
- reviewing the exercise of powers under Section 130A; and
- if the Council has exempted a subsidiary from the requirement to have an audit committee, the functions that would, apart from the exemption, have been performed by the subsidiary's audit committee; and
- liaising with the Council's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis

2. Membership

Membership of the Committee will be as follows:

- 2.1 Members of the Committee are appointed by the Council. The Committee shall consist of five members, being an independent Chair, two Elected Members and two independent community/professional representatives.

The independent Chairperson shall have a strong background in Local Government financial management preferably with previous experience on Audit Committees and appropriate experience and/or qualifications in Accounting/Economics and/or recent and relevant risk management, legal and audit portfolios.

Council 14 August 2017, Item 137.1 – doc 871879 – (Audit Committee Sept 2019)



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

423

- The two independent community/professional members will have complimentary background experience to the Independent Chair.
- 2.2 Independent member(s) of the Committee shall have recent and relevant financial, risk management, internal audit etc experience.
 - 2.3 Only members of the Committee are entitled to vote in Committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the Committee for decision.
 - 2.4 The Chief Executive Officer will attend Committee meetings with General Managers and ensure the attendance of staff members who have prepared reports for consideration as observers.
 - 2.5 The agenda and minutes of the Committee meetings, subject to any items that are discussed in confidence under Section 90 of the Local Government Act 1999 and subsequently retained as confidential under Section 91 of the Act, are required to be made available to the public.
 - 2.6 Council's external and internal auditors may be invited to attend meetings of the Committee.
 - 2.7 Appointments to the Committee shall be for a period of 4 years.
 - 2.8 The Council shall appoint the Presiding Member of the Committee who will be independent of Council and have qualifications as outlined in point 2.1.
 - 2.9 The Committee shall appoint an Acting Presiding Member, as required, to cover the absence of the Presiding Member.
3. **Remuneration of Independent Members**

The independent Chair of the Committee is entitled to a payment for meeting attendance negotiated with the Chief Executive Officer and approved by Council.
 4. **Secretarial Resources**

The Chief Executive Officer shall provide sufficient administrative resources to the Committee to enable it to adequately carry out its functions.
 5. **Quorum**

The quorum necessary for the transaction of business as set by Council shall be three members of the Committee. A duly convened meeting of the Committee, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
 6. **Frequency of Meetings**
 - 6.1 The Committee shall meet at least four times a year, at appropriate times in the reporting and audit cycle and otherwise as required.
 - 6.2 The Chair of the Audit Committee and Chief Executive Officer may agree to vary the set dates of the Audit Committee, if required.

Council 14 August 2017, Item 137.1 – doc 871879 – (Audit Committee Sept 2019



7. Notice of Meetings

- 7.1 Ordinary meetings of the Committee will be held at times and places agreed by Council or, subject to a decision of the Committee, a special meeting of the Committee may be called in accordance with the Act.
- 7.2 Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and observers, no later than 3 clear days before the date of the meeting. Supporting papers shall be sent to Committee members (and to other attendees as appropriate) at the same time.

8. Minutes of Meetings

- 8.1 The Chief Executive Officer or his nominee shall ensure that the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance, are minuted and that the minutes otherwise comply with the requirements of the Local Government (Procedures of Meetings) Regulations 2013.
- 8.2 The minutes of the Committee meeting will be presented to Council for endorsement at its next available meeting.
- 8.3 Minutes of the Committee meetings shall be circulated within five days after a meeting to all members of the Committee and to all members of the Council and will (as appropriate) be available to the public.

9. Role of the Committee

9.1 Financial Reporting

- 9.1.1 The Committee shall monitor the integrity of the financial statements of the Council including its Annual Report, reviewing significant financial reporting issues and judgements which they contain.
- 9.1.2 The Committee shall review and challenge where necessary:
- 9.1.2.1 the consistency of, and/or any changes to accounting policies
 - 9.1.2.2 the methods used to account for significant or unusual transactions where different approaches are possible
 - 9.1.2.3 whether the Council has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor
 - 9.1.2.4 the clarity of disclosure in the Council's financial reports and the context in which statements are made
 - 9.1.2.5 all material information presented with the financial statements, such as operating and financial review and the corporate governance statement insofar as it relates to strategy, risk management and audit.
 - 9.1.2.6 review of asset management plans

Council 14 August 2017, Item 137.1 – doc 871879 – (Audit Committee Sept 2019)



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

425

9.2 **Internal Controls and Risk Management Systems**

9.2.1 keep under review the effective the effectiveness of the Council's internal controls and risk and strategy management systems

9.2.2 review and recommend the approval, where appropriate of statements to be included in the Annual Report concerning internal controls and risk management

9.3 **Whistleblowing Public Interest Disclosures**

9.3.1 The Audit Committee shall review the Council's arrangements for its employees to raise concerns, in confidence, about possible wrong doings in financial reporting and other matters.

9.3.2 The Audit Committee shall ensure these arrange allow independent investigations of such matters and appropriate action follow up.

10. **Internal Audit**

The Committee shall:

10.1 monitor and review the effectiveness of the Council's internal audit function in the context of the Council's overall risk and strategy management system

10.2 consider and make recommendations on the program of the Internal Audit function and the adequacy of resources and access to information to enable it to perform its function effectively and in accordance with the relevant professional standards.

10.3 receive Executive Summary reports on all Internal Audit projects. The Audit Committee will review and monitor management's responsiveness to the findings and recommendations of the Internal Auditor.

10.4 meet with the Internal Audit partner at least once a year, without management being present, to discuss any issues arising from the Internal Audits carried out during the year. In addition, the Internal Audit partner shall be given the right of direct access to the Mayor and Presiding Member of the Audit Committee.

10.5 monitor and review the selection process of the Internal Auditor. Appointment of the Internal Auditor is the responsibility of management. If the Internal Auditor resigns, the Audit Committee shall investigate the issues leading to the resignation and decide whether any action is required.

11. **External Audit**

The Committee shall:

11.1 review and monitor Council policy on the supply of non-audit services by the External Auditor, taking into account any relevant ethical guidance on the matter

11.2 consider and make recommendations to the Council, in relation to the appointment, re-appointment and removal of Council's External Auditor. The Committee shall oversee the selection process for new auditors and if any auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required.

Council 14 August 2017, Item 137.1 – doc 871879 – (Audit Committee Sept 2019)



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

426

- 11.3 oversee Council's relationship with the External Auditor, including but not limited to:
- 11.3.1 recommending the approval of the External Auditor's remuneration, the fees for audit or non-audit services and recommending whether the level of fees is appropriate to enable an adequate audit to be concluded.
 - 11.3.2 recommending the approval of the External Auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit.
 - 11.3.3 assessing the External Auditor's independence and objectivity in taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services.
 - 11.3.4 satisfying itself that there are no relationship (such as family, employment, investment, financial or business) between the External Auditor and the Council (other than in the ordinary course of business).
 - 11.3.5 monitoring the External Auditor's compliance with legislative requirements on the relation of audit partners
 - 11.3.6 assessing the External Auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the External Auditor on the Audit Committee's own internal quality procedures.
 - 11.3.7 meet the External Auditor as needed and at least once a year without management being present to discuss the External Auditor's report and any issues arising from the audit.
 - 11.3.8 review and make recommendations on the annual audit plan, and in particular, its consistency with the scope of the external audit arrangement.
 - 11.3.9 review the findings of the audit with the External Auditor. This shall include, but not be limited to, the following:
 - 11.3.9.1 discussion of any major issues which arise during the external audit
 - 11.3.9.2 any accounting and audit judgements
 - 11.3.9.3 levels of errors identified during the external audit
 - 11.3.10 review any representation letters and standard practice of any audit and provide the auditor confirmation from management (in particular the Chief Financial Officer) that amongst other matters, accounting standards have been consistently applied, that all matters that need to be disclosed have been so disclosed and that the valuation of assets has been consistently applied.
 - 11.3.11 review the management letter and management's response to the External Auditor's findings and recommendations

Council 14 August 2017, Item 137.1 – doc 871879 – (Audit Committee Sept 2019



12. Reporting

The Committee shall make whatever recommendations to the Council it deems appropriate on any area within its terms of reference where, in its view, action or improvement is needed. The Independent Chair will report to Council annually or as required.

13. Other Matters

The Committee shall:

- 13.1 have access to reasonable resources in order to carry out its duties in line with annual budget allocations
- 13.2 be provided with appropriate and timely training both in the form of an induction program for new members and on an ongoing basis for all members
- 13.3 give due consideration to laws and regulations of the Act(s)
- 13.4 make recommendations on co-ordination of the Internal and External Auditors
- 13.5 oversee any investigation or activities which are within its terms of reference
- 13.6 oversee an action to follow up on matters raised by the External Auditors
- 13.7 at least once a year, review its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Council for approval.

Reference Documents:

- Local Government Act 1999 and associated Regulations
- Whistleblowers Protection Act 1992
- ICAC Act 2012
- Public Interest Disclosure Act 2018

Policy Documents:

- Code of Conduct for Elected Members
- Code of Conduct for Independent \$41 Committee members
- Access to Council meetings, Council Committees & Council Documents – Code of Practice
- Good Governance Framework
- Risk Management Framework
- Whistleblowers Protection Policy
- Public Interest Disclosure Act 2018
- Fraud & Corruption Prevention Policy & Guideline
- Complaint Framework

Review

Biennially or as required by Legislation, Council or Audit Committee

Council 14 August 2017, Item 137.1 – doc 871879 – (Audit Committee Sept 2019)



S17.10 AUDIT COMMITTEE ACTIVITY REPORT - 2018/2019

Author Ros Kruger

Legislative ()

Corporate (x)

Other ()

Purpose

For the Audit Committee to endorse its Annual Report on activities for 2018-2019.

Background

The attached summary report has been prepared in conjunction with Members of the Audit Committee as a record of its activities during 2018-2019.

Proposal

The attached Audit Committee Activity Report for 2018-2019 has been prepared to provide Council with a record of reports considered and activities undertaken in accordance with the Audit Committee Work Plan.

Legislative Requirements

Local Government Act 1999

Council Policy

Not applicable

Financial Implications

Council has a budget to cover costs associated with the administration of the Audit Committee.

Risk

The Audit Committee also receives reports on strategic risks of the Council.

WHS

No new issues are identified for staff.

Asset Management

The Audit Committee receives reports in relation to Asset Management.

Implementation Strategy

Not applicable

Communication Strategy

Not applicable

Strategic Plan

Goal 4 - Organisation

4.1 - Provide effective and accountable leadership and teamwork throughout the organisation

Recommendation

1. That item number S17.10 on the Special Audit Committee agenda of 2 October 2019 be received and endorsed for referral to Council for information.
2. That the Audit Committee Chair be invited to brief Council on the activities of the Audit Committee at its meeting on the 9 December 2019.



Attachments

[1. 2018-2019 Audit Committee Activity Report Attachment](#)

Luke Williams moved

1. That item number S17.10 on the Special Audit Committee agenda of 2 October 2019 be received and endorsed for referral to Council for information.
2. That the Audit Committee Chair be invited to brief Council on the activities of the Audit Committee at its meeting on the 9 December 2019.

Seconded by Peter Canaway and CARRIED



AUDIT COMMITTEE – ACTIVITY REPORT 2018-2019



This report represents a summary of the Rural City of Murray Bridge Audit Committee's activities undertaken and recommendations made during the 2018-2019 financial year.

Membership

Council has appointed Members to its Audit Committee as follows:

Name	Position	Term
Mr Peter Brass	Independent Chair	April 2014 – April 2019 Reappointed to March 2023
Mr Peter Canaway	Independent Member	Nov 2013 – Nov 2017 Reappointed to Oct 2021
Mr Luke Williams	Independent Member	Nov 2017 – Oct 2021
Cr Tyson Matthews	Council Member	Nov 2014 – Nov 2018
Cr Fred Toogood	Council Member	Nov 2014 – Nov 2018 Reappointed to Nov 2022
Cr Wayne Thorley	Council Member	Nov 2018 – Nov 2022

The following staff members have attended meetings as observers:

- Chief Executive Officer
- General Manager Corporate Services
- General Manager Sustainable Communities
- General Manager Infrastructure & Environment
- Manager City Infrastructure, as required
- Chief Financial Officer
- Senior Financial Analyst
- Executive Officer

Meetings

The Audit Committee held 4 ordinary meetings and 1 Special meeting during 2018/2019 with attendance as follows:

Meeting Date	Attendance
8 August 2018	Apology – Mr Peter Canaway Apology – Cr Tyson Matthews
25 September 2018 (Special)	Apology – Mr Luke Williams Apology – Cr Fred Toogood
12 December 2018	All attended
17 February 2019	Apology – Mr Luke Williams
1 May 2019	All attended

The Audit Committee, at its meeting on the 8 August 2018 recommended the extension of the current contract to Council's Internal Auditors, KPMG for a further 2 years to Council which was subsequently endorsed.



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

431

Mr Peter Brass, Chair of the Audit Committee provided a verbal report to the Council meeting on the 8 October 2018, Item 176.1

Mr David Francis and Mr Matt Brunato of Bentleys, External Auditors met with the Audit Committee in camera at the Special Meeting held on the 25 September 2018

Council considered the appointment of Elected Members at first meeting on the new Council on the 19 November 2018 and appointed Cr Wayne Thorley and reappointed Cr Fred Toogood for a 4 year term.

Council considered the appointment of the Independent Chair of its meeting on 12 March 2019 and following consideration of eight (8) expressions of interest in accordance with qualifications and experience outlined in Legislation and Council's Audit Committee Terms of Reference reappointed Mr Peter Brass as its Independent Chair for a 4 year term.

Training Activities

An overview of the responsibilities of the Audit Committee was presented at the 27 February 2019 meeting.

Committee Activities

The following table sets out the principal issues addressed by the Audit Committee during 2018-2019 in line with the Audit Committee's Term of Reference:

Activity	Outcome	Meeting reference
Financial Reporting	Second Quarter Financial Review based on Actual Results to December 2018	27/2/19 – 8.2
	End of Financial Year Audit Approach and Reporting Timetable	27/2/19 – 8.3
	2019-2020 ABP – Presentation Proposed Parameters	27/2/19 – 9.1
	Long Term Financial Plan Approach and Reporting timetable	27/2/19 – 9.2
	Draft Annual Business Plan and Budget 2019-20	1/5/19 – 16.1
Financial Policies	Financial Policies Review	8/8/18 – 25.4
	Risk Management Framework	10/12/18 – 37.7
Annual Report	Draft 2017-2018 Annual Report	8/8/18 – 529.3
External Audit	In-camera discussion with External Auditors	25/9/18 – 529.1
	Audited Financial Statements 2017-2018	25/9/18 – 529.2
Internal Audit	Internal Audit Program Update	8/8/18 – 25.1
	Environmental Management Internal Audit	8/8/18 – 25.2
	Dog & Cat Management Internal Audit	8/8/18 – 25.3
	Internal Auditor – extension of contract	8/8/18 – 25.7
	Internal Audit Program 2019-2020	10/12/18 – 37.3
	Internal Audit Program update	10/12/18 – 37.4
	Internal Audit Report – Capital Works Delivery	10/12/18 – 37.5
	2018 Risk Evaluation Summary Report	10/12/18 – 37.6
	Internal Audit Program update	1/5/19 – 15.3
Internal Audit report – Event Management	1/5/19 – 15.4	
Audit Committee Performance	Audit Committee Activity Report 2017/2018	8/8/18 – 25.5
	Audit Committee Work Plan 2018-2019	8/8/18 – 25.6
	Council Policies – Relevant to Audit Committee	10/12/18 – 37.1



Proposed Audit Committee Dates – 2019	10/12/18 – 37.2
Audit Committee Roles & Responsibilities	27/2/19 – 8.1
Audit Committee Work Plan 2019-2019	1/5/19 – 15.1
Audit Committee Development & Training Plan	1/5/19 – 15.2

**S17.11 DEVELOPMENT OF STRATEGIC PLAN**

Author Michael Sedgman

Legislative (x)**Corporate ()****Other ()****Purpose**

To provide the Audit Committee with an update on the development of Council's Strategic Plan 2020-2024

Background

Pursuant to the Local Government Act, 1999, the Rural City of Murray Bridge is required to undertake a comprehensive review of its Strategic Management Plans within two years of a council general election. This must include a community engagement process.

A legislated function of the Audit Committee S126(4)(ab) is propose and provide information relevant to the review of the council's strategic management plans.

Proposal

A presentation will be provided to the Audit Committee by Council's Chief Executive Officer.

Legislative Requirements

Local Government Act 1999,

Council Policy

Good Public Administration Framework #741628

Public Consultation Policy #785198

Community Engagement Framework #750800

Financial Implications

Costs associated with the development of Council's Strategic Plan have been included within Council's Budget.

Risk

The development of the Strategic Plan meets Legislative requirements.

WHS

Not applicable

Asset Management

N/A

Implementation Strategy

As outlined in the presentation.

Communication Strategy

As outlined in the presentation.

Strategic Plan

Goal 5 - Our Commitment

5.1 - Effective



Recommendation

1. That item number S17.11 on Special Audit Committee agenda of 2 October 2019 be received and noted.

Attachments

- | | | |
|----|-----------------------------------|------------|
| 1. | CEO's Strategic Plan Presentation | Attachment |
|----|-----------------------------------|------------|

Mr Peter Canaway left the meeting, the time being 02:52 PM

Cr Thorley moved

1. That item number S17.11 on Special Audit Committee agenda of 2 October 2019 be received and noted.

Seconded by Luke Williams and CARRIED



Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

435





Strategic Plan 2020-24

Purpose of the briefing

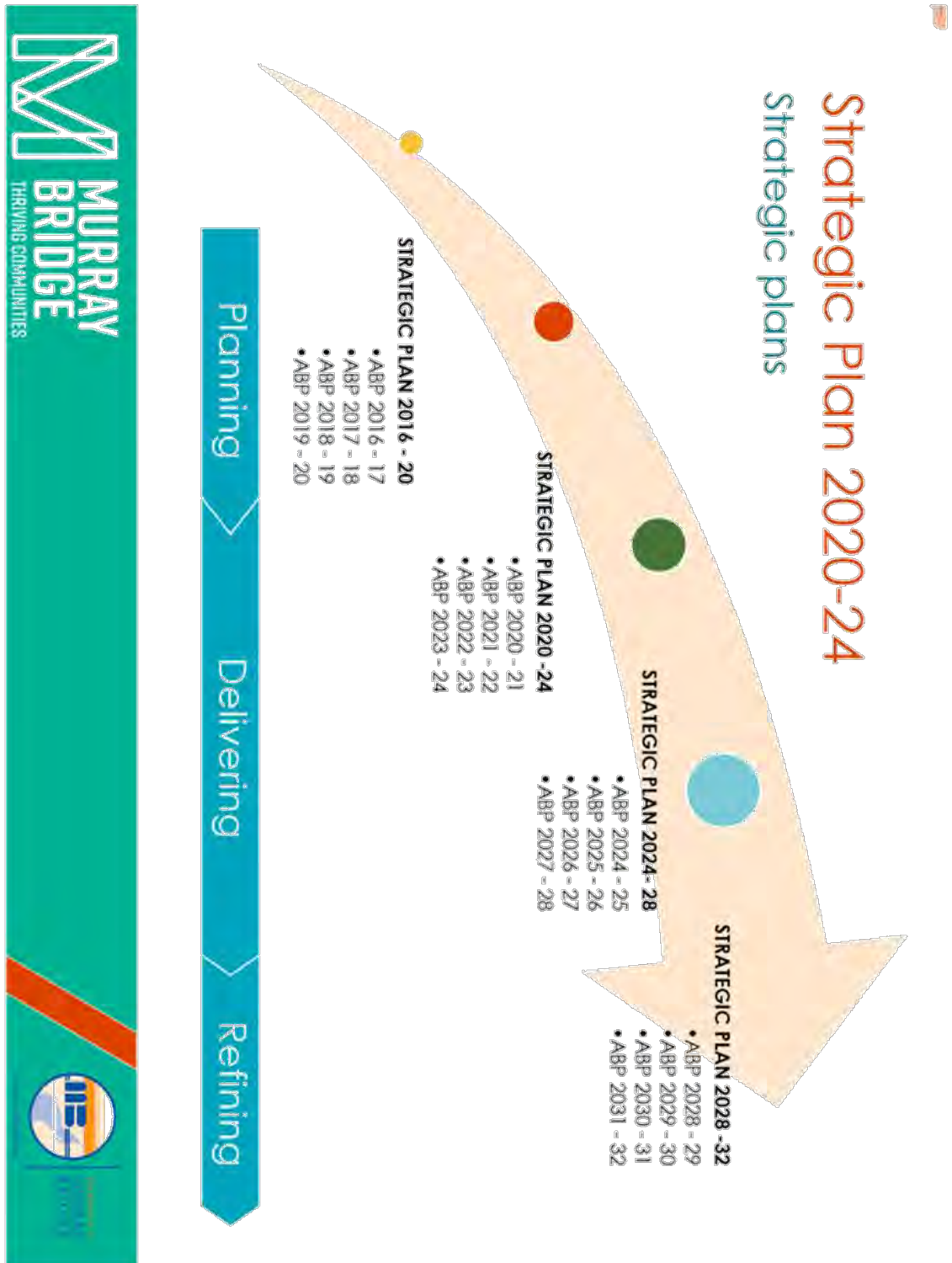
- To provide an update on engagement activities undertaken to date and feedback received





Strategic Plan 2020-24

Strategic Planning and Reporting Framework





Strategic Plan 2020-24

2019 Key dates

27 May	Elected Member Briefing	Strategic Plan 2020-24 process overview	✓
11 Jun	Council Meeting	Endorse the Strategic Plan 2020-24 process and engagement plan	✓
2 Jul	Community Engagement 1 - Open	Share the vision through Social Media	✓
7 Aug	Launch	Prospectus, Make It Yours Video and Engagement	✓
26 Aug	Elected Member Workshop	Draft the plan and community feedback to date	✓
27 Sep	Community Engagement 1 - Close	Share the vision	✓
28 Oct	Elected Member Briefing	Community engagement outcome report and Draft Plan	
9 Dec	Council Meeting	Endorse the Strategic Plan 2020-24 for community consultation	
10 Dec	Community Engagement 2 - Open	Present the draft Strategic Plan 2020-24	





Strategic Plan 2020-24

Engagement Activities 2 Jul – 3 Sept

- Prospectus Video Launch Wednesday 7 August 2019 Town Hall ✓
- Open Day Sunday 18 August 1-3pm Library ✓
- Community Meetings held to date include:
 - Murray Bridge Monday 19 August (Town Hall) ✓
 - Jervois Wednesday 21 August (Football Club) ✓
 - Mypolonga Thursday 22 August (Institute) ✓
 - Monarto/Rockleigh Wednesday 28 August (Memorial Hall) ✓
 - Callington Thursday 29 August (Callington Hall) ✓
 - Wellington Tuesday 3 September (Wellington Hall) ✓





Strategic Plan 2020-24

Informal Engagement 2 Jul – 26 Aug

- Opportunistic Meetings to date have included:
 - Connect4Action 20 July 2019 (Town Hall) ✓
 - Rockleigh Muster 4 August 2019 (Rockleigh) ✓
 - Unity College Pathway Expo 7 August 2019 (Unity) ✓
 - Youth Council Meeting 12 August 2019 ✓
 - Murray Bridge North Kindy 8 & 13 August 2019 ✓
 - MB Men's Shed 16 August 2019 ✓
 - Community for Action 20 August 2019 ✓
 - Murray Bridge Community Grants Workshop 21 August 2019 ✓
 - Emergency Services Group 22 August 2019 ✓





Strategic Plan 2020-24 Promotion and Engagement

- Connected Communities newsletters
- Facebook posts
- Radio promotion
- Articles in The Murray Valley Standard
- Face to face invitations to schools, church, local businesses
- Email invitations to all community groups listed in the community directory or councils directory
- Over 300 suggestions from the community through structured and informal meetings



Strategic Plan 2020-24 Oval Masterplan Consultation

- Phone and in person invitations to groups who use Johnstone Park and LeMessurier Oval facilities to the scheduled Community meetings
- Offer for RCMB staff to attend their meetings to receive feedback and/or undertake workshops
- Attendance at the Netball Qualifying Finals at LeMessurier scheduled 31 August 2019 to receive feedback from oval users
- Attendance at the Football Grand Final at Johnstone Park scheduled 28 September 2019 to receive feedback from oval users





Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes

444



Strategic Plan 2020-24 Consultation Images



Strategic Plan 2020-24

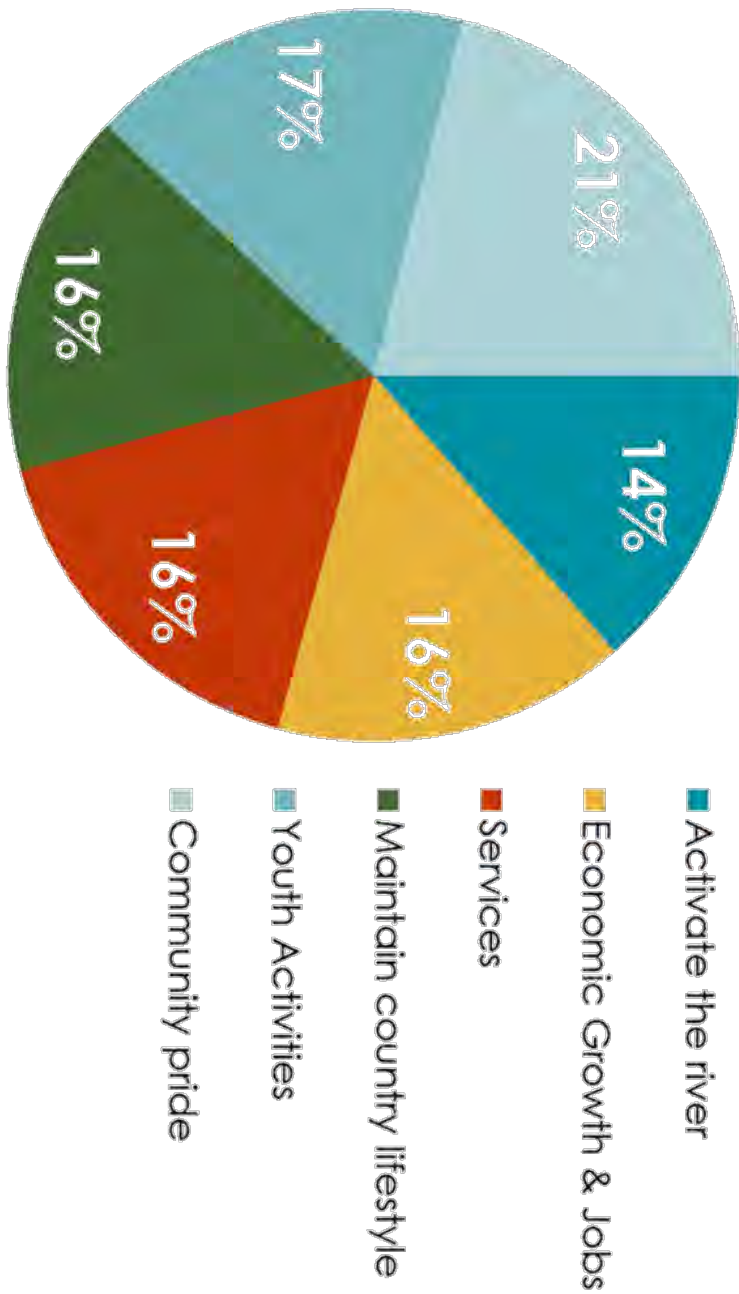
Key Messages

1. Murray Bridge is changing
2. You have previously asked that we:
 - Activate the river and Sturt Reserve
 - Improved economic development and job availability
 - Maintain and improve services
 - Maintain country lifestyle
 - Develop activities for youth
 - Strengthen community pride and identity
3. We listened, we delivered and propose to
4. Are we on track? What will complement this? What should come first?
5. Murray Bridge – Make it yours!



Strategic Plan 2020-24 Engagement Feedback to Date

Most Important (108 votes including online)





Feedback to date ...
Priorities from Community Meetings



Strategic Plan 2020-24 Economic Development and Job Availability



- Improve and support TAFE additional courses
- Eco tourism and cultural tourism
- Improved transport (buses to river from Monarto Zoo and other tourist areas)
- Ferries to Mannum and back
- Expansion of Jerovis Art Trail and commence Mypolonga History Trail
- Start up incentives for local businesses
- Encourage a Homemaker centre
- Promote area in empty shop fronts





Strategic Plan 2020-24

Improved services



- Multi discipline sporting complex
- Expansion of Lerwin
- Safe communities CCTV
- Public transport and additional transport to the townships
- Online services 24/7 access
- Educational services and tertiary opportunities
- Mobile coverage / Internet access for townships
- Community buildings to be updated





Strategic Plan 2020-24 Country Lifestyle



- Protect zoning of rural properties
- Meet and greet luncheons for new residents
- Promote the townships as well as Murray Bridge
- Improved access to services in townships
- Mypolonga information bay
- Upgraded walking trails through Monarto and Callington
- Community resilience building





Strategic Plan 2020-24

Activities for youth

- World class adventure playground
- Wetland splash play area
- Upgraded / additional play-spaces
- Trails and recreation facilities
- More youth activities in townships
- Youth volunteering opportunities
- Mentoring opportunities (Men's shed collaboration)
- Large youth music festival
- Youth programs other than music at The Station





Strategic Plan 2020-24 Community Pride



- Light up the 'M' in the bridge
Adelaide Road and Swanport Road
beautification
- Townships entrance beautification
- Update Bridge Street
- Public Art
- Community grants
- Greening of Murray Bridge and the townships
- Encourage township pride each township has
own identity





Strategic Plan 2020-24

Other

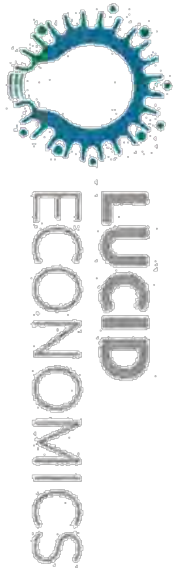


- Women's Shed - activities, book binding, scrapbooking, etc
- Moonlight Cinema
- Accommodation and caravan parks on the river
- Suicide prevention and domestic violence education programs
- Declare a climate emergency
- Art and drawing classes





Strategic Plan 2020-24
Economic Development Strategy



Consultant: Skana Gallery – Lucid Economics





456

Audit Committee
Wednesday 2 October, 2019
Public Excluded Minutes



Economic Development Strategy

What's happened since 2015

- Thomas Foods fire
- Bridgeport Hotel redevelopment
- Murray Bridge Racecourse relocation
- Costa Mushrooms expansion
- The Bend Motorsport Park
- New shopping centre
- Sixth St and Bridge St revitalisations
- Murray River Study Hub
- New state government
- Federal election
- Local government elections
- Designated Area Migration Agreement
- 'Murray Bridge: Make it Yours' campaign
- RCMB Tourism Development Plan 2016 - 2020





Economic Development Strategy

Stage 2 - 2020 2025: Developing opportunity

- 2.1 Murray Bridge is a recognised centre for educational opportunity
- 2.2 Fully operational investment zones
- 2.3 Balanced business investment
- 2.4 Online: fast, connected, informed





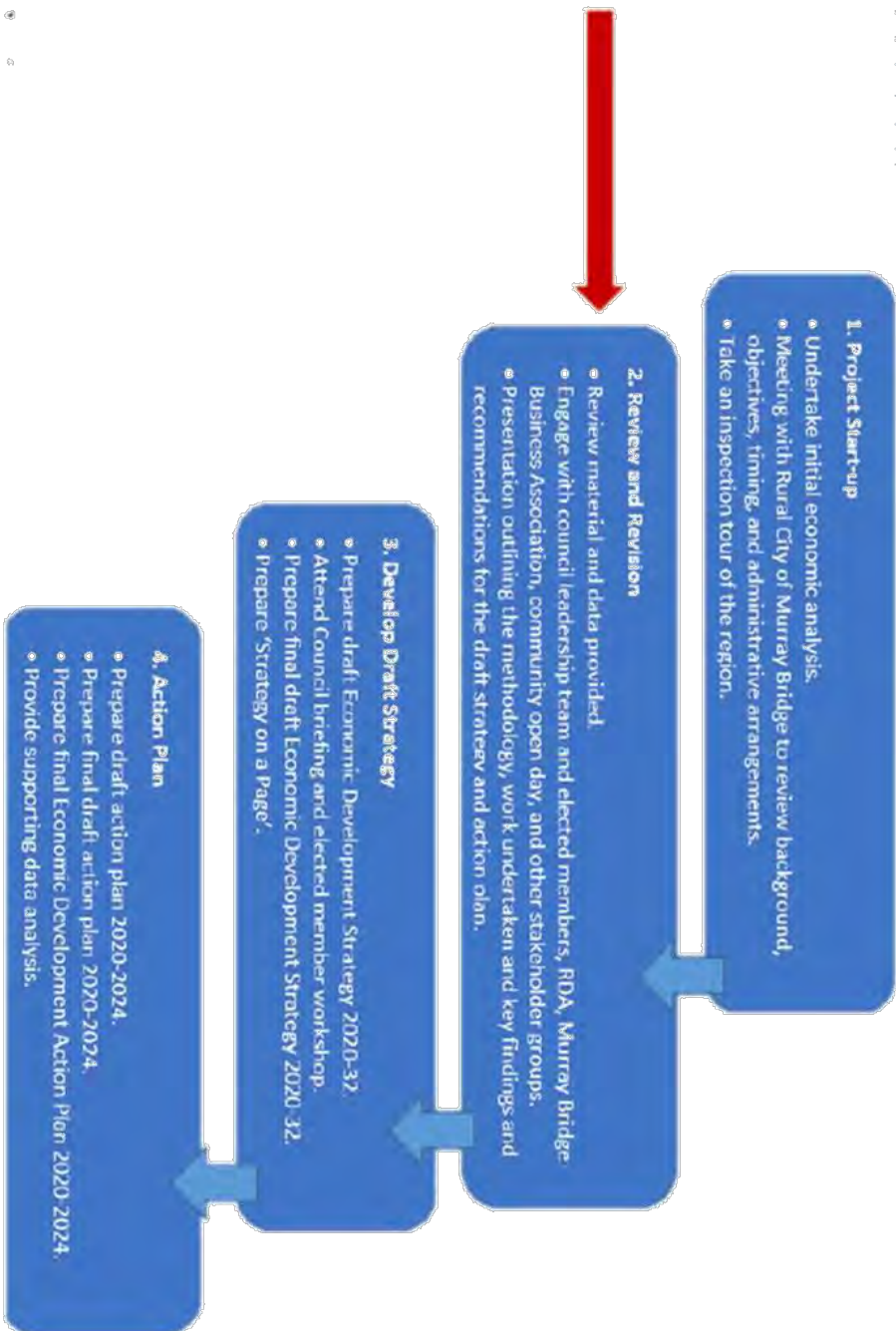
Economic Development Strategy

Key Questions

- What was achieved in Stage 1?
- What from Stage 1 should be continued in Stage 2?
- Are the actions in Stages 2 and 3 still relevant?
- Should other actions be included?
- What is the Council's role in economic development?
- How should actions be funded?
- Who are our delivery partners and key stakeholders?
- What are our key priorities and timeframes?



Economic Development Strategy Process



Economic Development Strategy Consultation Plan

Date	Stakeholder Group
Wednesday 7 August 2019	Make It Yours – Campaign Launch
Monday 26 August 2019	Elected members
Tuesday, 27 August 2019	RDA Murraylands & Riverland
Monday, 2 September 2019	Council Leadership Team
Wednesday, 11 September 2019	RCMB Project Team
Wednesday, 11 September 2019	Business Advisory Forum
Monday, 28 October 2019	Elected Members





Questions?



20. CONFIDENTIAL ITEMS

Section 83(5) of the Local Government Act states that the Chief Executive Officer may indicate on a document or report provided to members of the Council under subsection (4) (or on a separate notice) any information or matter contained in or arising from a document or report that may, if the Council so determines, be considered in confidence under Part 3, provided that the Chief Executive Officer at the same time specifies the basis on which an order could be made under that Part.

Luke Williams moved

That:

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all persons, except (Michael Sedgman, Chief Executive Officer; Tim Vonderwall, General Manager Corporate Services, Heather Barclay General Manager Assets & Infrastructure; Kristen Manson, General Manager Community Development, and Ros Kruger, Executive Officer and Ashleigh Atze Minute Secretary) be excluded from attendance at the meeting held on 2 October 2019 for agenda item/s:

SSSS18.1 AUDIT COMMITTEE SELF ASSESSMENT 2018-2019

This Council is satisfied that pursuant to Section 90(3) (a) of the Local Government Act 1999, the information to be received, discussed or considered in relation to agenda item \$18.1 is:

- (i) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

Seconded by Cr Thorley and CARRIED

**S18.1 AUDIT COMMITTEE SELF ASSESSMENT 2018-2019**

Author Ros Kruger

Legislative ()

Corporate (x)

Other ()

Purpose

To receive the results of the Audit Committee Self Assessment on performance for 2018/2019.

Background

The Audit Committee terms of reference item 13.7 provides for the Audit Committee, at least once a year, review its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Council for approval.

Proposal

All voting members of the Audit Committee were provided the opportunity to participate in a self assessment of the Committee's performance for 2018/2019. The results of the survey are attached as **Attachment 1**.

A summary of the findings are as follows:

- Audit Committee Induction, Training and Development Plan is essential.
 - An induction program will be prepared for new Members
 - Legislation changes relevant to the operations of the Audit Committee will be reported to the next available Audit Committee with an overview of responsibilities provided by the Chief Executive Officer or other appropriate person.
- Internal Audit Program
 - The Internal Audit Program will continue to be discussed with Audit Committee members and is generally based on Council's Strategic Risk Register.
 - A report will be provided to the November meeting in relation to the next round of internal audits.
 - Reporting on the status of internal audits has been reviewed and improved.
 - The status will continue to be reported to the Audit Committee on a six monthly basis.
- Strategic Risk Reporting
 - A report on the status of strategic risks will provided on a six monthly basis.
 - An audit of the review of the strategic governance risks associated with Lerwin will be included in the Vulnerable People
- Financial Reporting
 - This will be explored further at this meeting.

Legislative Requirements

Local Government Act 1999

Council Policy

Audit Committee Terms of Reference

Financial Implications

Nil



Risk

An annual self assessment by the Audit Committee on its performance provides assurances as to the effectiveness and efficiency of the Committee.

WHS

No new issues for staff.

Asset Management

N/A

Implementation Strategy

Following discussion at this meeting further reports will be included in Audit Committee agendas.

Communication Strategy

Opportunities for Audit Committee members to discuss areas for continuous improvement opportunities will be provided with the Chair and Chief Executive Officer.

Strategic Plan

Goal 5 - Our Commitment

5.4 - Transparent

Recommendation

1. *That item number S18.1 on Confidential Special Audit Committee agenda of 2 October 2019 be received and noted.*
2. *That having considered agenda item S18.1 Audit Committee Self Assessment 2018-2019 in confidence under Section 90(2) and Section 90(3) (a) of the Local Government Act 1999, the Council, pursuant to Section 91(7) of that Act orders that the documents and/or minutes related to agenda item S18.1 be released*

Attachments

1.	Audit Committee Self Assessment	Attachment
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Cr Toogood moved

1. *That item number S18.1 on Confidential Special Audit Committee agenda of 2 October 2019 be received and noted.*
2. *That having considered agenda item S18.1 Audit Committee Self Assessment 2018-2019 in confidence under Section 90(2) and Section 90(3) (a) of the Local Government Act 1999, the Council, pursuant to Section 91(7) of that Act orders that the documents and/or minutes related to agenda item S18.1 be released*

Seconded by Luke Williams and CARRIED



AUDIT COMMITTEE SELF ASSESSMENT – 2018/2019

Do you understand and agree with the functions of the Committee as detailed in the Audit Committee Terms of Reference?

Yes x 5

Does the Committee collectively have sufficient skills, experience, time and resources to undertake its duties?

Yes x 5

Does the Committee work constructively as a team and work well with others attending the meetings?

Yes x 5

Does the relationship between Committee Members strike the right balance between challenge and mutuality?

Yes x 5

Do the meetings arrangements enhance the Committee's effectiveness (eg frequency, timing, duration, venue and format) to allow sufficient time for the discussion of the agenda items?

Yes x 5

Are the reports for each meeting sufficiently comprehensive and yet understandable for you to make informed decisions?

Yes x 4

No x 1 – Always reported in summary form with no great detail. Unless, the point is just to monitor incomplete projects alerted to us via internal audit reports. I thought ALL the decision making is done by councillors/ council staff. Audit committee is never asked to make any decision; just ratify or not motions on things I have no control over.

Are the presentations presented in an interesting and helpway to inform members about various issues?

Yes x 5

Are effective minutes prepared, distributed and followed up?

Yes x 5

Do you believe the Committee is efficient and effective?

Yes x 5

Sometimes more detail is required

Do staff and members conduct themselves in accordance with high standards of behaviour (Code of Conduct)?

Yes x 5

Does the Presiding Member prepare for and conduct meetings appropriately?

Yes x 5

Do the members of the Committee prepare for meetings appropriately?

Yes x 5

Does the Committee assure itself that the Executive takes responsibility for risk identification and control, and gives formal assurance through reporting that key risks are being adequately managed?

Yes x 5



Is the Committee satisfied that there is an effective program in place to ensure that risk management becomes an integral part of the way in which Council conducts business?
Yes x 5

Are the internal audit findings and recommendations responded to in a timely and appropriate manner?

Yes x 5

Within 12 months

Does the Committee review and discuss the external auditor's management letter?

Yes x 5

Via feedback from Executives

Is the Committee effective in reviewing and monitoring the relationship with the external auditor?

Yes x 5

When it is available for comment

Is the Committee effective in managing and monitoring the relationship with the internal auditor?

Yes x 4

No x 1 - No control over conduct of the audit

Do you have any suggestions for improving any aspect of the Committee's performance, role or function?

- Induction for new Committee members.
- More input into Internal Audit selections.
- Please provide regular updates on outstanding internal audit findings, including the detail and revised completion dates.
- Receive more info in drilled down form. No assessment of council can be obtained from a 3 line P & L Statement (ie total income, total expenses resulting in a budgeted surplus/ deficit, What is the point when the concept under achieved projects due to lack of funds are just moved (if seems) into subsequent year's budgets.
- General Manager's attendance

Please identify any areas you would like training and/or presentations on during 2019/2020

- Training on any key legislation changes that will effect Council.
- Good Debt
- Strategic risk management Lerwin Update
- The reports provided seem to be irrelevant to the audit committee; Actual figures are irrelevant; Council is only interested in Budget process. Re-seek clarity as to purpose of AC. Traditional audit (internal and external) is the mechanism for getting faith in the operational processes and seeing the internal control is strong and being adhered to. It is not up to the audit committee to find mistakes or areas where fraud has been committed. Everything given to us is in such global format that this would be impossible. Heavy reliance on the internal and external auditors is paramount.
- Council financials



Meeting Closed at 3.00pm

Minutes signed as a true and correct record this day of 2019

.....
Chairman

Attachment 1

Audit Committee Self Assessment

REPORTS FOR COUNCIL CONSIDERATION

The Community Plan identifies four themes, with each theme articulating the desired objectives of our community as identified during the Council's engagement with community members during July through to September 2015.

The aim of the Community Plan, its themes and objectives is to guide the planning, decision making and actions of Council, our partners, community groups and the broader community to achieve Thriving Communities.

The Strategic Plan 2016-2020 outlines Council's commitment to the community to deliver the first stage of the Community Plan over the four years to 2020.

This commitment is articulated in accord with the Community Plan Strategic Themes:



163. VALUED ENVIRONMENT

163.1 DECLARATION OF A CLIMATE EMERGENCY

Author Malcolm Downie

Legislative () Corporate () Other (X)

Purpose

For Council to consider the request to declare a climate emergency.

Background

At its meeting of 8 July 2019, Council received a delegation from two Year 5 students, Casey Taylor from Murray Bridge who attends Mannum Community College and Amity Bailey from Mannum who attends Unity College. Casey and Amity requested Council to consider becoming the 6th local government authority in South Australia to declare a climate emergency.

Since the July 2019, Council meeting, a motion declaring Australia is facing a climate emergency has passed the upper house of the South Australian Parliament and youth climate activist Greta Thunberg lambasted world leaders in her address to the UN summit held during September 2019.

1,034 jurisdictions in 19 countries have declared a climate emergency. Populations covered by jurisdictions that have declared a climate emergency amount to 266 million citizens, with 47 million of these living in the United Kingdom or 70% of the population. In New Zealand, this is 74 per cent of the population. It is around 25 per cent in countries like Switzerland and Italy.

In Australia, where the climate emergency declaration mobilisation and petition was launched in May 2016, over 50 jurisdictions representing roughly 6 million people – over a fifth of the population – have declared a climate emergency, including the government of the Australian Capital Territory, based in the capital Canberra. More than 100 of the candidates in the May 2019 Federal election had signed the Climate Emergency Declaration petition.

In South Australia, five councils have now declared a Climate Emergency; Adelaide City Council, Adelaide Hills Council, Gawler Town Council, Light Regional Council and Port Lincoln City Council. Alexandrina Council is considering joining the declaration.

It is therefore very timely for Council to make a decision in relation to climate change. However declaring a climate emergency and not acting appropriately will ultimately be seen as a failure of Council and likely to earn negative publicity similar to previous declarations such as “no child will live in poverty by 1990” or “there will be no species loss in SA”.

Proposal

Administration will prepare a Climate Emergency Plan which would include strategies that **reduce Council's carbon footprint**, reduce waste, reduce water use and help prevent further impacts on the environment.

Victoria's Darebin Council was the first local authority in Australia to declare a Climate Emergency in 2016. They have produced a resource guide for other councils to use (refer Attachment 1).

Within the resource guide there are five key processes identified in developing an effective climate emergency response:

1. Taking leadership: Declaring a climate emergency: By declaring or acknowledging the climate emergency, your council would be recognising the catastrophic changes to the world's climate caused by human activity and resulting in a loss of a safe climate, which threatens all life on earth. Your council would commit to tackling climate change, by taking urgent action at a scale and speed that will restore a safe climate.
2. Get your house in order: Embed climate emergency action in all council strategies, plans and actions: Your council has many levers to reduce greenhouse gas emissions and begin drawing down excess greenhouse gas emissions. After declaring a climate emergency Administration would develop a Climate Emergency Plan. This will outline all actions that Council will take to embed a climate emergency response into its operations. Engagement and advocacy would be a fundamental part of the Climate Emergency Plan.
3. Mobilise and build the climate emergency mandate: Get your community active: The current political situation combined with the climate emergency itself can seem an overwhelming, insurmountable problem, so large that it is difficult to imagine how our individual actions can have effect. By working together we can find the solutions locally, nationally and globally.
4. Global movement building: Reach out to other councils: Since the first council climate emergency declaration in 2016, we now have two national governments, eight state-level governments and over 600 local governments worldwide having declared and this is rising every week.
5. Upwards: Advocate to state and federal government: Councils cannot do the safe climate restoration work alone and it is state, federal and global levels which will have the most powerful impact on the climate emergency. Collaborative campaigns - involving partners such as other councils, educational institutions, industry groups and community organisations - must advocate for effective action and significant changes to state, federal and international government policy, legislation and funding.

Council can choose to do as little or as much as it determines is required from amending policy and undertaking minimal cost actions e.g. preparing heat shelters for major heat events, to more costly and very effective options such as seeking carbon neutrality and possibly becoming positive. There are substantial resources available to help Council decide what approaches are available.

It is most important that Council does not declare a Climate Emergency without taking the next steps to be active in this area and that any options chosen become implemented within and across Council without delay.

Legislative Requirements
The Local Government Act 1999

Council Policy
Climate Change Adaption Report 2013
Environmental Management Plan 2013-2018 (currently under review)

Financial Implications

There are no financial implications arising from this report. Any identified actions that require funding would be brought back to Council for approval.

Risk

There are reputational risks in declaring a Climate Emergency and not acting and there are also reputational risks in not taking any action to reduce Council's impact on the environment.

WHS

There are no work, health and safety issues for staff arising from this report.

Asset Management

There are no known implications for council's assets arising from this report at this stage.

Implementation Strategy

Administration will work with other councils to prepare a Climate Emergency Plan to identify specific actions that can be taken to reduce Council's impact on the environment.

Communication Strategy

Media release, web site updates and information provided through Council's social media to be prepared and released to notify of Council's decision to declare a Climate Emergency.

Strategic Plan

Goal 1 - A Valued Environment

1.5 - Planned reduction of our carbon footprint

Recommendation

1. That item number 163.1 on Council agenda of 14 October 2019 be received.
2. That Council declare a Climate Emergency
3. That Council note that Administration will prepare a Climate Emergency Plan for consideration and adoption by Council.

Attachments

1.	Attachment 1 - Climate Change Emergency - Council Resource	Attachment
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Cr Eckermann moved

1. That item number 163.1 on Council agenda of 14 October 2019 be received.
2. That Council declare a Climate Emergency
3. That Council note that Administration will prepare a Climate Emergency Plan for consideration and adoption by Council.

Seconded by Cr O'Brien and CARRIED



Cr Schubert called for a division and the Decision was set aside.

Voting For

Cr Baltensperger

Cr De Michele

Cr Eckermann

Cr Keen

Cr Matthews

Cr O'Brien

Cr Toogood

Voting Against

Cr Schubert

Cr Thorley

The Motion was Carried



the place
to live

**Resource for Effective Local Government
Climate Emergency Response:**
Darebin Council's Climate Emergency Journey



Mayor's forward

In 2016 Darebin Council became the first government body in the world to declare a climate emergency. Our leadership and initiative, spurred on by local community members, sparked a global movement, with hundreds of councils across multiple countries now calling for a climate emergency response.

We listened and responded when our community told us they were fed up with all levels of government not taking effective action on the climate emergency.

In Darebin we are already experiencing more droughts, more localised flooding and increased heatwaves. Sections of Darebin's population are significantly more vulnerable to these impacts, including our oldest and youngest residents, people with medical conditions, low-income households and people experiencing homelessness.

We could not stand by while our community's health, wellbeing and environment are at risk. We knew we needed urgent and decisive action to restore a safe climate, and to allow existing and future generations, communities and ecosystems to survive and thrive.

Through our Climate Emergency Plan that was adopted in 2017, we detail the actions we are taking as a Council to help restore our climate to safe levels. Our goals are to provide maximum protection for the community of Darebin and for people,

civilisation and species globally, especially the most vulnerable, and to restore a safe climate at emergency speed.

We cannot do this alone, we do not hold all the levers to make the changes required. However, local governments are in a great position to listen and act on behalf of our community, and to advocate for state and federal governments to create climate emergency policy that is long overdue.

The momentum has been building worldwide, and the growth in the number of councils that have formally recognised the climate emergency is critical in getting a climate emergency response adopted at higher levels of government. We are already starting to see this happen.

We invite other councils and levels of government to join us and declare a climate emergency, and importantly to follow through with an effective response. The work we do is vital, for now and for future generations, for humans and for the natural world.

Contents

Mayor's forward	2	Why Darebin declared a climate emergency	4	Darebin's Climate Emergency Plan	8
Introduction	3	Moving beyond tokenism	6	Overcoming barriers and challenges	10
Resource scope	3	Five key processes	6	Moving forward	11
What is the climate emergency?	3				



Introduction

Resource scope

This resource outlines Darebin Council's process of declaring and responding to the climate emergency, and outlines the key actions, lessons and challenges encountered so far.

The resource also provides a framework for councils to understand what it means to declare a climate emergency. It is an emerging and evolving area and this framework has been developed based on Darebin's experience and is a reflection on our journey so far.

The aim is that this document is a useful tool for other councils that either have declared a climate emergency, or are interested in knowing more.

What is the climate emergency?

Climate emergency is understood in two ways:

1. The climate emergency **situation** refers to catastrophic changes to the world's climate caused by human activity and resulting in a loss of a safe climate, which threatens all life on earth.

This aspect of the climate emergency is extensively documented. The science tells us that the earth has warmed, and is continuing to warm, and as a result we face serious consequences for the atmosphere, for weather systems, for human ability to produce food, and indeed for all people and species.^{1,2}

2. The climate emergency **response** refers to a specific approach to tackling climate change, which seeks to mobilise and take action at a scale and speed that will restore a **safe climate**, with the least possible loss and damage during the transition back to a safe climate.

The target is to provide **maximum protection** globally for all species and all people.

A **safe climate** allows existing and future generations, communities and ecosystems to survive and flourish. We know that the current climatic conditions are not safe for a huge range of species and are increasingly unsafe for millions of people.

To restore a naturally safe climate we need a rapid transition to zero emissions across all sectors, as well as the drawdown of all the excess greenhouse gases in the air.

'Business as usual' and incremental or gradual improvements will not be enough.

A 1.5°C rise is not considered safe, and will not avoid dangerous climate change.

The technical solutions needed to transition to a zero emissions economy and beyond have been identified by science and research. What is needed now is appropriate political action and rapid implementation of the solutions.³

Why Darebin City Council declared a climate emergency

The unanimous decision of Darebin Councillors to declare a climate emergency at their first Council meeting in December 2016 was in response to growing community concerns about climate change.

Community members from groups such as Darebin Climate Action Now (DCAN) and Council and Community Action in the Climate Emergency (CACE) had been advocating for years for Darebin to take greater climate change action, as they were frustrated with all levels of government not doing enough. A community campaign to acknowledge and then act on the climate emergency included a climate emergency petition, and running climate emergency candidates in local, state and federal elections.

In the lead up to the Council elections, the majority of the candidates signed a petition stating that the world is in a climate emergency, and that as a Councillor they would act.

Why start with local government?

Local governments are fundamental in the climate emergency response. Experience is showing that local government is a good place to start government commitment to climate emergency action across the world - with so many councils it has been possible

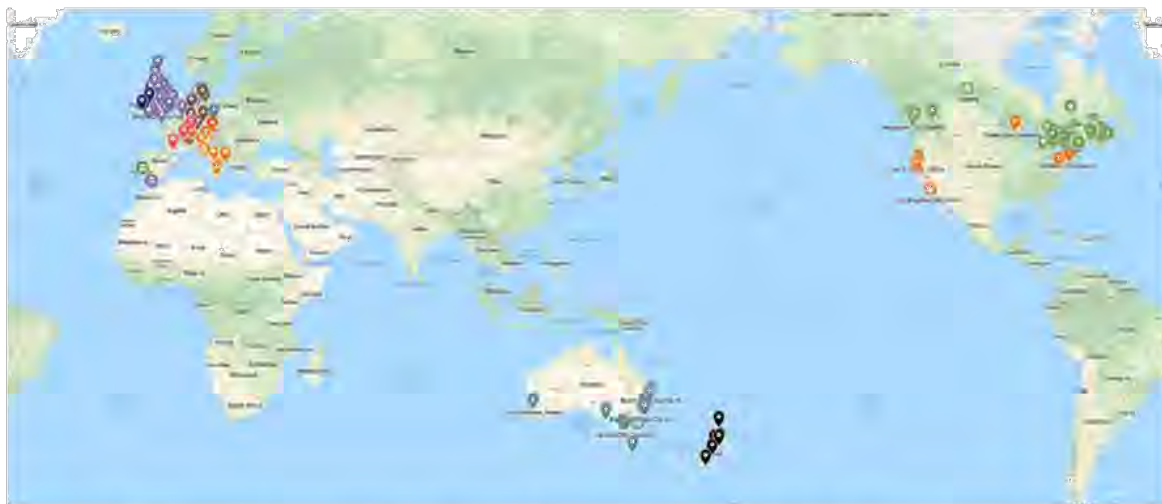
to find communities that are keen to be early movers on the climate emergency. Innovation is also more likely to be initiated at the local government level, because with so much diversity at this level of government different approaches to responding to the climate emergency will emerge. Local governments are also in a good position to network and learn from each other.

A lot can be practically done at a local government level, and councils have a large role in eliminating emissions across their municipality.

Councils also have an enormous legacy and experience in educating and working with their community. Typically, people have much more interaction with a council than other levels of government.

It is a natural progression that local councils can not only provide services and support through a climate change lens, but can also assist with channelling their community's desire for advocacy to state and federal governments.

Climate Emergency Declaration places



4 Resource for Effective Local Government Climate Emergency Response: Darebin Council's Climate Emergency Journey

Moving beyond tokenism

Five Key Processes

At Darebin Council, we recognise five key processes for local governments to declare and respond to the climate emergency.

Five Key Processes

PROCESS 1

Taking leadership: Declaring a climate emergency⁴

By declaring or acknowledging the climate emergency, your council is recognising the catastrophic changes to the world's climate caused by human activity and resulting in a loss of a safe climate, which threatens all life on earth. Your council is also committing to tackling climate change, by taking urgent action at a scale and speed that will restore a safe climate.

Example - Darebin's resolution on 5 December 2016:

'That Council recognises that we are in a state of climate emergency that requires urgent action by all levels of government, including by local councils.'

PROCESS 2

Get your house in order: Embed climate emergency action in all council strategies, plans and actions

Council has many levers to reduce greenhouse gas emissions and begin drawing down excess greenhouse gas emissions.

After declaring a climate emergency your council should develop a Climate Emergency Plan. This should outline all actions your council will take to embed a climate emergency response into its operations.

Engagement and advocacy should be a fundamental part of the Climate Emergency Plan.

Actions should include (but not be limited to):

- Switching to 100% renewable energy
- Getting off fossil gas
- Implementing energy efficiency across all facilities/buildings
- Redrafting procurement policy and practices to ensure suppliers to council are using renewable energy and resource recovery
- Embed climate emergency thinking into strategic planning and update planning schemes
- Refocus transport priorities to drive the shift to fossil fuel free transport
- Create a circular economy aimed at zero waste
- Increase your urban forest and/or revegetation activities
- Community education and empowerment to take action
- Increase community resilience to climate change impacts.

Climate emergency action also needs to be embedded across all of council, and reflected in all policies and strategies of council.

Inwards engagement with all staff and units of council is essential, particularly ensuring education and empowerment of managers happens early on.

⁶ Resource for Effective Local Government Climate Emergency Response: Darebin Council's Climate Emergency Journey



PROCESS 3

Mobilise and build the climate emergency mandate: Get your community active

The current political situation combined with the climate emergency itself can seem an overwhelming, insurmountable problem, so large that it is difficult to imagine how our individual actions can have effect. By working together we can find the solutions locally, nationally and globally.

Councils can support our communities to take action, through raising awareness about the climate emergency; providing targeted programs to make homes and businesses powered by renewable energy; or mobilising volunteers to spread the climate emergency message to neighbourhoods, families, and workplaces.

Councils can show the community how to become politically active to encourage and motivate state and federal governments to act. Some ways for communities to become politically active are to join a climate action group and contact their state and/or federal member of parliament.

PROCESS 4

Global movement building: Reach out to other councils

Since the first council climate emergency declaration in 2016, we now have two national governments, eight state-level governments and over 600 local governments having declared, and this is rising every week.

The climate emergency movement has gained a huge momentum in a very short time because councils and their communities have been reaching out to engage their peers across their state, nation and globally. The current experience shows that this is a highly effective way of building the movement, and the necessary base of a democratic mandate for climate emergency action.

We now need to act strategically and collaboratively to figure out the key challenge: how we can make an effective and meaningful response beyond the declaration.

You can follow who has declared a climate emergency here: <https://www.cedamia.org/global/>, and reach out to other councils to learn and share.

PROCESS 5

Upwards: Advocate to state and federal government

Councils cannot do the safe climate restoration work alone, and it is state, federal and global levels which will have the most powerful impact on the climate emergency. Collaborative campaigns - involving partners such as other councils, educational institutions, industry groups and community organisations - must advocate for effective action and significant changes to state, federal and international government policy, legislation and funding.

Darebin's Climate Emergency Plan

To begin Darebin's climate emergency response, Council developed a Climate Emergency Plan⁸ that details the key goals, leadership, advocacy, strategies and actions Darebin Council will take to respond urgently to address the climate emergency. The development of this plan and the actions within followed a review of Council's previous Climate Change Action Plan.

Within the Climate Emergency Plan, there are nine key directions to reach our core goals:

- Climate Emergency mobilisation and leadership
- Energy efficiency
- Renewable energy and fuel switching
- Zero emissions transport
- Consumption and waste minimisation
- Fossil fuel divestment
- Adaptation and resilience
- Engaging the community
- Climate Emergency Darebin



Differences in Climate Emergency Plan vs Climate Action Plan

Darebin's Climate Emergency Plan includes strong overarching goals based on a commitment to providing maximum protection for people, species and civilisation globally through the emergency speed restoration of a safe climate.

Key differences between the Climate Emergency Plan and the Climate Action Plan include greater emphasis on:

- Shifting council priorities and embedding climate emergency response across the organisation, including internal education and engagement of staff across the organisation.
- Engagement and collaboration with other councils in Victoria, Australia and globally.
- Advocacy to state and federal governments.
- Community mobilisation - engagement with the Darebin community (e.g. residents, ratepayers, workers, organisations and businesses) in order to build the Council's mandate, deliver solutions locally and mobilise local people.
- Drawdown of emissions, and moving beyond zero emissions. Darebin's previous climate action plans committed to net zero greenhouse gas emissions by 2020 for both Council and community. The current Climate Emergency Plan aims to go beyond zero emissions, recognising that there is a need to draw down existing greenhouse gases from our atmosphere in order to restore a safe climate. While some methods for achieving this are known, this is an area in which methodologies and solutions at the scale required are still being developed and further research is essential. The Climate Emergency Plan recognises that we cannot reach zero emissions or beyond without a 100% renewable electricity system, which highlights the need to advocate for action at state and federal levels.

⁸ Resource for Effective Local Government Climate Emergency Response: Darebin Council's Climate Emergency Journey

Highlights of Council actions implemented or underway

<p>Organisational review of all policies and programs to align with climate emergency. This is being done systematically as policies come up for review. For example, carbon abatement opportunities was a key priority in the review of the waste strategy.</p>	<p>Climate Emergency Conference, September 2018. This was the first-ever national climate emergency conference hosted by a local government, which aimed to bring together other councils, organisations, industry and the community in understanding the climate emergency challenge and response.</p>	<p>Working with other councils to spread climate emergency commitments, and facilitate collective action and shared communications, e.g. hosting two webinars linking up other councils around Australia and the world; developing an integrity framework for effective council climate emergency response; supporting councils who are looking to declare a climate emergency.</p>
<p>Developing a climate emergency advocacy program to engage state and federal government, e.g. climate emergency advocacy resolutions proposed to and adopted by the National General Assembly of Local Government.</p>	<p>Developing a carbon management plan to detail the actions Council is taking to reduce its municipal emissions.</p>	<p>Implementing Environmental Upgrade Agreements (EUA) for businesses and community groups to access cheap finance for large solar installs and other water, energy and waste saving upgrades.</p>
<p>Leading a local government power purchase agreement, which will generate new renewables to power not only Darebin Council's needs but also another 38 councils.</p>	<p>Innovative Solar Savers Program, which is supporting 1000 households across Darebin to switch to renewables.</p>	<p>Investigating new community solar models, including solar gardens and micro-grids.</p>
<p>Review of the Council fleet policy to upgrade the fleet to lowest emissions vehicles, and installation of solar charging stations (for public and Darebin Council staff).</p>	<p>Implementation of an Urban Food Production Plan, to increase the community production of food; facilitate equal access to safe and nutritious food; contribute to the local economy; and underpin healthy connected and resilient communities. The Urban Food Production Plan is being reviewed and updated to integrate with the climate emergency goals.</p>	<p>Education of the community about waste and sustainable purchasing and eating.</p>
<p>Review of procurement practices to improve climate and environmental outcomes.</p>	<p>Divesting from financial institutions that lend to fossil fuels, and undertake positive screening for banking and investment.</p>	<p>Communications research into how to effectively communicate the climate emergency and better engage our community to take action.</p>
<p>Hosting a community climate emergency dinner, where 80 people from across diverse groups and communities came together to learn about the climate emergency and key actions they can take.</p>	<p>Development of a Climate Emergency Ambassadors program, whereby community members sign up to help spread action among their peers.</p>	<p>Creation of Climate Emergency Darebin, a community Advisory Committee, to accelerate sustained and meaningful action to engage with the climate emergency challenge.</p>

Overcoming barriers and challenges

Scale and speed required

- To adequately address climate change we must move at great speed and scale, yet this pace is not the norm for government administrations.
- Our whole society is used to operating with incremental change, however incremental change will not actually work for the climate issue. It is a challenge to shift the community and the organisation into thinking about what a step-change would look like both, personally and politically.

Resources required

- Local government is responsible for delivering many essential services, and is a necessary safety net for many areas of the community.
- More resources are needed to adequately address the climate emergency, and decisions need to be made about where to re-prioritise budgets to respond during the emergency.

Embedding the response across the organisation

- Darebin has 1300 staff who are all now tasked with helping to implement the climate emergency response. However, staff are extremely busy undertaking their normal roles, and also need to learn more about the climate emergency to understand how it can apply to their work. Shifting the culture across the organisation and rolling out education about the climate emergency takes time.
- As a Council, some of our business-as-usual practices do not fit a climate emergency response. We are in the process of going through each process and practice to develop and implement best practice for the climate emergency, but this takes time and a large amount of staff effort.

Community engagement and mandate

- Council needs to be given the mandate by the community, and also to bring the community along with them to avoid the risk of backlash.
- It can be difficult to communicate the threat and need for action when many people are not yet experiencing an acute or immediate impact personally. Unless people feel like it is an emergency, it is hard to see the response measures as warranted.
- We need to give people a practical sense of how to take action. That is to re-engage with the ethics and the science, and go through a process of looking practically at what that means for people's everyday lives.

Uncharted territory

- Declaring a climate emergency is uncharted territory for us and for the world. As this has not been done before, there will be problems encountered in trying new ways of operating.
- We will need to learn as we go, and there will be different and conflicting ideas about how best to respond to the climate emergency.

Setting the bar on what the climate emergency means

- The climate emergency terminology is becoming more mainstream, which can mean that the understanding or dialogue around effective action could become watered down. For example, some groups or individuals discussing the climate emergency have used 2050 targets, which is not compatible with a climate emergency response.

Acting alone

- The City of Darebin is not yet in a climate emergency state. It has declared a climate emergency but it cannot get to a climate emergency state in isolation. There needs to be an alliance between the community and all three levels of government, and a sharing of experience across the globe.

Moving forward

Mobilisation of and engagement with other local councils around Australia and globally is a key direction of Darebin's climate emergency strategy. We all have a role to play in responding to the climate emergency.

We need to form strong, strategic alliances and collaborate in developing a climate emergency response. We can learn from each other, and also strengthen our power when advocating together for national and international change.

Darebin has been a world leader in declaring a climate emergency, however we cannot restore a safe climate as one council. Every person, community, council or country that gets on board and makes real and effective progress is escalating the momentum for change.

Together we can achieve what is needed. By acting now and encouraging systemic change, we can create a safe and sustainable future for our planet.

1 <http://www.bom.gov.au/state-of-the-climate/2016/>

2 Spratt, David (2018) "Beyond urgent: the science of climate warming as existential risk", Presentation to Darebin Climate Emergency Conference <https://www.youtube.com/watch?v=KaEfk-Ml4U>

3 Hansen, J., Sato, M., Kharecha, P., von Schuckmann, K., Beerling, D. J., Cao, J., Marcott, S., Masson-Delmotte, V., Prather, M. J., Rohling, E. J., Shkun, J., Smith, P., Laci, A., Russell, G., and Ruedy, R. Young people's burden: requirement of negative CO₂ emissions, *Earth Syst. Dynam.*, 8, 577-616, <https://www.earth-syst-dynam.net/8/577/2017/>

4 <http://www.caceonline.org/motions-to-declare-a-climate-emergency.html>

5 Darebin Climate Emergency Plan http://www.darebin.vic.gov.au/-/media/cityofdarebin/Files/Darebin-Living/CaringfortheEnvironment/EnergyandClimate/ClimateChange/DarebinClimateEmergencyPlan_updated5Dec2018_webready.ashx?la=en



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Ελληνικά	नेपाली	اردو
हिंदी	ਪੰਜਾਬੀ	Tiếng Việt

164. GREAT PEOPLE AND LIFESTYLE

164.1 STORMWATER EASEMENT - 5 STURT RESERVE ROAD

Author Malcolm Downie

Legislative (x)

Corporate ()

Other ()

Purpose

To seek Council approval to grant a 3m wide stormwater easement along the entire southern and western boundary of 5 Sturt Reserve Road.

Background

The stormwater pipe that runs underground through 5 Sturt Reserve Rd to Sturt Reserve was installed in approximately 1981. The pipework takes stormwater produced in the overhead catchment area to Jaensch Road where it flows into the Riverfront Road stormwater ponds and then overflows into the Murray River. The overhead catchment area is bounded by Joseph Street, Swanport Road, Sturt Reserve Road and Rachel Street (refer map showing catchment area at Attachment 1).

At the time the underground pipework was laid no formal easement was placed on the title of 5 Sturt Reserve Road and when Council placed the property on the market to sell the land in 2017 it was found that the stormwater infrastructure was installed within the ground. The infrastructure runs along the entire southern and western boundaries of the allotment (refer map showing stormwater pipeline at Attachment 2).

The process to grant an easement on a property title is to engage the services of a surveyor and a conveyancer. The total cost estimate is between \$2,500-\$3,000.

Proposal

The proposal is to grant a 3m wide easement along the entire southern and western boundaries of 5 Sturt Reserve Road.

Legislative Requirements

The following legislative requirements are relevant to this report

- Local Government Act 1999

Council Policy

The following Council policies and plans are relevant to this report

- Procurement Policy
- Asset Management Plan – Stormwater – 2014-2017

Financial Implications

The cost of the grant of easement is approximately \$2,500 - \$3,000. This will be funded from approved 2019-2020 operational budgets.

Risk

A surveyor and conveyancer will be engaged to limit the risk with granting an easement on a land title.

WHS

There are no WHS issues to staff in relation to this report.

Asset Management

5 Sturt Reserve Road is owned freehold by Council and has no community dedication. It has been earmarked as being surplus to requirements.

Implementation Strategy
Engagement of Surveyor
Engagement of Conveyancer

Communication Strategy
Email sent to Surveyor and Conveyancer to commence grant of easement process.

Strategic Plan
Goal 2 - Great People and Lifestyle
2.1 - Land use

Recommendation

1. That item number 164.1 on Council agenda of 14 October 2019 be received.
2. That Council approve the granting of a 3m wide stormwater easement on the southern and western boundaries of 5 Sturt Reserve Road; and
3. That Council delegate authority to the Mayor and Chief Executive Officer to execute documentation for the grant of easement and affix the common seal, if required.

Attachments

1 ↓	Stormwater Catchment Area 5 Sturt Reserve Road	Attachment
2 ↓	Map showing Stormwater Pipe	Attachment

Cr Toogood moved

1. That item number 164.1 on Council agenda of 14 October 2019 be received.
2. That Council approve the granting of a 3m wide stormwater easement on the southern and western boundaries of 5 Sturt Reserve Road; and
3. That Council delegate authority to the Mayor and Chief Executive Officer to execute documentation for the grant of easement and affix the common seal, if required.

Seconded by Cr Baltensperger and CARRIED





5 Sturt Reserve Road MURRAY BRIDGE

10-July-2019

Map



About This Document
This map was created for the purpose of showing basic locality information over The Rural City of Murray Bridge. Fence and Property boundary lines are supplied by the Department for Environment, Water & Natural Resources. Aerial Photography is supplied by AEROMETRIX Pty Ltd. Any error should be reported to the GIS Section, The Rural City of Murray Bridge.

Disclaimer
While every effort is made to ensure the information provided is accurate, Council accepts no responsibility for inaccuracies that may occur. Where appropriate, Council advises that a licensed surveyor be engaged to determine exact parcel boundaries. This map data is subject to copyright. Reproduction or on selling without written permission from The Rural City of Murray Bridge is an infringement on copyright laws.

Property

Valuation No: Assessment No: 609 Name 1: Name 2: Rural City of Murray Bridge Postal Address 1: PO Box 421 Postal Address 2: MURRAY BRIDGE SA 5253 Postal Address 3: Postcode: 5253 Valuation: 110000.0 Street Address: 5 Sturt Reserve Rd Murray Bridge Title Name: 5 Sturt Reserve Rd Murray Bridge Bin Collection Day: Wednesday Bin No: Land Use Code: 4100 Lot: Piece or Unit No: 3 Section: 67 Area m2: 722.8335 Perimeter m: 120.7729

5. Sturt Reserve Road MURRAY BRIDGE

Parcels

DCDB ID: D5571 AS Plan Number: D5571 Lot Number: A3 Certificate of Title: CT3537187 Title Estate: FREE SIMPLE Valuation No.: 4100375000 Parcel Number: 7871 House Number: 5 Street Name: Sturt Reserve Street Type: RD
Suburb: MURRAY BRIDGE Area m2: 722.8319113164 Area Ha: 0.0722831939113164 Area km2: Area Acres: 0.1786139231339184 Perimeter m: 121



165. DYNAMIC ECONOMY

Nil

166. CONNECTED COMMUNITIES

166.1 CHRISTMAS LIGHTS COMPETITION

Author Tim Vonderwall

Legislative () Corporate () Other (X)

Purpose

To provide a project update on a Christmas lights competition and to seek Council endorsement of the establishment and membership of a judging panel.

Background

At its meeting of 29 January 2019, item 14.2 Council resolved:

"That Council Administration provides a report on the feasibility of Council possibly facilitating an Annual Christmas Lights Competition. (Similar to our existing "Spring Garden Competition")."

The existing Spring Garden competition is offered with free entry in spring each year with a variety of categories to cater for a larger proportion of the community, garden sizes, ability and economic circumstance. The competition is designed as a friendly community activity to encourage participation and build a thriving community.

It was proposed that the Christmas Lights competition would similarly offer free entry, include a variety of categories to enable wider community participation and be aimed as a friendly seasonal activity for the community to participate in.

In response to the Council resolution, administration undertook a preliminary assessment of the concept and developed a project bid for the 2019/20 Annual Business Plan and Budget process.

The bid was supported and the project was included in the draft Annual Business Plan as a \$2,000 Key Project. Following Council approval of the ABP, the project has been progressed by administration, is now at a point to update Council and seek direction on judging panel membership.

It is noted that participation in the competition is anticipated to be moderate in the first year and build in future years as community awareness increases. Communication will be scheduled in time with other Christmas themed activities and events such as the lighting of the Christmas tree and Christmas pageant to encourage increased Christmas spirit in the community.

Proposal

It is therefore proposed that the project be delivered in this first year by hosting the competition based on the successful model used for the Spring Gardening Competition but without seeking sponsorship. A debrief document will be developed post competition to consider community feedback and ascertain future direction.

This year's competition would include the following categories:

Small residential : <1200m² (example: garden display or roof top display or window display)

Large residential : >1200m² Full yard and /or building display

Business: Best display by a business

Mayor's award : Entrant with the highest overall score (same as the spring garden competition)

Traditional : traditional themed display (nativity or other traditional seasonal themed displays)

It is further proposed that the competition be assessed by a panel comprising:

The Mayor

An elected Member representative

Community member – Proposed Don Watts

Council Staff Member – Proposed Fulvia Mantelli

Legislative Requirements

Nil

Council Policy

Nil

Financial Implications

Project budget allocated in 2019/2020 annual budget - \$2000

Risk

Reputation – Risk: Low – A limited number of entries may be received if the competition is not advertised successfully

Liability – Risk: Low – Safe usage of electrical devices utilised in display

Liability – Risk: Low – Electricity cost associated with participation in competition

All risks identified to be fully addressed in project risk management plan

WHS

Night Time Work Related Activity – Risk: Low – Judging of displays will be conducted at night for best visual effect of displays.

Asset Management

Nil

Implementation Strategy

Project Team – Customer Service Team to implement project dates:

Advertisement and communication strategy start - 30 October 2019

Entries close – 30 November 2019

Judging by appointment – Evenings – 9 - 13 December 2019

Judging panel confer – Monday 16 December 2019

Awards presented – morning tea 9.30am – 10.30am Wednesday 18 December 2019

Communication Strategy

Subject to Council endorsement, it is proposed that the competition will be communicated to the community through a series of Facebook posts, inclusion on the RCMB website with Let's Talk branding, a Media Release and posters on notice boards.

This will be complemented by a display in the LGC Foyer.

Strategic Plan
Goal 4 - Connected Communities
4.3 - Sense of Community

Recommendation

1. *That item number 166.1 on Council agenda of 14 October 2019 be received.*
2. *That Council endorse the establishment and membership of a judging panel for the Christmas Lights Competition comprising:*
 - a. *Mayor Brenton Lewis*
 - b. *An Elected Member, Cr*
 - c. *Community Member – Mr Don Watts*
 - d. *Council Staff Member – Ms Fulvia Mantelli*

Attachments

Nil

Cr Eckermann moved

1. *That item number 166.1 on Council agenda of 14 October 2019 be received.*
2. *That Council endorse the establishment and membership of a judging panel for the Christmas Lights Competition comprising:*
 - a. *Mayor Brenton Lewis*
 - b. *An Elected Member, Cr Andrew Baltensperger, proxy Cr Tyson Matthews*
 - c. *Community Member – Mr Don Watts*
 - d. *Council Staff Member – Ms Fulvia Mantelli*

Seconded by Cr Keen and CARRIED

166.2 REQUEST FOR COUNCIL SUPPORT FOR SETTLEMENT SUPPORT SERVICES

Author Reginald Budarick

Legislative ()

Corporate ()

Other (X)

Purpose

To seek Council approval for the provision of a Small Wins Grant to support the Australian Migrant Resource Centre (Murraylands) to increase settlement support services for the local multicultural community.

Background

Over the last three years according to the Australian Migrant Resource Centre (AMRC) the number of new arrivals to Murray Bridge has increased significantly due to employment opportunities in food production, hospitality and aged care. Many of these positions have been filled by new arrivals and skilled overseas workers. The largest group has been from China.

New arrivals face many challenges when they arrive in Australia and particularly in regional areas where there may be a lack of established ethnic communities. Many new arrivals may feel socially excluded due to language barriers.

To cater for the increase in numbers and demand in services the AMRC purchased the adjacent building to their main office and employed an additional bilingual Settlement Officer.

The Migrant Resource Centre would like to continue the Settlement Officer in his position as a full-time role, however they will require financial support to enable this to occur, and are therefore seeking a grant from Council.

The current Settlement Officer is originally from China and has a Masters in Social Work. He has built strong working relationships with our local Chinese community and the Migrant Resource Centre believe there would be community benefit if they could continue his role. Having a bilingual Settlement Officer on a fulltime basis would enable the AMRC to continue to connect and engage with more new arrivals, offer additional support and programs and strengthen our new and emerging communities.

Proposal

The proposal from the Migrant Resource Centre is for Council to provide \$10,000 financial support for 12 months to assist with salaries to cater for the increase in new arrivals and to meet service demands. Please see attachment 1 – Small Win Application.

The Migrant Resource Centre has provided all the required information and has met the majority of criteria of the funding process as follows:-

1. Copy of Incorporated Certificate;
2. ABN;
3. Copy of audited financials;
4. All previous funding acquitted;
5. Balanced Budget;
6. Applicant matching contribution (in-kind or cash);
7. Project Overview and Plan;
8. Community Need;
9. Clear purpose and plan;

10. The ability of the project to develop a sense of community;
11. Lack of alternative sources of funding;
12. Able to proceed with partial funding; and
13. Where, when, and how.

Legislative Requirements

This report is consistent with the *Local Government Act 1999*.

Council Policy

This report is consistent with Council's Community Grants policy and criteria (specifically small wins/quick wins).

Financial Implications

The financial implications are a maximum of \$10,000 which can be met from within the existing 2019/20 Small Wins budget.

Risk

There is a risk that the additional bilingual Settlement Officer position may not continue without Council's financial support.

WHS

There are no new WHS implications that arise as a result of this report or its recommendations.

Asset Management

There are no new asset management implications for the Council as a result of this report.

Implementation Strategy

If the recommendations are agreed upon, the successful applicant will be notified advising of the next steps.

Communication Strategy

The Migrant Resource Centre will be advised of Council's decision.

Strategic Plan

Goal 4 - Connected Communities

4.1 - Community based organisations and networks

Recommendation

1. That item number 166.2 on Council agenda of 14 October 2019 be received.
2. That Council endorse the provision of a Small Wins Grant to a maximum of \$10,000 to the Australian Migrant Resource Centre (Murraylands) to assist in providing increased settlement support services for the local multicultural community.


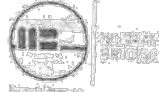
Attachments

1↓.	Migrant Resource Centre Small Wins Application	Attachment
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Cr Baltensperger moved

1. *That item number 166.2 on Council agenda of 14 October 2019 be received.*
2. *That Council endorse the provision of a Small Wins Grant to a maximum of \$10,000 to the Australian Migrant Resource Centre (Murraylands) to assist in providing increased settlement support services for the local multicultural community.*

Seconded by Cr O'Brien and CARRIED UNANIMOUSLY

	<h2>Quick Response/Small Wins Funding Application Form</h2>	
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Quick Response – Maximum \$2,000 Response time varies depending on several factors including the next scheduled accounts electronic bank transfer - Approved under delegation of the CEO

Other Funding Opportunities – No upper Limit (other than availability of funds in the current budget). This process is considered by the Community Advisory Committee and full Council therefore takes considerably longer (i.e 3 months or more)

Please note that you will increase your chances of success if you provide all the necessary information that is requested in this application all together and on time.

Organisation Name:	Murraylands Migrant Resource Centre
Contact Name:	HERRIE BURENDI
Street Address:	5 Second Street, Murray Bridge
Email Address:	murraylands@amrc.org.au
Bank:	National Australia Bank
Phone Contact:	08-85355600
Bank Account Name:	MRC/SA-operations account
BSB:	085005
Account Number:	564209985
ABN: (or Sponsors or Statement by supply available from the ATO)	ABN 42 131 904 410
Provided a copy of your Certificate of Incorporation or sponsors certificate	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Project Title:	Support for Migrant Temporary Skill Shortage Visa (class 482)
Application Amount. Quick Response maximum \$2,000	\$ 10,000
Project Start Date (retrospective applications will not be considered)	November 2019
Authorising Signature and Title	
Is your organisation GST registered? If so you must provide a tax invoice if your application is successful	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1. Tell us BRIEFLY about your project and why you need funding from Council (Max 200 words)

Over the last 3 years the number of new arrivals to Murray Bridge has increased significantly due to employment opportunities in food production, hospitality and aged care. Many of these positions have been filled by new arrivals and overseas skilled workers. The largest group has been from China. To cater for the increase in numbers and demand for services the AMRC took over the adjacent building to the main office and employed an additional part-time worker. The AMRC/MMRC has employed on a part-

	<h2>Quick Response/Small Wins Funding Application Form</h2>	
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time basis a bilingual settlement officer, Bao Luo. Bao is originally from China and completed his Masters in social work at Flinders University. Bao has been a valuable asset to not only the MMRC but also to the Murray Bridge Community. However, his current visa expires on the 11th October and we need to apply for a 482 visa to keep him in Murray Bridge. However, we need to ask Council if they can support us financially to be able to achieve this.

3. Urgency of Funding Need? i.e. why do you need that funding within the next 4 weeks?

The AMRC will be applying to sponsor Bao on a temporary skilled visa 482 for a full-time 12-month contract. We need to start the process asap.

4. Level of Community participation in designing and implementing the project

4. Level of community benefit & the extent to which the project will increase the skills, knowledge, awareness and participation of community members?

New arrivals face many challenges when they arrive in Australia and particularly in regional areas where there may be a lack of established ethnic communities.

Many new arrivals may feel socially excluded. Social exclusion is the process in which individuals or people are systematically blocked from (or denied full access to) various rights, opportunities and resources that are normally available to members of the mainstream community.

Many new arrivals may find themselves excluded due to language barriers. They may also have limited financial resources or lack awareness of available services.

With the ability to keep Bao on as a bilingual Settlement officer on a full-time basis will enable the MMRC to continue to connect and engage with more new arrivals. In doing so we can offer additional support and programs. The MMRC will also be able to foster additional community capacity building projects to build on the strengths and abilities of new and emerging communities in the Murraylands region.

	<h2 style="margin: 0;">Quick Response/Small Wins Funding Application Form</h2>	
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5. Extent the project meets a demonstrated need and is appropriate to that need? What is the need & how do you intend to meet that need?

In the last few years there has been a significant increase in new migrant arrivals to the region. This is largely due to the availability of food production jobs, which includes, Costa Mushroom farm, Thomas Foods International, Big River Pork, Ingham's, and various vegetable farms. In addition, there has been an increase in aged care employment through the expansion of local aged care facilities plus hospitality positions with the recent opening of the Bend Motor sports facility.

Consequently, client numbers accessing the MMRC centre has increased significantly, with more new arrivals looking for settlement support. The addition of Bao on staff will enable the MMRC to meet this demand.

6. Existence of a clearly stated purpose and a plan for achieving that purpose?

The purpose of this application is to enable the MMRC to sponsor Bao Luo on a 482 skilled visa on a full-time 12-month contract.

7. The ability of the project to develop a sense of community?

The MMRC has built a strong sense of community for a significant number of new arrival communities, through various programs including elders group, homework group, school holiday programs, workshops and information sessions, multicultural events and forums. The ability to retain Bao on our staff will enable the MMRC to continue to grow services and prepare for additional clients when TFI starts to recruit for its new premises. In addition to TFI, other local employers are expanding their operations and will also be keen to recruit new workers. This will place an additional need for services from the MMRC and without Bao on board it will be very difficult to achieve this level of service.

8. Have you attempted to apply for grants for this project through other funding sources? Yes No
(If not, please explain the lack of alternate sources of funding available)

The AMRC will contribute an additional \$20,000 towards Bao's wages and sponsor him for a 482 visa on a 12 months' full-time contract.

9. Please provide a budget listing of all the aspects of costs for your project. Your contribution must be equal or greater. Please provide a detailed budget (i.e. list your expenses & your contribution)

10. In some circumstances, Council may agree only to fund a part of your request. Can you continue if this is the case? You may risk not being funded at all! Yes No



DI NINO
— & CO —
CHARTERED ACCOUNTANTS

*Australian Migrant Resource Centre
Migrant Resource Centre of South Australia Inc.
ABN 42 131 904 410
Financial Statements
For the Year ended 30th June 2019*

The accompanying notes form part of these financial statements.

Level 1, 231A The Parade, NORWOOD SA 5067

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F: (08) 8180 0402

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M: 0433 143 869

Liability Limited by a scheme approved under Professional Standards Legislation.

**Australian Migrant Resource Centre
Migrant Resource Centre of South Australia Inc.
Contents**

Income and Expenditure Statement

Balance Sheet

Notes to and Forming Part of the Accounts

Financial Statements Declaration

Audit Report

The accompanying notes form part of these financial statements.

**Australian Migrant Resource Centre
Migrant Resource Centre of South Australia Inc
ABN 42 131 904 410****Income And Expenditure Statement
For The Year Ended 30 June 2019**

	2019
<u>INCOME</u>	
<i>Receipt of Services Income from:</i>	
- Commonwealth	5,321,885
- State Government	194,994
- Local Government	15,000
- Philanthropic	26,782
- Other Income and Once off Project Grants	874,567
Total Income	<u>6,433,228</u>
<u>EXPENDITURE</u>	
<i>Payments and Accrual of Expenses for:</i>	
- Salaries & On Costs	3,490,201
- Other Program Costs	690,412
- Administration, Facilities & Utilities	663,533
Total Expenditure	<u>4,844,146</u>
Change in Net Assets Resulting From Operations	<u>1,589,082</u>

The accompanying notes form part of these financial statements.

**Australian Migrant Resource Centre
Migrant Resource Centre of South Australia Inc.**
ABN 42 131 904 410

**Consolidated Balance Sheet
As At 30 June 2019**

	Notes	2019
MEMBERS' FUNDS AND RESERVES		
Retained Earnings	2	12,179,517
Reserves		
- Reserves for Facilities Redevelopment/Refurbishment		1,050,000
- Redundancy Reserve		1,115,716
- IT upgrade Reserve		200,000
- Refugee Assist Fund Reserve		100,000
TOTAL MEMBERS' FUNDS AND RESERVES		14,645,233
Represented By:		
CURRENT ASSETS		
Cash at Bank	3	9,694,298
Debtors		225,733
		9,920,029
NON CURRENT ASSETS		
Land & Buildings & Improvements	4	6,757,129
Plant & Equipment		21,007
Motor Vehicles		44,164
		6,822,300
TOTAL ASSETS		16,742,329
CURRENT LIABILITIES		
Creditors & Payroll Liabilities	5	84,709
Accrued Expenses		15,500
Employee Entitlements	6	309,686
CPP Client Bond/ Migration Advice		173,311
Program Balances carried forward	7	586,077
		1,169,283
NON CURRENT LIABILITIES		
Provisions	8	575,000
Employee Entitlements	9	352,813
		927,813
TOTAL LIABILITIES		2,097,096
NET ASSETS		14,645,233

The accompanying notes form part of these financial statements.

**Australian Migrant Resource Centre
Migrant Resource Centre of South Australia Inc.
ABN 42 131 904 410**

**Notes to the Financial Statements
For the Year Ended 30th June 2019**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031 Materiality

AASB 110 Events after the Reporting Period

No other applicable Standards, Urgent Issues, Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The report is also prepared on an accruals basis and is based on historic costs and except where stated does not take into account changing money values or current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report for Migrant Resource Centre of SA Inc.

(a) Property, Plant and Equipment

Property, plant and equipment are recorded at the cost of acquisition, being the purchase consideration determined at the date of acquisition and costs incidental to the acquisition.

(b) Depreciation

Depreciation is provided on property, plant and equipment excluding freehold buildings and land. Depreciation on plant and equipment is calculated on a straight-line basis so as to write off the net cost of each fixed asset over its expected useful life or the life of the project/s to which they are assigned to, which ever is the shorter.

(c) Goods and Services Tax

Income and Expenditure is recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- (ii) for receivables and payables which are recognised inclusive of GST.

(d) Employee entitlements

The amounts expected to be paid in respect of employees' entitlements to annual leave and long service leave are accrued at revised salary rates.

Australian Migrant Resource Centre Inc
ABN - 42 131 804 410

Notes to the Accounts (Cont)

	2019
(2) Retained Earnings	
Opening Balance 1/7/2018	\$9,659,028
Add Prior Year Adjustment	\$126,474
Transfer (to) / from Reserve	\$604,933
Current Year Surplus	\$1,589,052
Closing Balance at 30/6/19	<u>\$12,179,517</u>
(3) Cash at Bank	
Cash at Call	\$5,072,620
AMRC Operations Acc	\$301,128
NAB Cash Maximiser	\$2,523,678
CBA - CAS/ASAS Account (client monies)	\$27,175
NAB - MRCSA - CAS/ASAS	(\$20,110)
SRSS	\$710,270
Aged Care A/C	\$685,881
Other	\$375,362
	<u>\$9,694,296</u>
(4) Land & Buildings	
5 Second Street, Murray Bridge	\$262,251
13 Eleanor Street, Mount Gambier	\$215,672
28 Mary Street, Salisbury	\$377,585
11 Eleanor Street, Mount Gambier	\$239,629
Coglin Street Community Centre	\$5,144,882
26 Wollshed St Bordertown	\$130,679
Unit 2/3 Second St Murray Bridge	\$153,993
64 Smith Street, Naracoorte SA	\$616,101
Less Accumulated Depreciation - Buildings	(\$979,465)
	<u>\$6,321,628</u>
Leasehold Improvements:	
Salisbury Extension	\$379,029
Various Other Properties	\$120,963
Less Accumulated Depreciation - Improvements	(\$64,391)
	<u>\$435,601</u>
Total Land & Buildings and Improvements	<u>\$6,757,129</u>
(5) Creditors & Payables	
Payables	\$12,642
Payroll Liabilities	\$33,663
Credit Card Liability	\$4,439
GST Liability	\$31,017
Other	\$2,947
	<u>\$84,709</u>
(6) Employee Entitlements	
Provision for Annual Leave	\$309,686
Provision for Long Service Leave	\$352,813
	<u>\$662,499</u>
(7) Funds Received in Advance	
Program Balances carried forward	
- MA CSP2	204,579
- ILC2	\$118,125
- Try Test & Learn	\$102,005
- SRSS	\$90,135
- HSP	(\$125,070)
- Wall of Cultures	\$48,500
- HSP CSP	\$42,763
- Aged Care	\$94,788
- Other	\$93,253
	<u>\$596,077</u>
(8) Provisions	
Facilities Refurbishment & Service Facilities	\$300,000
Creche upgrade	\$100,000
IT Upgrade	\$175,000
Total Provisions:	<u>\$575,000</u>

**Australian Migrant Resource Centre
Migrant Resource Centre of South Australia Inc.
Financial Statements Declaration
For the Year Ended 30 June 2019**

The signatories have determined that the organisation is not a reporting entity. The signatories have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The signatories of the organisation hereby declare that:

The accompanying financial statements and notes of the organisation as at 30 June 2019;

- a) present a true and fair view of the organisation's financial position as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies as described in Note 1 of the financial statements.
- b) comply with Australian Accounting Standards as detailed in Note 1 of the financial statements.

This declaration is made in accordance with a resolution of the Board.



Tung Shen Chin
Treasurer

Judge Rauf Soufio
Chairperson



Dated this 18th day of September, 2019.

The accompanying notes form part of these financial statements.



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**Australian Migrant Resource Centre
Migrant Resource Centre of South
Australia Inc.
ABN 42 131 904 410
Independent Audit Report to the Board
of Management of Migrant Resource
Centre of South Australia Inc**

Scope

We have audited the accompanying financial statements, being special purpose financial statements, of the Migrant Resource Centre of South Australia Inc which comprises the Balance Sheet as at 30 June 2019, the Income & Expenditure Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board.

Board's Responsibility for the Financial Report

The Board of the Migrant Resource Centre of South Australia Inc is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Act 1985 and is appropriate to meet the needs of the members. The officers' responsibility also includes such internal control as the officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting

estimates made by the officers, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Migrant Resource Centre of South Australia Inc as at 30 June 2019, and its financial performance for the year then ended in accordance with the Associations Incorporation Act 1985 and the constitution of the Migrant Resource Centre of South Australia Inc.

Basis of Accounting

Without modifying our opinion, we draw attention to the "Notes to the Financial Statements", Note 1 "Statement of Significant Accounting Policies", which describes the basis of accounting. The financial report has been prepared to assist the Migrant Resource Centre of South Australia Inc to meet the requirements of the Associations Incorporation Act 1985. As a result, the financial report may not be suitable for another purpose.

DI NINO & CO
Chartered Accountants



Bruno G Di Nino – Director, Registered Company Auditor

Signed at Norwood this 18th September 2019

No. of Association

8406K



ASSOCIATIONS INCORPORATION ACT, 1956-1982

CERTIFICATE OF INCORPORATION OF AN ASSOCIATION

It is hereby certified that

MIGRANT RESOURCE CENTRE OF SOUTH AUSTRALIA INCORPORATED

is incorporated under the provisions of the Associations Incorporation Act, 1956-1982

Given under the seal of the Commission at Adelaide in the State of South Australia

this 15th day of February 1983




Commissioner for Corporate Affairs

Financials

Migrant Resource Centre – Sponsorship (Bao Luo)

Salary 12 month/5 days per week	\$53,900
Super	\$4,851
Payroll Tax	\$4,000
Visa Processing Fee	\$324 (employer sponsorship fee)
Cost of Hosting	\$10,000
MRC Contribution-Cash Total	\$73,075
Request from Council	\$10,000

167. OUR COMMITMENT - ENSURING DELIVERY

167.1 LONG TERM FINANCIAL PLAN - UPDATE

Author Brad Warncken

Legislative () Corporate (X) Other ()

Purpose

To present for adoption by Council the updated Long Term Financial Plan (LTFP) for 2019/20 – 2028/29.

To present for noting by Council the Investment Review as at 31 August 2019.

To present for noting by Council the Chief Executive Officer's report on Financial Sustainability

Background

Council is required to adopt a LTFP covering a period of at least 10 years, along with Asset Management Plans, both of which form part of Council's suite of Strategic Management Plans (SMPs).

The *Local Government Act 1999* requires a Council's SMPs to address:

- the sustainability of the Council's financial performance and position;
- the maintenance, replacement or development needs for infrastructure within its area; and
- identification of any anticipated or predicted changes that will have a significant effect upon the costs of the Council's activities/operations.

Council is required to review its LTFP annually, as soon as practicable after the adoption of its Annual Business Plan. Council approved the last version of the LTFP on 12 March 2019 (Item 49.1). This was produced to enable Council to consider the longer term impact of decisions made and assumptions used in the preparation of the Annual Budget and Business Plan.

Council approved the 2019/20 Annual Budget and Business Plan on 11 June 2019 (Item 109.3). This LTFP takes account of the actual results for 2018-19 and the 2019-20 adopted Annual Budget.

The 2019/20 – 2028/29 Long Term Financial Plan is modelled on the following trends and assumptions.

LTFP Assumptions

CPI/LGPI	<ul style="list-style-type: none"> • The Local Government Price Index (LGPI) has increased by 2.5% for the year to 30 June 2019. • The Consumer Price Index (CPI) for Adelaide increased by 1.4% for the year to 30 June 2019. During the same period the CPI for the eight capital cities in Australia increased by 1.6%. • CPI Forecasts vary but for the Country as a whole they are expected to increase from 1.9% to 2.2% in 2020. The financial model assumes a long term CPI rate of 2.25% in accordance with the South Australian Centre for Economic Studies forecasts.
Rates	<ul style="list-style-type: none"> • Growth in the number of ratable properties is estimated to increase by 1.0% in 2020/21 and 1.5% in 2021/22 which is based on

	<p>ID Census research and modelling. For 2022/23 and thereafter 2.0% growth per annum is assumed which is consistent with the growth estimate to deliver Council's aspiration of a population of 30,000 people and is consistent with the 30 Year Plan for Greater Adelaide.</p> <ul style="list-style-type: none"> • The growth forecasts are broadly inline with the LTFP for 2019/20. • Council has delivered underlying operating surpluses since 2014/15 which enables Council to invest in new capital projects without increasing debt significantly. • This has enabled ratable income increases consistent with CPI estimates to be included in this plan which is 2.0% for the next year and 2.25% for the remaining 9 years, consistent with 2.25% included in the previous LTFP.
Statutory and User Charges	<ul style="list-style-type: none"> • Charges are assumed to increase by 1% growth for the life of the plan plus CPI of 2.0% in 2020/21 and 2.25% thereafter
Grants	<ul style="list-style-type: none"> • Grant incomes are assumed to increase by 1% growth for the life of the plan plus CPI of 2.0% in 2020/21 and 2.25% thereafter.
Reimbursement and Other income	<ul style="list-style-type: none"> • Other incomes are assumed to increase by 1% growth for the life of the plan plus CPI of 2.0% in 2020/21 and 2.25% thereafter.
Salaries	<ul style="list-style-type: none"> • The salary increases for Years 2 and 3 are 2.25% which reflect the current Enterprise Bargaining Agreements (EBA's). After this period, the plan assumes salary increases of 2.5% CPI per annum and 1% growth in costs resulting from providing services to a higher population • There have been provisions of \$100k for years 2020/21 and 2021/22 for new open space operating model due to the expanding green spaces. • There is an additional increase of 0.5% in oncosts due to the legislated increase in Superannuation Guarantee Contributions from 2021/22 to 2025/26.
Non-salary costs	<ul style="list-style-type: none"> • The Local Government Price Index and Adelaide CPI have increased by 2.5% and 1.4% respectively in the year to June 2019. Given the higher LGPI in 2018/19 a percentage increase of 2.5% has been assumed, then reverting back to 2.25% for the remainder of the 10 year period of the LTFP. • There have been provisions of \$100k for 2020/21 and 2021/22 respectively reflecting the new open space operating model due to the expanding green spaces that require maintenance.
Key Projects	<ul style="list-style-type: none"> • Key Projects are assumed to increase by 4.25% per annum which reflects 2.0% growth plus CPI of 2.25%.
Depreciation/capex	<ul style="list-style-type: none"> • Depreciation charge is forecast to increase 3.1% in 2019/20 and then steady at 2.2% per annum in Year 2 to Year 10 reflecting revaluations of the assets plus investments in new infrastructure.
Interest rates	<ul style="list-style-type: none"> • Interest received on deposits has been calculated at 2% being the current interest rate the Council receives on deposits placed with the Local Government Finance Authority (LGFA). • Interest on loans is calculated at 4.25% which is higher than current rates, due to some long term loans taken out several years ago when interest rates were higher than current levels.

Statement of Comprehensive Income

The current and next ten years Statement of Comprehensive Income is shown in Attachment 1, including a graph of the Normalised Operating Result in Attachment 2.

The next four years are summarised below:

Rural City of Murray Bridge				
Statement of Comprehensive income				
\$000's	2019/20	2020/21	2021/22	2022/23
INCOME				
Rates	26,185	26,975	27,996	29,198
Other	12,319	14,166	14,629	15,357
Total Operating income	38,504	41,141	42,624	44,555
EXPENDITURE				
Employee costs	16,255	16,723	17,382	18,084
Finance	379	377	376	374
Other expenses	22,232	21,500	22,312	22,997
	38,866	38,601	40,070	41,456
Operating surplus	(362)	2,540	2,554	3,099

The operating result for 2019-20 is a deficit of \$362k which reflects an underlying surplus of \$1,895k taking into account the timing of the receipt of the Financial Assistance Grant Income.

The operating surplus increases to \$2,540k in 2020-21, and steadily rises to \$5,471k in 2028-29.

The result reflects an extremely robust statement of financial sustainability driven from the underlying operating result in 2018-19 which has been achieved through sound financial management and improved efficiency and performance in the provision of all services and asset management plans.

The operating surplus increases throughout the 10 year period of the plan which arises from a lower increase in costs than rates income achieved through generating further cost savings and efficiencies.

Statement of Financial Position

The Statement of Financial Position is shown in Attachment 3.

The net assets of the Council are forecast to increase from \$302.8m at June 2020 to \$421.2m in June 2029.

The cash position is shown on the Statement of Financial Position and is made up of 3 elements – cash, current liabilities (due within one year) and non-current liabilities (due after one year).

A graph of the net funding position is shown in Attachment 4.

The next four year's balances are shown below:

Rural City of Murray Bridge				
Net Funding Position				
Year ending 30 June	2019/20	2020/21	2021/22	2022/23
Cash and Cash equivalents	7,178	7,340	7,505	7,673
Short Term Borrowings	(1,021)	(1,044)	(1,067)	(1,091)
Long Term Borrowings	(8,892)	(8,859)	(8,826)	(8,792)
Net Funding Position	(2,735)	(2,563)	(2,388)	(2,210)

The cash balance at the end of 2019-20 is forecast to be \$7,178k, and is forecast to increase steadily year on year until it reaches \$8,769k in 2028-29. The improvements mainly reflect increases in restricted cash balances arising from the accommodation bond deposits received at Lerwin. The non-restricted cash will be kept to a minimum to enable borrowings to be paid off sooner.

The net funding position at the end of 2019-20 is forecast to be net borrowings of \$2,735k. This improves steadily in subsequent years principally due to the increasing operating surplus only partially offset by investment in the capital enhancement program. In 2028-29 the Net Funding position is forecast to improve to net borrowings of only \$1,054k.

Council should note that this much improved financial position is achievable whilst, continuing to invest over \$1.7m per annum (increasing) on Key Projects, satisfying an Asset Sustainability Ratio of 100% and making significant investments in the Capital Enhancement Program.

Capital Investment

The Asset Sustainability Ratio is shown in Attachment 5. An ASR of 100% is forecast to be achieved from 2019-20 onwards ensuring that assets are being replaced at the same rate as they are wearing out and confirming Council's long term financial sustainability.

The Capital Enhancement Program is shown in Attachment 6. The new investment amounts are \$6.12m in 2020-21. The program then steadily increases to \$7.4m by 2028-29. The plan assumes securing grant income of between \$0.1m and \$1.9m per annum the majority of which relates to potential grants associated with the Riverfront Strategy Projects.

Council should note that a significant number of Council's strategies can be achieved including the Murray Coorong Trail, Town Entrance Enhancements, Playgrounds, Toilets and enhancement of roads and footpaths. Most significantly however, the plan allows for an investment in the Riverfront Strategy of \$22.2m (escalated) which is a high proportion of the \$38m included in the Riverfront Strategy proposal.

Financial Indicators

The key financial indicators required to be reported by Councils are the:

- Asset sustainability ratio (ASR)
- Operating surplus ratio
- Net financial liabilities ratio

These are shown in Attachment 7 and they demonstrate an improving financial performance throughout the 10 year period of the plan.

The ASR is at 100% throughout the life of the plan.

The Operating Surplus Ratio increases from 6% in 2020/21 to 10% in 2028/29, which generates the major part of the increased funding of the capital enhancement program.

The Net Financial Liabilities Ratio increases slightly to 39% in 2020/21 but then reduces year by year to reach 31% in 2028-29 and remains at a conservative level throughout the period of the plan. Councils Net Financial Liabilities Ratio target is set to keep the percentage less than 75%.

The ratios for the next four years are shown below and are significantly better than Council or LGA guidelines.

Financial Indicators						
Year ending 30 June	2019/20	2020/21	2021/22	2022/23	Council Target	LGA Target
Underlying operating surplus ratio	7.2%	6.2%	6.0%	7.0%	> 0%	> 0%
Net Financial Liabilities Ratio	37%	39%	38%	38%	0% ----> 75%	0% ----> 100%
Asset sustainability Ratio	128%	100%	100%	100%	90% ----> 120%	90% ----> 100%

Investment Review at 31st August 2019.

As committed in the Legislative Compliance Review 8th May 2017 as part of the Long Term Financial Plan, a review of Council Investments has been completed and the details can be seen in Attachment 8.

Chief Executive Officers Report on Financial Sustainability

The Local Government Act 1999 requires the Council's Chief Executive Officer to prepare a report on the Council's long term financial performance and position, taking into account the provisions of Council's Business Plan and Strategic Management Plans as part of a review of its long-term financial plan as soon as practicable after adopting the council's annual business plan for a particular year. Attachment 9 – CEO Report on Financial Sustainability fulfils this legislative requirement.

Proposal

That Council notes the long term financial sustainability of the Council's LTFP including sensitivity analysis and adopts the 2019/20 – 2028/29 LTFP.

That Council notes the Investment Review at 31st August 2019.

Legislative Requirements

The Local Government Act 1999 requires each Council to develop and adopt a Long Term Financial Plan (LTFP) covering at least 10 years, along with an Infrastructure and Asset Management Plan (I&).

The Local Government Act 1999 requires each Council to perform at least once in each year, a review of the performance (individually and as a whole) of its investments.

Council Policy
Financial Sustainability Policy
Treasury Management Policy

Financial Implications

Regularly updating and reviewing LTFP's enables Council to make informed decisions consistent with its long term strategy and a financially sustainable Council. The LTFP has been updated based on the 2019-20 adopted budget and Second Quarter Financial Review which reflect the financial management improvements achieved to date as well as the operating efficiencies which have been secured. This has resulted in an improved operating surplus forecast rising to \$5,471k (\$5.5m) in 2028/29.

Risk

Regularly reviewing and updating the LTFP, reduces the risk of unforeseen outcomes resulting from short term decisions.

Regularly reviewing and updating the Councils Investments, reduces the risk of unforeseen outcomes resulting from short term decisions.

WHS

Not applicable.

Asset Management

Asset Management Plans are regularly updated and have previously been adopted by Council.

Implementation Strategy

The LTFP will be considered during the process of adopting the 2020-21 Annual Business Plan and Budget.

Communication Strategy

The LTFP will appear on Council's website.

Strategic Plan

Goal 3 - Dynamic Economy
3.1 - Identity

Recommendation

1. That item number 167.1 on Council agenda of 14 October 2019 be received.
2. That Council adopts the updated Long Term Financial Plan 2019/20 – 2028/29.
3. That Council notes the Investment Review as at 31 August 2019.
4. That Council notes the Chief Executive Officers Report on Financial Sustainability

Attachments

1	LTFP - Statement of Comprehensive Income	Attachment
2	LTFP - Normalised Operating Result	Attachment
3	LTFP - Statement of Financial Position	Attachment
4	LTFP - Net Funding Position	Attachment
5	LTFP - Asset Sustainability Ratio	Attachment
6	LTFP - Capital Enhancement Program	Attachment



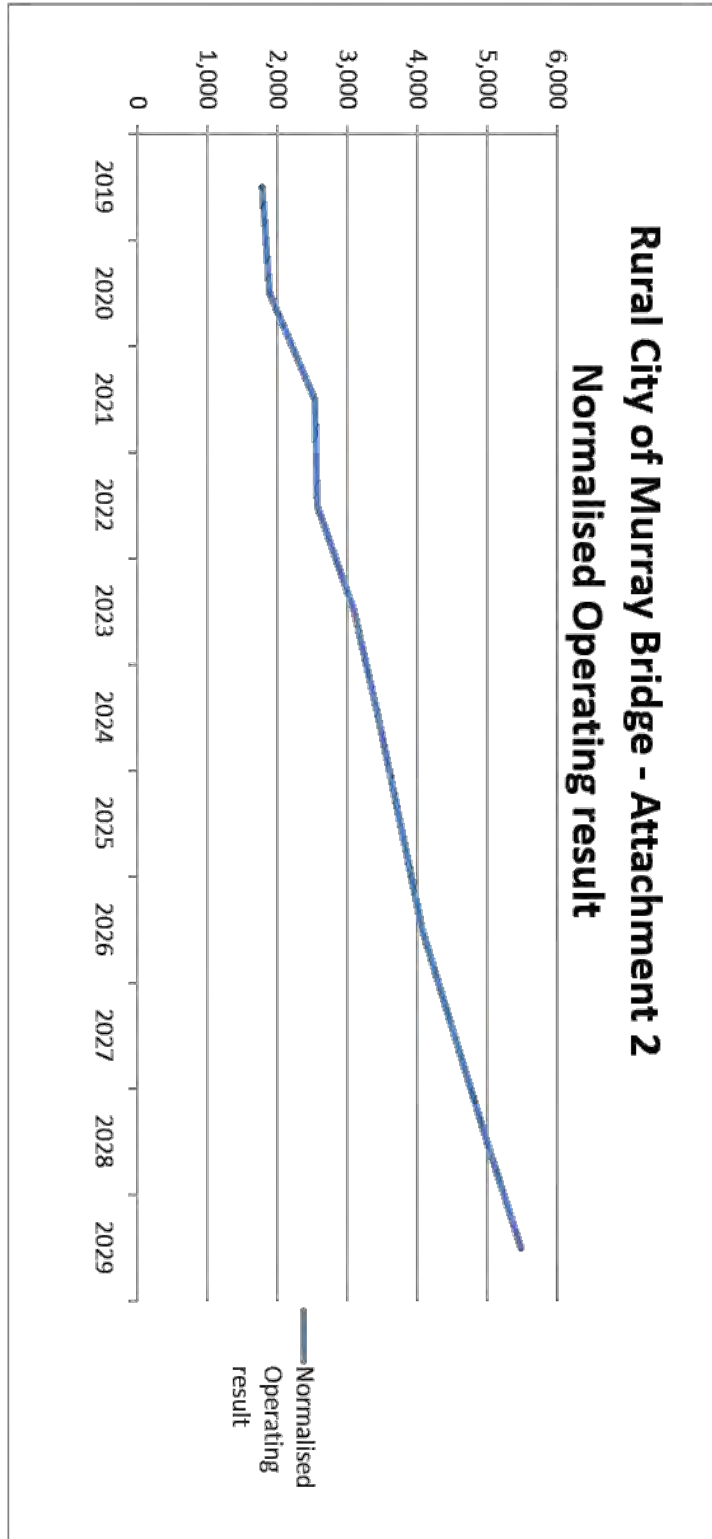
7↓.	LTFP - Net Financial Indicators	Attachment
8↓.	Investment Review 31st August 2019	Attachment
9↓.	CEO Financial Sustainability Report	Attachment

Cr Thorley moved

1. That item number 167.1 on Council agenda of 14 October 2019 be received.
2. That Council adopts the updated Long Term Financial Plan 2019/20 – 2028/29.
3. That Council notes the Investment Review as at 31 August 2019.
4. That Council notes the Chief Executive Officers Report on Financial Sustainability

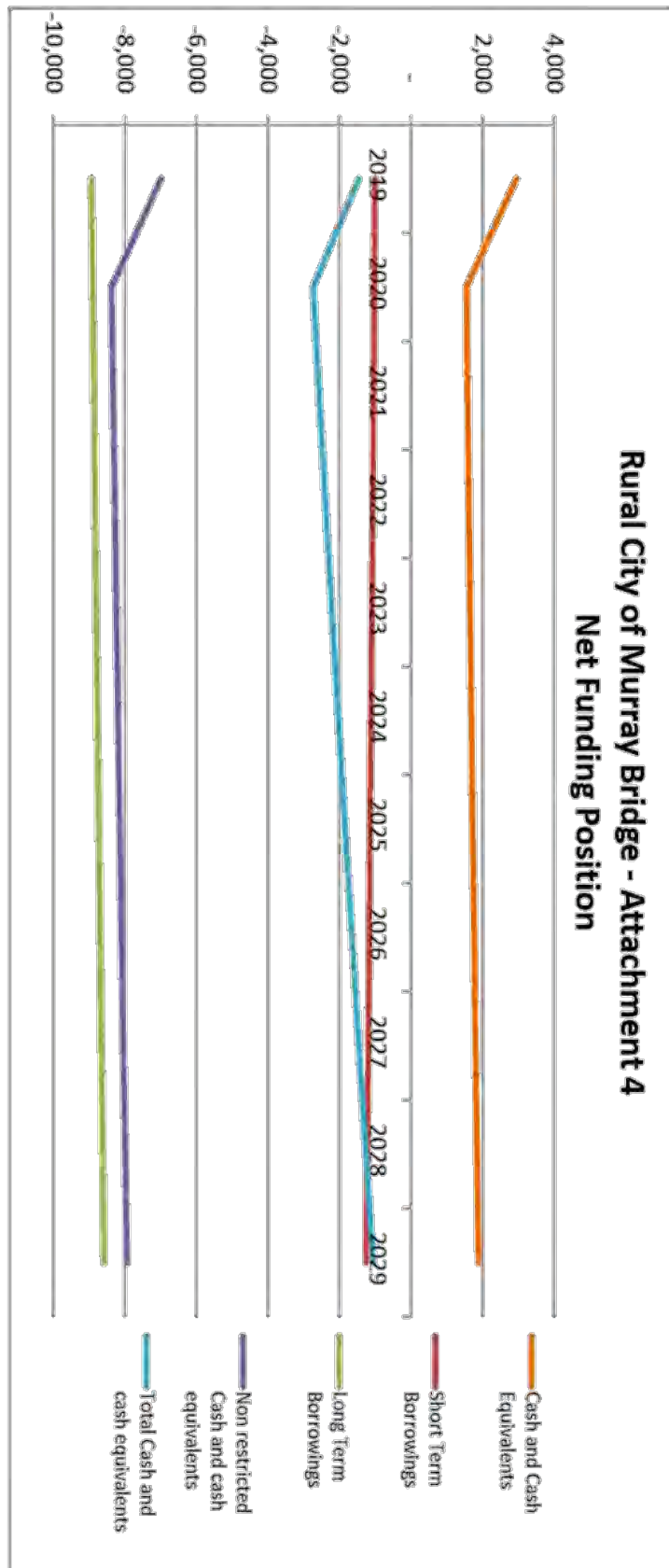
Seconded by Cr Toogood and CARRIED UNANIMOUSLY

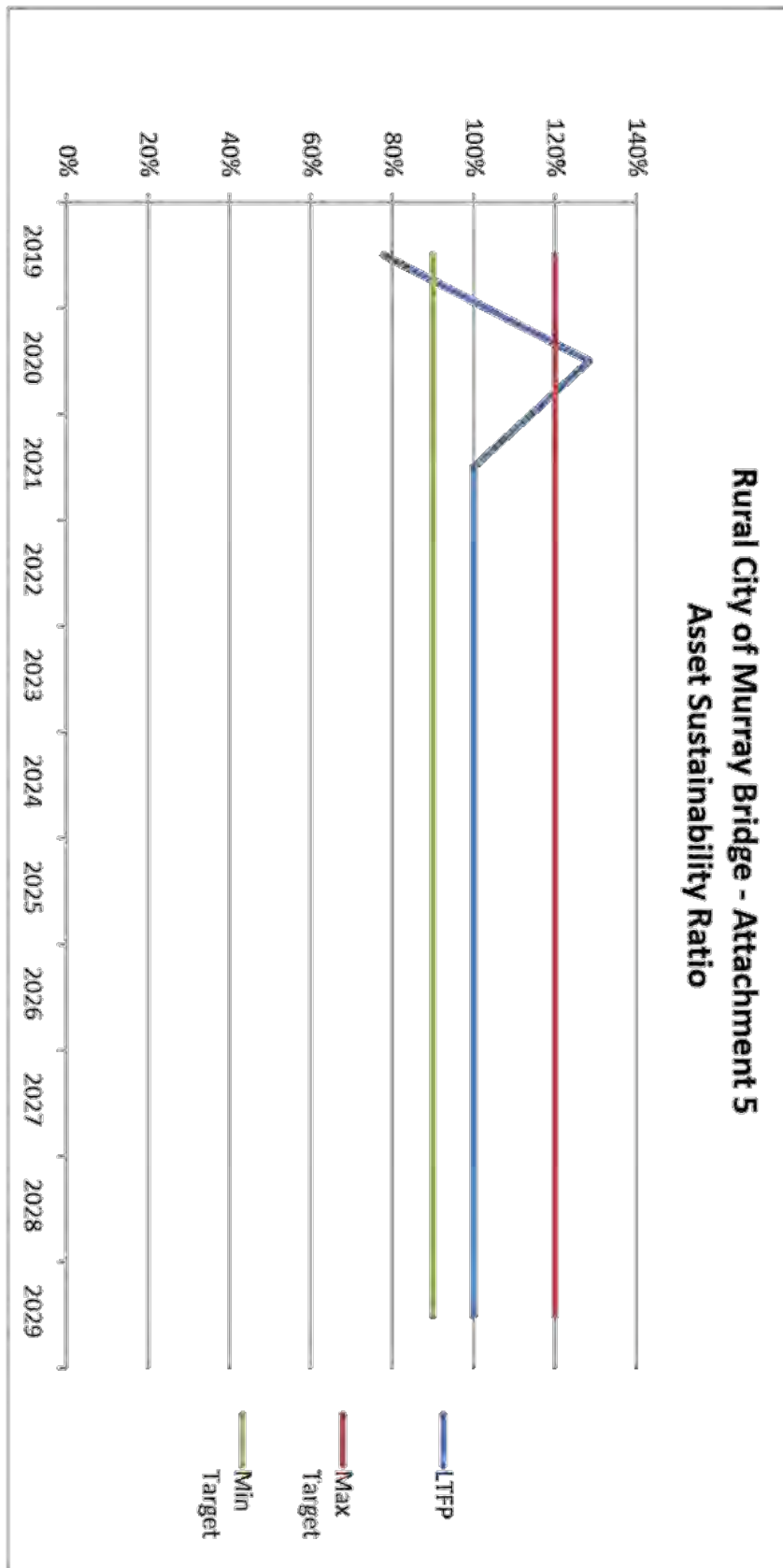
		Rural City of Murray Bridge										Attachment 1
		Statement of Comprehensive Income										
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
INCOME												
Rates		26,185	26,975	27,996	29,198	30,452	31,760	33,124	34,547	36,031	37,578	
Statutory charges		625	644	665	687	709	732	756	781	807	833	
User charges		2,449	2,523	2,605	2,691	2,779	2,870	2,964	3,061	3,161	3,264	
Grants, Subv. Cont.		7,747	9,431	9,740	10,310	10,647	10,995	11,355	11,727	12,110	12,507	
Investment Income		135	145	148	152	155	159	162	166	170	173	
Reimbursements		196	202	209	215	222	230	237	245	253	261	
Other Income		438	451	466	481	497	513	530	547	565	584	
Equity accounted Investments		38	63	73	83	94	102	89	112	122	133	
Key Projects Income		691	707	722	739	755	772	790	807	826	844	
		0	38,504	41,141	42,624	44,555	46,311	48,133	50,007	51,993	54,044	56,178
EXPENDITURE												
Employee costs		16,255	16,723	17,382	18,084	18,815	19,575	20,365	21,084	21,828	22,598	
Material and contracts		11,585	11,978	12,473	12,881	13,303	13,738	14,188	14,652	15,131	15,627	
Depreciation		7,441	7,770	8,011	8,210	8,417	8,637	8,857	9,110	9,378	9,664	
Finance		379	377	376	374	373	371	370	368	367	365	
Key Projects Expenditure		3,206	1,752	1,827	1,906	1,988	2,073	2,162	2,255	2,352	2,453	
		38,866	38,601	40,070	41,456	42,895	44,395	45,942	47,470	49,056	50,706	
Operating Surplus/(Deficit)		-362	2,540	2,554	3,099	3,416	3,738	4,066	4,523	4,988	5,471	
Physical Resources free of charge		60	61	63	64	66	67	69	70	72	73	
Amounts Received for New/Upgraded Assets		1,831	1,803	449	276	597	563	1,085	1,240	1,426	1,727	
Gain/(Loss) on Sale		0	0	0	0	0	0	0	0	0	0	
Net Surplus/(Deficit)		1,529	4,405	3,067	3,440	4,078	4,368	5,219	5,833	6,486	7,272	
Changes in Revaluation		6,826	7,123	7,421	7,667	7,923	8,195	8,466	8,780	9,111	9,464	
Total Comprehensive Income		8,355	11,527	10,488	11,107	12,001	12,563	13,685	14,613	15,596	16,736	





BALANCE SHEET		Rural City of Murray Bridge Statement of Financial Position										Attachment 3				
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	\$'000's				
ASSETS																
Current Assets																
Restricted Cash	5,632	5,759	5,888	6,021	6,156	6,295	6,436	6,581	6,729	6,881	7,034	7,191	7,351	7,514	7,681	7,851
Cash and Cash Equivalents	1,546	1,581	1,616	1,653	1,690	1,728	1,767	1,807	1,847	1,889	1,931	1,974	2,018	2,064	2,111	2,159
Trade & Other Receivables	1,687	1,625	1,462	1,294	1,294	1,353	1,384	1,415	1,447	1,479	1,511	1,544	1,577	1,611	1,645	1,679
Inventories	163	167	170	174	178	182	186	190	195	199	204	209	214	219	224	229
Total Current Assets	9,218	9,325	9,335	9,345	9,556	9,771	9,990	10,215	10,445	10,680	10,915	11,151	11,387	11,624	11,861	12,099
Equity accounted Investments																
Infrastructure, Prop, Plant & Equip	(4)	59	133	216	310	411	500	612	734	867	1,004	1,145	1,291	1,442	1,598	1,759
Total Non-current Assets	315,054	328,268	339,155	350,494	362,556	374,580	388,480	403,148	418,821	435,644	452,624	470,075	488,096	506,617	526,249	546,086
Total Assets	316,570	329,882	340,877	352,334	364,527	376,690	390,717	405,536	421,372	438,368	457,412	477,587	498,812	520,509	543,350	567,185
Trade & Other Payables	1,590	3,234	3,498	3,600	3,737	3,280	3,565	3,711	3,889	4,086	4,297	4,521	4,758	5,008	5,270	5,544
Deposits and payments in advance	6,059	6,195	6,335	6,477	6,623	6,772	6,924	7,080	7,239	7,402	7,567	7,735	7,906	8,081	8,259	8,441
Short Term Borrowings	1,021	1,044	1,067	1,091	1,116	1,141	1,167	1,193	1,220	1,247	1,274	1,302	1,330	1,358	1,387	1,416
Other Provisions	549	561	574	587	600	614	627	642	656	671	686	701	716	731	746	761
Total Current Liabilities	13,305	15,213	15,746	16,124	16,542	16,374	16,953	17,401	17,886	18,399	18,921	19,454	19,997	20,550	21,113	21,686
Long Term Borrowings	8,892	8,859	8,826	8,792	8,757	8,722	8,686	8,650	8,613	8,576	8,539	8,502	8,465	8,428	8,391	8,354
Other Provisions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	22,952	24,844	25,361	25,722	26,125	26,502	26,502	26,933	27,402	27,897	28,414	28,954	29,517	30,100	30,703	31,326
Net Assets	302,836	314,363	324,851	335,957	347,998	360,521	374,206	388,819	404,415	421,151	438,915	457,633	477,365	498,012	519,674	542,559
Accumulated Surplus	102,043	103,572	107,977	111,043	114,483	118,561	122,929	128,147	133,980	140,466	147,619	154,459	161,999	170,156	178,951	188,406
Asset Revaluation Reserves	199,264	206,387	213,808	221,475	229,397	237,592	246,058	254,838	263,949	273,413	283,247	293,472	304,097	315,122	326,557	338,393
Other Reserves	1,529	4,405	3,067	3,440	4,078	4,368	5,219	5,833	6,486	7,272	8,199	9,277	10,506	11,896	13,446	15,156
Total Equity	302,836	314,363	324,851	335,957	347,998	360,521	374,206	388,819	404,415	421,151	438,915	457,633	477,365	498,012	519,674	542,559





Capital Enhancements - Cost - Escalated	Rural City of Murray Bridge Capital Enhancement Program										Attachment 6
	Year ending 30 June	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	
CAPITAL ENHANCEMENT EXPENDITURE											
Swimming Pool Masterplan	0	1,432	0	0	0	0	0	0	0	0	0
Riverfront trail	96	123	125	128	128	131	134	137	140	140	147
Town entrances	500	409	418	428	437	437	224	229	234	239	244
Stormwater	75	102	105	107	109	109	112	114	117	119	122
PlaySpace Strategy Implementation	0	123	125	128	128	131	134	137	140	140	147
Riverfront Strategy	2,760	2,054	1,105	606	1,518	1,416	2,903	2,903	3,341	3,869	4,726
Footpath and Kerb Enhancement	600	511	523	535	547	559	571	571	584	597	611
Wayfinding and Signage strategy	0	294	63	480	0	0	0	0	0	0	0
Road Enhancement	381	348	355	363	372	380	389	397	397	406	415
Public Toilet Strategy Implementation	0	123	125	128	131	134	137	140	140	143	147
Digital Strategy and Business Improvement	350	61	55	0	0	0	0	0	0	0	0
Other	1,320	0	0	0	0	0	0	0	0	0	0
Sports Grounds	50	0	0	0	0	0	0	0	0	0	0
Other	1,025	0	0	0	0	0	0	0	0	0	0
Public art	25	0	0	0	0	0	0	0	0	0	0
Great Outdoors	100	0	0	0	0	0	0	0	0	0	0
Town Beautification	120	0	0	0	0	0	0	0	0	0	0
Walking and Cycling Plan	124	546	501	804	800	773	855	833	542	841	0
TOTAL CAPITAL ENHANCEMENT EXPENDITURE	11,235	6,126	3,501	3,707	4,176	3,866	5,472	5,927	6,603	7,399	

		Rural City of Murray Bridge						Attachment 7									
		Net Financial Indicators															
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Surplus Ratio																	
Operating Surplus		-362	2,540	2,554	3,099	3,416	3,738	4,066	4,523								
Total Operating Income		38,504	41,141	42,624	44,555	46,311	48,133	50,007	51,993								
		-1%	6%	6%	7%	7%	8%	8%	9%								
Net Financial Liabilities Ratio																	
Net Financial Liabilities		14,087	15,879	16,395	16,754	16,955	16,563	16,915	17,130								
Total Operating Revenue		38,504	41,141	42,624	44,555	46,311	48,133	50,007	51,993								
		37%	39%	38%	38%	37%	34%	34%	33%								
Asset Sustainability Ratio																	
Asset Renewal Expenditure		9,560	7,770	8,011	8,210	8,417	8,637	8,857	9,110								
Net Asset Renewal Expenditure per AMP		7,441	7,770	8,011	8,210	8,417	8,637	8,857	9,110								
		128%	100%	100%	100%	100%	100%	100%	100%								

Attachment 8

Rural City of Murray Bridge Investment Review at 31st August 2019.

In carrying out this review Council has taken the following into account...

- The purposes of the investment;
- The desirability of diversifying council investments;
- The nature of and risk associated with existing council investments;
- The desirability of maintaining the real value of the capital and income of the investment;
- The risk of capital or income loss or depreciation;
- The potential for capital appreciation;
- The likely income return and the timing of income return;
- The length of the term of a proposed investment;
- The period for which the investment is likely to be required;
- The liquidity and marketability of a proposed investment during, and on the determination of, the term of the investment;
- The aggregate value of the assets of the council;
- The likelihood of inflation affecting the value of a proposed investment;
- The costs of making a proposed investment;

Following is a summary of the investments Council has at 31 August 2019.

Council Investments Summary

Acct #	Cash and Cash Equivalents - RCMB	Bank	Interest Rate	Term	Expiry Date	31 Aug 2019 Balance
01011.011.001	RCMB Everyday	CBA	T/Acct	N/A	N/A	928,114
01013.031.001	RCMB Investment	LGFA	1.50%	N/A	N/A	-

Acct #	Cash and Cash Equivalents - RCMB Restricted	Bank	Interest Rate	Term	Expiry Date	31 Aug 2019 Balance
01013.032.001	Investments - LGFA - Zsolt Telkesi Development Fund	LGFA	1.50%	N/A	N/A	65,369
01013.035.001	Investments - LGFA Carparking Development Fund	LGFA	1.50%	N/A	N/A	28,162
01013.044.001	Investments - LGFA Futures Fund	LGFA	2.10%	90 Days	20/09/2019	749,151

Lerwin Investments Summary

Acct #	Cash and Cash Equivalents - Lerwin	Bank	Interest Rate	Term	Expiry Date	31 Aug 2019 Balance
01011.013.001	Lerwin Everyday	CBA	T/Acct	N/A	N/A	15,959
01013.034.001	Lerwin Investment	LGFA	1.50%	N/A	N/A	663,430
01013.039.001	Lerwin - RAD at Call	LGFA	1.50%	N/A	N/A	1,955,955

Acct #	Cash and Cash Equivalents - Lerwin - Restricted	Bank	Interest Rate	Term	Expiry Date	31 Aug 2019 Balance
01013.040.001	Lerwin RAD - Term Deposit	LGFA	2.15%	90 Days	20/10/2019	2,513,184
01013.046.001	Lerwin Donation Reserve (Bequest) Term Deposit	LGFA	2.15%	90 Days	20/10/2019	570,567

Quoted Interest Rates	Interest Rate	Comparison Rate
LGFA - 3 Months	2.15%	2.15%
LGFA - 6 Months	2.53%	2.57%
LGFA - 12 Months	2.65%	2.68%
CBA - 6 Months	2.50%	2.50%
CBA - 12 Months	2.51%	2.51%

During the process of this review the Lerwin RAD Term Deposit and the Lerwin Donation Reserve (Bequest) Term Deposit, were maintained with LGFA from CBA due to better interest rates.

Their terms were also set at 90 days (previously 365 days) due to upcoming decisions regarding the Lerwin Aged Care Facilities Expansion.

Attachment 9

CEO Report on Financial Sustainability

Background

There is a requirement in the *Local Government Act 1999* for the Council's Chief Executive Officer to prepare a report on the Council's long term financial performance and position, taking into account the provisions of Council's Business Plan and Strategic Management Plans as part of a review of its long-term financial plan as soon as practicable after adopting the council's annual business plan for a particular year. This section on Financial Sustainability fulfils this legislative requirement.

What do we mean by sustainability?

In general terms we use sustainability to mean that we can continue our current practices. "Financial Sustainability therefore can be taken to address whether we can sustain our current practices in financial or economic terms.

Or put more simply:

Can we afford it in the long term?

While there is no legislative definition of financial sustainability, the South Australian and Australian Local Government Associations have adopted the following national definition of financial sustainability:

A council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

For Local Government, financial sustainability poses the question:

"Can we continue the sort of revenue and expenditure patterns of recent years while maintaining the levels of service expected by the community?"

What does Financial Sustainability mean for Local Government?

Neglect of financial sustainability can erode a council's capacity to ensure that it has the financial resources to absorb cyclical economic factors, social trends and financial shocks. Funding decisions therefore play an important role in providing Council with the capacity to meet financial sustainability in the medium and long-term

Financial sustainability is also central with regards to the important issue of intergenerational equity. Intergenerational equity (or fairness) involves the costs associated with expenditure being spread over time in accordance with the distribution of the benefits that are generated.

Intergenerational equity requires financial sustainability through the stability of revenue and costs, proportionality of revenues with benefits over time and a "balanced" operating result.

How do we signal/communicate financial sustainability?

An independent inquiry into the financial sustainability of South Australian councils was completed in August 2005. The inquiry recommended that a council's long-term financial sustainability be assessed using a standard set of 4 key financial indicators.

After widespread consideration by Local Government of the inquiry's recommendations, and with input from the SA Local Government Financial Management Group, a further three indicators were added to recommended key financial indicators, and the seven adopted at the Local Government Association's (LGA) April 2007 General Meeting.

The seven Long-Term Financial Sustainability indicators are:

1. Operating Surplus
2. Operating Surplus Ratio
3. Net Financial Liabilities
4. Net Financial Liabilities Ratio
5. Interest Cover Ratio
6. Asset Sustainability Ratio
7. Asset Consumption Ratio

In response, the Rural City of Murray Bridge (RCMB) has endorsed various Strategic Financial Parameters which operate in conjunction with the Long Term Financial Plan to promote sustainability.

The Council will operate in accordance with a sustainable Long Term Financial Plan whereby:

- continuation of the Council's present expenditure, revenue and financing policies
- likely developments in the Council's revenue-raising capacity and in the demand for and costs of its services and infrastructure
- normal financial risks and shocks altogether are unlikely to necessitate substantial increases in council rates (or, alternatively, disruptive service cuts).

This goal is consistent with the definition of financial sustainability proposed by the independent inquiry.

What does legislation require?

Amendments to the *Local Government Act 1999* (LGA) following the independent inquiry outlined a number of requirements that councils must now meet.

- The Act requires councils to have strategic management plans and to report on those. By the end of 2008 all councils will be required to have long-term financial management plans and infrastructure and asset management plans as a part of their suite of strategic management plans (LGA s122(1a))
- Councils are required to have audit committees who are required to provide input to any review of the council's strategic management plans. The Audit committees cannot include council staff or the auditor, and must include at least one person who is not a member of council (LGA s126)
- The Act also requires that long-term financial plans be reviewed as soon as practicable each year after the adoption of the annual business plan. As a part of this review a council CEO must prepare a report on the council's financial sustainability (LGA s122(4a)(a))

The current *Local Government Act (1999)* provides for a cycle of planning which embeds financial sustainability into the development of the business plan and budget.

The *Local Government Act (1999)* includes regulations which require councils to disclose, in a consistent manner, actual and projected performance with respect to an operating surplus ratio, an asset sustainability ratio and a net financial liabilities ratio in their annual budget and long term financial plan.

Financial Sustainability Performance

In the section following is a summary of the Council's financial sustainability position. It sets out each of the seven required Long-Term Financial Sustainability indicators, along with the Council's performance against each.

For each of the indicator there is:

- A brief description of the indicator
- The LGA Target for the indicator
- The Council's Result for the indicator
- A graph showing the previous year's Actual figure, the current year's Budget figure and the Projected Long Term Financial Plan's figures for the next nine years

In all cases, Council meets the target for each relevant indicator

Conclusion

This analysis indicates that the Rural City of Murray Bridge is currently financially sustainable and remains so for the forecast period covered by the 2018-19 Budget Long Term Financial Plan.

Financial Sustainability Summary

1. Operating Surplus

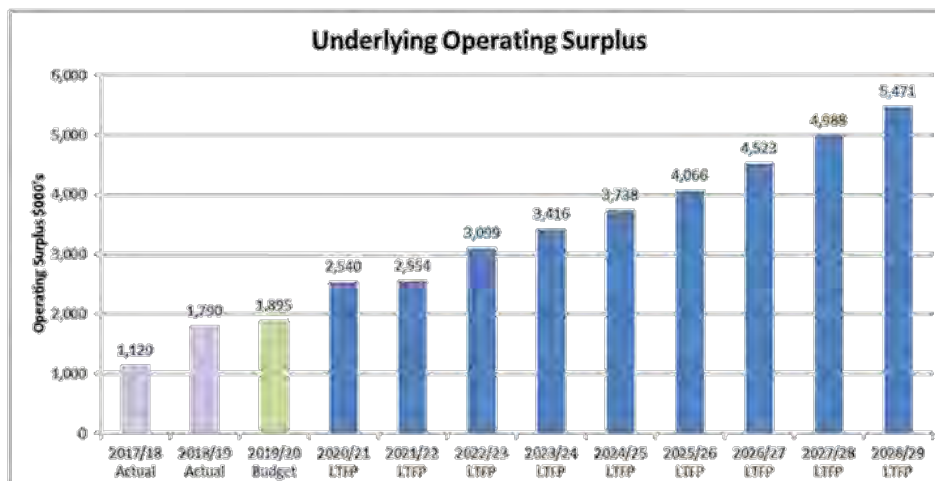
Overview

This indicator represents the difference between day to day income and expenses for the period.

A council's long-term financial sustainability is dependent upon ensuring that, on average over time, its expenses are less than associated revenues. If a council is not generating an operating surplus in most periods then it is unlikely to be operating sustainably. The target is to achieve a breakeven (or better) operating position over any five year period.

	RCMB's Actual Performance
LGA Target:	Operating Surplus > \$0.0m over a 5 year period
RCMB Result:	Operating Surplus = \$1.406m (5 yr ave of audited financial statements)

RCMB's Projected Future Performance as per the 2019-20 Budget Long Term Financial Plan:



2. Operating Surplus Ratio

Overview

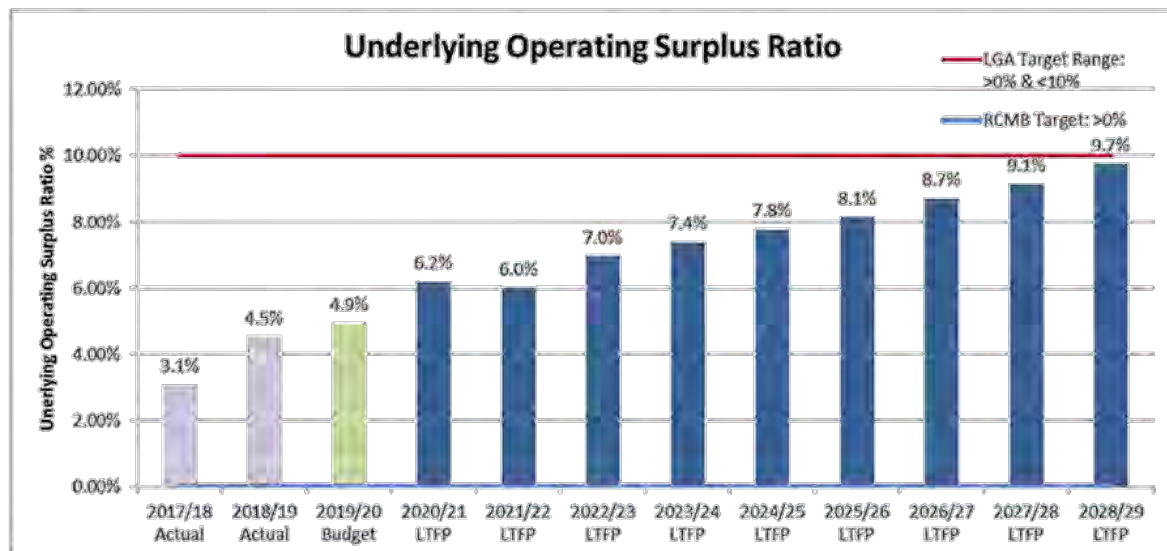
This indicator represents the percentage by which the major controllable income source varies from day to day expenses.

Financial sustainability is indicated where a council consistently achieves operating surpluses and has soundly based projections showing that it can continue to do so in future having regard to asset management and its community's service level needs.

The LGA target is to achieve an operating surplus of between 0 and 10% over any five year period. A result in excess of this may indicate that council is setting rates and/or other fees and charges at levels well in excess of recorded costs and this has negative intergenerational equity implications.

	RCMB's Actual Performance
LGA Target:	Operating Surplus > 0.0% and < 10.0% over a 5 year period
RCMB Target	Operating Surplus > 0.0%
RCMB Result:	Operating Surplus = 3.9% (5 yr ave of audited financial statements)

RCMB's Projected Future Performance as per the 2019-20 Budget Long Term Financial Plan:



3. Net Financial Liabilities

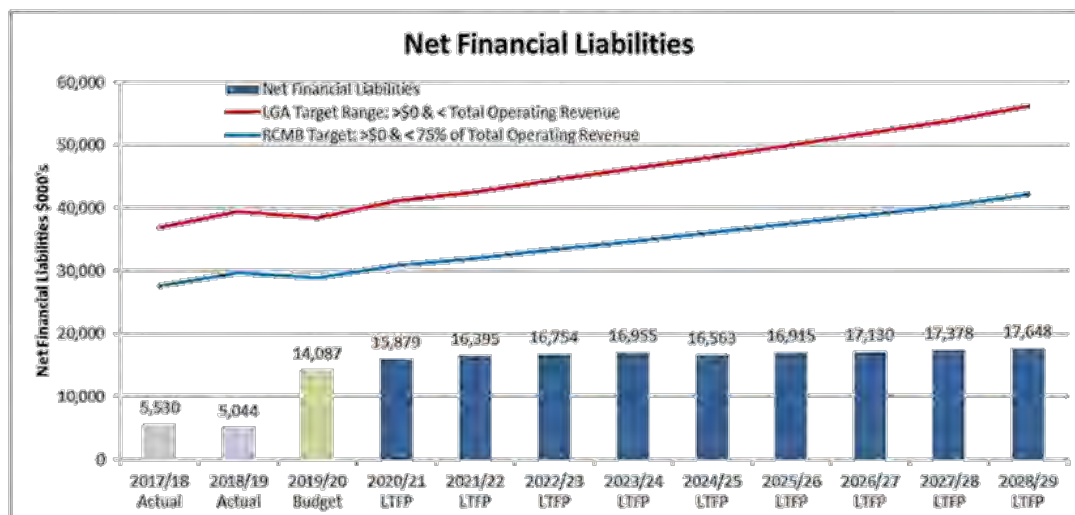
Overview

This indicator represents the money owed to others less money held, invested or owed to Council.

A council's indebtedness should be managed to ensure its liabilities and associated costs can be met without the prospect of disruptive service cuts and/or excessive rate increases (ie without impinging on financial sustainability). There is no right or wrong target level for net financial liabilities (defined as total liabilities less financial assets) as this depends on infrastructure plans. The target is that net financial liabilities are no greater than annual operating revenue and not less than zero.

	RCMB's Actual Performance
LGA Target:	Net Financial Liabilities > \$0 and < Total Operating Revenue
RCMB Target:	Net Financial Liabilities > \$0 and < 75% of Total Operating Revenue
RCMB Result:	Net Financial Liabilities (\$5.0m) < Total Operating Revenue (\$39.5m) 75% of Total Operating Revenue (\$29.6m)

RCMB's Projected Future Performance as per the 2019-20 Budget Long Term Financial Plan:



4. Net Financial Liabilities Ratio

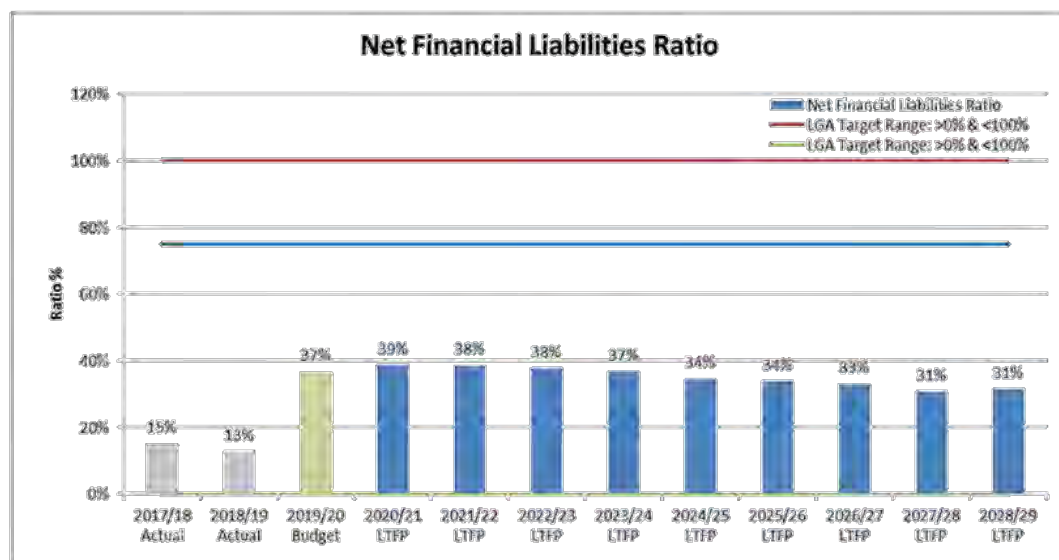
Overview

This indicator represents the significance of the net amount owed compared with income. The target for Net Financial Liabilities should normally be greater than zero. If not then it is likely to imply that a council is willing to place a higher priority on accumulating financial assets than applying funds generated from ratepayers to the provision of services and/or infrastructure renewal. This could leave a council open to accusations that it is overcharging ratepayers relative to its funding needs. Hence the target is that the Net Financial Liabilities Ratio be greater than 0% but less than 100% of total operating revenue.

The level of borrowings shall be within acceptable prudential limits to ensure the long-term sustainability of Council. Because prudential limits have been set by financial institutions as part of covenants associated with existing loans, it is imperative that these are not exceeded. Accordingly, Council has set a lower limit than has been recommended by the LGA to ensure that it meets the prudential requirements of the financial institutions relating to existing loans.

	RCMB's Actual Performance
LGA Target:	Net Financial Liabilities > 0% and < 100% of Total Operating Revenue
RCMB Target:	Net Financial Liabilities > 0% and < 75% of Total Operating Revenue
RCMB Result:	Net Financial Liabilities = 13% of Total Operating Revenue

RCMB's Projected Future Performance as per the 2019-20 Budget Long Term Financial Plan:



5. Interest Cover Ratio

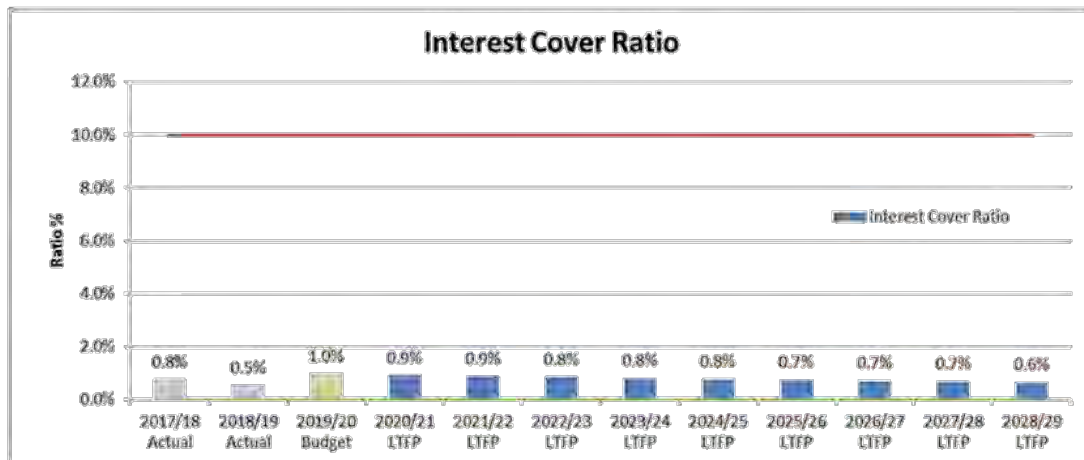
Overview

This indicator represents the level of income used to pay interest on loans.

The ratio needs to be managed within a range acceptable to a council having regard to long-term financial sustainability and Strategic Plans. To ensure net interest costs can be met comfortably by operating revenues, the target is that net interest is greater than 0% and less than 10% of operating revenue.

	RCMB's Actual Performance
LGA Target:	Interest Expense > 0.0% and < 10.0% of Total Operating Revenue
RCMB Result:	Interest Expense > 0.5% of Total Operating Revenue

RCMB's Projected Future Performance as per the 2019-20 Budget Long Term Financial Plan:




6. Asset Sustainability Ratio

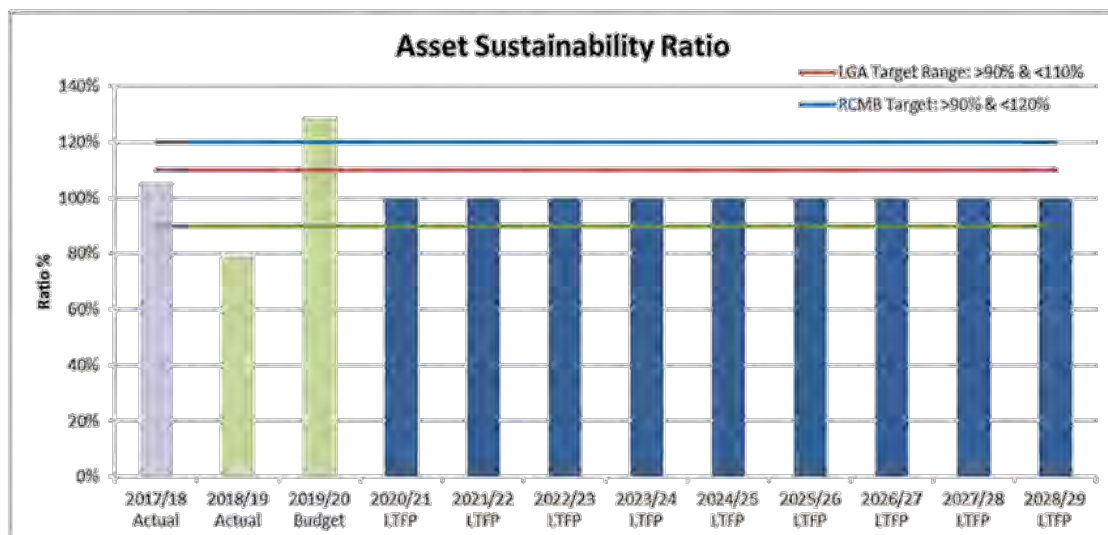
Overview

This indicator represents the extent to which assets are being replaced at the rate they are wearing out.

Asset sustainability is measured by comparing renewal/replacement capital expenditure with the recorded rate of depreciation of assets for the same period. This indicates whether a council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out.

	RCMB's Actual Performance
LGA Target:	Renewal/Replacement Capex > 90% but <110%
RCMB Target:	Renewal/Replacement Capex > 90% but <120%
RCMB Result:	Renewal/Replacement Capex = 97.7% of Depreciation (5 yr ave of audited financial statements)

RCMB's Projected Future Performance as per the 2018-19 Budget Long Term Financial Plan:



7. Asset Consumption Ratio

Overview

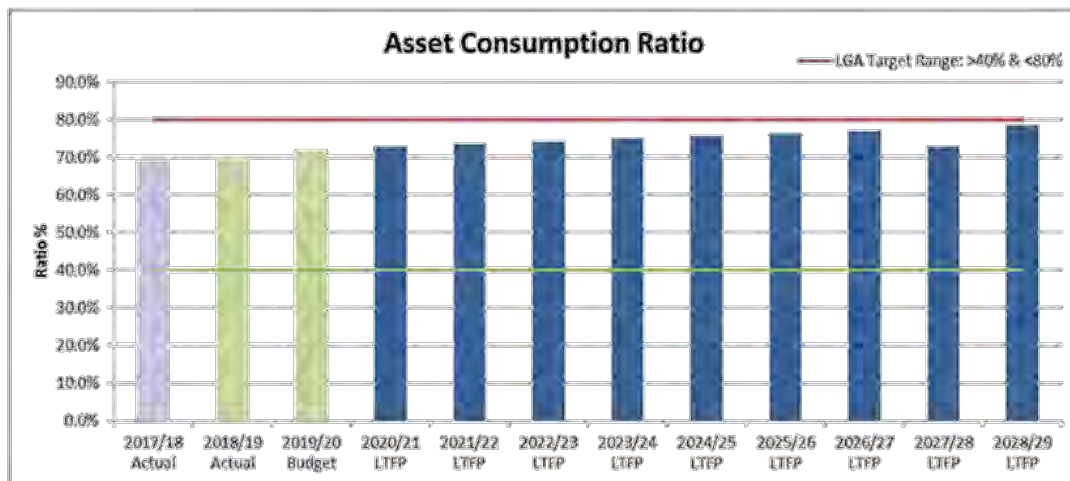
This indicator represents the average proportion of "as new condition" left in assets.

The ratio shows the written down current value of depreciable assets relative to their "as new" value in up to date prices. It highlights the aged condition of physical assets and hence the magnitude of potential future capital outlays to preserve their service potential.

In order for RCMB to apply this parameter it has been necessary to make memorandum adjustments for accumulated depreciation netted against gross replacement cost. This ratio has been calculated for infrastructure assets based on the revaluation undertaken in 2014, adjusted for subsequent additions, disposals and depreciation charges. Note that the ratio has been applied excluding land asset categories.

	RCMB's Actual Performance
LGA Target:	Asset Consumption Ratio > 40% and < 80%
RCMB Result:	Asset Consumption Ratio = 69.3%

RCMB's Projected Future Performance as per the 2019-20 Budget Long Term Financial Plan:



Glossary

Asset Management Renewal Capital Projects

The Asset Management Renewal Program provides for the maintenance of Council's existing assets and is determined by Council's Asset Management Plans and current condition of assets.

Asset Sustainability Ratio

Asset Sustainability Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to the level of depreciation. Where a council has a soundly based Infrastructure and Asset Management Plan, a more meaningful asset sustainability ratio would be calculated by measuring the actual level of capital expenditure on renewal and replacement of assets (or proposed in the Budget) with the optimal level identified in the Business Plan.

Financial Assets

Financial Assets include cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses. Also, inventories and land held for resale are not regarded as financial assets.

Financial Sustainability

Financial Sustainability is where planned long-term service and infrastructure levels and standards are met without unplanned and disruptive increases in rates or cuts to services.

Net Financial Liabilities

Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, investments, loans to community groups, receivables and pre-payments, but excludes equity held in Council businesses, inventories and land held for re-sale.

Net Financial Liabilities Ratio

Net Financial Liabilities Ratio expresses Net Financial Liabilities as a percentage of total operating revenue. The ratio allows interested parties to readily equate the outstanding level of the Council's accumulated financial obligations against the level of one-year's operating revenue. Where the ratio is falling over time, it generally indicates that the Council's capacity to meet its financial obligations is strengthening.

Net Lending/(Borrowing)

Net Lending/(Borrowing) equals Operating Surplus/(Deficit), less net outlays on non-financial assets. The Net Lending/(Borrowing) result is a measure of the Council's overall (i.e. Operating and Capital) budget on an accrual basis. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's revenues.

Non-Financial or Physical Assets

Non-financial or Physical Assets means infrastructure, land, buildings, plant, equipment, furniture and fittings, library books and inventories.

Operating Deficit

Operating Deficit is where operating revenues less operating expenses is negative and operating income is therefore not sufficient to cover all operating expenses.

Operating Expenses

Operating Expenses are operating expenses including depreciation but excluding losses on disposal or revaluation of non-financial assets.

Operating Revenues

Operating Revenues are operating revenues shown in the Income Statement but exclude profit on disposal of non-financial assets and amounts received specifically for new/ upgraded assets, e.g. from a developer.

Operating Surplus

Operating Surplus is where operating revenues less operating expenses is positive and operating revenue is therefore sufficient to cover all operating expenses.

Operating Surplus Ratio

Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates.

Strategic Enhancement Capital Projects

The delivery of Council's Strategic Enhancement Program provides new and enhanced facilities in accordance with the Strategic Plan objectives and Capital City responsibilities.

Strategic Projects

Strategic Projects deliver or enable the delivery of Council's Strategic Plan and which cannot be fully delivered through operating services or capital resources.



167.2 FINANCIAL PERFORMANCE REPORT - AUGUST 2019

Author Brad Warncken

Legislative () Corporate (X) Other ()

Purpose

For Council to note the comparison of the financial results with the 2019/20 Revised Budget for the two months ending 31 August 2019.

Background

The following reports are included as attachments to this report:

August 2019 Year to date

Attachment 1 – Statement of Comprehensive Income

Attachment 2 – Balance Sheet

Attachment 3 – Key Projects Status Report

Attachment 4 – Capital Projects Status Report

Statement of Comprehensive Income – To August 2019

The August 2019 Operating Surplus of \$195k is \$84k favourable when compared to the YTD Budgeted Surplus of \$111k.

Total Income of \$6,177k is \$7k unfavourable to the YTD budget, mainly reflecting timing differences.

Total expenses of \$5,982k are \$91k favourable to the YTD budget reflecting some timing differences.

Key Projects

Total expenditure on Key Projects was \$202k, compared to the YTD budget of \$231k. (Attachment 3).

Small Wins Key Project

The following table outlines the allocation of the \$100k Small Wins Key Project for 2019/20, and the carried forward amount of \$17k of Small Wins not fully drawn upon in 2018/19 that has been approved to be carried forward by Council.

As at the end of August 2019, \$87k of the Small Wins Funding remains unallocated.

2019/20 Small Wins Key Project - August 2019				
Project Initiative	Small Win (S) / Quick Win (Q)	Project Allocation	YTD Actual	Project Balance
Proposed Prior Year Carried Forward Commitments				
3615 - Small Wins - Murraylands Community Men's Shed Incorporated	S	363	0	363
4633 - Ngarrindjeri Cultural Installation - Murray Bridge Library	S	9,962	1,666	8,296
3739 - Ngarrindjeri Regional Authority Riverfront Strategy Design Brief	S	681	0	681
3747 - SALA (SA Living Artists Festival) - Support for Local Artists for SALA registration	S	550	0	550
3781 - Cast Bronze Plaque for Travellers Totem	S	488	0	488
4081 - Council DA Fee for Murray Bridge Basketball Association	Q	1,074	0	1,074
4103 - 2017 Mental Health Expo	Q	1,033	0	1,033
4194 - Eastern Hills Murray Plains Catchment Group Business Case	S	690	0	690
4211 - Rotary Club of Mobilong Town Hall Hire	Q	343	0	343
4597 - Violence Against Women & Children Booklet	S	150	0	150
2019/20 Approved Commitments				
4714 - Callington Recreation Park Inc - Update of Callington History Flyer	S	327	327	0
4723 - Rotary Club of Murray Bridge - Annual Ambrose Golf Comp	S	1,000	1,000	0
4724 - Support Vulnerable People Program - Kalparrin Community Inc	Q	2,000	2,000	0
4738 - NAIDOC Week Celebration at Murray Bridge North School	Q	2,000	2,000	0
4741 - Crane Hire for Murray Bridge Riverboard, Rail and Steam Group	Q	2,000	2,000	0
4750 - Murray Bridge Basketball Club Junior Development Uniforms	Q	2,000	2,000	0
4751 - Maori Evangelical Church Kai Time Cooking	Q	2,000	1,655	345
4768 - Jelina Haines ASIS & T Conference Sponsorship and Thesis Support	S	2,000	2,000	0
4775 - Murray Bridge High School Iawards trip	S	2,000	2,000	0
		30,661	16,648	14,013
Proposed Prior Year Carried Forward Commitments		17,290		
2019/20 Small Wins Budget		100,000		
Total Funding Available		117,290		
Unallocated Small Wins Funding		86,629		

Capital Projects

Actual year to date expenditure on Capital Projects is \$1,138k compared to the YTD budget of \$1,206k (Attachment 4). The variance of \$68k reflects minor timing differences.

Balance Sheet

The majority of balance sheet accounts are close to the approved budget. Cash and Cash equivalents are lower than budgeted by \$1,825k but are more than offset by Non Current Loan Liabilities which are \$7,796k favourable to budget. This is essentially due to the timing of the carry forward Key Project and Capital project programs.

The rates receivable balance of \$1,610k is attributable to outstanding rates for 2018/19 and prior, and reflects a \$21k reduction on the closing balance at 30 June 2019.

Rural City of Murray Bridge		
Rates Receivable		
As at August 2019	2018/19 Carried Forward	Total
	\$'000	\$'000
Opening Balance	1,631	1,631
Interest and Fines Applied	37	37
Payments received 31/08/2019	(57)	(57)
Outstanding at 31/08/19	1,610	1,610

Net Funding Position

The Council's Net Funding Position is as follows:

Rural City of Murray Bridge					
YTD Cash Position Statement					
August 2019 YTD	Actual 2018/19 Un-Audited	August YTD Actual	August YTD Budget	Var	Revised Budget
Non Restricted Funding	\$'000	\$'000	\$'000	\$'000	\$'000
Non-Restricted Cash (available)	2,095	1,514	3,339	(1,825)	1,546
Short Term Borrowings	(1,093)	(1,269)	(1,041)	(228)	(1,021)
Long Term Borrowings	(1,388)	(1,128)	(8,924)	7,796	(8,892)
Total Non Restricted Funding	(386)	(883)	(6,626)	5,743	(8,367)
Restricted Funding					
Lerwin Resident Deposits	4,792	4,469	3,965	504	3,634
Lerwin Legacy	568	571	571	0	575
Restricted Cash - Futures Fund	730	730	1,301	(571)	1,308
Other	113	112	113	(1)	115
Total Restricted Funding	6,203	5,882	5,950	(68)	5,632
Net Cash Position	5,817	4,999	(676)	5,675	(2,735)
Cash Flow	(1,870)	(818)	(6,493)	5,675	(8,552)

The non-restricted funding position represents the net cash or net borrowings of the Council associated with normal operating activities. It excludes cash which is restricted, most notably the Lerwin Resident Deposits, Lerwin Legacy Receipt and the Futures Fund.

The net cash position of \$4,999k is \$5,675k better than the approved budget, mainly due to the timing of the capital project spend and the favourable operating result for 2018/19.

Proposal

That Council notes the comparison of the year to date financial results with the 2019/20 Revised Budget for the two months ending 31 August 2019.

Legislative Requirements

Section 123 (2) (b) requires that the Annual Business Plan includes an outline of the Council's objectives for the financial year.

Council Policy

Budget Reporting and Amendment Policy (#714009).

Financial Implications

Monthly monitoring and reporting on the progress of projects and financial position:

- Demonstrated accountability and transparency;
- Enables Council to monitor activities to ensure that projects are on track; and
- Indicates progress against achievement for long term financial sustainability targets.

Risk

Monthly monitoring and reporting and final year-end review on the progress of projects and financial position provides a vigorous business process that assists in mitigating an identified strategic risk.

WHS

Not applicable

Asset Management

Monthly monitoring and reporting and the final year-end review on the progress of capital projects and financial position allows:

- efficient development of infrastructure;
- appropriate allocation of funding for maintenance, replacement and upgrade of assets; and
- consistent delivery of community services.

Implementation Strategy

The monthly Annual Budget progress reports are reviewed by the Executive Leadership Team and provided as a report to Council.

Communication Strategy

The Monthly Financial Performance reports will be posted on Council's website following the Council meeting as part of the minutes.

Strategic Plan

Goal 5 – Our Commitment – Ensuring Delivery

5.2 Sustainable

Recommendation

1. *That item number 167.2 on the Council agenda of 14 October 2019 be received and noted.*
2. *That Council note the progress made in the one month against the 2019/20 Revised Budget as at 31 August 2019.*

Attachments

1	Statement of Comprehensive Income	Attachment
2	Balance Sheet	Attachment
3	Key Projects Status Report	Attachment
4	Capital Projects Status Report	Attachment

Cr Toogood moved

1. *That item number 167.2 on the Council agenda of 14 October 2019 be received and noted.*
2. *That Council note the progress made in the one month against the 2019/20 Revised Budget as at 31 August 2019.*

Seconded by Cr De Michele and CARRIED

Attachment 1

Rural City of Murray Bridge					
Statement of Comprehensive Income					
August 2019 YTD	Actual 2018/19 Un-Audited	August YTD Actual	August YTD Budget	Variance	Revised Budget
	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME					
Rates	24,847	4,388	4,364	24	26,185
Statutory charges	490	90	104	(14)	625
User Charges	2,273	369	366	3	2,449
Grants, subsidies and contributions	10,874	1,176	1,215	(39)	8,438
Investment income	157	10	23	(13)	135
Reimbursements	400	57	33	24	196
Other income	376	81	73	8	438
Net gain - JV & associates	35	6	6	0	38
Total Income	39,452	6,177	6,184	(7)	38,504
EXPENSES					
Employee costs	16,240	2,527	2,534	7	16,662
Materials, contracts and other expenses	13,741	2,170	2,236	66	14,384
Depreciation, amortisation and impairment	7,071	1,236	1,240	4	7,441
Finance costs	212	49	63	14	379
Total Expenses	37,264	5,982	6,073	91	38,866
OPERATING SURPLUS / (DEFICIT)	2,188	195	111	84	(362)
Amts received spec for new or upgraded assets	561	0	0	0	1,831
Physical resources received free of charge	64	10	10	0	60
Net Gain/Loss on Disposal or Revaluation of Assets	(1,830)	0	0	0	0
NET SURPLUS / (DEFICIT)	983	205	121	84	1,529
Revaluation reserve adjustments	13,507	0	0	0	6,826
TOTAL COMPREHENSIVE INCOME	14,490	205	121	84	8,355

Attachment 2

Rural City of Murray Bridge					
Balance Sheet					
As at August 2019	Actual 2018/19 Un-Audited	August YTD Actual	August YTD Budget	Var	Revised Budget
	\$'000	\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash and Cash equivalents	2,095	1,514	3,339	(1,825)	1,546
Cash and Cash Equivalents - Restricted	6,203	5,882	5,950	(68)	5,632
Rates Receivable	1,631	1,610	1,509	101	1,384
General Debtors and Other Receivables	679	621	878	(257)	303
Prepayments and Accrued Revenue	487	840	605	235	190
Rates Income Accrued	0	4,354	4,114	240	0
Inventories	448	390	273	117	163
Non-Current Assets Held for Sale	571	571	571	0	0
Total Current Assets	12,114	15,782	17,239	(1,457)	9,218
Non Current Assets					
Equity Accounted Investments	(6)	16	(41)	57	(4)
Fixed Assets	294,059	292,904	301,046	(8,142)	315,054
Work in Progress	3,065	4,556	3,156	1,400	1,520
Total Non Current Assets	297,118	297,476	304,161	(6,685)	316,570
Total Assets	309,232	313,258	321,400	(8,142)	325,788
Current Liabilities					
Trade Payables	2,976	696	1,016	320	1,590
Deposits/Trusts/Payments Rec'd in Advance	6,361	6,820	6,827	7	6,059
Rates Paid In Advance	0	4,571	4,527	(44)	0
Current Loan Liabilities	1,093	1,269	1,041	(228)	1,021
Employee Entitlements (LSL)	1,526	1,557	1,549	(8)	1,706
Employee Entitlements (AL)	1,636	1,679	1,550	(129)	1,763
Other Employer Entitlements	308	498	509	11	617
Other Current Liabilities (accruals)	175	678	695	17	549
Total Current Liabilities	14,075	17,768	17,714	(54)	13,305
Non Current Liabilities					
Non Current Loan Liabilities	1,388	1,128	8,924	7,796	8,892
Employee Entitlements (LSL)	670	726	737	11	755
Total Non-Current Liabilities	2,058	1,854	9,661	7,807	9,647
Total Liabilities	16,133	19,622	27,375	7,753	22,952
NET ASSETS	293,099	293,636	294,025	(389)	302,836
Accumulated Surplus (Deficit)	99,678	100,993	102,043	(1,050)	102,043
Asset Revaluation Reserve	192,438	192,438	191,861	577	199,264
Surplus (Deficit) - Current	983	205	121	84	1,529
NET EQUITY	293,099	293,636	294,025	(389)	302,836

2019/20 Key Projects Program - Status Report for the Month Ending August 2019

Project Code	Project	Income				Expenditure				
		YTD Actual	YTD Budget	Var	Revised Budget	YTD Actual	YTD Budget	Var	Revised Budget	% Spent
Valued Environment		0	0	0	0	0	0	0	135,000	0%
73264	Thiele Reserve - Plantings along boundary	0	0	0	0	0	0	0	10,000	0%
73265	Thiele Reserve - Weed Management	0	0	0	0	0	0	0	20,000	0%
84118	Weed Management Program 2019-20	0	0	0	0	0	0	0	50,000	0%
73266	Stormwater and Water & Sewer Asset Condition Assessment	0	0	0	0	0	0	0	50,000	0%
73267	Waste Education	0	0	0	0	0	0	0	5,000	0%
Great People and Lifestyle		8,334	13,620	(5,286)	81,714	18,633	19,436	803	511,739	4%
73248	Minor Funding for DPA Consultation	0	0	0	0	0	0	0	5,000	0%
73258	PDI Act Legislation Implementation	0	0	0	0	0	0	0	40,000	0%
73239	Planning and Design Code Transition	0	0	0	0	0	0	0	50,000	0%
73268	Regulation - Education and Advertising	0	0	0	0	0	0	0	10,000	0%
71126	Regional Public Health Plan Implementation	0	0	0	0	0	0	0	10,000	0%
73254	SPLASH 2020	0	0	0	0	0	0	0	120,000	0%
73191	Sturt Reserve - Community Events	0	0	0	0	0	0	0	50,000	0%
71397	Skate Park Events - 3 per year	0	0	0	0	0	0	0	9,000	0%
73276	Spring Garden Competition	0	0	0	0	0	0	0	2,000	0%
73269	Christmas Lights Competition	0	0	0	0	0	0	0	2,000	0%
73270	Water Based Recreation Management Plan	0	0	0	0	0	0	0	40,000	0%
72231	STARclub	8,334	13,620	(5,286)	81,714	12,860	18,102	5,242	115,739	11%
73193	School Holiday and VET at The Station	0	0	0	0	0	0	0	10,000	0%
73242	Health Partnership Project	0	0	0	0	0	0	0	20,000	0%
73257	P Plate Program	0	0	0	0	0	0	0	5,000	0%
73243	Performance Development Program	0	0	0	0	1,083	0	(1,083)	15,000	7%
73611	Library Events	0	0	0	0	4,690	1,334	(3,356)	8,000	59%
Dynamic Economy		0	0	0	0	81,647	100,000	18,353	450,000	18%
73246	CBD Activation	0	0	0	0	0	0	0	20,000	0%
73271	Tourism Development Plan	0	0	0	0	0	0	0	30,000	0%
73272	Tour Down Under 2020	0	0	0	0	0	0	0	50,000	0%
71300	Major Events / Sponsorship	0	0	0	0	0	20,000	20,000	280,000	0%
73218	SA Variety Bash	0	0	0	0	10,000	10,000	0	10,000	100%
73639	Murray Bridge Marathon	0	0	0	0	10,746	10,000	(746)	0	0%
73213	Pedal Prix	0	0	0	0	60,901	60,000	(901)	60,000	102%
Connected Communities		0	0	0	0	36,128	53,772	17,644	405,000	9%
70027	Community Network (formally Connect4Action)	0	0	0	0	1,800	0	(1,800)	15,000	12%
71296	Youth Council	0	0	0	0	115	834	719	5,000	2%
71135	Digital Strategy	0	0	0	0	17,565	36,272	18,707	225,000	8%
71189	Sport and Recreation Facilities Grant Program	0	0	0	0	0	0	0	60,000	0%
73190	Small Wins / Quick Wins	0	0	0	0	16,648	16,666	18	100,000	17%
Ensuring Delivery		0	0	0	0	14,361	10,000	(4,361)	209,000	7%
73273	Buildings Asset Management Plan	0	0	0	0	0	0	0	9,000	0%
71238	Strategic Plan Review / Development Inc Economic	0	0	0	0	4,061	0	(4,061)	20,000	20%
71190	Aerial Photography	0	0	0	0	0	0	0	40,000	0%
71295	Two Trainees Funding	0	0	0	0	0	0	0	80,000	0%
71294	Staff Climate and Culture Survey	0	0	0	0	0	0	0	30,000	0%
73274	Representation Review	0	0	0	0	0	0	0	10,000	0%
73275	Performance Excellence Program (Year 2)	0	0	0	0	10,300	10,000	(300)	20,000	52%
Total 2019/20 Key Projects		8,334	13,620	(5,286)	81,714	150,770	183,208	32,438	1,710,739	9%
Proposed Carry Forward from 2018/2019										
73234	Market Place Garden Beds	0	0	0	0	1,574	0	(1,574)	13,700	11%
73236	Environmental Sustainability Grant	0	0	0	0	0	0	0	20,000	0%
73260	Town Beautification - Swanport Road TAFESA	0	0	0	40,000	0	0	0	50,000	0%
71282	Revegetation Plan - Hume Reserve	0	0	0	0	1,099	0	(1,099)	17,000	6%
71126	Regional Public Health Plan	0	0	0	0	0	0	0	18,000	0%
73238	Service Review - Animal Management Services & Animal	0	0	0	0	0	0	0	19,000	0%
73239	Planning and Design Code Transition	0	0	0	0	0	0	0	90,000	0%
73240	Accessibility Action Plan	0	0	0	0	0	0	0	40,000	0%
73261	Learning Innovation Hub	0	0	0	270,359	0	0	0	276,359	0%
73626	Regional Study Hub	0	0	0	299,255	36,381	37,000	619	592,843	6%
73241	Oval Masterplans and Management Plans (Homburg Oval,	0	0	0	0	6,118	6,000	(118)	10,000	61%
71292	Destination Management Plan	0	0	0	0	0	0	0	11,000	0%
73200	Ngarrindjeri Cultural Management Plan	0	0	0	0	0	0	0	40,000	0%
73245	MB Speedway Burn Out Pad	0	0	0	0	0	0	0	66,973	0%
73246	CBD Activation	0	0	0	0	0	0	0	32,000	0%
73250	Prospectus Murray Bridge	0	0	0	0	4,387	5,000	613	22,291	20%
73190	Grants Funding - Small Wins / Quick Wins	0	0	0	0	0	0	0	17,290	0%
71189	Grants Funding - Sport and Recreation Facilities	0	0	0	0	0	0	0	38,000	0%
71289	Community Network	0	0	0	0	1,487	0	(1,487)	18,800	8%
71296	Youth Council	0	0	0	0	0	0	0	14,700	0%
71227	Startup Projects	0	0	0	0	0	0	0	20,000	0%
73258	PDI legislation Implementation	0	0	0	0	0	0	0	26,700	0%
71135	Digital Strategy	0	0	0	0	0	0	0	41,500	0%
Total Key Projects		8,334	13,620	(5,286)	609,614	51,045	48,000	(3,045)	1,496,156	3%
Total Key Projects		8,334	13,620	(5,286)	691,328	201,815	231,208	29,393	3,206,895	6%

2019/20 Capital Program - Status Report for the Month Ending August 2019

Project Code	Project	Income				Expenditure				
		YTD Actual	YTD Budget	Var	Revised Budget	YTD Actual	YTD Budget	Var	Revised Budget	% Spent
Valued Environment										
Roads, Kerbs and Footpaths										
		0	0	0	0	458,990	404,000	(54,990)	4,491,500	10%
20126	Road Resheeting Program 2019/20	0	0	0	0	278,211	187,000	(91,211)	935,000	30%
20153	Road Reconstruction Program 2019/20	0	0	0	0	68,973	127,000	58,027	1,270,000	5%
20154	Road Resealing Program 2019/20	0	0	0	0	764	0	(764)	880,000	0%
19303	Kerb Renewal Program 2019/20	0	0	0	0	0	0	0	234,000	0%
20134	Kerb Expansion Program	0	0	0	0	0	0	0	150,000	0%
20181	Sixth Street Kerb Remediation	0	0	0	0	0	0	0	125,000	0%
20133	Footpath Renewal Program 2019/20	0	0	0	0	6,130	18,000	11,870	112,500	5%
19217	Footpath Expansion Program	0	0	0	0	101,253	72,000	(29,253)	450,000	23%
20182	Bridge, Culvert, Ford, Causeway Renewal Program 2019/20	0	0	0	0	0	0	0	60,000	0%
20183	Stormwater Renewal Program	0	0	0	0	0	0	0	200,000	0%
19160	SWHR Expansion Design	0	0	0	0	3,061	0	(3,061)	75,000	4%
Open Space (Non Riverfront)										
		0	0	0	0	8,470	25,000	16,530	694,343	1%
20088	Signage Renewal Program 2019/20	0	0	0	0	0	0	0	50,000	0%
19201	Bridge Street Refresh Project - Stage 2	0	0	0	0	0	0	0	65,000	0%
20184	Infrastructure Design (General)	0	0	0	0	1,886	16,000	14,114	100,000	2%
19315	Trail Strategy Implementation	0	0	0	0	0	0	0	25,000	0%
19361	Walking and Cycling Masterplan Impementation	0	0	0	0	0	0	0	139,343	0%
19362	Market Place Garden Beds	0	0	0	0	0	9,000	9,000	90,000	0%
20178	Green Spaces	0	0	0	0	6,584	0	(6,584)	100,000	7%
19363	Solar Panels - Lerwin	0	0	0	0	0	0	0	125,000	0%
Total Valued Environment										
		0	0	0	0	466,860	429,000	(37,860)	5,185,843	9%
Great People and Lifestyle										
Buildings and Street Park Furniture										
		0	0	0	0	3,278	108,800	105,522	1,226,000	0%
20091	Buildings Renewal Program	0	0	0	0	1,174	108,800	107,626	680,000	0%
20138	Street and Park Furniture Renewal Program	0	0	0	0	2,104	0	(2,104)	546,000	0%
Riverfront Strategy										
		0	0	0	1,401,000	9,210	15,000	5,790	3,113,000	0%
19364	Riverfront Strategy - Recreation Precinct / Boat Ramp	0	0	0	1,401,000	4,260	0	(4,260)	2,963,000	0%
19365	Sturt Reserve Bank Stabilisation - Design	0	0	0	0	4,950	15,000	10,050	150,000	3%
Great Outdoors										
		0	0	0	0	0	0	0	631,000	0%
19354	Trail Improvements - Thiele Reserve	0	0	0	0	0	0	0	56,000	0%
20147	Toilets - Adelaide Road Cemetery	0	0	0	0	0	0	0	180,000	0%
20147	Toilets - Thiele Reserve	0	0	0	0	0	0	0	120,000	0%
20147	Toilets - Homburg Reserve	0	0	0	0	0	0	0	50,000	0%
20147	Toilets - Monarto	0	0	0	0	0	0	0	50,000	0%
19354	Playspace improvements - Monarto	0	0	0	0	0	0	0	50,000	0%
19354	Playspace improvements - Homburg Reserve	0	0	0	0	0	0	0	50,000	0%
19354	Playspace improvements - Thiele Reserve	0	0	0	0	0	0	0	50,000	0%
19354	Trail & BMX track improvements	0	0	0	0	0	0	0	50,000	0%
19354	Reserve Improvements - Link to Lavender Federation Trail	0	0	0	0	0	0	0	25,000	0%
Open Space (Non Riverfront)										
		0	0	0	0	1,786	3,000	1,214	630,000	0%
20185	Swimming Pool Repairs	0	0	0	0	0	3,000	3,000	30,000	0%
20186	Oval Perimeter Fence Replacement	0	0	0	0	0	0	0	150,000	0%
19366	Cemetery Upgrades	0	0	0	0	0	0	0	100,000	0%
19343	Sports Grounds - (Urgent Works)	0	0	0	0	1,055	0	(1,055)	100,000	1%
19367	Rotunda and Lighting of The Station	0	0	0	0	0	0	0	75,000	0%
19368	Roundhouse Walking Path Upgrade	0	0	0	0	0	0	0	50,000	0%
19228	Murray Coorong Trail (ongoing for 5 years)	0	0	0	0	0	0	0	40,000	0%
19370	Lifestyle IPad Program	0	0	0	0	0	0	0	7,500	0%
20187	Call Bell / DECT Upgrade	0	0	0	0	0	0	0	10,000	0%
19220	Christmas Decorations	0	0	0	0	731	0	(731)	30,000	2%
19341	Public Art	0	0	0	0	0	0	0	25,000	0%
20188	Town Hall Theatre Light Replacement (Yr 1 of 2)	0	0	0	0	0	0	0	62,500	0%
Total Great People and Lifestyle										
		0	0	0	1,401,000	14,278	126,800	112,522	5,700,000	0%
Dynamic Economy										
		0	0	0	0	32,726	80,000	47,274	400,000	8%
19345	Swanport Road - Implementation of Masterplan	0	0	0	0	6,652	0	(6,652)	200,000	3%
Total Dynamic Economy										
		0	0	0	0	39,379	80,000	40,621	600,000	7%
Our Commitment										
		0	0	0	0	0	0	0	90,000	0%
20144	Digital Strategy Implementation (Capital Expenditure)	0	0	0	0	13,610	72,640	59,030	454,000	3%
20042	Lerwin - Plant Renewal & Building Maintenance	0	0	0	0	0	0	0	150,000	0%
20139	Plant and Fleet Renewal Program 2019/20	0	0	0	0	80,642	0	(80,642)	1,350,000	6%
19183	Riverglen Water Treatment Plant Capacity Upgrade	0	0	0	0	2,408	0	(2,408)	87,000	3%
19372	Depot Improvements and Hardstand Upgrade	0	0	0	0	0	0	0	10,000	0%
Total Our Commitment										
		0	0	0	0	96,660	72,640	(24,020)	2,141,000	5%
Total 2019/20 Capital Program										
		0	0	0	1,401,000	617,172	708,440	91,268	13,626,843	5%

2019/20 Capital Program - Status Report for the Month Ending August 2019

Project Code	Project	Income				Expenditure				
		YTD Actual	YTD Budget	Var	Revised Budget	YTD Actual	YTD Budget	Var	Revised Budget	% Spent
Proposed Carried Forward from 2018/2019										
19303	Kerb Expansion	0	0	0	0	0	0	0	47,000	0%
20153	Road Reconstruction Program	0	0	0	0	0	0	0	414,800	0%
20126	Road Resheet Program	0	0	0	0	0	0	0	360,000	0%
19336	Mitchell Ave Stormwater	0	0	0	0	66	0	(66)	207,600	0%
20179	East Tce Relining	0	0	0	0	0	0	0	35,800	0%
19338	Customer Experience - Customer Relationship Management Software	0	0	0	0	0	0	0	72,000	0%
20091	Buildings Renewal Program	0	0	0	0	0	0	0	5,600	0%
20180	Recreational Facilities	0	0	0	0	7,554	0	(7,554)	27,000	28%
19359	Bowling Club Car Park Seal	0	0	0	0	0	0	0	60,000	0%
19360	Wellington Street Lighting	0	0	0	0	219	0	(219)	16,893	1%
19133	Community Safety - CCTV Program Expansion	0	0	0	0	1,786	0	(1,786)	30,000	6%
20168	Customer Experience - Town Hall Entrance	0	0	0	0	0	0	0	8,500	0%
19340	Gallery - Art Collection Protection (Humidity Control)	0	0	0	0	0	0	0	7,000	0%
19341	Public Art	0	0	0	0	0	0	0	55,600	0%
19354	The Great Outdoors Funding Package	0	0	0	0	178	0	(178)	158,800	0%
20147	Toilet Renewal	0	0	0	0	316	0	(316)	213,000	0%
19297	Toilet Enhancement	0	0	0	0	215	0	(215)	178,000	0%
20173	Baker Res Wellington - Boat Ramp Upgrade	0	0	0	0	558	0	(558)	101,000	1%
19042	Skate park Lighting - Developer Contribution	0	0	0	0	801	0	(801)	3,800	21%
19343	Sports Grounds - (Urgent Works)	0	0	0	0	0	0	0	50,982	0%
19345	Town Beautification - Swanport Road Entrance	0	0	0	0	0	0	0	141,000	0%
19346	Avoca Dell - Pontoon Jetty	0	0	0	30,000	0	0	0	60,000	0%
19357	Sturt Reserve - War Memorial	0	0	0	0	0	0	0	50,000	0%
19347	Thiele Res - Pontoon Jetty	0	0	0	0	0	0	0	30,000	0%
19228	Murray Coorong Trail (Ongoing for 5 years)	0	0	0	0	0	0	0	20,326	0%
19348	Recreational Trails - Sturt Reserve - Primary Trailhead Signage	0	0	0	0	14,125	14,000	(125)	14,000	101%
19349	Town Beautification - Wayfinding and Signage	0	0	0	0	29,463	29,000	(463)	31,100	95%
19350	Recreational Trails - Water Activities Trails	0	0	0	0	0	0	0	5,000	0%
19352	Adelaide Road Linear Park	0	0	0	0	0	0	0	12,708	0%
20175	Depot - Fit for purpose review of office accomodation	0	0	0	0	0	0	0	29,665	0%
20143	ICT Harware Replacement (AMP)	0	0	0	0	3,409	0	(3,409)	19,000	18%
19317	Lerwin Aged Care Facility Expansion	0	0	0	0	101,623	100,000	(1,623)	119,284	85%
20148	LGC airconditioning replacement	0	0	0	0	0	0	0	191,200	0%
20144	Digital Strategy	0	0	0	0	0	0	0	73,000	0%
20152	Plant Renewal	0	0	0	0	355,000	355,000	0	765,000	46%
20139	Safety Upgrade to Service Truck	0	0	0	0	0	0	0	50,000	0%
20139	Small truck for inner (CBD) parks	0	0	0	0	0	0	0	90,000	0%
20139	Mower and Trailer	0	0	0	0	0	0	0	88,600	0%
19306	Avoca Dell Bank Protection and Boat Launching	0	0	0	400,000	2,813	0	(2,813)	763,794	0%
19328	Sixth Street Artwork	0	0	0	0	0	0	0	16,000	0%
19279	Masterplan for Sturt Reserve	0	0	0	0	0	0	0	68,000	0%
20144	Telephone System Replacement	0	0	0	0	0	0	0	120,000	0%
19294	LED Lights in Library	0	0	0	0	0	0	0	92,500	0%
19315	River Trail Strategy Implementation Stage I	0	0	0	0	0	0	0	36,100	0%
20159	Decorative Bollards - Repair	0	0	0	0	2,685	0	(2,685)	10,470	26%
20144	Unified Communications Project	0	0	0	0	0	0	0	79,000	0%
		0	0	0	430,000	520,810	498,000	(22,810)	5,029,122	10%
Total Capital		0	0	0	1,831,000	1,137,982	1,206,440	68,458	18,635,965	6%

167.3 LOCAL GOVERNMENT REFORM

Author Ros Kruger

Legislative (X)

Corporate ()

Other ()

Purpose

To present for Council endorsement a suggested response to the Minister for Transport, Infrastructure and Local Government's request to provide suggestions for Local Government Reform and the Productivity Commission Inquiry into Local Government Costs and Efficiencies.

Background

A broad outline of the Reform Process program to date is as follows:

- Call for submissions closing 26 April 2019
- Further investigations and research into submissions received – May/June 2019
- Consult Members on potential Reform Bill 1- May/July 2019
- Consult Members on Reform Discussion Papers – June/October 2019
- Advocacy and Representation on Reform Bill 2 – August/November 2019
- Consult members on Reform Bill 2 – December 19 / Q1 2020
- Advocacy and representation parliamentary process – Q1/Q2 2020

Council has previously considered reports in relation to Local Government Reform as follows:

- Council meeting 14 March 2017 it considered a report (item 48.2) in relation to the LGA Public Awareness Campaign in relation to Rate Capping and report (item 48.3) in relation to LGA Feedback – Candidates Elected Unopposed.
- Council meeting 10 April 2017, item 67.9 in relation to LGA Feedback – Proposed Change to Voting Method in Local Government Elections.
- Council meeting 29 January 2018, item 14.3 considered a report in relation the LGA 2018 State Election Agenda and Platform including a LGA paper to demonstrate the sector's commitment to continuous improvement and sensible Local Government reform.
- Council meeting 19 November 2018, item 201.2 in relation Optional Preferential Voting.
- Council at its meeting 8 April 2019, item 67.2 considered and endorsed a submission in relation to the Local Government Reform Discussion Paper.

Council has also had many discussions relating to:

- Streamlining processes when Council is required to consult with many different Government Department/Agencies
- Reducing the cost shifting implications to Local Government from State Government.
- Exploring efficiencies and cost effectiveness in Council Legislative processes.

Proposal

The Reform areas primarily relating to the Local Government Act legislation include:

- Stronger Council Member Capacity and Better Conduct
- Lower Costs and Enhanced Financial Accountability
- Efficient and Transparent Local Government Representation
- Simpler Regulation

A copy of the “Reforming Local Government in South Australia Discussion Paper” prepared by DPTI in August 2019 is provided as Attachment 1. The Local Government Association Reform Discussion Paper, August 2019 is provided as Attachment 2, incorporating Administration's recommended responses.

In conjunction with the Reform program the Productivity Commission Inquiry into Local Government costs and efficiency is occurring. The Local Government Association Issues Paper September 2019 is provided as Attachment 3 incorporating Administration's recommended responses.

Legislative Requirements
Local Government Act 1999

Council Policy
Code of Conduct for Elected Members
Access to Council and Committee Meetings and Associated Documents Code of Practice
Council Election Policy

Financial Implications
It is important that any Local Government Reform does not involve further cost shifting to Local Government and/or increase service requirements without increase in funding.

Risk
Local Government Reform will impact on Local Government and it is important that Council continue to receive and consider information as the Reform process rolls out.

WHS
No new issues are related to staff.

Asset Management
It is important that any Local Government Reform provides for the building of new assets and their ongoing enhancement.

Implementation Strategy
Upon endorsement a response will be provided to the Minister for Transport, Infrastructure and Local Government and the Local Government Association.

Communication Strategy
Elected Members will be provided with information on Local Government Reform as it is received.

Strategic Plan
Goal 5 - Our Commitment
5.1 - Effective

Recommendation

1. That item number 167.3 on Council agenda of 14 October 2019 be received.
2. That Council endorse the recommended responses in relation to the Local Government Reform Discussion Paper, noting there will be further opportunity to discuss recommended reform issues.

3. *That Council endorse the Administration's comments in relation to the Local Government Association Issues Paper in relation to the draft Productivity Commission Inquiry into Local Government costs and Efficiency.*

Attachments

1 ↓.	Reforming Local Government in South Australia Discussion Paper August 2019	Attachment
2 ↓.	LGA Reform Discussion Paper August 2019 with Council comments	Attachment
3 ↓.	Draft Productivity Commission Issues Paper with Council comments	Attachment

Cr Thorley moved

1. *That item number 167.3 on Council agenda of 14 October 2019 be received.*
2. *That Council endorse the recommended responses in relation to the Local Government Reform Discussion Paper, noting there will be further opportunity to discuss recommended reform issues.*
3. *That Council endorse the Administration's comments in relation to the Local Government Association Issues Paper in relation to the draft Productivity Commission Inquiry into Local Government costs and Efficiency.*

Seconded by Cr Baltensperger and CARRIED



REFORMING LOCAL GOVERNMENT
IN SOUTH AUSTRALIA
DISCUSSION PAPER



Government of South Australia
Department of Planning,
Transport and Infrastructure

AUGUST 2019

FOREWORD

Every four years, thousands of people stand for election to their local council, with more than 700 chosen to serve and lead their communities.

High expectations are rightly placed on those elected, as they take on real responsibilities for support and services in their local area. Like all governments, councils need to make decisions about the services they provide, and the revenue that they need to bring these services to life.

To achieve good outcomes for ratepayers we need the ecosystem in and around local government to be as robust as possible. From the internal structures around how councils operate, to the integrity bodies that oversee them and the media that report on them, every part of the ecosystem needs to work to deliver quality services for local communities, whilst also ensuring that ratepayer dollars are used as wisely as possible.

As Minister for Transport, Infrastructure and Local Government, I have a responsibility to ensure that this legislation offers councils the support they need, provides appropriate oversight and gives each community certainty that their council is making good decisions, understands local needs and is operating efficiently and sustainably.

This discussion paper proposes reforms to local government legislation that aims to achieve this. Some of the key reforms proposed include a new conduct management framework for council members, an expanded role for council audit committees to provide expert, independent advice to councils on a range of critical financial and governance matters, and improvements to regulation to reduce councils' costs.

I am grateful to the people who provided their ideas for reform in the first stage of the Local Government Reform program. I was impressed by the range and number of considered ideas that were submitted. Likewise, I am keen to hear as many views as possible on the reforms contained in this discussion paper. Which do you think will work? Are there other ideas for reform that should be considered?

I look forward to receiving all submissions on this discussion paper, and to work together to ensure we have local government legislation that will set the future direction for councils in our State.

HON STEPHAN KNOLL MP

*Minister for Transport, Infrastructure and Local Government
Minister for Planning*



REFORMING LOCAL GOVERNMENT IN SOUTH AUSTRALIA DISCUSSION PAPER

INTRODUCTION	4
REFORM AREA 1 STRONGER COUNCIL MEMBER CAPACITY AND BETTER CONDUCT	10
REFORM AREA 2 LOWER COSTS AND ENHANCED FINANCIAL ACCOUNTABILITY	32
REFORM AREA 3 EFFICIENT AND TRANSPARENT LOCAL GOVERNMENT REPRESENTATION	50
REFORM AREA 4 SIMPLER REGULATION	68
IDEAS FOR REFORM CONSULTATION SUMMARY	87

WHY IS LOCAL GOVERNMENT REFORM NEEDED?

The *Local Government Act 1999* (the Act) was put in place following significant council amalgamations in the late 1990s that created our current 68 councils. In 1999, the Act recognised that councils are government bodies elected by their communities to make decisions about the services that need to be delivered for their local area.

This means that councils have serious responsibilities. The services they provide—roads, footpaths, ovals, parks, sporting grounds, waste management, libraries, community centres and community support services to name just a few—are what makes our local communities work.

The State Government also has a responsibility to ensure that the legislative framework around councils enables them to act, make decisions, and provide services in the way in which their communities expect. It ‘sets the rules’ for how councils are elected; what their roles and responsibilities are; how they can raise revenue; how they make decisions; and how they inform and engage their communities.

The four reform areas put forward by the Government recognise that there are areas in this legislative framework that currently aren’t working as well as they should, and need to be reviewed.

These areas are—

REFORM AREA 1



**STRONGER COUNCIL MEMBER
CAPACITY AND BETTER CONDUCT**

REFORM AREA 2



**LOWER COSTS AND ENHANCED
FINANCIAL ACCOUNTABILITY**

REFORM AREA 3



**EFFICIENT AND TRANSPARENT
LOCAL GOVERNMENT
REPRESENTATION**

REFORM AREA 4



SIMPLER REGULATION



REFORM AREA 1

STRONGER COUNCIL MEMBER CAPACITY AND BETTER CONDUCT



Communities have high expectations of how their council members should behave. They are leaders in their communities, who speak and make decisions on their behalf. There are more than 700 council members in South Australia, and most meet this expectation admirably. They step forward to serve on their council, and commit considerable time and energy to make their local community a better place to live.

However, from time to time, some council members conduct themselves in a way that is not acceptable.

This can be poor behaviour, such as rudeness or a lack of respect to fellow council members or community members. It may be poor behaviour in a council meeting, through an unwillingness to engage in the respectful debate that's needed to ensure good decisions. Or it may be conduct that calls the integrity of their decisions into question, such as not managing a conflict of interest properly, or accepting gifts and other benefits that may improperly influence what they do.

Whatever the issue is, council members and their communities expect that it should be dealt with in the right way. This means that it is investigated at the right level; that sanctions are applied that fit the behaviour, and that council members who choose to repeat poor conduct receive escalating penalties.

There is a strong view that the current system for managing the conduct of council members is not delivering on these expectations. Feedback has been that councils have a desire to be better equipped to manage low-level behavioural issues on a local level, but also want a clearer pathway to resolving more serious conduct matters. Proposed reforms will create a better framework for managing and improving council member conduct and capacity. The Act will make a clear distinction between lower-level 'behavioural' matters that can be dealt with at a council level, and more serious 'integrity' matters that should be investigated and dealt with by an independent body.

The new framework will also recognise that while most behavioural matters are low-level, occasionally poor behaviour can be serious enough, or can be repeated to an extent that it causes a risk to the health and safety of others, or prevents an elected member body from acting effectively. Councils should be able to refer these 'serious behavioural matters' to an independent body for investigation and resolution as integrity breaches.

One question that this discussion paper poses is which model should be put in place to deliver this new framework. Three alternatives are proposed—a 'light touch' model that clarifies the current legislative provisions; a model that uses a new council 'governance committee' to support councils' conduct management; and a significant change through the introduction of a 'Local Government Conduct Commissioner'.



It is fair to say that of all the decisions a council makes, the one that receives the most attention is setting the rates that are paid by its community. This decision is what enables councils to provide the services that we rely on—roads, waste management, libraries, and all the other council services and facilities that our communities use. It also enables councils to manage the very significant assets that underpin these services—over \$23 billion worth across the State.

Most people realise this and are prepared to contribute their fair share to these services. However, ratepayers must have confidence that their money is being raised fairly and spent sensibly. This means that their council is managing its finances responsibly, with the right level of oversight and assurance; that it makes every effort to keep costs low; and that it also provides clear and easily understood information about these critical decisions. The Act establishes clear standards of financial management and accountability, which have been reviewed and improved a number of times over the past decade.

However, given the critical importance of councils' financial position, the need for all councils to make well informed and effective decisions on revenue and expenditure, and a continuing need for independent oversight that assures both councils and their communities that councils are well managed and sustainable; another review of these standards is timely.

The discussion paper proposes several reforms to improve council auditing and oversight, to improve decision making by council member bodies and to improve the information that councils provide each year to their communities on their rating decisions.

Feedback on all proposals is welcome. However, it should also be noted that the State Government has charged the SA Productivity Commission (SAPC) to undertake an inquiry into cost pressures and efficiencies in the local government sector. It is likely that any recommendations the SAPC makes in its final report in November 2019 will have a significant impact on reforms in this area.

REFORM AREA 3

EFFICIENT AND TRANSPARENT LOCAL GOVERNMENT REPRESENTATION



It is the election of our councils that makes them a government.

Like State and Federal Government elections, Local Government elections give us the ability to choose who we want to represent us, to lead our communities, and to make decisions about the services that are available to us. Many aspects of these elections are the same. They are run by an independent body, which for councils and the State Government is the Electoral Commission of South Australia (ECSA). They are based on a fundamental principle of 'one vote, one value'—that is, that each vote held by each voter is equal.

However, there are also unique features of council elections in South Australia. Most notably, voting for councils is voluntary, and done by a postal vote. The franchise is different—property owners, as well as residents, can vote. The method of voting and counting is also different in council elections. Other differences are in the role of formal political parties, which is much less apparent in council elections; and how voters learn about the candidates that are standing for election.

In the call for reform Ideas, council elections attracted the most submissions and comments. Many contributors asked for the introduction of online voting, to make voting more convenient and to improve the numbers of people choosing to vote. There is general agreement that online voting is desirable, however, a range of technological challenges must be overcome before its introduction to ensure the security of our elections. This is why this discussion paper does not propose this reform.

Other calls for improvement to local government elections centred on clarifying the roles of ECSA and councils in elections; particularly for people who wish to nominate for council, and then become candidates. There was also a widespread view that candidates should be required to provide more information that would be of interest to people considering whether to vote for them—any political affiliations the candidate may have; whether they live in the area for which they are standing; and any significant donations they may have received.

The reforms in the discussion paper therefore propose a greater role for ECSA in receiving nominations and publishing information on candidates—all online, to provide a more convenient, centralised service for both candidates and voters. The reforms also propose greater information disclosure by candidates in an easily accessible form.





REFORM AREA 4

SIMPLER REGULATION

Councils are required to act within a range of regulations that are put in place to deliver or protect the public interest. For example, they are required to undertake a specific, regulated process before they decide to revoke the community land status of some of their land. This regulation is in place to ensure that councils fully consider all aspects of this decision, to provide assurance that this decision is made in their community's best interest.

However, it also must be recognised that regulations can be costly—in time and resources. This is why regulation is often referred to as 'red tape'—or perceived only as a barrier to timely and effective actions. There's no question that regulation should be regularly examined to ensure that it delivers on the public good it aims to protect. Every dollar that a council spends on compliance is a dollar that must be raised by rates or not spent on a local service. It's therefore essential that regulations are regularly reviewed to ensure that the cost of compliance is justified by the benefits they deliver.

The many ideas for local government reform received suggested a number of areas where regulation can be simplified. This paper therefore proposes reforms to a range of current regulations. These include a more modern approach to community engagement; a faster process for simple community land revocation proposals; clarifying councils' ability to hold workshops and information sessions for its council members; reducing regulations that apply to permits for use of council roads; and improving aspects of council meetings.



HOW TO MAKE A SUBMISSION

This discussion paper puts forward a range of proposals for local government reform.

In some instances, these include a number of potential models for discussion and debate. In other cases, a single proposal is put forward for comment.

We are seeking your views on the proposed reforms. Which do you think would best address the issues that have been identified? Are there changes that you would make to the proposals? And are there any new ideas and alternative proposals that you think we should consider?



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REFORM AREA 1



**STRONGER COUNCIL
MEMBER CAPACITY
AND BETTER CONDUCT**

1 INTRODUCTION

Under the *Local Government Act 1999* (the Act), a council is a body corporate and consists of members elected to the council. A council's elected member body is made up of a principal member who is known as either a 'Mayor' (elected to the position) or a 'Chairperson' (appointed by the other elected members, although may also be referred to as a 'Mayor') and several council members often referred to as 'Councillors'

The reforms proposed in this discussion paper aim to improve the legislative framework to support and promote better conduct and stronger capacity of council members, while recognising the status of council members as democratically elected representatives, who are primarily accountable to their communities and will ultimately be judged at local government elections.

2 COUNCIL MEMBER CONDUCT

BACKGROUND

2.1

Council members are elected to council to make decisions for, and to act in the best interests of, their community. Being a council member is a position of trust bestowed on them by their local communities.

Because local governments today have many complex responsibilities and a great deal of discretion, their communities understandably have high expectations of standards of behaviour, integrity and performance. As representatives and leaders of their communities, council members are generally expected to act ethically, diligently, respectfully, honestly and with integrity.

Generally, the South Australian community is well served by those who serve as council members in local government, who overwhelmingly conduct themselves in accordance with the high standards expected of them. However, from time to time, inappropriate or improper conduct by council members can lead to council dysfunction, impairment of local government integrity and performance, and a reduction in community trust and confidence.

State legislation plays an important role in council member conduct. It can set the standards of behaviour, and provide arrangements for dealing with breaches across all areas of conduct.

This is a spectrum of behaviour that ranges from lower-level behavioural matters, such as how council members relate to others, to more serious matters that may affect the integrity of council members' decisions, such as poor

management of conflicts of interest, or the inappropriate acceptance of gifts and benefits. At the highest, or most serious, end of this spectrum is criminal conduct and corruption¹.

The various pieces of legislation that make up the council member conduct framework are intended to operate as an escalating system that addresses the varying levels of seriousness of poor behaviour with increasing levels of sanctions and penalties.

The chief parts of the current council member conduct management framework are set out below.

THE CODE OF CONDUCT FOR COUNCIL MEMBERS

2.1.1

The Act requires council members to observe a Code of Conduct that is set in regulation. When people think about the 'rules' that apply to the conduct of council members, this Code of Conduct is often what comes to mind. The Code of Conduct has several functions. One is to establish the standards of behaviour and integrity that council members should adhere to. Reflecting the spectrum of conduct, the Code has three core 'levels' of standards.

The first of these is a statement of high-level principles of behaviour that council members are expected to demonstrate, such as a commitment to serving the best interests of the community, to discharging duties conscientiously, to work together constructively and to uphold the values of honesty, integrity, accountability and transparency.

The second is to set out the specific behaviours that council members should adhere to, in Part 2 of the Code—the 'Behavioural Code'. These range from more general statements about behavioural standards (such as 'act in a way that generates community trust and confidence in the Council'), to more detailed instructions on particular behaviours (such as 'ensure that personal comments to the media or other public comments on Council decisions and other matters, clearly indicate that it is a private view and not that of Council').

The third level is contained within Part 3 of the Code, 'Misconduct'. This section contains matters that, if breached, could affect the integrity of council decisions, such as the poor management of conflict of interest, or the inappropriate acceptance of gifts and benefits. Many of these matters are also contained within the Act.

An appendix to the Code outlines the most serious conduct matters—those that could be criminal conduct or corruption.

Along with 'setting the standards', the Code also establishes the process by which alleged breaches of these standards are investigated. The high-level principles are not intended to be enforceable, as these express the broader expectations of council members. The Code is clear that breaches of 'behavioural matters' in Part 2 should be dealt with at a council level, but allows each council to determine a process to do so that best fits their own needs.

¹NOTE: this is a general overview of the current system. The actual criminal offences which would be investigated by the Independent Commission Against Corruption (ICAC) and the Office of Public Integrity (OPI) are: reasonable suspicion of corruption (misconduct of maladministration), bribery, dishonesty should be reported to OPI which is responsible for it—in the first instance it is noted by misconduct and investigation compliant with a crime may be referred by the ICAC to the OPI for investigation.



Alleged breaches of Part 3, 'Misconduct', are referred to the Ombudsman, as integrity matters should be investigated by an independent statutory body. The Code of Conduct also allows for repeated breaches of the 'Behavioural Code', or non-co-operation with a council investigation or finding under the Behavioural Code, to be elevated to the Ombudsman.

Any suspected breaches of the most serious criminal matters should, of course, be referred to the Independent Commissioner Against Corruption (ICAC).

Finally, the Code of Conduct and Act set the penalties or sanctions that can apply when it has been breached. Again, these are designed to escalate in accordance with the seriousness of the breach.

IF A COUNCIL FINDS THAT A MEMBER HAS BREACHED PART 2 (THE BEHAVIOURAL CODE) IT MAY—



Pass a censure motion in respect of the council member.



Request a public apology, whether written or verbal.



Request the council member to attend training on the specific topic found to have been breached.



Resolve to remove or suspend the council member from a position within the council (not including the member's elected position on council).



Request the member to repay monies to the council.

IF THE OMBUDSMAN HAS INVESTIGATED A MEMBER, HE MAY MAKE THE FOLLOWING RECOMMENDATIONS TO THE COUNCIL TO—



Reprimand the member (including by means of a public statement).



Require the member to attend a specified course of training or instruction, to issue an apology in a particular form or to take other steps.



Require the member to reimburse the council a specified amount.



Ensure that a complaint is lodged against the member with the South Australian Civil and Administrative Tribunal (SACAT).

If a council member fails to comply with a requirement made by a council on the Ombudsman's recommendation, then the council must lodge a complaint against the member with the South Australian Civil and Administrative Tribunal (SACAT). This could result in stronger sanctions for the member, including their suspension or disqualification from office.

OTHER CONDUCT MATTERS IN THE LOCAL GOVERNMENT ACT

2.1.2

Along with establishing the Code of Conduct, the Act includes a number of specific conduct requirements that apply to council members.

In summary, these requirements are—



To act honestly, and with reasonable care and diligence in the performance of official duties;



Not to disclose information that is confidential;



To declare all financial and non-financial interests in the 'Register of Interests';



To properly manage any conflict of interest.



Not to make improper use of their position, or of information they have gained through this position, for their own advantage or to cause detriment to the council;

OTHER CONDUCT MATTERS IN THE LOCAL GOVERNMENT ACT

2.1.3

Other pieces of legislation that form part of the council member conduct framework include the *Independent Commissioner Against Corruption Act 2012* and the *Ombudsman Act 1972* (which provide for the powers and functions of the Integrity agencies in South Australia) and the *Criminal Law Consolidation Act 1935* (which covers serious criminal offences by 'public officers').

ISSUES

2.2

There is general agreement from the local government sector and the community more widely that the current conduct management system is not working as effectively as it should.

One key issue identified is that the use of the Code of Conduct, particularly the 'Behavioural Code', results in an overly formal process that exacerbates conflicts between elected members, and creates a long, difficult and costly process for councils to resolve behavioural matters.



Before the current Code of Conduct was introduced, each council had its own code of conduct for council members that it was required to review within 12 months after each general election. The intent of the uniform, regulated Code of Conduct was to provide consistent standards of behaviour across all councils. However, feedback has been that formally regulating detailed behavioural matters can result in an excessively combative or legalistic approach to these matters.

Both the ICAC and the Ombudsman have raised public concerns about the number of Code of Conduct complaints they receive from council members against each other, particularly when the complaints stem from disagreements or personality clashes between the members.

Recent statistics from the Ombudsman indicate that almost half of the Code of Conduct complaints he receives are from an elected member against another elected member. Both the ICAC and the Ombudsman have been publicly encouraging council members to stop lodging 'trivial' or 'petty' complaints, which are a waste of public money and resources. The Ombudsman has stated that much of his time has been taken up by internal council complaints that have proved to be costly and time-consuming.

Additionally, continual trivial or petty complaints can be very destructive at a council level. It is very difficult for a council to operate effectively if its members are unable to overcome personal differences and are continually lodging Code of Conduct complaints against each other.

These concerns have also been raised by councils, who have noted a lack of deterrence for 'trivial, frivolous and vexatious' complaints. Councils do not feel that they have the right tools to deal with minor behavioural matters quickly, fairly, and effectively.

Another key area of concern is how serious behavioural issues can be dealt with—behaviour that may cause a risk to another person's health and safety. While the current Code of Conduct recognises bullying and harassment, and provides for a mechanism for repeated behavioural breaches to be escalated from council level to the Ombudsman, there is a strong view that this mechanism is not effective; and that the sanctions available to deal with these matters are not adequate.

It is also essential to ensure that the health and safety of council staff and members is properly protected. There may therefore be a need to enable a position (such as a principal member or CEO), or a body (such as a council governance committee) to give immediate, limited directions to council members in circumstances where this health and safety is at risk.

Other concerns have been raised about the overlap and duplication between the Code of Conduct and conduct matters within the Act. These include duplication of expectations of behaviour in the Code of Conduct and in the section of the Act that sets out the 'General Duties' of members, conflict of interest matters, and the management of confidential information.

While the Code of Conduct was intended to create a 'one-stop shop' that described all conduct matters, and therefore included matters also in the Act, the conclusion is that this approach causes confusion and uncertainty as to the appropriate body to investigate alleged breaches.

Councils have also argued that the conflict of interest provisions in the Act, which were introduced in 2016 are considered 'complex' and 'confusing', making it difficult for council members to adhere to the rules.

PROPOSALS FOR REFORM

2.3

It was clear from the response received through the call for reform ideas that the community generally considers that there should be rules of behaviour or conduct that council members should abide by.

It was also clear that there is support for a review of the current system to create a 'clearer', 'simpler', 'stronger', 'well-defined' conduct management framework. Ideas received on how this could be achieved, however, were diverse.

Ideas about how disagreements between council members should be managed ranged from dealing with them 'in-house' within the council to having an external, independent body to manage all complaints.

Other suggestions were that it is the responsibility of the Mayor and/or the elected member body and/or CEO (i.e. the 'leadership' roles) to manage disputes and find appropriate resolutions. A number of submissions advocated for a mechanism to resolve behavioural issues without having to resort to external complaints management bodies.

Many councils endorsed the approach put forward by the Local Government Association (LGA), which stated that "it is important that local government is empowered to self-determine the expectations of acceptable behaviour that align with community expectations."

Following on from this, one of the LGA's proposals is for an "increase in devolution of responsibility to councils to handle behaviour matters internally, with expedient ways to escalate serious misconduct matters as appropriate". The LGA submission also seeks a broadening of the range of penalties so that effective action can be taken commensurate with the circumstance of each case, and clearer classifications of 'misconduct', along with definitions for 'bullying and harassment' and 'sexual harassment'.

The Local Government Reform process provides an opportunity to review the conduct framework to provide clearer roles and responsibilities and a broader (and proportionate) range of tools and sanctions for managing different categories of elected council member conduct.

Noting the complexity of this issue, there are three conduct management framework models proposed in this paper. All of these models, however, contain a number of 'common features' that, like the current system, reflect the spectrum of member conduct.



COMMON FEATURES PROPOSED

2.3.1












A CLEAR 'HIERARCHY' OF CONDUCT

A new conduct management framework will establish a much clearer hierarchy of conduct that clearly separates 'behavioural matters' from 'integrity matters'. This will create clearer responsibilities and pathways and enable council members and members of the community to understand which body is responsible for managing aspects of council member conduct.

The Local Government legislation will continue to be the primary documents that establish the standards of behaviour and of conduct that affects integrity for council members. It is proposed that detailed behavioural matters are removed from a 'Code of Conduct' in favour of setting appropriate standards of behaviour in the legislation.

Councils will be empowered to determine—if they choose to do so and consider it helpful—more detailed examples of these behaviours (in a policy adopted by the council), which supports and is consistent with the standards in the legislation.

The legislation will also clarify which conduct matters are 'integrity matters'. These may include—

	A requirement to act honestly in the performance of official functions and duties.		Release and disclosure of confidential information.		Misuse of information to gain benefit or cause detriment.
	Misuse of position to gain benefit or cause detriment.		Register of interests.		Conflicts of interest.
	Directing or influencing council staff.		Gifts and benefits.		Only using official council communication methods (e.g. e-mails) for official council functions and duties.
	Breaching any communication (or other) protocol set up by the council or CEO for staff or council members to address risks to health and safety allegedly caused by a council member.				Misuse of meeting management powers by the presiding member.

COUNCILS WILL CONTINUE TO BE RESPONSIBLE FOR 'BEHAVIOURAL MATTERS'

Councils will continue to be responsible for managing council member behaviour, as they currently are under the Code of Conduct.

The current Code of Conduct enables councils to decide for themselves the most suitable mechanism for dealing with behavioural matters by elected members. Complaints may be investigated and resolved in any manner that a council deems appropriate in its process for handling alleged breaches of the Behavioural Code. This can include, but is not limited to: a mediator or conciliator; the Local Government Governance Panel; a regional governance panel; or an Independent Investigator. A complaint within this process may be considered trivial, vexatious or frivolous and accordingly not investigated.

It is proposed that councils will continue to be required to have a process for handling complaints and an internal resolution process, but will also continue to have the autonomy to decide on the resolution mechanisms that are most suitable to that council.

Councils will also continue to be able to apply the sanctions for breaches of 'behavioural matters' that are contained within the current Code of Conduct, however, it is proposed that this be strengthened to enable councils to direct or require (rather than 'request') the actions.

It is also proposed that the principal member have enhanced powers to deal with disruptive behaviours at meetings.

AN ESCALATION PROCESS FOR 'SERIOUS BEHAVIOURAL MATTERS'

It is recognised that certain behaviours or circumstances can require escalation to an independent body for investigation or intervention if they are serious enough to be considered as an integrity breach.

The current Code of Conduct recognises this and provides for certain matters to be referred from a council to the Ombudsman for investigation. These matters include—

1. Failure of a council member to cooperate with the council's process for handling alleged breaches.
2. Failure of a council member to comply with a finding of an investigation adopted by the council.
3. Repeated or sustained breaches of the Behavioural Code (Part 2) by the same council member may be referred, by resolution of the council.



These referral mechanisms, however, have rarely been utilised by councils. Feedback has been that it can be difficult to escalate issues about a council member's behaviour where there are factions within the council, or where divided views amongst council members on the conduct in question mean that they are unable to agree to refer the matter to the Ombudsman.

It is proposed that a better process is put in place to escalate serious behavioural matters from a council to an independent body for investigation, where there is a view that these matters are an integrity breach.

The matters which could be considered for escalation to an independent body could include—

1. Repeated and unreasonable behaviour by a council member that creates a risk to health and safety, such as bullying or harassment. This may specifically include 'sexual harassment'.
2. Behaviour that is not repeated, but still creates a risk to health and safety.
3. Behaviour that is repeated and does not create a risk to health and safety, but is serious 'unreasonable' behaviour. This could be circumstances where, despite a council's reasonable, multiple efforts to address behaviour, a council member continues to be unreasonable and unmanageable, necessitating an external 'circuit breaker' to resolve the matter.

It is likely that the independent body receiving complaints about these matters would expect that the relevant council would have taken reasonable actions to address the behavior at a council level, before escalating, where possible. It is also proposed that complaints of this nature would be escalated only following a decision of the council, or by a council's governance committee.

It should be noted that any person affected by behaviour that poses risks to their safety can seek intervention orders (including an interim order) under the *Intervention Orders (Prevention of Abuse) Act 2009 (SA)* for their protection. It is proposed that a council member subject to an intervention or interim intervention order relating to a council member or staff could be suspended from office for the duration of this order to properly protect members and staff.

ENSURING THAT 'INTEGRITY MATTERS' ARE DEALT WITH BY AN INDEPENDENT BODY

A new conduct management framework will clarify that breaches of integrity matters should be dealt with by an independent body that has appropriate sanctions available to them.

This body could be the Ombudsman, or the 'Conduct Commissioner' (as discussed in the proposed models). It is also proposed that this body could apply an expanded range of sanctions that would include: the ability to suspend a member; suspend a member's allowance; or to require reimbursement to the council of costs involved in an investigation of a matter.

A number of ideas received requested a greater ability to dismiss council members, and/or prevent them from standing at future elections.

This ability is currently only held by the South Australian Civil and Administrative Tribunal (SACAT). It is appropriate that the ability to disqualify a democratically elected council member from office should be reserved for only the most serious categories of conduct, and can only be applied by a tribunal or court.

It is, however, essential that serious matters can be brought before SACAT when necessary. Accordingly, the new conduct management framework will retain the ability of the independent body investigating integrity breaches to require that complaints to SACAT be made when appropriate.

IMPROVED CONFLICT OF INTEREST PROVISIONS

The conflict of interest provisions in the Act will be reviewed, to—



Simplify the current system by reducing the current three 'categories' of conflict (material actual and perceived) to two—'material conflict of interest' and 'non-material conflicts of interest'



Simplify the process by which council members can be exempt from conflict of interest provisions, or seek approval to participate in a matter. This will include a review of the 'ordinary business matters'.



Clarify the application of conflict of interest rules to council committees and subsidiaries to remove the current complex regulations that deal with this matter.

OPTIONS OF PROPOSED MODELS FOR COUNCIL MEMBER CONDUCT FRAMEWORK 2.3.2

The three models of the conduct management framework that are proposed are detailed below. It is proposed that all of these models would include the common features described above. Additionally, the models are not mutually exclusive. Elements of any of the three could be incorporated into any final model.

MODEL 1 - CLARIFICATION OF CURRENT LEGISLATION

This proposed model would have the common features described above but would require a council resolution to refer 'bullying and harassment' complaints to the Ombudsman. That is, the council as a body has to be satisfied that the definition or threshold for 'bullying and harassment' has been met.

This model would also require the council to report on conduct matters in the annual report.



MODEL 2 - UTILISATION OF GOVERNANCE COMMITTEES

This proposed model utilises a council 'governance committee' (with requisite skillsets) to have a role in relation to council member conduct. The concept of a 'governance committee' is explored in Reform Area 2. In summary, it would be an independent body that is empowered to advise the council on a range of governance issues.

This model would—



Require governance committees to assess complaints of alleged 'bullying and harassment' by council members, and, if determined that alleged behaviour meets the definition/ threshold, to lodge the complaint with the Ombudsman.



Enable (but not require) councils to use governance committees to consider behavioural matters.



Require governance committees to report on conduct matters in the annual report.

MODEL 3 - ESTABLISH A LOCAL GOVERNMENT CONDUCT COMMISSIONER

This model would create an additional integrity body with a specific responsibility to oversee all aspects of council member conduct. This body would—



Have a specific role in the prevention of improper conduct through providing training, advice and practice guidelines to council members.



Be able to consider and investigate alleged breaches of behavioural standards at the request of the relevant council.



Have responsibility for considering and investigating bullying and harassment allegations, if the council/governance committee agrees to the referral of this complaint to them.



Have responsibility for the investigation of all alleged breaches of integrity matters (rather than the Ombudsman).



Have appropriate disciplinary or sanction powers except for the powers that will remain with SACAT (e.g. disqualification powers).



At council request, may undertake a range of services on a cost-recovery model including specific training, counselling, mediation and conciliation.

It is expected that this model would be funded by the local government sector, including cost recovery fees for specific services.

While the detail of the operation of a 'Local Government Conduct Commissioner' would be developed in accordance with its potential functions, it is expected that it would—



Require the appointment of a suitably qualified and experienced person as the Commissioner, noting that this role would have similar responsibilities to those currently held by the Ombudsman to investigate members and apply sanctions. This is likely to be a full time, or near full-time position.



Require a core administrative unit to be established to support the Commissioner, and to undertake investigations.



Enable the Commissioner to appoint training facilitators, mediators, and additional investigators as required.

This model would enable the Ombudsman to focus on the administrative acts of councils (not including conduct) as is the case with most other Australian jurisdictions.

3 COUNCIL MEMBER CAPACITY

ROLES WITHIN LOCAL GOVERNMENT - OVERVIEW

A brief overview of the roles of the various components that make up local government is set out below—

THE COUNCIL

A group of members (led by a mayor or chairperson) elected by the community and is the governing body of a local government. Councils are responsible for the governance of their local government's affairs and functions. This includes oversight of the planning and allocation of finances and resources and the determination of local government policies.

CHIEF EXECUTIVE OFFICER (CEO)

Employed by the council to head the administration and manage the day-to-day operations, or executive functions, of the local government and to implement lawful council policies and decisions.

COUNCIL STAFF

Employed by the CEO to perform the functions of the local government.

3.1 ROLE OF COUNCIL MEMBERS

BACKGROUND

3.1.1

Council members are elected to represent the interests of their community through participation in important local decisions and are expected to act with the highest standards of integrity.

To effectively perform this role, council members are also expected to work together constructively and deal with disagreements, conflicts or personality differences in a professional manner, for the best interests of their community. They must also make every effort to ensure that their skills and knowledge enable them to perform their roles, and are continually improved.

The Act recognises the role of council members, and provides some specific details on expectations, that this role is—

AS A MEMBER OF THE GOVERNING BODY OF THE COUNCIL—



Participate in the deliberations and civic activities of the council.



Keep the council's objectives and policies under review to ensure that they are appropriate and effective.



Keep the council's resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery, under review.



Ensure, as far as is practicable, that the principles set out in section 8 of the Act are observed.

AS A PERSON ELECTED TO THE COUNCIL—



Represent the interests of residents and ratepayers.



Provide community leadership and guidance.



Facilitate communication between the community and the council.

ISSUES

3.1.2

While the role of a council member details the tasks and responsibilities of a council member's functions and duties, the Act is currently silent on expectations of a council member's behaviour, and on their obligations to promote a good working relationship amongst their council.

Feedback was also received that the importance of mandatory training for council members is not well recognised within the Act. Some concern has been raised within the local government sector that there is a perception in the community, however, that training or ongoing training and development of council members is a waste of public resources

PROPOSALS FOR REFORM

3.1.3

There is an opportunity to strengthen council members' capacity and improve their conduct through better description of their role in the Act.

It is proposed to further clarify the role of council members, in particular, to recognise their responsibility both individually and collectively to ensure (as far as reasonably practicable) good working relationships within the council, and to support the effectiveness of a new conduct management framework.

It is also proposed to clarify that the role of a council member recognise their obligation to complete mandatory training requirements within the required timeframes and have a commitment to the continuous development of knowledge and skills.



The role of a council member in the Act will be clarified to include—



Ensure (as far as is practicable) constructive working relationships within the council including with other council members, the principal member and council employees.



Ensure completion of mandatory training within the specified timeframes and to have a commitment to ongoing training and development of skills relevant to the role of a council member and the roles and functions of the council body.



Act with integrity.



Recognise and support the role of the principal member as specified in the Act.

To better recognise the importance of council member training, it is also proposed to clarify its mandatory nature in the Act, and to revise the presentation of the mandatory training scheme in the regulations (see below for further discussion).



THE ROLE OF THE PRINCIPAL MEMBER

BACKGROUND

3.2.1

The Act also defines the specific role of the principal member of a council (that is, the Mayor or Chairperson), which is in addition to their role as a council member.

These additional duties and responsibilities are to preside at (chair) council meetings, to perform certain civic and ceremonial duties, to act as the principal spokesperson for the council, and to provide advice to the CEO on the implementation of a decision of a council.

ISSUES

3.2.2

While the role of the principal member as described in the current Act recognises the particular responsibilities of a principal member, it does not sufficiently reflect expectations that Mayors and Chairpersons are a leader of their elected body; and should demonstrate and lead the standards of behaviour and decision making that are critical to the effectiveness and reputation of their council.

Good governance relies on constructive working relations between council members. The principal member, as the leader of the council, is expected to promote and foster positive relationships and to support members in resolving disagreements or conflicts that arise. Promoting and leading good relations between council members before contentious issues arise increases the likelihood that these issues can be dealt with robustly but without becoming divisive in a way that damages the reputation of the council.

It is also recognised that, in addition to these expectations, principal members have limited tools available to them to support behavioural standards and working relationships between elected members. In particular, it has been identified that principal members need greater powers to manage poor behaviour in the context of council meetings.

Currently, under the *Local Government (Procedures at Meetings) Regulations 2013*, a council member can only be excluded (suspended) for part of or the remainder of a meeting by a council resolution. This is unworkable where there are factions within a council or where there are disagreements creating high tensions that result in inappropriate and impeding behaviour.

Finally, a number of concerns have also been voiced about the working relationship between principal members and councils' chief executive officers. For a council to be effective, these two leaders must work together in a complementary way, providing mutual support and ensuring productive interaction between the elected council and its administration.

PROPOSALS FOR REFORM

3.2.3

It is proposed that the Act should clearly state expectations of the role of the principal member as a leader of the council. These could include—



Presiding at meetings of the council and exercising the powers as prescribed under the regulations.



Providing guidance to council members about what is expected of a council member.



Supporting council members' understanding of the separation of responsibilities between the elected and administrative arms of the council.



Promoting and supporting good, constructive working relationships and high standards of behaviour and integrity in the council.



Where necessary, taking a leadership role in resolving differences in the elected member body.

It is also proposed that the presiding member of the council meeting (which is usually the principal member) be given enhanced powers to manage disruptive behaviour by council members in a council meeting, through a power to exclude council members for part of or for the remainder of council meetings.

Any misuse of this power would be considered as an integrity breach, within the new conduct framework.



Mayors cannot vote on most council motions as they are currently restricted to a casting vote only when members' votes are tied. Feedback from Mayors is that this limitation does not reflect community expectations of their leadership role within a council. Therefore, it is proposed to give directly elected Mayors a deliberative vote in council meetings while retaining their ability to make a casting vote.

MANDATORY TRAINING REQUIREMENTS

BACKGROUND

3.3.1

Currently, the imposition of mandatory training for council members is through the requirement in section 80A of the Act and Regulation 8AA of the *Local Government (General) Regulations 2013* that councils must prepare and adopt a training and development policy for its members that complies with the *LGA training standards* approved by the Minister. The *LGA training standards* require mandatory training.

ISSUES

3.3.2

There is a significant amount of support from the community for mandatory training requirements for council members.

However, the LGA, with support from the local government sector, has raised an Issue regarding how the mandatory training for council members is currently imposed through the training standards. A number of submissions proposed that there could be more clarity in the legislation on the training that is required, and on the consequences for members that choose not to comply with the mandatory training requirements.

Ideas have been received to change the requirements to a competency-based assessment (rather than attendance-based) and consideration of online training capabilities. Many suggestions were also received in regard to the topics that should be covered in mandatory training.

PROPOSALS FOR REFORM

3.3.3

It is proposed to amend the Act to replace the requirement for councils to have a training and development policy with a mandatory training scheme established in regulations.

It is also proposed that the requirement for mandatory training for council members to be completed (within a specified timeframe) be prescribed in the legislation and that there be a consequence for non-compliance. Specific sanctions may apply for a failure to comply with these mandatory training requirements, or this failure could be considered as a breach of an 'integrity matter'.

The details of minimum training requirements and standards will be considered as part of the development of a regulation package in a later stage of the reform process.

4 THE ROLES AND RELATIONSHIPS BETWEEN THE COUNCIL ELECTED MEMBER BODY AND THE CEO

BACKGROUND

4.1

The effectiveness of a local government is largely dependent on the relationship that a council (and its individual elected members) has with its administration, primarily the chief executive officer (CEO). The role of the CEO is outlined in the Act—in summary, CEOs must implement council policies and lawful decisions, be responsible for the day-to-day management of the council, and provide good advice and information to the council.

CEOs answer to their council—and it is, therefore, the council's responsibility to properly manage them. However, while the Act includes requirements for appointing (employing) a CEO, and sets some procedures for appointment and grounds for termination, the Act does not have any specific requirements about performance reviews or management.

ISSUES

4.2

Feedback received raised concerns about a perceived imbalance of power in local government in South Australia. There is a view that the council as a governing body and the individual elected members are overly reliant on the administration, particularly the CEO, in their decision making.

Concerns have also been raised that council CEOs have a disproportionate advantage in negotiating their own contractual conditions and that there is insufficient oversight of their performance. Conversely, other feedback argued that CEOs can be vulnerable to poor assessments of their performance, and poor decisions regarding their future employment. The role of a CEO in a council is of critical importance, and therefore, so is their performance. However, council members do not always have the expertise to set performance standards, contractual conditions and appropriate remuneration, or to conduct effective and timely performance monitoring and management.

Further, the review of a CEO's performance can be particularly difficult when relationships between the council and its CEO are not professional—both hostile and overly friendly relationships between a council and its CEO can be equally problematic.

PROPOSALS FOR REFORM

4.3

A number of ideas were received on the performance of the CEO, and the role and relationships between the CEO and the council. These ideas included revising the process by which CEOs' positions are advertised, appointed, renewed and released.

It is proposed that councils be required to involve independent advice in a CEO appointment process. This could be a requirement to receive independent advice or to include independent members on the CEO selection panel that makes recommendations to the council on the appointment and employment of a CEO, including employment conditions. An additional proposal could be to give the responsibility for determining appropriate CEO remuneration to the Remuneration Tribunal of South Australia (which currently sets council members' allowances).

It is also proposed that councils be required to conduct annual performance reviews of their CEO. These could include independent membership (noting that it is common for councils currently to use CEO performance committees), which may be linked to the council's governance committee, if this reform is implemented, or separate independence advice.

Finally, it is proposed that a CEO's contract cannot be extended without the council completing a performance review; and that the CEO's contract cannot be terminated without the council gaining specialist industrial/employment contract advice.

REFORM AREA 1

STRONGER COUNCIL MEMBER CAPACITY AND BETTER CONDUCT SUMMARY OF REFORM PROPOSALS

COUNCIL MEMBER CONDUCT

- 1.1** Clearly separate behavioural matters from integrity matters in the legislation.
 - 1.2** Include standards of behaviour in the legislation, allowing councils to adopt more detailed examples of behaviour.
 - 1.3** Continue to give councils flexibility to deal with behavioural matters.
 - 1.4** Provide principal members with enhanced powers to deal with disruptive behaviour at meetings.
 - 1.5** Enable escalation of serious behavioural matters to an independent body that can suspend members (including suspension of an allowance).
 - 1.6** Simplify the conflict of interest provisions by establishing 'material' and 'non-material' conflicts.
 - 1.7** Simplify the process by which council members can be exempt from conflict of interest provisions, or seek approval to participate in a matter.
 - 1.8** Clarify the application of conflict of interest rules to council committees and subsidiaries.
- Establish a new conduct management framework through—
- 1.9**
 - Model 1 - The clarification of current legislation
 - Model 2 - Using governance committees
 - Model 3 - Establishing a Local Government Conduct Commissioner.

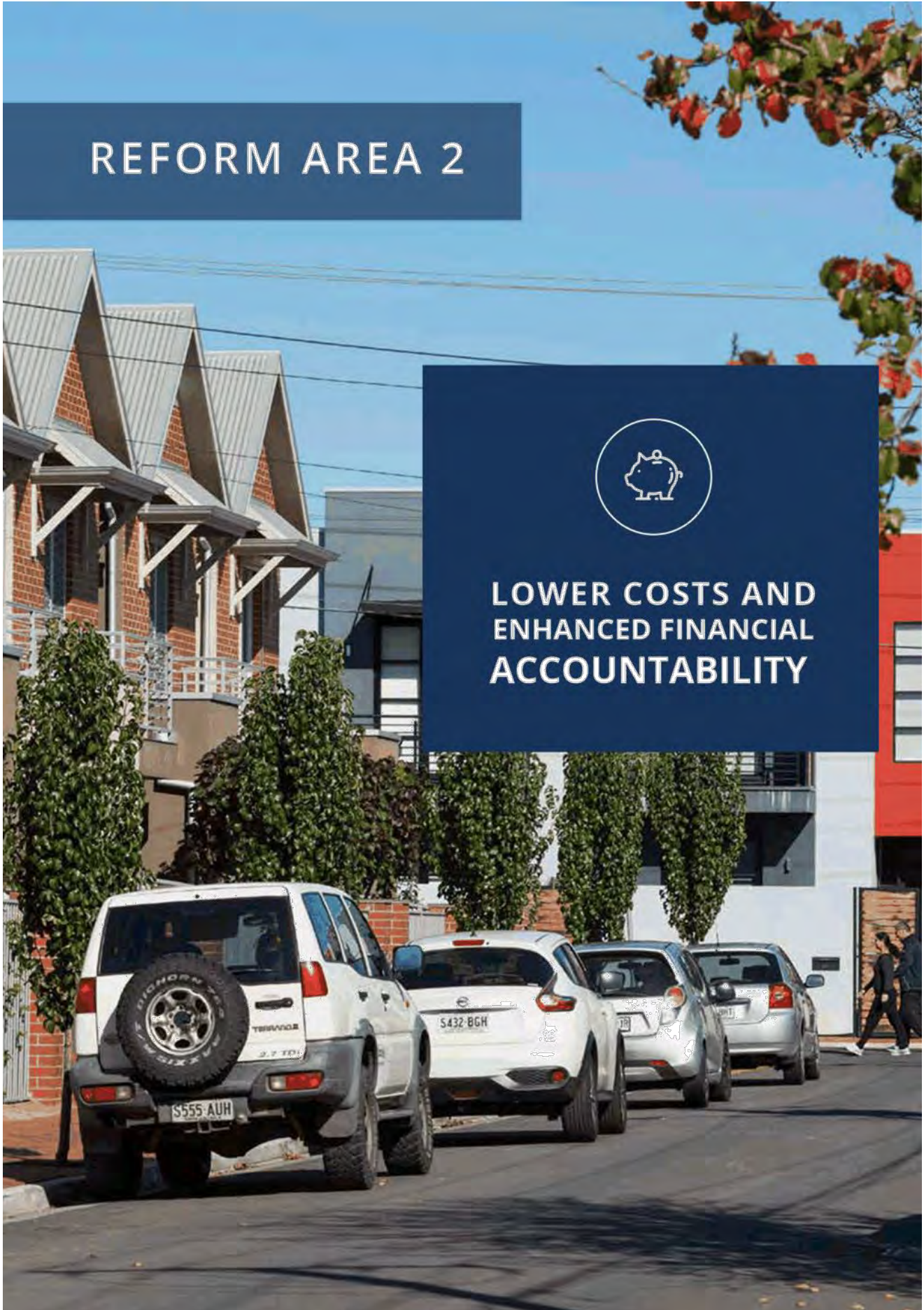
COUNCIL MEMBER CAPACITY

- 1.10** Clarify the role of council members to recognise their responsibility to ensure good working relationships within the council, and to support the conduct management framework.
- 1.11** Clarify the role of council members to recognise their obligation to complete mandatory training.
- 1.12** Clearly state the role of the principal member as a leader of the council, particularly in ensuring good working relationships within the council.
- 1.13** Provide directly elected Mayors with a deliberative vote on motions before council.
- 1.14** Establish a mandatory training scheme within the regulations.
- 1.15** Establish a timeframe for the completion of mandatory training and a penalty for non-compliance.
- 1.16** Require councils to receive independent advice on CEO selection and remuneration.
- 1.17** Give responsibility for determining CEO remuneration to the Remuneration Tribunal of South Australia.
- 1.18** Require councils to conduct annual performance reviews of CEOs, with independent oversight.
- 1.19** Require annual performance reviews to be completed before the extension of a CEO contract.
- 1.20** Require councils to receive independent advice before terminating a CEO contract.

REFORM AREA 2



**LOWER COSTS AND
ENHANCED FINANCIAL
ACCOUNTABILITY**



1 INTRODUCTION

Councils in South Australia collectively manage an annual budget in excess of \$2.2 billion and are responsible for more than \$24 billion worth of infrastructure and other assets. To manage these responsibilities, councils can raise tax—council rates—and impose other fees and charges on their communities.

It is essential that councils, as public bodies, meet the right standards of accountability for public sector administration and management of public funds.

The reforms proposed in this paper aim to enhance financial accountability and improve efficiency within the local government sector by delivering greater confidence in council audits, improving council decision making, financial reporting, and making information about council financial performance more accessible.

Many submissions made through the call for ideas argued that a system of benchmarking or service reviews across local government would help councils and communities to better understand the costs of services, and how efficiencies may be achieved.

The South Australian Government has directed the South Australian Productivity Commission (the SAPC) to undertake an inquiry into local government costs and efficiency to identify options to improve efficiency and financial accountability and reduce costs for ratepayers.

The inquiry will involve state-wide consultation with councils, community groups and relevant professionals in the public, private and professional bodies as part of the public engagement process, before the release of a draft report in August 2019, and a final report on 22 November 2019. It is expected that this work will inform future directions on the potential use of benchmarking and other service review mechanisms across local government.

Further information on the SAPC's work is available at—
www.sapc.sa.gov.au/inquiries/inquiries/local-government-inquiry/consultation



2 FINANCIAL ACCOUNTABILITY

BACKGROUND

2.1

The *Local Government Act 1999* (the Act) sets the standards for councils' administrative and financial accountability, largely in Chapter 8 of the Act. This framework reflects the broader local government policy that has been in place for South Australia for some time, that is, that councils have a responsibility to abide by the statutory framework, and are accountable to their communities for doing so, without detailed compliance oversight from the State Government.

However, the State does have a responsibility to ensure that the statutory framework sets appropriate standards. Significant legislative amendments have therefore been made over a number of years to improve the financial management and accountability of councils in South Australia.

In 2007, amendments to the Act improved the accountability of councils as well as strengthening their financial governance, asset management, rating practices and auditing arrangements.

These improvements included the requirement for councils to—



Prepare and adopt long-term financial plans.



Prepare and adopt infrastructure and asset management plans.



Establish audit committees.



Adopt several measures to strengthen the independence of external auditors.



Adopt a consistent and improved reporting format for annual financial statements.



Additional amendments in 2009 further improved the legislative framework for internal and external review of council administration and financial management, including changes to improve council external audits and strengthen internal controls.

These changes included—



New requirements for an auditor to audit a council's internal controls and provide an opinion on whether those internal controls provide a reasonable assurance that the financial transactions of the council have been conducted properly and in accordance with law.



Expanding the matters that council auditors must report to the Minister.



Increased guidance about what council policies, procedures and practices must be designed to achieve in key areas such as prudential management and contracts and tendering.

In addition, amendments were made to the *Public Finance and Audit Act 1987* in 2013 to enable the Auditor-General to conduct an examination of a publicly funded body (which includes a council, a subsidiary of a council or a regional subsidiary) and the efficiency, economy and effectiveness of its activities.

The Auditor-General may also examine the accounts relating to a publicly-funded project and the efficiency and cost-effectiveness of the project. The Auditor-General must conduct an examination if requested to do so by the Treasurer or the Independent Commissioner Against Corruption.

COUNCIL AUDITS

2.2

Auditing is the independent examination of the financial report of an organisation. Audits are critical to ensuring confidence in councils' financial position and operations, as they assess compliance with the standards set out in the Act and Regulations.

External audits in the South Australian local government sector have traditionally been focused on an independent assurance that a council's annual financial statements present a true and fair view of the financial position of the council and comply with prescribed requirements.

These audits now also examine and report on the adequacy of a council's internal controls, which are the measures put in place by councils to ensure that a council's resources, operations and risk exposures are effectively managed.

Auditors must undertake an audit on the controls put in place by a council in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, and provide a report to the council as to whether these controls are sufficient to provide reasonable assurance that the financial transactions have been conducted properly and in accordance with law.

In forming such an opinion on a council's internal controls, the auditor must assess them according to the criteria in the LGA's *Better Practice Model – Internal Financial Controls*, which is a tool that assists a council to assess, mitigate against and reduce risks in its day-to-day operations.

Organisations commonly undertake an internal audit process to assess and report on internal controls, however, an internal audit function is not prescribed for councils in South Australia. Many councils do have an internal audit function of some kind in place to provide assurance to their audit committee that internal controls are in place and effective.

Along with a requirement to undertake an audit, the Local Government Act also provides some direction on how auditors should be appointed, and how audits should be undertaken.

All councils contract registered company auditors to audit their annual financial statements, applying the relevant Auditing Standards. Under the Act—



Councils are required to appoint an auditor who must either be a registered company auditor or a firm comprising at least one registered company auditor.



Auditors are appointed by councils on the recommendation of a council's audit committee.



The term of an appointment of an auditor must not exceed five years.

As described above, external auditors must undertake annual auditing of a council's financial statements and internal controls exercised by the council, and then provide, to the council, an opinion on the financial statements and the adequacy of the internal financial controls.

In practice, many councils have a majority of independent members on their audit committees, and many also extend the role of their committees to provide independent advice on a range of matters, such as procurement and prudential reporting.

Additionally, a council may request its auditor, or some other person determined by the council to be suitably qualified in the circumstances, to examine and report on any matter relating to financial management, or the efficiency and economy with which the council manages or uses its resources to achieve its objectives.

It is worth noting the critical role that councils' audit committees play in their financial reporting framework, including auditing. South Australia was one of the first States in Australia to require councils to establish an audit committee, as a body that provides independent advice to a council on auditing and related matters.

Currently, audit committees are required to—



Review annual financial statements to ensure that they fairly present the state of affairs of the council.



Propose, and provide information relevant to a review of the council's strategic management plans or annual business plan.



Have a role in an investigation of a council's financial management, or its efficiency and effectiveness, if this investigation is requested by the council.



Liaise with the council's auditor.



Review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

An audit committee must have between three and five members and must include at least one external independent member with financial experience as determined by the council.

ISSUES**2.3**

It is critical that audits are an effective financial management tool for councils, and that they generate public confidence in their operation.

Increasingly, there is an expectation for audits to provide improved financial management, fiscal responsibility, public accountability and greater community confidence in a council's administration of public money.

While significant improvements have been made to the provisions in the Act regarding council financial management and audits, there are concerns about the present arrangements for the external audit of councils. While there appears to be a consensus that the legislative framework is sound, questions have been raised about the quality of some audits. There also have been calls for greater external oversight.

A report released by the LGA in 2016, *Who Should Audit Local Governments in South Australia?* identified a number of issues regarding local government audit arrangements.

These issues included the limited scope of many council audits (the depth of an audit performed), lack of audit oversight, inconsistency in the interpretation and application of accounting standards and auditing standards, the thoroughness of audits (in light of the generally low audit fees charged by auditors), and the independence of the relationship between auditor and council.

Additionally, an examination of the District Council of Coober Pedy completed by the Auditor-General in late 2018 concluded that this Council's financial position was unsustainable, the Council's financial performance was inadequate and that the Council's accounting systems and records were significantly deficient and unable to support effective financial management of the Council's operations.

While this examination was of a single council, its results raise the question of why the Council's own external audit process apparently did not reveal any irregularities in the Council's accounting practices or management of its financial affairs, or identify the multiple breaches of the Act that had been occurring.

PROPOSALS FOR REFORM**2.4**

It is timely to consider improvements to the Act to ensure that councils' financial management framework is both robust and consistent.

Potential improvements centre on two reform proposals—strengthening the role of audit committees and expanding the role of the Auditor-General.



IMPROVING AUDIT COMMITTEES

2.4.1

As noted above, audit committees play a critical role in the standard of councils' financial management practice and auditing processes.

The value of audit committees is widely recognised in the local government sector. Many councils have taken additional steps, beyond those required by the Act, to improve the independence and standard of audit committee members, and to expand its role.

It is generally acknowledged within the local government sector that having more than one independent member, including an independent chair, is best practice. Many councils also give their audit committees responsibilities and oversight that extend beyond those currently required under the Act, to include risk management and fraud prevention, financial and non-financial performance, and compliance with council policies and legislation.

A simple improvement to audit committees would be to require all committees to have a majority of independent members and an independent chair.

However, it may also be timely to strengthen the role of the audit committee. It is essential to ensure that the relationship between the council and its auditor is independent, and that council audits are not compromised by limited scope and reduced costs.

This could be achieved through establishing a clearer role for audit committees in the appointment of a council's auditor; to ensure that the scope of the council's audit parallels the scope of public sector audits undertaken by the Auditor-General, and clarify an audit committee's role as the council's chief liaison point with the auditor.

Additionally, given the importance of a strong internal control regime in councils, it is proposed that the responsibility of an audit committee to comment on these be strengthened, to form an opinion on the council's internal audit requirements and a recommended course of action, recognising the diversity of councils with regard to size, needs, budget and complexity of operations.

It is critical that the audit committee's membership contains the right skillsets and knowledge, particularly if the role is to be expanded. For example, an audit committee should have at least one member with financial qualifications and experience, in addition to experience in risk management, financial and legal compliance, governance, and a local government background. An appropriate induction should also be provided to committee members.

It is also proposed to amend the Act to clarify the policy intent for an audit committee to be active and carry out its responsibilities. It is therefore suggested that audit and risk committees be mandated to meet regularly, for example, at least four times a year.

It is acknowledged that there are concerns regarding the ability to attract suitably qualified and skilled members to audit committees, particularly in regional areas.

Amendments to the Act in 2009 permitted each council to determine, or allow its committees to determine for themselves that some committee meetings may include participation by telephone or other electronic means, provided that there is still a place that is open to the public where the conduct of the meeting can at least be heard, even when all participants are not physically in that place.

It is proposed that an expansion of audit committees' responsibilities and roles would be accompanied by an ability for councils to establish regional audit committees as they choose.

EXPANDING THE ROLE OF THE AUDITOR-GENERAL

2.4.2

Currently, South Australia is the only Australian state where the Auditor-General does not have some role in the annual council audit process.

In every other jurisdiction (with the exception of the Northern Territory), the Auditor-General is the external auditor for councils. All also enable the Auditor-General, at his or her discretion to undertake a broad scope or performance audit of councils or the local government system.

The council audit process in most interstate jurisdictions has developed in recent years into a mechanism for addressing and improving financial and asset management. This is well illustrated by the reforms in local government seen interstate, in particular in Victoria and New South Wales.

Further, in interstate jurisdictions where the Auditor-General's mandate encompasses the audit of local government authorities, the Auditor-General submits the results of these audits in reports to Parliament. These reports include comparative analysis, including analysis of financial performance and sustainability, and key issues and trends relating to local government. Further information on interstate arrangements is available in a separate document from the Office of Local Government website dpti.sa.gov.au/local_government_reform



The proposal that the South Australian Auditor-General should have a similar role for councils here has been put forward previously, through—

The Economic and Finance Committee of Parliament's 2016 *Final Report on the Inquiry into Local Government Rate Capping Policies*, which recommended that councils be subject to a thorough auditing process under the auspices of the Auditor-General, consistent with section 36 of the *Public Finance and Audit Act 1987*, and that councils be required to publish, on an annual basis, these audits.



The LGA's 2016 *Who Should Audit Local Governments in South Australia?* report, which concluded that transferring local government audits under the auspices of the Auditor-General should be considered as a serious alternative to the current system.

The South Australian Local Excellence Expert Panel's 2013 report *Strengthening South Australian Communities in a Changing World*, which recommended that the Auditor-General assume responsibility for local government auditing on a basis to be agreed between the LGA and State Government, noting that this would add to the legitimacy and autonomy of local government by making it subject to the same scrutiny and accountability to both the community and the Parliament as other spheres of government.



It is acknowledged that, as is the case interstate, the Auditor-General would appoint and oversight councils' external auditors, rather than undertake the audits 'in house'. However, this oversight would ensure that council audits are undertaken to the same standards as the audits of all State government bodies, which would improve the scope and quality of the audit process in many councils.

It would also provide a level of oversight from outside of the council body that is currently lacking. While, as detailed above, audit committees were put in place to ensure that councils' 'self- assessment' scheme under the Act is subject to independent oversight, in order to deliver high quality audits across all councils, this previous reform has not quite achieved that aim. Improving the membership and role of the audit committees, while valuable, may continue to pose a risk that a body that is established by and is subordinate to councils may not deliver the level of independent oversight that is critical for public bodies.

The Auditor-General's involvement in council audits would ensure that all audits are undertaken uniformly and to a high standard. It would also allow for the collection of useful data that can form the basis for further investigations and performance audits.

It is important that councils are aware of what services they provide, the cost of those services, and how they can improve delivery to achieve cost efficiency. Unlike the terms of reference for audits traditionally developed by most councils, an audit by the Auditor-General could routinely assess whether councils are delivering services efficiently and economically.

Finally, establishing a role for the Auditor General in council audits would also provide a consistent approach to the oversight of all public bodies in South Australia, as is already largely the case with the other integrity bodies in the State, the Ombudsman and the Independent Commissioner Against Corruption.

It is recognised that the costs of audits would be likely to increase under the mandate of the Auditor-General. This cost should be weighed, however, against the benefits of improvements to the scope and quality of many council audits, and of better, consistent data and analysis and increased public confidence in councils' financial position, management and decisions.

3 IMPROVING GOVERNANCE STANDARDS AND DECISION MAKING

BACKGROUND

3.1

Councils are established as democratically elected governments to make representative, informed and responsible decisions in the interests of local communities, for which they are ultimately accountable at elections. As local governments, councils must meet the standards of accountability appropriate for public sector administration and management of public funds.

The Act sets out the primary legislative framework for the system of local government and the operation of local governing authorities, including financial governance. For example, the Act requires each council to develop and adopt a number of key documents, including strategic management plans, an annual business plan and budget, and annual report.

ISSUES

3.2

While councils are independent spheres of government that answer to their communities for the decisions that they make, it is critical that these decisions are made within a legislative framework that sets high standards of accountability and transparency.



Concerns have been raised regarding council decision making and accountability. It is essential that the legislative framework supports elected member bodies to make decisions that are well informed and that these decisions are effectively communicated to members of the public. This includes improvements to financial reporting to ensure that information about councils' finances and budget decisions are both accessible and easily understood.

3.3 PROPOSALS FOR REFORM

CREATING 'AUDIT AND RISK COMMITTEES'

3.3.1

As noted above, a number of councils have expanded the role of their audit committees to provide advice to them on a range of matters beyond those detailed within the Act. They do this to ensure that the council has an independent and thorough assessment of various matters to help the council to make good decisions, and to provide assurances to their communities that critical processes and decisions have been subject to independent oversight and assessment.

It is therefore proposed that audit committees be expanded to become 'audit and risk committees' that would play a critical role in improving councils' financial management and performance. An expanded role could include—



Reviewing councils' risk assessments and controls.



Providing comment on councils' rating policies and practices.



Reporting to councils on its use of public resources.



Reporting to councils on prudential matters.



Performance monitoring of councils.

It is also suggested that the chair of each audit and risk committee provide a report or statement in the council's annual report on prescribed matters including compliance with financial governance and related statutory obligations..

The expansion of their current role would assist with increased accountability, improved decision-making, and compliance with legislation, policies and procedures. As highlighted above, it is critical that the committee's membership contains diverse skillsets, particularly if the role is to be expanded.

While councils are required to develop a rating policy, the Act does not require councils to adopt a funding policy that sets out approaches to the funding of services. Some councils, however, have adopted a formal funding policy. The LGA's local government reform agenda highlights that funding policies would create a single point of reference to enable the community to understand how a council proposes to pay for each of its services and infrastructure over a period of time, taking into account rates, grants fees and charges and commercial activities.

An additional proposal is therefore that councils should be required to develop and adopt a funding policy that would be reviewed on an annual basis, as part of a council's annual business plan. Audit and risk committees could also be required to review and report to councils on this policy before its adoption.

In response to concerns regarding the transparency of rating decisions and their impact, it is proposed that councils be required to release a summary with their draft annual business plan each year that details the expected increase in councils' total general rate revenue and the reasons for this increase. If the increase is above a prescribed level, the council's audit and risk committee could be required to report to the council on the necessity for the increase, before a final decision on the matter.

CREATING 'GOVERNANCE COMMITTEES'

3.3.2

Along with audit committees, many councils also establish a range of committees to advise them on critical council business and decisions. These can be governance and corporate management committees, strategic planning committees, policy committees, or committees to assist councils to appoint and manage its chief executive officer (CEO). Often these committees consist entirely of council members, or members and staff.

The advice that independent audit committees provide to councils can be invaluable. They can be a critical source of support for members, to provide additional assessment and assurances to inform their decisions, beyond that which is provided by council administration.



It is proposed to capture the benefits delivered by independent audit committees to apply to other, equally important matters before councils. To undertake their roles properly, councils need good governance standards. This extends beyond their financial management and position to encompass management, policies, processes, guidance and actions that councils rely on to make their decisions. These can be improved and strengthened through independent advice on matters that could include—



Councils' compliance and governance policies.



Councils' policies for improving ethical standards across councils and reducing fraud and corruption risks.



Councils' strategic management plans, and on progress to deliver priorities, particularly on the management of significant council projects.



Council member conduct—both on policies and processes to improve it, and on specific conduct matters (as described in Reform Area 1).



CEO appointment and management (as described in Reform Area 1).

This additional 'governance role' could be incorporated into the overall role of an 'audit and risk committee' (potentially creating an 'audit, risk and improvement committee'), or established as a separate 'governance committee'.

Alternatively, an approach could be to allow councils to decide whether to establish two, smaller committees, or one slightly larger committee to deliver all responsibilities. As with the proposed expansion of the audit committees, enabling councils to establish regional committees could assist regional councils to appoint members with the necessary expertise and experience.

4 ADDITIONAL PROPOSALS

The reform program provides an opportunity to progress a number of other issues that have been identified.

LONG TERM FINANCIAL PLANS — CONTENT

4.1

Section 122(1a) of the Act requires each council to develop and adopt a long-term financial plan covering a period of at least 10 years, along with an infrastructure and asset management plan also covering a period of at least 10 years. These plans form part of a council's strategic management plans. The Act and Regulations set out content requirements for long-term financial plans and the LGA's Financial Sustainability Information Paper includes guidance material.

It is proposed that the requirements in the Act and Regulations should be more detailed. For example, councils should be required to clearly state whether their infrastructure and asset management plan is based on maintaining existing service levels, or whether service level reductions or improvements are planned.

LONG TERM FINANCIAL PLANS — CONSULTATION

4.2

The Act requires councils to review their long-term financial plans, and any other elements of its strategic management plans as soon as practicable after adopting its annual business plan for a particular financial year.

To ensure that long-term financial plans are improved and updated as frequently as practical, it is proposed to amend the Act to clarify that public consultation is not required for a review of a long-term financial plan unless significant changes are being proposed.

It is also proposed to clarify that long-term financial plans must be reviewed at least once a year, rather than the requirement for the review to be undertaken as soon as practicable after the CEO reports on the council's long-term financial performance and position



CEO REPORT ON THE COUNCIL'S LONG TERM FINANCIAL PERFORMANCE AND POSITION 4.3

The Act requires a council CEO to report, each year, on the sustainability of a council's long-term financial performance and position. As the content and quality of such reports vary significantly, it is proposed to strengthen the legislative provisions by ensuring that the report is presented in a manner in which supports council members and the community to understand it.

APPROVAL OF COUNCIL BORROWINGS 4.4

A report released by the Auditor-General in late 2018, concerning the District Council of Coober Pedy, could be interpreted to suggest that councils are required to pass a separate resolution every time a borrowing is undertaken. It is proposed to amend the Act to ensure that a budget adopted by a council may include approval of an amount of new borrowings or other forms of financial accommodation which may be undertaken for the financial year.

ADOPTION OF AN ANNUAL BUSINESS PLAN 4.5

Currently, councils are unable to adopt their annual business plans and budgets before 1 June each year, but must do so before 31 August (except in a case of extraordinary administrative difficulty). It is proposed to simplify this requirement, and recognise that most councils adopt their annual budgets in July, by requiring councils to adopt their annual business plan and budget by 15 August each year.

INTERNAL FINANCIAL CONTROLS 4.6

It is proposed to require all councils to comply with the LGA's *Better Practice Model – Internal Financial Controls*. This would support councils to meet their obligations under the Act to maintain policies, practices and procedures of internal control.

It would also resolve a current inconsistency between the requirements for internal controls under section 125 of the Act, and the scope of internal controls required to be considered by a council's external auditor under section 129(3)(b) of the Act. Unless a council has voluntarily agreed to adopt and comply with the *Better Practice Model – Internal Financial Controls* framework, an external auditor may be put in the position of being required to give an opinion on a council's compliance with a framework that a council is not required to comply with.

REFORM AREA 2

LOWER COSTS AND ENHANCED FINANCIAL ACCOUNTABILITY SUMMARY OF REFORM PROPOSALS

FINANCIAL ACCOUNTABILITY

- 2.1** Require audit committees to have a majority of independent members, and an independent chair.

- 2.2** Strengthen the role of audit committees in councils' external audits, through a greater role in the appointment of the auditor and determining the scope of the audit, and as the chief liaison point with the auditor

- 2.3** Require audit committees to report on the council's approach to internal audit processes.

- 2.4** Require audit committee members to have specified skills, and an induction process.

- 2.5** Allow councils to form regional audit committees.

- 2.6** Require the Auditor-General to oversight all council audits.

IMPROVING GOVERNANCE STANDARDS AND DECISION MAKING

Create 'audit and risk committees' that play an expanded role in councils' financial management and performance.

This could include—

- 2.7**
- Reviewing councils' risk assessments and controls.
 - Providing comment on councils' rating policies and practices.
 - Reporting to council on its use of public resources.
 - Reporting to councils on prudential matters.
 - Performance monitoring of councils.

- 2.8** Require the chair of the 'audit and risk committee' to provide a report in the council's annual report on governance standards and compliance.

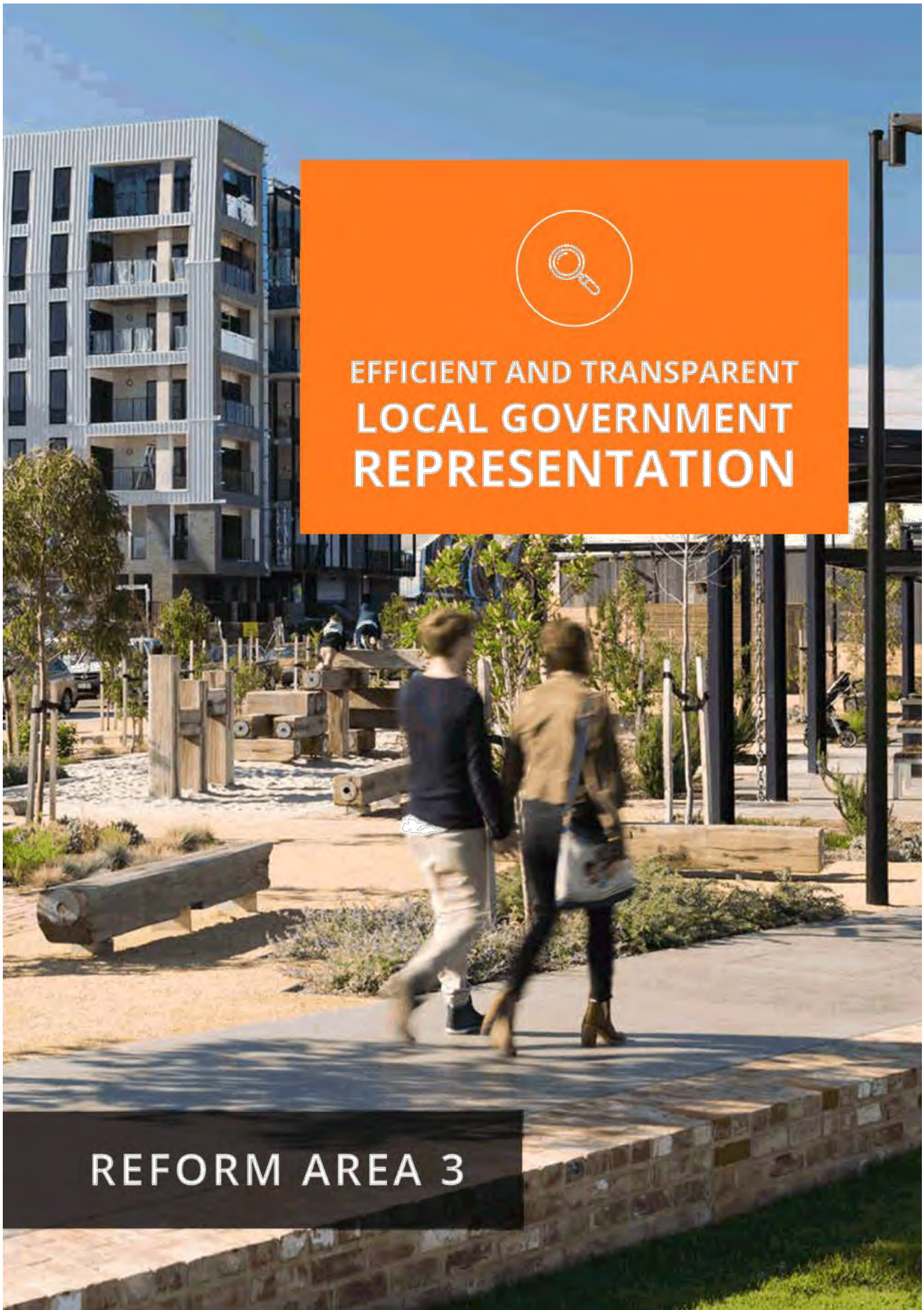
- 2.9** Require councils to develop and adopt a funding policy that would be reviewed by its audit and risk committee.

- 2.10** Require councils to release a summary of their draft annual business plan that states the proposed increase in total general rate revenue, and the reasons for this increase.

- 2.11** If a council's proposed increase in total general rate revenue is above a prescribed level (such as the Local Government Price Index), require its audit and risk committee to provide a report to the council on the reasons for this increase.

Create 'governance committees' to provide independent advice to councils on critical management, policies, processes and actions, potentially—

- 2.12**
- Councils' compliance and governance policies.
 - Councils' policies to improving ethical standards across councils and reduce fraud and corruption risks.
 - Councils' strategic management plans, and on progress to deliver priorities, particularly on the management of significant council projects.
 - Council member conduct—both on policies and processes to improve it, and on specific conduct matters (as described in Reform Area 1).
 - CEO appointment and management (as described in Reform Area 1).



REFORM AREA 3

1 INTRODUCTION

Every four years, all councils across South Australia are elected. Just like State and Federal elections, Local Government elections establish our government. They give us the ability to choose who we want to represent us, to lead our communities, and to make decisions about the services that are available to us.

The details of an election process are therefore critically important. Many aspects of council elections are unique, differing from State and Federal elections to reflect their essentially local nature.

It is fair to say that the way in which we vote for our councils is a matter of great importance to all people with an interest in local government. It's critical that this process is fair, transparent, run independently, provides the right information at the right time, and encourages participation from potential council members and voters alike.

This Reform Area provides a range of proposals aimed at improving the local government elections in South Australia. As election processes can be technical, this Reform Area breaks this process into smaller parts, that progressively work through the 'stages' of an election; from its basis to its final result, to assist further discussion and debate on these proposals.

This Reform Area also covers matters of representation that sit outside a general council election process—supplementary elections; and the role of representation reviews that consider councils' internal structure.

Finally, a number of additional (technical) amendments to the *Local Government (Elections) Act 1999* are proposed. These have largely been requested by the Electoral Commissioner of South Australia (ECSA) to remove inconsistencies and address technical issues that have arisen during previous Local Government elections.

Note: Many aspects of Local Government elections are the responsibility of the 'returning officer'. The returning officer is currently ECSA. References to ECSA throughout this paper should, therefore, be read in this context.



2 BASIS OF ELECTIONS

BACKGROUND

2.1

Local Government elections are held in November every four years. Currently, local government elections are held in the same year as State elections. In 2018, the State election was held in March and Local Government Elections were held in November.

Unlike State and Federal elections where voting is compulsory, voting for your council is voluntary in South Australia.

Voting is postal. Ballot papers are sent to voters, and, if they are choosing to vote, voters complete the ballot papers, and return them via post or to a council office.

The voting franchise extends beyond residents, to include property owners.

It should be noted that these elements of Local Government elections vary across Australian jurisdictions. For example, voting for your council is compulsory in New South Wales, and voting there is also by 'attendance'—that is, at a polling booth.

ISSUES

2.2

While many ideas and suggestions to improve local government elections have been made, the chief issue that is raised is voter turnout. A statewide average of 32.94% of enrolled voters chose to vote in their council elections in the 2018 elections. This is a proportion that has been fairly consistent since the introduction of postal voting for the 2000 Local Government elections.

PROPOSALS FOR REFORM

2.3

During the call for reform ideas, the most popular idea received was to introduce electronic—online—voting for councils. However, there are a range of technological challenges that must be overcome before online voting can be introduced. For this reason, it is not proposed to change the current postal voting system.

ECSA has, however, requested an ability to provide ballot papers to electors electronically in some instances (with them returned electronically) to avoid delays in receiving the completed votes.



It is also not proposed to move to compulsory voting. Enforcing compulsory voting in a postal voting system is difficult and resource intensive. This may be a reform best explored at a time when online voting is possible.

However, it may be timely to consider changing the timing of council elections, to move them away from a State election year. If this proposal is to proceed, it is suggested that Local Government elections would be held the following year from State elections. If this is the desired change, the next local government elections will be held as scheduled in November 2022, followed by the next periodic elections in November 2027 (ie a five-year term), then reverting to four-year terms.

It is also proposed to clarify the respective roles that ECSA and the local government sector play in promoting local government elections. To allow for clear and timely messages to be provided to both encourage people to nominate for councils and to encourage people to vote, it is suggested that councils are responsible for information sessions about their role and opportunities for potential members; and that ECSA is solely responsible for the promotion of the election.

ENROLMENT

BACKGROUND

3.1

Before receiving ballot papers, voters must be on their council's voters roll.

In South Australia, voters who are already on the State Electoral roll in their council area to vote in State elections are automatically included on the Council voters roll and receive ballot papers in the post. However, landlords, business lessees or resident non-Australian citizens who wish to vote in Local Government elections must enrol for each council election by completing an enrolment form. The application for enrolment on a voters roll must be made to the CEO of the council, who is responsible for the maintenance of the voters roll for the council area.

This was a change made after an extensive review of local government elections in 2008. From 2000-2008, property owners—like residents—automatically received ballot papers in the post, without having to 'self-enrol'.

However, the 2008 *Review of Local Government Elections* found that the costs of maintaining a separate council voters roll, comprising those voters who are landlords, business lessee or resident non-Australian citizens, was high. Councils at that time were spending around \$1 million across the sector to maintain the roll. Additionally, the voter turnout from property franchise holders was very poor. Slightly less than 19% of these voters chose to exercise their vote in the 2006 local government elections, dropping as low as 10.2% in previous elections.

ISSUES

3.2

When the requirement to automatically enrol property franchise holders was removed, councils were required to notify people who were not on the House of Assembly roll in their areas of the need to self-enrol if they wished to receive ballot papers. It has become apparent, however, that many people are not aware of this requirement, and are unhappy when they do not receive ballot papers in the post.

There have therefore been a number of requests from councils and from members of the public to re-introduce the requirement to automatically enrol property franchise holders.

However, some councils have also expressed concerns that this could have significant resource implications. Additionally, ECSA have advised that the re-introduction of the automatic enrolment of property franchise holders must include a requirement for groups and body corporates to nominate a natural person to exercise its vote, before receiving ballot papers. This will enable councils to ensure that a person is not voting twice in a council election, but will add to the costs of managing the roll.

PROPOSALS FOR REFORM

3.3

Two proposals are suggested to improve participation in local government elections by property franchise holders—

1. Require councils to undertake specific activities to inform property franchise holders of their need to self-enrol before an election (and introduce a penalty for non-compliance).
2. Re-introduce automatic enrolment of property franchisees, with each body corporate and group required to nominate an eligible natural person as a 'designated person' in order to receive ballot papers.

4 NOMINATIONS

BACKGROUND

4.1

Nomination is the process that enables a person who wishes to be elected to their council to put themselves forward as a candidate.

Before making this decision, people can attend information sessions and obtain nomination kits, which are made available by ECSA two weeks before nominations open.



Once they have decided to nominate, that person must complete a form declaring their eligibility to stand as a candidate in their nominated election. Their nomination is then lodged with the council in which the individual is standing for election. The nomination must be accompanied by a 'candidate profile' that includes a short (150 word) description of themselves and the reasons why people should vote for them.

Prior to the close of nominations, those nominations that are accepted (ie not rejected by ECSA) are displayed in council offices for the public's information. The front page of this form includes the candidate's enrolled address, and address of the rateable property, if different from their enrolled address.

Within five business days of the close of nominations, a candidate may also provide a 'candidate's statement', which is subsequently published on the Local Government Association's website. This differs from the candidate profile as candidates are allowed to make direct statements about the council and its members in this statement.

Candidate profiles are also provided to all voters with their ballot papers.

ISSUES

4.2

A number of councils have expressed concerns regarding their involvement in receiving and publishing nominations. This can place pressure on council staff, and give rise to an impression that staff are assisting or benefiting some candidates over others.

There was also some confusion expressed about the intent of the candidate profile and the candidate statement. It was also noted that the need to provide a platform for candidates to promote their candidature has been largely superseded by the accessibility of social media, which allows candidates to communicate information to voters in a dynamic, responsive manner, which the website is unable to achieve.

A specific issue regarding nominations for the position of Lord Mayor has also been raised. The *City of Adelaide Act 1998* prevents any person from holding office as Lord Mayor for more than two consecutive terms. No other council office—and no office within State or Commonwealth Parliament—has a similar limit.

PROPOSALS FOR REFORM

4.3

It is proposed that ECSA, as the returning officer, take a clearer and more centralised role in receiving nominations and publishing candidate profiles—

- ECSA will be responsible for the nominations process, will manage an online nomination process and provide councils (and publish online) a list of accepted nominations relevant to their council area within 24 hours after close of nominations.
- ECSA will publish candidates' profiles, including the profile statements on its website. The maximum length of the profile statements will be amended from 150 words to 1000 characters, to provide a more consistent and accurate count. These 1000 characters may include directions to find further information about a candidate (such as social media).
- The provisions relating to the candidate's statement will be removed, along with the corresponding requirement for the LGA to subsequently publish these on a website.

It is also proposed that the term limit on holding the office of Lord Mayor be removed.

5 CANDIDATES

BACKGROUND

5.1

Once a person has had their nomination accepted, they become a candidate standing for election. At this point, a candidate can commence campaigning.

Many candidates in the 2018 local government elections campaigned via social media. Others used more traditional methods of campaigning, such as door-knocking and letterbox drops. 'Meet the candidates sessions' run by councils also help voters to learn who is running for their council, and what their views are.

Candidates may place election signs on road infrastructure (eg light poles and stobie poles) during the campaign, but these signs must comply with legislated guidelines. Election signs may be put in place no earlier than four weeks before the close of voting, and must be removed within 48 hours of the close of voting.

Council resources such as offices, staff, equipment or stationery must not be used during any candidates' campaign.



ISSUES

5.2

A range of issues and ideas about requirements placed on candidates were raised in the call for reform ideas.

A number of these centred on the information that is required to be provided by candidates to voters. As described above, candidates currently must provide a 150-word profile (which is included with the ballot papers posted to voters), and may make a candidate statement.

A number of people also raised concerns that candidates who are members of political parties can access a copy of the voters roll in electronic form, which is not available to candidates who are not political party members.

There was also a range of views expressed on whether or not candidates should be required to have a particular qualification, or undergo training relevant to being a council member, to improve the quality of candidates and better prepare candidates to becoming a council member.

While it was widely agreed that council resources should not be used to advantage any candidate for election—whether they be an incumbent member or not—there was also a strong view that the requirements within councils' caretaker policies do not express this obligation well.

PROPOSALS FOR REFORM

5.3

It is proposed that candidates be required to state—

- Whether they live within the ward or council area that they are contesting. This would be a simple 'yes/no' or tickbox, to avoid risks associated with the release of candidate addresses.
- Their membership of any political party, or any association or body formed for political purposes, of which the candidate is a member or has been a member within the past 12 months.

It is also proposed that the responsibility for receiving information on donations received by candidates, and enforcing candidates' compliance with campaign donations returns requirements, is transferred from council CEOs to ECSA, which will publish all returns online.

This will include a requirement for candidates to report to ECSA any single donations above a prescribed amount (for example, \$2000), or donations totalling above a prescribed amount from a single person or entity, or gifts worth above a prescribed amount, within five business days of receipt. ECSA must publish a report of these donations within two business days of receipt on its website.



It is proposed that all candidates be entitled to an electronic copy of the voters roll on request to their council, with significant penalties (\$10 000) for use of the roll for any purpose other than campaigning in the local government election for which the candidate has nominated.

While views about candidate training and qualifications were considered, it is not proposed that these will be required, given concerns about enforcement and the impact requirements may have on the range and number of people choosing to stand for their council.

Finally, it is proposed that the requirement for councils to make a 'designated decision' within their caretaker policies regarding the use of council resources for the advantage of a particular candidate or group of candidates be removed. It is more appropriate for this requirement to be simply stated within the general caretaker responsibilities of councils.

6 RECEIVING AND COUNTING VOTES

BACKGROUND

6.1

Voting packs are distributed to enrolled voters in the mail at least two weeks prior to the close of voting. In addition to ballot papers, each pack includes information about the candidates standing for election. Votes must be received by ECSA no later than the day and time noted on the postal voting guide included in the ballot package.

This guide explains how voters need to complete their ballot papers. In the South Australian system, voters must mark numerical preference for at least the number of candidates to be elected, and can continue to number if desired. This voting system is called 'partial preferential voting'.

When counting votes, ECSA use a system called 'Proportional Representation'. This system requires candidates to reach a determined quota, calculated by dividing the number of formal ballot papers (votes) by the number of vacancies to be filled.

It is a counting method designed to ensure that vacant positions are allocated as nearly as possible in proportion to the votes received. A candidate is elected after obtaining a quota or proportion of the formal vote.

ECSA must then declare the provisional result of the poll once the result becomes apparent. The election result must be finalised following a period of 72 hours for any recount requests, and results published within one month of the close of voting.



ISSUES**6.2**

For the November 2018 local government elections, there were additional expense and delays in the posting of ballot papers as a result of changes to Australia Post fees and delivery policies. This raised some concerns about the voting period (2 weeks), and voters' ability to post a vote that would be received by ECSA before the end of this period.

There have also been some requests for changes to the system of voting, particularly to change to optional preferential voting in Local Government elections, to encourage voter participation. A number of requests were also received to accelerate the counting process, so that results can be known sooner after the close of voting.

PROPOSALS FOR REFORM**6.3**

It is proposed that the voting period be extended by an additional week to accommodate Australia Post delivery timeframes. This will assist in bringing forward the current date for reissue of voting material and to provide for its return before the close of voting.

Changes to the voting method were considered, particularly the proposal to move to optional preferential voting. However, it should be noted that a large proportion of voters in elections where optional preferential voting applies only put a number '1'. If a voter's preferred candidate is not elected, but excluded, their ballot paper cannot be distributed as they have no further preferences marked—their vote is exhausted. Therefore, the partial preferential voting method should be retained.

It is, however, proposed to change the counting method. While the current method is assessed as a 'fair' system for counting votes, it is also recognised as a more complex counting process than other systems, and one that takes considerably longer to finalise. A simpler, faster method of counting is the exclusion method. This excludes at each count the candidate who has received the fewest votes until the number of candidates continuing in the count is equal to the number of vacancies to be filled.

The more simplified counting method will remove the requirement for complex counting software, and reduces the risk posed by any lack of access to this software.

To determine the potential effects on election results from this proposed reform, ECSA conducted recounts of ballot papers from six council elections using the simpler exclusion count method. The only change to any of the elected candidates was one case, where the final position in a ward that had six nominations for three positions, was changed. In this instance, the candidate elected through the exclusion method obtained significantly more first preference votes than the candidate elected through the current method.

7 SUPPLEMENTARY ELECTIONS

BACKGROUND

7.1

If an elected member resigns or passes away, a casual vacancy arises in the council. Supplementary elections are held when it is necessary to fill a casual vacancy on a council.

ECSA must begin a supplementary election, once advised by a council's CEO that their council has a vacancy, unless this vacancy has occurred on or after 1 January in a periodic election year, or within seven months before polling day of a general election.

Where a council does not have wards, they may adopt a policy to not fill a single vacancy until the next periodic election. However, if a subsequent vacancy occurs, a supplementary election must be held to fill all vacancies. These provisions do not extend to mayoral vacancies which must be filled as soon as practicable.

ISSUES

7.2

Supplementary elections must be funded by councils and can involve substantial expense. Where a supplementary election is required more than once during a term of the council, costs for a council can be significant. Notably, voter participation in supplementary elections is in the range of 5-7% lower than at periodic elections.

VOTER TURNOUT AT SUPPLEMENTARY ELECTIONS

YEAR	NUMBER OF SUPPLEMENTARY ELECTIONS	AVERAGE PARTICIPATION RATE
2015-16	10 supplementary elections to fill 12 vacancies ¹	24.32%
2016-17	11 supplementary elections	27.9%
2017-18	10 supplementary elections	25.7%
2018	November 2018 Local Government elections	32.94%

Seven months after the conclusion of the November 2018 Local Government elections, three supplementary elections have been held, or will be held, for four elected member positions.

¹As nominations were received for the vacancy of councillor for Rindler's Ward, in the District Council of Sealy Bay, the election failed. As a result, the council was required to appoint an eligible person to fill the position under the provisions of section 8(1) of the *Local Government (Persons) Act 1989*, following the failure of the supplementary election. Source: ECSA Annual Report 2015/16.

PROPOSALS FOR REFORM

7.3

It is proposed to reduce the impact of supplementary elections on councils and their communities by allowing the last excluded candidate at the most recent periodic election to be elected, if the vacancy they are filling was created within twelve months of this periodic election. Of course, the candidate would still need to meet the eligibility criteria and be willing to accept the position. This may apply to all positions, or exclude directly elected mayoral positions.

It is also proposed that the period in which a vacancy does not need to be filled be extended to twelve months prior to the next periodic election or a general election.

It may also be possible to allow councils to 'carry' greater numbers of vacancies. It is, however, important to balance the cost of supplementary elections against the cost of under-representation of the community during council decision making processes. And, as councils have varying numbers of elected members, the impact of reduced numbers is felt differently.

For those councils that have relatively small numbers of members (6-7) allowing two vacancies would result in a very small number of elected members carrying responsibility for all council decisions. For example, some councils have a total of six elected members, and can carry one vacancy under the current provisions. If allowed to carry an additional vacancy, council decisions would be voted on by four elected members. This may also make it difficult for councils to form a quorum when members are absent.

With this in mind, it is proposed to allow a council without wards to carry a maximum of two vacancies where that council has a total of nine or more elected members, not including a directly elected mayor.

QUORUM REQUIRED FOR REDUCED NUMBER OF ELECTED MEMBERS

If councils were allowed to carry an additional vacancy, it is possible that a council could end up carrying more than two vacancies if an elected member resigned during the prescribed period leading up to a periodic or general election.

ORIGINAL NUMBER OF ELECTED MEMBERS	NUMBER OF ELECTED MEMBERS AFTER 2 VACANCIES	QUORUM REQUIRED
8	6	4
9	7	4
10	8	5
11	9	5

8 REPRESENTATION REVIEWS

BACKGROUND

8.1

Representation reviews require councils to regularly consider their composition—essentially its number of council members—and their structure—primarily whether or not it has wards.

Section 12 of the *Local Government Act 1999* sets out requirements that all councils must follow when conducting a representation review, including how councils must undertake and consider public consultation.

Councils must release a 'representation options paper' that examines the advantages and disadvantages of the various options to alter the composition of the council or its ward structure and, in particular, if the council is divided into wards, consider whether this should be the case.

The council must then invite submissions on this paper. After the public consultation period, the council must prepare a report that provides information on the public consultation, responds to issues arising from the submissions it has received, and sets out a proposal. If the council has decided not to adopt any change under consideration that was part of the representation options paper, the council must set out the reason for its decision. This report must then be made available for a 'second round' of public consultation.

Before any changes can be made to a council's composition, ECSA must determine that the requirements of the Act have been satisfied, and provide the council with a certificate. Once a council has this certificate, it can gazette the change to its composition or wards.

ISSUES

8.2

Over the last two council terms (2010–2018), all councils have completed representation reviews. Following this, there has been a request to review and simplify the requirements in the Act that apply to this important process.

In particular, there is a view that the process guiding councils' public consultation on their representation reviews is unnecessarily prescriptive, and prevents councils from properly responding to—or adopting—changes to proposals that may arise through this consultation.

On a more fundamental level, there is also a view that council members have—or are seen to have—an inherent conflict of interest when making a decision on the right representative structure for their council. Elected members may be reluctant to make any changes which would affect them and their chance to be re-elected at the next election, or may be perceived to be acting in their own interests rather than that of the council and its community.



PROPOSALS FOR REFORM

8.3

There are two proposals for reform of representation reviews—

1. Review the current provisions, to make the public consultation requirements more flexible, and to make other simplifications and improvements that may be identified, or
2. Give responsibility to the Boundaries Commission to regularly review the internal structure of councils, including council representation (eg the number of elected members) and nature of representation (eg ward vs area councillors) as is appropriate for each community. This would be done on a cost-recovery basis for each council.



ELECTED MEMBERS CONTESTING STATE ELECTIONS

BACKGROUND

9.1

From time to time, members of councils may choose to run for political office in another sphere of government. These candidates continue in their role as a council member throughout the campaign for State or Federal Parliament.

ISSUES

9.2

The issue that has been raised is whether it is appropriate for these candidates to be in a position as a council member if they are running for another office, or whether they should be required to take a leave of absence.

The principal argument for requiring council members to take a leave of absence while campaigning is that it is not appropriate for council members to use their position in local government to promote their candidacy for another sphere of government. It is argued that this raises perceptions that these members have a conflict of interest, or that the interests of their campaign takes precedence over their role as a council member.

While existing rules prevent council members from using council resources for their personal benefit (which would include a campaign), there may also be a perception that the resources available to council members do in fact give them an advantage in this campaign against other candidates who are not council members.

PROPOSALS FOR REFORM

9.3

It is proposed that council members standing for election to State Parliament are suspended from their position as council members during the election period. This would mean that the members would not—



Undertake any official functions or duties over this time, including attending council meetings.



Be provided with council meeting agendas or other materials as a council member.



Have any access to council facilities or services that is not available to members of the public.



Receive their allowance for this period.

This proposal only applies to State elections, as Commonwealth legislation prevents its application to elections to the Commonwealth parliament².

10 ADDITIONAL PROPOSALS

The Local Government Reform program provides an opportunity to make a range of other amendments to the *Local Government (Elections) Act 1999*.

Other proposals for reform are—

SUPPLEMENTARY ELECTIONS

10.1

Allow for the close of voting for supplementary elections to be at a time determined by the Returning Officer, allowing the Returning Officer to set both polling day [under section 6(6)] and the time for the close of voting on that day. Such a determination would be made by the Returning Officer when setting all other dates for the supplementary election including the Close of Rolls and Close of Nominations.

COUNCILS HOLDING POLLS UNDER THE LOCAL GOVERNMENT ELECTIONS ACT

10.2

Require councils to provide notice of a polling day on its website, and allow for the close of voting for a council poll to be 5 pm on polling day.

²Section 827(3) of the Commonwealth Electoral Act 1918 provides that State or Territory laws that discriminate against local government are/are not in Federal elections (have jurisdiction).

THE VOTERS ROLL **10.3**

Remove the reference to 'purchase' of the voters roll, to provide consistency with section 15(14).

PUBLICATION OF MISLEADING MATERIAL **10.4**

Require the publication of a retraction to be prominently placed in the early pages of *The Advertiser* and other local press.

BALLOT PAPERS **10.5**

Allow for drawing of lots as soon as practicable after noon (rather than waiting for 4 pm).

ISSUE OF POSTAL VOTING PAPERS **10.6**

Align the cut-off for both an application by post and in person to be by 5 pm on the fourth business day before polling day.

ARRANGING POSTAL PAPERS **10.7**

Remove the reference to the close of voting at noon for an election or poll (consist with amendments to the close of voting).

METHOD OF COUNTING AND PROVISIONAL DECLARATIONS **10.8**

Alter the method to that used when conducting an optional preferential count.

DISPUTED RETURNS **10.9**

Allow the Electoral Commissioner as returning officer to petition the Court of Disputed Returns in circumstances where the validity of the result must be challenged due to error.

REFORM AREA 3

EFFICIENT AND TRANSPARENT LOCAL GOVERNMENT REPRESENTATION SUMMARY OF REFORM PROPOSALS

3.1 Change the timing of periodic council elections to the year following a state election.

3.2 Enable ECSA to provide ballot papers electronically.

3.3 Clarify that councils are responsible for information sessions about the role of a council member, and that ECSA is responsible for election promotion.

3.4 Require councils to undertake specific activities to inform property franchise holders of their need to self-enrol, OR re-introduce the automatic enrolment of property franchise holders.

3.5 Require ECSA to receive all nominations and publish candidate profiles.

3.6 Remove the term limit on holding the office of Lord Mayor.

3.7 Require candidates to 'tick a box' stating whether they live in the area they are contesting.

3.8 Require candidates to state whether they are a member of a political party or any association or body formed for political purposes, or have been within the past 12 months.

3.9 Require ECSA to host all information on donations received by candidates.

3.10 Require candidates to report to ECSA any single donations above a prescribed amount (for example, \$2,000) within five business days of receipt.



3.11 Enable all candidates to request an electronic copy of the voters roll from the relevant council.

3.12 Remove the requirement for councils to make a 'designated decision' within their caretaker policies on the use of council resources, in favour of a statement within general caretaker responsibilities that council resources must not be used to advantage particular candidates.

3.13 Extend the voting period by one week to better allow for postal delays.

3.14 Change the counting method to the 'exclusion method'.

3.15 If a vacancy on a council is created within 12 months of a periodic election, allow this to be filled through a 'countback' of candidates.

3.16 Extend the period of time in which a vacancy does not need to be filled to 12 months before a periodic election.

3.17 Enable councils without wards, and with at least nine members, to 'carry' two vacancies.

3.18 Simplify representation reviews, and make public consultation requirements more flexible.

3.19 Transfer the responsibility for representation reviews to the Local Government Boundaries Commission.

3.20 Suspend council members running for State Parliament for the duration of the election campaign.



1 INTRODUCTION

Councils play an important role in our local communities and make many decisions that have a real impact on our day to day life. While councils are independent governments in their own right, their operations and decisions must comply with broader rules. These are the various pieces of legislation that apply to councils, that set out the processes by which they make decisions; consult with their communities and release information.

These rules are regulations and they provide the interests of the community, by making sure that councils operate with transparency and accountability, and that their decisions and actions are open and seen to be in the public interest.

However, we must always be aware that compliance with these rules costs councils time and money. If regulation is inefficient, or ineffectively designed or administered, it imposes unnecessary costs on councils, businesses and the community. That is why regulation must be regularly reviewed, to ensure that the rules are justified by the benefits they deliver.

The Local Government Reform process provides an opportunity to look at improvements to the regulations that apply to councils, with the intention to better enable councils to focus on the services their communities value most.

Opportunities for simpler regulation include—



Modernising and streamlining requirements for consulting with communities.



Clarifying the provision and publication of information that is relevant and informative to our communities.



Clarifying obligations around informal gatherings.



Simplifying community land and road management requirements to assist State and Local Government, as well as reducing red tape for businesses.

2 PUBLIC CONSULTATION

BACKGROUND

2.1

Community consultation is an important channel for governments to engage with their community. They can exchange information and ideas, and make sure that councils hear views on projects, policies, issues and plans.

Perhaps most importantly, strong and effective engagement gives communities confidence in the decisions

that their councils make. They know that their council has used the insights, skills, knowledge and experience to understand the impact of their decisions, and how services can be improved.

Since its commencement, the Local Government Act 1999 (the Act) has recognised the importance of community consultation, as it stipulates that councils must prepare and adopt a public consultation policy.

The Act also lists 19 decisions, actions and policies that councils must consult on, in accordance with their community consultation policy. These range from critical annual decisions, such as determining the annual business plan and budget, to decisions that happen less regularly, such as a decision to remove the community land status from council land.

When councils are consulting on these matters, they must publish a notice on their website, and in a newspaper circulating within the area of the council, and allow at least 21 days for people to make a submission.

Councils may also choose to follow their public consultation policies whenever they are of the view that it is of value to their decisions and actions.

EXAMPLES OF MATTERS THAT REQUIRE COUNCILS TO UNDERTAKE COMMUNITY CONSULTATION

	Representation reviews, including the composition and wards of the Council		Status of Council or change of name.		Principal office of the Council (places and times the office is open to the public).
	Prudential requirements for certain activities.		Public consultation policy.		Access to meetings and documents code of practice.
	Strategic management plans.		Annual Business Plans and Budgets.		Basis of rating.
	Basis of differential rates.		Passing by-laws.		Order making policies.
	Planting of vegetation on roads.		Community land; classification; revocation of classification; proposed management plans; amendment or revocation of Management plans; alienation by lease or licence.		Certain authorisations for the alteration of public roads and permits for business purposes on public roads.

ISSUES

2.2

The current legislative requirements for councils' community consultation are now 20 years old. There is a clear view that these provisions are outdated; excessively prescriptive; and can lead councils to take a 'tick the box' approach to consultation, rather than thinking creatively about engagement that best suits their community.

The Act also assumes that one process for community consultation fits all needs. Whether it is a critical decision such as a council's rating policies that affects all people in a council area, or a decision that has more impact on a local level, such as a permit for working on a council road, the process is the same. Councils are only required to publish the notice for 21 days—not to determine how best to reach the people that these decisions affect.

PROPOSALS FOR REFORM

2.3

A lot has changed over the past two decades—how we communicate, hear ideas, and provide our views to each other. It is time for the Act to 'catch up with the times', and support councils to develop flexible, contemporary public engagement practices.

It is proposed that the current, prescriptive public consultation obligations in the Act are replaced with a contemporary approach that sets minimum notification and consultation standards in the Regulations but also enables councils to design and deliver the engagement that is the 'best fit' for their decisions and actions. This approach could be to develop a Community Engagement Charter, similar to the Charter now in place within the *Planning, Development and Infrastructure Act 2016*, to deliver a consistent but flexible platform for community consultation for all councils.



INTERNAL REVIEWS OF COUNCIL DECISIONS

BACKGROUND

3.1

The decisions that councils make can have a great impact on our everyday lives. It's important that people in the community have confidence in these decisions, and know that they can question them at any time.

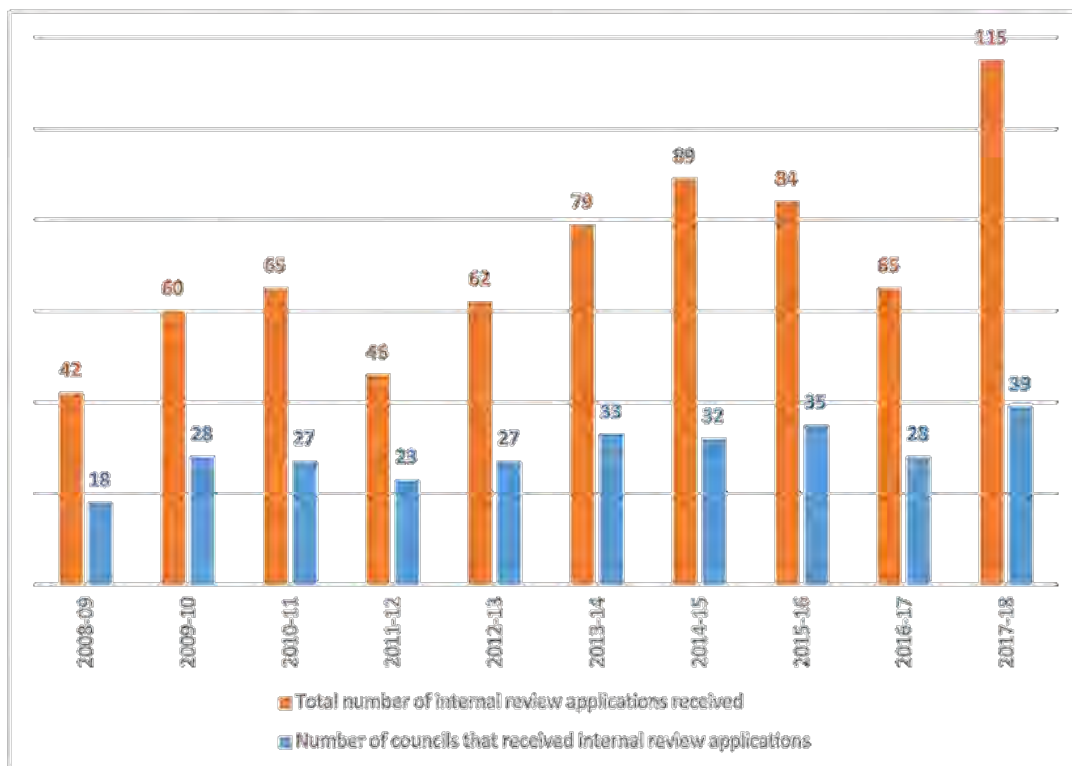
For this reason, section 270 of the Act requires all councils to have a process in place for any community member to apply for an internal review of any council decision. When requested, councils should consider the process by which it made a decision, and the various factors and views that informed it.

This process should not only give communities surety that councils are making well-considered decisions, but also enable councils to identify improvements in their own processes and practices.

This obligation is part of the broader set of requirements to have policies, practices and procedures in place for dealing with requests for services, and also for responding to complaints about the actions of the council, employees of the council, or other people acting on behalf of the council.

Councils are currently required to consider, on an annual basis, a report relating to applications for internal reviews. This report is required to be included in the council's annual report and also to be published on the council's website.

INTERNAL REVIEW APPLICATIONS, 2008-09 TO 2017-18



Source: SA Local Government Grants Commission.

ISSUES

3.2

There is a general consensus that a review of council internal review provisions is required. A number of councils commented that the current system does not provide sufficient benefits to their communities to justify the high level of costs and other resources that are necessary to undertake the reviews.



There is also a view that the system is open to exploitation by people who refuse to accept a reasonable decision of council, but use large amounts of council time and resources to question and challenge it. There is some evidence to support this view as while the total number of internal review applications received by councils fluctuates each year, the number of councils that receive applications has remained more consistent.

Over the past decade, the State Ombudsman has undertaken a number of reviews of councils' internal review processes.

Most recently, the Ombudsman published *Right of Review: An Audit of Local Government Internal Review of Council Decisions Procedures* in November 2016. This examined some of the key issues for councils in delivering a fair internal review of decision process. It also explored how councils can use internal reviews to drive their administrative improvement and service excellence. In summary, the Ombudsman recommended that all councils—

- Highlight a direct link on their website homepage to a plain English description of the procedure available for making an application for internal review of a council decision.
- Ensure that their internal review of decisions procedure is fully compliant with the requirements of the Act.
- Include a reference to a six-month time limit for accepting internal review of council decision applications in a revised version of their internal review of decisions procedure. Consideration should also be given to the exercise of discretion by councils to allow a longer time limit to apply in particular cases.
- Revise the part of their internal review of decision procedure that deals with matters outside the scope of the policy and procedures to explicitly state that matters that fall outside statutory appeals procedures will be considered for the conduct of a section 270 review on the merits of the individual application.
- Consider developing regional panels of independent reviewers who can assist councils with complex review matters.
- Periodically evaluate their section 270 review investigations and document learning outcomes relevant to their administrative practices and functional responsibilities.

PROPOSALS FOR REFORM

3.3

It is proposed to extend the Act's current allowance for councils to refuse an internal review of decisions if the request is vexatious or frivolous, to situations where the request is substantially similar to a matter that has already been reviewed or is under review, by the council or by other means.

It is also proposed to allow councils to charge a prescribed fee to undertake an internal review. It is anticipated that this fee would be small (in the order of the current \$35 cost for a Freedom of Information enquiry) to deter vexatious complaints, rather than be a 'cost recovery' mechanism. Councils would not be required to charge this fee, and would also be able to waive it at their discretion.

It is also proposed to set a time limit in which requests for internal review of decisions can be made—potentially within six months of the relevant decision (councils would have the discretion to extend this on a case-by-case basis).

To ensure that councils continue to analyse internal review outcomes, it is proposed that the annual internal review of decisions report that councils are required to consider should include recommendations to improve its administrative practices.



4 INFORMAL GATHERINGS AND DISCUSSIONS

BACKGROUND

4.1

For communities to have confidence in their councils' decisions, they need to understand why these decisions are made, and what their council members' views are. That is why the Act makes it clear that all council meetings are to be open to the public, except in 'special circumstances'.

A number of these 'special circumstances' refer to particular matters that should be discussed in confidence. These include matters that include confidential commercial information, or matters that can affect the security of the council, or its members or employees.

The Act also recognises that council members often get together to discuss council business and other matters outside of council meetings, such as having planning sessions, or briefing and training sessions. These 'informal gatherings' can help council members be better informed on important matters, and enable them to properly plan for the conduct of council business. However, the Act also makes it clear that these meetings should not be used to effectively make a decision outside of a council meeting.



ISSUES**4.2**

Some years ago, it became apparent that a number of councils were using their ability to hold informal gatherings in a way that gave rise to concerns that they were, in fact, making council decisions outside of formal council meetings.

For example, some councils were holding regular closed meetings to go through their agenda papers immediately before a council meeting. While these meetings may have simply been 'information sessions' the fact that they were held behind closed doors gave the perception at least that they were being used to avoid public debate on council decisions.

In response to these concerns, the Act was amended in 2015 to require councils to have policies to guide their informal gatherings. These policies must comply with the regulations, which currently include detailed instructions to councils on how they may hold informal gatherings, when they should be open to the public and how councils should release information about them.

While these reforms were intended to provide a clearer framework for councils, and assure communities that councils are not making decisions behind closed doors, feedback from some councils has been that the regulations are onerous, difficult to understand, and place an administrative burden on councils that is not justified.

It has also been reported that the legislation gives rise to a view that it is not appropriate for council members to discuss council business between themselves; or cannot hold social gatherings. This has never been the intent of the legislation.

PROPOSALS FOR REFORM

4.3

The Local Government Reform process provides an opportunity to re-think how the Act should guide councils when they are holding information, training or briefing sessions for council members.

It is proposed to establish a new category of council 'meeting' (possibly calling these 'information' or 'briefing' sessions) within the Act. These would be sessions called by the council or CEO, inviting any number of council members, for the purpose of providing information on council matters, or to undertake training on any aspect of the members' official functions and duties.

The Act will continue to state that these sessions should not replace open discussion and decision making at formal council meetings. Sessions discussing matters that are on a council or council committee agenda must only be discussed at a session open to the public, subject to the meeting confidentiality provisions of the Act.

Councils will also be required to publicly release information about these sessions, where practical before the session, detailing when the session will be/was held, what will be/was discussed, attendees, and whether the session was/will be open to the public. If the session was/will be closed to the public, this record would state the reasons why the council consider that it is appropriate to close the meeting.



REGISTER OF INTERESTS (PRIMARY AND ORDINARY RETURNS)

BACKGROUND

5.1

It is critically important that all of the decisions that council members make are made in the public interest, and not to benefit or affect them personally in any way. This requirement is largely managed through the conflict of interest processes (discussed in Reform Area 1 of this paper).

Along with managing conflicts of interest that may arise, council members are also required to provide a 'Register of Interests' that lists a range of information about themselves and their interests. These interests include things such as property ownership, sources of income, and membership of political organisations and associations.

Similar requirements also apply to council CEOs and other council staff members.

Council members' Registers of Interest are made available to members of the public at council offices; and large parts are also required to be published on a council website. Council members are also required to let their CEO know when the information on the Register changes or needs to be added to, so that the Register is kept updated at all times.



There are also requirements for council members to complete a Register of Interests under other legislation, for example, council members that sit on Development Assessment Panels under the *Planning, Development and Infrastructure Act 2016*.

ISSUES

5.2

A number of comments have been received saying that the current returns forms are lengthy and confusing to complete. Additionally, the requirement to extract some of the information for publication on the council's website is seen as an administrative burden.

Some people also noted that the requirement to complete several different Registers of Interest to capture essentially the same information is unnecessarily burdensome for council members.

PROPOSALS FOR REFORM

5.3

While the Register of Interests is an important mechanism for ensuring the veracity of council decisions, there may be scope to streamline and standardise the form and method of returns used to maintain them.

It is proposed that the various requirements and forms are compiled into one simple, plain English document that meets a suitable standard (potentially the Australian Accounting Standards)

It is also proposed that councils be required to publish council members' Register of Interests in full on their website (with the removal of any specific residential address information in the interests of safety).



PUBLICATION OF INFORMATION

BACKGROUND

6.1

Having full and easy access to a range of important council information means that communities are informed about their council's actions, decisions and policies; and encourages them to engage more fully with their council's work.

The Act lists a range of documents that must be made available to the public—



Documents listed in section 132(3) of the Act are required to be made available on the council website.



Documents listed in Schedule 5 of the Act are only required to be made available at the council office.

However, councils generally go well past these legislative requirements and do a good job in providing full and complete information on policies, decisions, meetings, current consultations and a range of other matters, generally on their website.

ISSUES

6.2

Councils have advised that having two lists within the Act is confusing to both councils and members of the public, as it is not clear what needs to be provided on a website and/or in paper form. The Act creates an unnecessary burden on local government to navigate the separate requirements.

Additionally, the requirement to have material available at a council office does meet current community expectations that information should be available on a website, enabling access at all hours of the day. Councils must spend time and money printing material that is now rarely accessed in this form.

PROPOSALS FOR REFORM

6.3

There is an opportunity to simplify and improve the requirements that apply to the release of information by councils.

It is proposed that any document that is required to be made public must be published on council websites (a council's Assessment Record would be exempt from this requirement for commercial and safety reasons).

This would remove the requirement to have physical documents available at a council's principal office, and the requirement to fix and pay a fee for documents. Councils may be required to print a copy of any document and allowed to charge a fee for this service.

It is also proposed that the Act include a single list of the documentation required to be available on a council's website.

This list will include all documentation/reports associated with agendas or minutes of council or council committee meetings, subject to the related motion's confidentiality orders (noting that the vast majority of councils make this information available already).



REGISTERS OR ANNUAL REPORT? HOW COUNCILS RELEASE INFORMATION

Councils are required to record some information on registers that are updated on a continual basis. This is information that may have an impact on council members' decision making, or is not available in other council material.

These registers include—



The register of remuneration, salaries and benefits— containing information about salaries and employment benefits paid by the council. This includes details of the chief executive officer's salary package.



The register of interests for council members and the council's chief executive officer and identified senior officers.



The register of allowances and benefits paid to council members.



The register of community land in the council area.



A register recording gifts and benefits received by council members above a prescribed amount (currently \$50).



The register of the council's by-laws.

It is proposed to amend the Act to require council registers to be placed on the council's website. Councils must also publish an annual report at the end of the financial year. This annual report is required to include a range of information such as—



The council's audited financial statement.



A report on freedom of information requests received by the council.



A report on the council's performance in implementing its strategic management plans, and its performance against its annual business plan.



Training and development activities for members of the council during the year.

Annual reports are easily found on council websites, and are therefore a convenient source of information about council activities, processes and expenditure. They ensure transparency without the administrative burden of constantly updating and maintaining multiple registers.

It is proposed to increase the material required to be included in a council's annual report to include—



A summary of travel undertaken by council members and staff over the year and the relevant costs.



A summary of credit card expenditure by council members and council staff, and remunerations claimed by members and staff.



A report from the Chair of the council's audit/governance committee on the governance standards of the council.

7 COMMUNITY LAND REVOCATIONS

BACKGROUND

7.1

The Act establishes a framework for the classification of most land owned by a council or under a council's care, control and management as 'community land'.

The community land framework aims to ensure a consistent, strategic and flexible approach to the administration and management of local government land, with the objective of protecting community interests in land for current and future generations.

Once classified as community land the land—



Cannot be disposed of, except in prescribed cases.



May require the preparation and adoption of a management plan.



Can be leased or licensed but only in accordance with prescribed requirements.



Can be used for business or commercial purposes, subject to the use being authorised in an approved management plan for the land.

Section 194 of the Act sets out the process for the revocation of community land classification. Councils must prepare a report outlining the reasons for the proposal, stating their intention in regard to the future use of the land, and capturing any implications of the decision. Councils must also consult on the proposal, in line with the council's public consultation policy.

This report, and any matters that arose during public consultation, must be submitted to the Minister responsible for the Act for approval. Once this approval is received, the council makes the final decision to revoke community land classification.

The Act also safeguards the community land classification of certain land of significant community value. Schedule 8 of the Act contains provisions relating to specific pieces of land where the land's community land classification is irrevocable. These provisions also often include site-specific land use and management requirements that must remain in place for the benefit of the community. These can be as specific as caring for a particular tree, or requirement to maintain a caravan park or other community facility.

ISSUES

7.2

The process outlined above is a 'one size fits all' approach to revoking community land classification. It does not consider the level of impact on a community that a revocation would have, but requires all proposals to undergo the same process before requesting ministerial approval.

In some cases, the cost and effort of the revocation process outweighs the benefit of the outcome, as a proposal may have little to no impact on the community. For example, a proposal may be to revoke the community land status of an unmade road that passes through private property, or of a small portion of land purely used for operational reasons. However, in other circumstances, the revocation of community land is contentious.

In more significant proposals, the future use of land may be a relevant consideration before a council's proposal is approved by the Minister. Currently, there is no general ability to impose conditions on an approval (unless State Government financial assistance was previously given to the council to acquire the land).



Concerns were also raised that the Act prevents councils changing the management of a piece of land where the owner of the land cannot be found, particularly given that councils can take actions to sell land for unpaid rates when this is the case.

Ideas were also submitted that the requirements set out in Schedule 8 of the Act that apply to specific pieces of land are too restrictive, and do not allow councils to modify their management of this land to meet modern community expectations.

PROPOSALS FOR REFORM

7.3

It is proposed to introduce a streamlined process for the revocation of community land status, by establishing two 'categories' of proposals within the Act. Administrative, or minor, proposals would not require ministerial approval. General, or more significant, proposals would continue to require ministerial approval. The Minister would also be provided with the ability to attach conditions to the approval of a general proposal.

It is proposed to enable limited amendments to Schedule 8 to allow minor changes to the management of prescribed land. These amendments would be made by regulation, however, regulations would not be able to change the community land status, or the chief use of these pieces of land.

It is proposed to clarify that a council does not need to undertake the process to revoke the community land classification of Crown land where the council's care, control and management of the land has been withdrawn under the *Crown Land Management Act 2009*.

It is proposed to enable a council to revoke the classification of land as community land where owners cannot reasonably be found.

Finally, it is proposed to provide a mechanism to allow councils to acquire private roads where the owner consents, where the owner is deceased or where the owner cannot reasonably be found and to allow the council to retain or transfer the land to another party.



AUTHORISATIONS AND PERMITS FOR USE OF COUNCIL ROADS

BACKGROUND

8.1

Councils manage most of the roads across our State—they are a core service that councils provide to their community. While roads, and infrastructure associated with a road, such as footpaths and stormwater drainage, are provided for the public's use, there are times when people or businesses need access to them, or need to make changes to them for their own purposes.



Accordingly, the Act allows councils to provide authorisations for the alteration of a public road, and permits for the use of a public road for business purposes.

Authorisations for road alterations are commonly provided for activities such as building driveway crossovers; landscaping a road verge; and laying stormwater and other pipes under roads.

Permits for the use of a road for business purposes enables activities such as footpath dining; food trucks; flower sales and ride-sharing operations. Permits and authorisations are also provided to enable property development, such as the use of a crane or concrete truck when needed.

Councils have a free hand to decide whether or not they should grant an authorisation or permit and, if they do, they can apply conditions as they see fit. One exception to this is the permits that are provided to food trucks. Following changes to the Act in 2017, councils must issue permits to food trucks, and are required to establish policies and guidelines that comply with the regulations.

ISSUES

8.2

Issues raised by councils in regard to these sections of the Act focused on what they perceive to be a heavy-handed approach, particularly in regard to the requirement that councils must consult with their communities before issuing permits or authorisations for activities that would impede traffic on the road to 'a material degree'.

This consultation must include a notification in a newspaper circulating in the council area; notification on the council's website; and allow at least 21 days for submissions. While this may be appropriate for significant works, councils have raised concerns that it this process may be required in circumstances where works are minimal, such as the need to block a road for a short period of time. The consultation period is seen as both excessive and impractical in these instances.

Councils have also raised concerns regarding the current rules about food trucks, and have sought more flexibility for councils to determine whether or not to provide permits to food trucks, and to apply conditions freely.

However, other comments about permits and authorisations reflect a view that councils' ability to grant permits and authorisations as they see fit, and to apply whatever conditions they wish, results in inconsistent approaches across councils that can be onerous, and subject to change at short notice. This can result in additional costs for businesses and their customers, and, in some instances, place the future of a business at risk.

PROPOSALS FOR REFORM

8.3

It is proposed that the consultation requirements for issuing permits and authorisations be reviewed in accordance with a review of councils' public consultation more widely (as discussed earlier in this Reform Area).

It is also proposed that the specific provisions relating to mobile food vendors be removed. These would be replaced by a general 'right of appeal' where a council has unreasonably issued or refused to issue a permit or authorisation to a business (including food trucks), or a council's use of permits or authorisations has unreasonably impacted business. This appeal could be made to the Small Business Commissioner, who has an existing role to manage any conflicts between food trucks and other businesses.

MISCELLANEOUS REFORMS

The Local Government Reform process also allows for a number of inconsistencies within the Act to be addressed, and for provisions to be updated where necessary.

Other proposals to simplify regulations are therefore to—

1. Repeal section 269 of the Act that requires a report to be prepared between 30 June 2002 and 31 August 2002 and tabled in Parliament.
2. Clarify that certain documents may be served on or by a council by electronic communication when indicated or agreed by a party. Remove references to 'facsimile transmission' and 'facilities of a document exchange' (for example, sections 83(6), 279 and 280 of the Act).
3. Amend the meeting regulations to achieve better integration between Regulation 12(3) and Regulation 21. This will clarify that a council's CEO can submit a report to a council meeting recommending revocation or amendment of a previous council resolution.
4. Standardise the requirement of a council to review its optional meeting code of practice to match the review requirements of its Access to meetings and documents—code of practice (section 92 of the Act).



REFORM AREA 3

SIMPLER REGULATION SUMMARY OF REFORM PROPOSALS

COMMUNITY ENGAGEMENT

- 4.1** Replace the prescriptive community engagement requirements in the Local Government Act with a more flexible 'Community Engagement Charter'.

- 4.2** Review the requirements for councils to publish notices.

INTERNAL REVIEW OF COUNCIL DECISIONS

- 4.3** Allow councils to refuse a request for an internal review of a council decision where the request is substantially similar to a matter that has been reviewed, or is under review through another process.

- 4.4** Enable councils to charge a small fee for internal review requests.

- 4.5** Set a time limit on which requests for internal review of decisions can be made.

- 4.6** Require councils to consider recommendations for improved administrative practices in their annual report on internal reviews.

INFORMAL GATHERINGS AND DISCUSSIONS

- 4.7** Remove the 'informal gatherings' provisions in the Act, in favour of establishing a new category of meetings, such as 'information or briefing sessions'.

- 4.8** Require councils to publish details of information sessions held, what was discussed, who attended, and whether the session was open or not.

REGISTER OF INTERESTS

- 4.9** Compile all council members' registers of interest into one, simple plain English form.

- 4.10** Publish council members' Register of Interests in full on the council website (with the exception of specific residential address information)

PUBLICATION OF INFORMATION

- 4.11** Require councils to publish any document that is currently available at a council office on its website (with the exception of the Assessment Record)
- 4.12** Remove the requirement for councils to have documents 'available for inspection' but require them to print a copy at request (for a fee).
- 4.13** Include a single list of all material to be published on a council's website in the legislation.

COMMUNITY LAND REVOCATIONS

- 4.14** Create two categories of community land revocation proposals within the Act ('administrative' and 'significant') and require Ministerial approval only for 'significant' proposals.
- 4.15** Enable limited amendments to Schedule 8 to allow minor changes to the management of prescribed land.
- 4.16** Clarify that councils do not need to undertake community land revocation proposal where the council's care, control and management of the land has been withdrawn under the *Crown Land Management Act 2009*.
- 4.17** Enable a council to revoke the classification of land as community land where owners cannot reasonably be found.
- 4.18** Provide a mechanism to allow councils to acquire private roads where the owner consents, where the owner is deceased or where the owner cannot reasonably be found and to allow the council to retain or transfer the land to another party.

AUTHORISATIONS AND PERMITS FOR USE OF COUNCIL ROADS

- 4.19** Review the public consultation requirements that apply to permits and authorisations, in line with a new community engagement approach.
- 4.20** Remove specific provisions regarding mobile food vendors, in favour of a 'general right of appeal' where a council has unreasonably affected a business.

REFORMING LOCAL GOVERNMENT IDEAS FOR REFORM CONSULTATION SUMMARY

WHAT WE RECEIVED



Over 80 submissions received



170 yourSAy surveys completed



37 ideas shared through yourSAy online discussion



Over 700 ideas for reform

WHO WE HEARD FROM



51%
Public



31%
Councils



11%
Elected Members



7%
Professional Body

WHAT AREAS INTERESTED YOU MOST



24%
Council member capacity and conduct



19%
Lower costs and enhanced financial accountability



29%
Local Government representation



28%
Simpler regulation

WHAT YOUR IDEAS WERE ABOUT

REFORM AREA ONE	48%	Code of conduct	15%	Council member training
	24%	Conflict of interest	13%	Council member performance
REFORM AREA TWO	23%	Financial management	20%	Benchmarking
	21%	Audit committees	16%	Auditing
	20%	Rating		
REFORM AREA THREE	31%	Voting method	9%	Representation reviews
	19%	Candidate disclosure	8%	Elections
	15%	Nominations	8%	Supplementary elections
	10%	Candidacy		
REFORM AREA FOUR	25%	Council meetings	19%	Section 270 reviews
	23%	Consultation/ engagement	11%	Transparency
	22%	Informal gatherings		

MARCH — APRIL — JULY — AUGUST — NOVEMBER — 2020



Government of South Australia

Department of Planning,
Transport and Infrastructure

PROPOSALS FOR LOCAL GOVERNMENT REFORM
AUGUST 2019 - DISCUSSION PAPER

Local Government Reform

LGA Discussion Paper
August 2019




Introduction.

On 6 April 2019, the SA Government released its discussion paper on Local Government Reform, with over 70 proposals for change. This LGA Discussion Paper provides a preliminary analysis of each proposal, to help councils understand what is proposed. In some cases, where the local government sector has an established position through the LGA, this position is expressed.

This paper also sets out a number of additional discussion issues, proposed by the LGA. Most of these are proposals previously supported by the LGA Board. A number of others are issues that warrant debate whilst local government regulation is under review.

Traffic Light Code 'Guidance':

The following is the LGA's guidance, based on LGA Board-approved decisions and previous member feedback. The LGA's formal position on each issue will be determined after, and as a result of, the consultation process with member councils.

-  Generally opposed.
-  Will depend on the detail.
-  Generally supported.

Next Steps

The LGA is facilitating six consultation workshops across regional SA and a further three workshops in the metropolitan area. This consultation will inform and direct the sector's formal response to the State Government.

In November 2019, the SA Productivity Commission is expected to make further recommendations on local government reform in SA. These will then form part of the wider reform process. The Office of Local Government advise that we can expect a resulting Bill, to amend the Local Government Act, tabled in Parliament in the first quarter of 2020.



Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal

Traffic: Light
LGA discussion notes

Reform Area 1: Stronger Council Member Capacity
And Better Conduct

1.1	Clearly separate behavioural matters from integrity matters in the legislation.		<p>The Ombudsman and ICAC are the appropriate bodies to deal with serious integrity issues. However, their processes take time and councils need fair and efficient processes to quickly resolve behavioural issues (eg bullying & harassment).</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of the separation of behavioural and integrity matters.</p>
1.2	Include standards of behaviour in the legislation, allowing councils to adopt more detailed 'examples of behaviour'		<p>The legislation should contain clear standards and expectations. There should also be real and speedy consequences, for councillors who breach the rules.</p> <p>Q: Should the same standards of behaviour apply state-wide or should councils set their own standards?</p> <p>RCMB ADMINISTRATION COMMENTS</p> <p>Council is supportive of the application of state-wide behavioural standards for consistency across the sector</p>
1.3	Continue to give councils flexibility to deal with behavioural matters		<p>The LGA agrees that councils should have clear behaviour policies and should try to resolve matters internally, before they are referred to an external conduct tribunal.</p> <p>RCMB ADMINISTRATION COMMENTS</p> <p>Council is supportive of this approach, subject to 1.2 above</p>





Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
1.4	Provide principal members with enhanced powers to deal with disruptive behaviour at meetings		<p>There is strong (but not unanimous) support across the sector for clarifying the role of Mayors and ensuring they have the powers necessary to chair meetings effectively.</p> <p>There is a wider spread of views, on the role of Mayors, more generally.</p> <p>Q: Should Mayors have the power to temporarily exclude elected members from council meetings? In what circumstances should these powers be exercised?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>The content of the State Wide behavioural standards should clearly identify the obligations and roles of the Principal Member, Elected Members and the Chief Executive Officer in managing behaviour.</p>



LGA of SA

EDM1809088 Local Government Reform LGA Discussion Paper Aug 2019



The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
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1.5	Enable escalation of serious behavioural matters to an independent body	●	<p>Agree. The LGA supports 'Prevention to intervention' strategies. Whilst councils should try to resolve disputes/issues at first instance, there need to be real consequences for elected members whose conduct does not meet behavioural standards.</p> <p>Q: Should a council be able to refer less-serious matters to the independent body if (for example):</p> <ul style="list-style-type: none"> • the behaviour is on-going; or • internal council processes have failed to resolve it? <p>Q: How should the Act deal with trivial or vexatious complaints made by elected members?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Ongoing disputes/issues associated with behaviour are a reputational risk for both the Council and Local Government as a whole and an ineffective use of Council funds. If an issue is unable to be resolved internally then it should be escalated externally to enable appropriate sanctions and resolution.</p>
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Local Government Association
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The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
1.6	Simplify the conflict of interest provisions by establishing 'material' and 'non-material' conflicts		<p>The 'conflict of interest' model in the Local Government Act is unnecessarily complicated and confusing. As a result, many councillors do not participate in debates, when their expertise would be valuable.</p> <p>Simplification is supported. However, a distinction between 'material' and 'non-material' conflicts may not be useful.</p> <p>NB Many elected members have ongoing roles in other community organisations.</p> <p>Q: How can we manage conflict of interest issues without deterring community-minded people from running for council and legitimately participating in debates?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>The current 'conflict of interest' model needs simplification. Community expectations are the driver – if an individual or a family member/business partner is to receive a direct benefit/detriment then a conflict exists. If the benefit is received by a community body then it is difficult to explain the conflict given that a majority of members are required to vote for the benefit.</p>
1.7	Simplify the process by which council members can be exempt from conflict of interest provisions, or seek approval to participate in a matter		<p>Conflict of interest rules should ensure that all relevant relationships are declared but should not prohibit participation in debate where duties owed to two organisations do not actually 'conflict'.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>While interests need to be declared, conflicts should not be assumed.</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal



Traffic: Light
LGA discussion notes

1.8	Clarify the application of conflict of interest rules to council committees and subsidiaries	🌱	One set of conflict of interest rules should apply, whether at a council meeting, a committee or at a council subsidiary. RECOMMENDED RCMB RESPONSE Conflict of Interest rules should be applied consistently.
1.9	Establish a new conduct management framework through Model 1 - The clarification of current legislation Model 2 - Using governance committees Model 3 - Establishing a Local Government Conduct Commissioner	🌱	<p>Whilst councils should make efforts to resolve behavioural issues at first instance, there will be times when these processes fail. At present, there are few real consequences for poor behaviour.</p> <p>In those cases, where council processes have not succeeded, there is a need for an independent body that can make a speedy decision, with the ability to impose appropriate sanctions, enabling the council to move past the issues and to get on with business.</p> <p>Q: Which is the preferred model for managing conduct?</p> <p>Q: Could the existing arrangements work if the legislation was clearer or governance committees were created?</p> <p>Q: If an independent body is created (Model 3), what would an ideal model look like? eg: Who should appoint Commissioners? Who should pay for it?</p> <p>RECOMMENDED RCMB RESPONSE Council is supportive of both model 1 – providing clarification of current legislation and model 3 – establishing a Local Government Conduct Commissioner managed by the Local Government Association on a user pay basis.</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
1.10	Clarify the role of council members to recognise their responsibility to ensure good working relationships within the council, and to support the conduct management framework		<p>Q: How should the role of council members be expressed? General principles? Black-and-white rules? Both?</p> <p>Q: Should the duties of members continue to be expressed in the Act, Code of Conduct? Or should these be consolidated?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>The Local Government Act 1999, S6 – Principal role of a Council; S7- Functions of a Council; S8- Principles to be observed by a Council; could be enhanced to provide for all Members to work co-operatively and cohesively together to reflect the majority decision of the Council.</p>
1.11	Clarify the role of council members to recognise their obligation to complete mandatory training		<p>Mandatory training for elected members is supported by the LGA.</p> <p>Qs:</p> <ul style="list-style-type: none"> • How can mandatory training be improved? • What penalties should apply, for members failing to complete the training? Is it 'Misconduct'? <p>RECOMMENDED RCMB RESPONSE</p> <p>A form of mandatory training is required in relation to the legislative responsibilities of Elected Members as Members of the Governing Body of Council and as Public Officers</p>





Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal Traffic Light LGA discussion notes



<p>1.12</p>	<p>Clearly state the role of the principal member as a leader of the council, particularly in ensuring good working relationships within the council</p>	<p></p>	<p>There is widespread support for clarifying the role of Mayors and ensuring they have the powers necessary to chair meetings effectively. Q: What level of prescription should the Act contain, about Mayoral powers? RECOMMENDED RCMB RESPONSE There should be clear definition of the role and powers associated with the Presiding Member of Council/Committee meetings. The meeting Regulations could be reviewed to provide this information.</p>
<p>1.13</p>	<p>Provide directly elected Mayors with a deliberative vote on motions before council.</p>	<p></p>	<p>This idea has not been previously considered by the LGA. At present Mayors receive <i>either</i> a deliberative vote (along with all of the elected members) <i>or</i> a casting vote (only used if a vote is tied). Q: Should all Mayors have a deliberative vote but no casting vote (so, if there is no majority, the motion fails)? Q: Should Mayors have two votes (a deliberative and casting vote)? RECOMMENDED RCMB RESPONSE The provision of a casting vote only for the RCMB Mayor has worked effectively for Council to date.</p>





Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
1.14	Establish a mandatory training scheme within the regulations		<p>There are some council issues that all councillors should receive training in. However, different councils have different priorities and different training needs. These change over time.</p> <p>Q: What training components should be specified as mandatory?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Mandatory training on legislative responsibilities as Members of the Governing Body of Council and as Public Officers is recommended to reduce the risk of a breach and associated penalties fines as prescribed within the Legislation.</p> <p>Whilst a deadline can be a useful spur to action, any requirement should have some flexibility built in (eg in cases of illness or exceptional circumstances).</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Mandatory training on legislative responsibilities as Members of the Governing Body of Council and as Public Officers should be undertaken within the first 3 months of being elected following an election and during a Council term when legislative changes affecting the role of Public Officer occurs.</p>
1.15	Establish a timeframe for the completion of mandatory training and a penalty for non-compliance		<p>RECOMMENDED RCMB RESPONSE</p> <p>Mandatory training on legislative responsibilities as Members of the Governing Body of Council and as Public Officers should be undertaken within the first 3 months of being elected following an election and during a Council term when legislative changes affecting the role of Public Officer occurs.</p>





The voice of local government.

OLG Ref No. OLG Proposal Traffic: LGA discussion notes
Light

<p>1.16</p>	<p>Require councils to include independent advice on CEO selection and remuneration.</p>		<p>Independent advice can add value to recruitment and remuneration processes and is relatively common in councils; Q: Is there currently a problem, requiring a legislative remedy? Q: Will independent advice prevent the recurrence of these problems? Whilst members of the public are sometimes aggrieved about their councils the CEO an salary levels, it does not necessarily follow that (i) the CEO is sub-standard; (ii) they make poor decisions or that (iii) problems are so acute that legislative intervention is required. RECOMMENDED RCMB RESPONSE Council is supportive of the appointment of an independent specialist to assist the Council in the recruitment and ongoing performance review of its Chief Executive Officer.</p>
<p>1.17</p>	<p>Give responsibility for determining CEO remuneration to the Remuneration Tribunal of SA.</p>		<p>The state government has not previously raised this issue with the LGA and more information is sought about the potential benefits compared with the costs to the sector. Q: Should the Remuneration Tribunal make mandatory determinations? RECOMMENDED RCMB RESPONSE Council is generally supportive of the establishment of an independent tribunal to determine CEO remuneration.</p>





Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
1.18	Require councils to conduct annual performance reviews of CEOs, with independent oversight.	☀	<p>Annual performance reviews are generally a good idea but there can be good reasons for not conducting these. More information is sought about the potential benefits compared with the costs to the sector.</p> <p>Q: Should it be mandatory for councils to annually review their CEO's performance?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is supportive of the appointment of an independent specialist to assist the Council in the ongoing performance review of its Chief Executive Officer.</p>
1.19	Require annual performance reviews to be completed before the extension of a CEO contract.	☀	<p>Annual performance reviews are generally a good idea but there can be good reasons for not conducting these.</p> <p>More information is sought about the potential benefits compared with the costs to the sector.</p> <p>Q: Should a performance review be mandatory, before a CEO contract is extended?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is supportive of the appointment of an independent specialist to assist the Council in the ongoing performance review of its Chief Executive Officer.</p>



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Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal

Traffic
Light

LGA discussion notes

1.20	Require councils to receive independent advice before terminating a CEO contract.	☀️	<p>In some cases, independent advice would be useful. In uncontroversial cases, the expense might not be justified. More information is sought about the potential benefits compared with the costs to the sector.</p> <p>Q: Should it be mandatory to seek independent advice, before a CEO contract is extended?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is supportive of the appointment of an independent specialist to assist the Council in the ongoing performance review of its Chief Executive Officer.</p>
Reform Area 2: Lower Costs And Enhanced Financial Accountability			
2.1	Require audit committees to have a majority of independent members, and an independent chair.	☀️	<p>This change is prudent but many regional councils struggle to find qualified audit committee members. Some flexibility is required.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>This best practice approach is currently in place at RCMB.</p>
2.2	Strengthen the role of audit committees in councils' external audits, through oversight of the appointment of the auditor and determining the scope of the audit, and as the chief liaison point with the auditor.	☀️	<p>Q: Feedback is sought from councils on the implications of these proposals.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council's Audit Committee is an advisory committee and makes recommendations to Council. This includes recommendations regarding appointment of the auditor. Proposed amendment is not supported.</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
2.3	Require audit committees to report on the council's approach to internal audit processes	☀	SA councils have very different levels of size, complexity and business activities. These require differing levels of internal controls and audit reporting. Q: Feedback is sought from councils on the implications of these proposals. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal
2.4	Require audit committee members to have specified skills, and an induction process.	☀	This is broadly consistent with the LGA's approved position. Whilst a useful aim, it is not always possible to attract a diverse range of experienced skill sets, to some councils. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.
2.5	Allow councils to form regional audit committees	☀	Opportunities to share resources and expertise across a number of councils should be explored. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.



LGA of SA

Local Government Association of South Australia



The voice of local government.

OLG Ref No. OLG Proposal Traffic Light LGA discussion notes

<p>2.6</p>	<p>Require the Auditor-General to oversight all council audits.</p>	<p></p>	<p>The LGA understands that the Auditor-General could not take on this extra work without extra resourcing. So, this proposal would significantly increase costs to councils, as demonstrated by interstate experiences.</p> <p>It is also very likely that the Auditor-General would out-source this extra work. In effect, the work may end up being done by the same external auditors who currently audit councils.</p> <p>The Auditor-General already has existing broad powers to audit councils and a broad discretion, as to the use of these powers. They can perform spot checks and can pursue the expenditure of any public monies.</p> <p>The standard of existing council audits is generally high and improving.</p> <p>Councils are already overseen by audit committees, auditors, ICAC, the Ombudsman, the OLG, the Minister, the Parliament and their ratepayers.</p> <p>It would more valuable to focus on enhancing the quality of existing audit processes.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council does not support this proposal. Council is audited by independent auditors in accordance with Australian Auditing Standards</p>
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Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
2.7	<p>Create 'audit and risk committees' that play an expanded role in councils' financial management and performance. This could include-</p> <p>Reviewing councils' risk assessments and controls.</p> <p>Providing comment on councils' rating policies and practices.</p> <p>Reporting to council on its use of public resources.</p> <p>Reporting to councils on prudential matters.</p> <p>Performance monitoring of councils</p>		<p>Councils already have rigorous risk management controls and extensive reporting obligations. Previous LGA papers have contemplated the expansion of the role of audit committees.</p> <p>Q: Would expanding the focus of audit committees dilute the current focus on financial management and Integrity?</p> <p>Q: Are there any new/additional areas of focus for an audit committee that should be mandatory?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is not supportive of this proposal and agrees with the points made by the LGA.</p>
2.8	<p>Require the chair of the 'audit and risk committee' to provide a report in the council's annual report on governance standards and compliance.</p>		<p>The additional reporting requirement is probably unnecessary and a duplication of the existing report provided by audit committees.</p> <p>Q: Should it be mandatory for audit committees to focus on 'governance standards and compliance' and, if so, how should this be reported?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is not supportive of this proposal and agrees with the points made by the LGA.</p>
2.9	<p>Require councils to develop and adopt a funding policy that would be reviewed by its audit and risk committee.</p>		<p>The LGA's May 2019 submission on LG Reform recommends councils have a 'revenue policy'.</p> <p>Q: Should a funding or revenue policy be mandatory?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of the requirement for a revenue policy</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal

Traffic: Light
LGA discussion notes

2.10	Require councils to release a summary of their draft annual business plan that states the proposed increase in total general rate revenue, and the reasons for this increase	*	<p>'Total general rate revenue' is influenced by many factors, such as growth in the number of ratepayers. A council could increase their rates by less than CPI but nevertheless generate increased revenue greater than CPI, e.g. because of population increases.</p> <p>A more important aim, is for each council to have a robust Long-term Financial Plan, which should focus councils on longer term planning and reduce the pressures imposed by the electoral cycle.</p> <p>The local government sector wishes to avoid pointless reporting and 'doubling-up'. The sector hopes to have discussions with the state government about cutting some of the ever-increasing red tape, so we balance the need for transparency and accountability, on the one hand, with council priorities of efficiently providing services to our communities.</p> <p>RECOMMENDED RCMB RESPONSE Council generally agrees and supports the LGA response.</p>
2.11	If a council's proposed increase in total general rate revenue is above a prescribed level (such as the Local Government Price Index), require its audit and risk committee to provide a report to the council on the reasons for this increase.	*	<p>'Total general rate revenue' is influenced by many factors, such as growth in the number of ratepayers.</p> <p>The focus and resources of auditors should not be needlessly diverted to irrelevant or non-productive tasks.</p> <p>RECOMMENDED RCMB RESPONSE Council generally agrees and supports the LGA response</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal

Traffic
Light

LGA discussion notes

<p>2.12</p> <p>Create 'governance committees' to provide independent advice to councils on critical management policies, processes and actions, potentially:</p> <ul style="list-style-type: none"> • Councils' compliance and governance policies. • Councils' policies to improving ethical standards across councils and reduce fraud and corruption risks. • Councils' strategic management plans, and on progress to deliver priorities, particularly on the management of significant council projects. • Council member conduct-both on policies and processes to improve it, and on specific conduct matters (as described in Reform Area 1). • CEO appointment and management (as described in Reform Area 1). <p>Reform Area 3: Efficient And Transparent Local Government Representation</p>		<p>Councils already have a significant range of mandatory policies, processes, reporting obligations, committees and auditing requirements. They devote enormous and increasing resources to 'governance' and are already under multiple layers of scrutiny</p> <p>Councils already receive advice on governance from their administrators and through their membership of the LGA.</p> <p>As part of their LGA membership, councils are provided with a comprehensive suite of model policies, guidelines and resources to assist them to meet their legislated governance responsibilities.</p> <p>An additional council committee would add a further level of red tape, adding little extra value.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council does not support this proposal and generally agrees with the LGA response</p>
<p>3.1</p> <p>Change the timing of periodic council elections to the year following a state election.</p>		<p>A Notice of Motion at LGA AGM October 2018 to move the timing of local government elections was lost (but similar motions have carried in past). Discussion focused on the benefits of building relationships with State Government during aligned terms.</p> <p>Q: Should the timing of local government elections be changed? RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of a change to the year after the State Election reducing elector fatigue</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal



Traffic Light LGA discussion notes

3.2	Enable ECSA to provide ballot papers electronically.		<p>Note, the OLG proposal is only to replace long-distance postal voting with a secure system for the online delivery and return of ballot papers (which will require the printing, signing and scanning of ballot paper in order to vote).</p> <p>The LGA position advocates for the Act to enable <u>full</u> electronic voting when a suitable model is approved by ECSA.</p> <p>The Act should be amended, to enable electronic voting, when that approval is given.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of this proposal, noting that a more fundamental issue, that of compulsory vs optional voting is significantly more relevant to effective Local Government representation.</p> <p>Q: Should the Act make clear that councils are not responsible for election promotion?</p> <p>Q: Should ECSA have an obligation to consult the LGA on its election promotions?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of this proposal.</p>
3.3	Clarify that councils are responsible for information sessions about the role of a council member, and that ECSA is responsible for election promotion.		



Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
3.4	Require councils to undertake specific activities to inform property franchise holders of their need to self-enroll, OR re-introduce the automatic enrolment of property franchise holders.		<p>The sector's submissions on this issue have changed on a number of occasions.</p> <p>The automatic enrolment of property franchise holders is a considerable administrative burden for councils. Figures show that this measure has only a small impact on voter turn-out (<2%). Nevertheless, this measure has been popular with elected members.</p> <p>Q: Should the requirements be reinstated?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of the reintroduction of the automatic enrolment of property franchise holders.</p>
3.5	Require ECSA to receive all nominations and publish candidate profiles.		<p>The Electoral Commission is the independent body conducting elections. ECSA should remain in control of the integrity of the electoral roll, handling of nominations and the promotion of elections, generally.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of this proposal.</p>





Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
3.6	Remove the term limit on holding the office of Lord Mayor.		The LGA will seek the views of the City of Adelaide in relation to this proposal.
3.7	Require candidates to 'tick a box' stating whether they live in the area they are contesting.		This proposal is supported by LGA policy. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal
3.8	Require candidates to state whether they are a member of a political party or any association or body formed for political purposes, or have been within the past 12 months.		This proposal is supported by LGA policy. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.
3.9	Require ECSA to host all information on donations received by candidates.		The Electoral Commission of SA is the independent body best able to collect and disclose candidate information. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.
3.10	Require candidates to report to ECSA any single donations above a prescribed amount (for example, \$2,000) within five business days of receipt.		LGA policy supports the transparent and timely reporting of campaign donations. Q: Advice is sought from members about whether 5 business days is a reasonable timeframe. Q: What should be the consequences for a breach? RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.



OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
3.11	Enable all candidates to request an electronic copy of the voters roll from the relevant council.	●	The LGA position strongly supports this change. Currently the Act only allows for the supply of a printed copy, but some candidates who have connections to political parties are able to gain access to the electronic roll for the House of Representatives. The ability for some candidates to access a digital copy of the voters roll is perceived as an advantage over those candidates who are not connected to political parties. The LGA's policy position supports a level playing field for all candidates. Any provision of the roll should include a limitation that it only be used for the purpose for which it is provided.
3.12	Remove the requirement for councils to make a 'designated decision' within their caretaker policies on the use of council resources, in favour of a statement within general caretaker responsibilities that council resources must not be used to advantage particular candidates.	●	<p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of this proposal.</p> <p>LGA policy supports this proposal. It should help councils get on with their business, most of which has little impact on election campaigns for councillors.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of this proposal</p>



The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
3.13	Extend the voting period by one week to better allow for postal delays.	●	<p>The LGA supports methods for reducing the number of late postal votes received by ECSA. It is arguable whether extending the voting period is the right solution, so further consultation is needed about other solutions.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.</p>



Local Government Association
of South Australia

The voice of local government.

OLG Ref No. OLG Proposal

Traffic
Light

LGA discussion notes

<p>3.14</p>	<p>Change the counting method to the 'exclusion method'.</p>		<p>The LGA does not have a policy on changes to the vote counting method and is seeking member views on this proposal.</p> <p>The 'Exclusion method' means that where candidates receive more than a quota of votes, or they are eliminated, their preferences are not distributed. Rather, the candidates with the least amount of votes is always eliminated until there are the same number of candidates as positions. This may lead to unfair results: eg: The first candidate on a 'ticket' receives two or three quotas (ie enough votes to elect two or three councillors). However, in the exclusion method, these votes over quota are ignored. The people who are second and third on the ticket do not get elected, as they receive fewer (first preference) votes than other candidates.</p> <p>Q: What issues are associated with using/not using the exclusion method?</p> <p>Q: Is reform warranted?</p> <p>RECOMMENDED RCMB RESPONSE Council is not supportive of the proposal and has resolved to seek an investigation in to the implementation of Optional Preferential Voting in Local Government elections.</p>
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LGA of SA

Local Government Association of South Australia



OLG Ref No. OLG Proposal

Traffic Light LGA discussion notes

3.15	If a vacancy on a council is created within 12 months of a periodic election, allow this to be filled through a 'countback' of candidates.	●	<p>By-elections to fill casual vacancies take up a lot of time and cost ratepayers large sums. Councils are generally supportive of any measure designed to reduce supplementary elections, while maintaining democratic integrity.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of the proposal for a 6 month window to allow for a 'countback'</p>
3.16	Extend the period of time in which a vacancy does not need to be filled to 12 months before a periodic election.	●	<p>By-elections to fill casual vacancies take up a lot of time and cost ratepayers large sums. Councils are generally supportive of any measure designed to reduce supplementary elections, while maintaining democratic integrity.</p> <p>RECOMMENDED RCMB RESPONSE Council is supportive of a period up to 12 month for a vacancy not to be filled with a minimum number of ¼ of the total representation.</p>
3.17	Enable councils without wards, and with at least nine members, to 'carry' two vacancies.	●	<p>By-elections to fill casual vacancies take up a lot of time and cost ratepayers large sums. Councils are generally supportive of any measure designed to reduce supplementary elections, while maintaining democratic integrity.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.</p>
3.18	Simplify representation reviews, and make public consultation requirements more flexible	●	<p>The current arrangements are prescriptive and expensive. In particular, the current processes often result in councils having to undertake multiple rounds of time-consuming and expensive community consultation.</p>

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
3.19	Transfer the responsibility for representation reviews to the Local Government Boundaries Commission.	●	<p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.</p> <p>The LGA has (Feb 2018) called on the state government to work with ECSA, the LGA and councils to review the technical and process issues and decision-making structures for representation reviews.</p> <p>Q: Should representative review decisions remain the responsibility of council?</p> <p>RECOMMENDED RCMB RESPONSE Council is not supportive of the proposal and is of the view that representation review decisions by Council with simplified requirements should be retained by Council.</p>



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OLG Ref No. OLG Proposal Traffic Light LGA discussion notes

3.20	Suspend council members running for State Parliament for the duration of the election campaign.	🟢	<p>The LGA position (October 2018 OGM) is: "Any local government elected member on nomination, endorsement or declaration of candidacy for any position in State or Federal Parliament shall for the period of suspension to only be from when the nominations are lodged and accepted to the election outcome and that the elected member take leave of absence during this time and have all allowances suspended. This should include provision of motor vehicle and other support. The LGA will liaise with the Minister for Local Government to determine any further detail that makes the intent of this motion acceptable and enforceable"</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal</p>
Reform Area 4: Simpler Regulation			
4.1	<p>Community Engagement</p> <p>Replace the prescriptive community engagement requirements in the Local Government Act with a more flexible 'Community Engagement Charter'.</p>	🟢	<p>We look forward to working with the state government on a complete overhaul of the complex and prescriptive consultation requirements, in favour of a more flexible best-practice approach where the type of consultation undertaken can be tailored to the scope and complexity of the issues involved</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal</p>
4.2	Review the requirements for councils to publish notices	🟢	<p>There are a wide range of ways that information can be provided to the community. More flexibility is welcomed.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.</p>





OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
4.3	<p>Internal Review of Council Decisions</p> <p>Allow councils to refuse a request for an internal review of a council decision where the request is substantially similar to a matter that has been reviewed, or is under review through another process.</p>		<p>The legislation requires councils to devote considerable resources each time a council decision is reviewed. There is no point wasting ratepayers' dollars, to repeat a process that has already been undertaken.</p> <p>Q: Should this flexibility be extended to trivial and vexatious requests? RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal</p>
4.4	<p>Enable councils to charge a small fee for internal review requests.</p>		<p>The official LGA position (OGM October 2018) supports this change. This reflects the costs to councils, when following the requirements in the legislation, each time a review of a council decision is requested.</p> <p>Q: Where a complaint is upheld, should the fee be refunded? RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.</p>
4.5	<p>Set a time limit in which requests for internal review of decisions can be made.</p>		<p>In a democratic environment, not everyone will agree with every decision. We note that all courts have time limits for making appeals and this provides certainty, for all involved, even those who disagree. Similarly, councils need to make decisions and move forward in implementing those decisions with a reasonable degree of certainty.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal</p>
4.6	<p>Require councils to consider recommendations for improved administrative practices in their annual report on internal reviews.</p>		<p>Q: What are the benefits of this change and do these outweigh the further additions to councils' regulatory 'red tape' burden? RECOMMENDED RCMB RESPONSE Council is not supportive of this proposal</p>




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OLG Ref No. OLG Proposal

Traffic
Light

LGA discussion notes

<p>4.7</p> <p>Informal Gatherings and Discussions</p> <p>Remove the 'informal gatherings' provisions in the Local Government Act, in favour of establishing a new category of meetings, such as 'information or briefing sessions'.</p>		<p>The existing sections of the Act and the Regulations are confusing. Councilors worry that legitimate conversations about the business of the council, will land them in trouble. We need to find a way to promote transparency in councils without criminalising legitimate conversations.</p> <p>Q: Does changing 'informal gathering' to 'information or briefing session' address the issues that have been experienced and identified by councils?</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of this proposal</p>
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OLG Ref No. OLG Proposal Traffic Light LGA discussion notes

4.8	Require councils to publish details of information sessions held, what was discussed, who attended, and whether the session was open or not.		Councils and councillors take part in many 'information sessions and other discussions caught by s90 of the Act. Requiring a report to be made of each would create a significant additional administrative burden, which would put an upward pressure on rates. Q: What are the benefits of this change and do these outweigh the further additions to councils' regulatory 'red tape' burden? RECOMMENDED RCMB RESPONSE Council is not supportive of this proposal
Register of Interests			
4.9	Compile all council members' registers of interest into one, simple plain English form.		The local government sector is eager to work with the state government on clarifying and simplifying the register of interests and many other reporting requirements. RECOMMENDED RCMB RESPONSE Council is supportive of this proposal, the Registers of Interest requirements should be simplified
4.10	Publish council members' Register of Interests in full on the council website (with the exception of specific residential address information).		Q: What are the benefits of this change and do these outweigh the further additions to councils' regulatory 'red tape' burden? RECOMMENDED RCMB RESPONSE Council is not supportive of this proposal.





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OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
4.11	Publication of Information Require councils to publish any document that is currently available at a council office on its website (with the exception of the Assessment Record)		This proposal should be part of a general conversation about the information a council is required to place on their website. The costs of administering these changes should be fully understood, before proceeding. RECOMMENDED RCMB RESPONSE Council is not supportive of this proposal, due to administration cost implications.
4.12	Remove the requirement for councils to have documents 'available for inspection', but require them to print a copy at request (for a fee).		This proposal should be part of a general conversation about the information a council is required to place on their website and/or have available for inspection RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.
4.13	Include a single list of all material to be published on a council's website in the legislation.		Throughout the Act there are many individual requirements to publish material on a council's website. A consolidated list of all these requirements could be very useful. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.



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OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
4.14	Community Land Revocations Create two categories of community land revocation proposals within the Act ('administrative' and 'significant') and require Ministerial approval only for 'significant' proposals.	●	The local government sector agrees that the current arrangements are complex and in need of reform. Councils shouldn't need to go to the Minister every time they propose a minor change to the way they use land under their care and control. Q: Would it be preferable to create two categories of community land: 'administrative' and 'significant'? RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal
4.15	Enable limited amendments to Schedule 8 to allow minor changes to the management of prescribed land.	●	Councils should be able to make minor changes to the management of prescribed land, without embarking on a complicated approval process. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal
4.16	Clarify that councils do not need to undertake community land revocation proposal where the council's care, control and management of the land has been withdrawn under the <i>Crown Land Management Act 2009</i> .	●	This appears to be a sensible proposal to cut red tape. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal
4.17	Enable a council to revoke the classification of land as community land where owners cannot reasonably be found.	●	This appears to be a sensible proposal to cut unnecessary red tape. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal



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OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
4.18	Provide a mechanism to allow councils to acquire private roads where the owner consents, where the owner is deceased or where the owner cannot reasonably be found and to allow the council to retain or transfer the land to another party.		This appears to be a sensible proposal to cut unnecessary red tape. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal.
4.19	Authorisations and Permits for Use of Council Roads Review the public consultation requirements that apply to permits and authorisations, in line with a new community engagement approach.		Councils support reform of community consultation arrangements, in particular, to enable councils to take advantage of new technology. Councils also need flexibility in the way they consult: not every issue requires the same approach. RECOMMENDED RCMB RESPONSE Council is generally supportive of this proposal
4.20	Remove specific provisions regarding mobile food vendors, in favour of a 'general right of appeal' where a council has unreasonably affected a business.		The approved LGA position opposes a uniform approach across the State and supports greater council discretion/flexibility in regional areas. RECOMMENDED RCMB RESPONSE Council is not supportive of this proposal.



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OLG Ref No. OLG Proposal

Traffic: Light
LGA discussion notes

Other areas for Reform (further discussion items put forward by the LGA)

LGA1	Increase the maximum penalty under a council by-law.		<p>The current maximum of \$750 has not increased since 1999. This means the maximum permissible expiration fee (at 25%) is only \$187.50.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation</p>
LGA2	Performance Management		<p>The SA Productivity Commission are considering recommendations on mandatory performance management systems, to enable councils to compare performance and identify areas for improvement. Whilst there are risks, a carefully constructed performance management system could add value to the sector, eg if:</p> <ul style="list-style-type: none"> • Information is gathered automatically from existing council systems. • Information is collected centrally and then used to report to government departments (in accordance with myriad Acts). • This can reduce duplication of council reporting requirements. • Information is systematically analysed (eg by LGA) to provide insights and advice to councils. <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation.</p>
LGA3	Prescribed format for Asset Management Plans and Long-Term Financial Plans		<p>There is currently no standard format prescribed in the LG Act for a consistent approach to asset management planning and long-term</p>



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OLG Ref No. OLG Proposal Traffic Light LGA discussion notes

			<p>financial planning. This makes it difficult to synthesise information from different councils or to apply a minimum standard for these documents.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation</p>
LGA4	Developer contributed assets		<p>There is a perception that councils have to accept an asset when it is offered for free from a developer, but councils do not have to accept an asset and may undertake a prudential report to ensure it is up to standard and financially viable for council to maintain. Accepting an asset has long-term financial implications for a council and prudential management issues should be considered prior to a council accepting an asset. Section 48 of the Local Government Act 1999 could clarify the right of council to undertake a prudential report and/or decline an asset.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation</p>
LGA5	Rating equity for commercial and/or industrial land uses		<p>Currently South Australian councils face considerable rating constraints for selected major developments (e.g. wind farms, feedlots, solar farms and mines) and exempt properties, resulting in local communities paying more than their fair share to subsidise the cost of servicing certain land uses. These constraints include:</p> <ul style="list-style-type: none"> the inability to levy appropriate and equitable rates on electricity generators (including wind farms and solar farms) as a result of the exclusion of improvements such as electricity generating plant and equipment from capital valuations under legislation; and the inability to effectively categorise intensive land uses for





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OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
LG A6	Regulations for section 245A of the Local Government Act 1999 (Development Bonds)	🟢	<p>differential rating purposes, given the limited permitted rating categories available under legislation</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation</p> <p>Regulations would safeguard council's infrastructure and enable councils to recoup the cost of repairs, related to development damage.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation</p>
LG A7	Regulation 21 of the Local Government (Procedures at Meetings) Regulations 2013	🟢	<p>The LGA requests amendment to regulation 21 to ensure proper integration between regulation 21 and regulation 12(3) so that a written notice of motion by a council member is not required. Thus, upon council consideration of a CEO recommendation a motion without notice by a member could action that recommendation at the same meeting.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of this recommendation</p>
LG A8	Management of unmade roads	🟢	<p>The Local Government Act 1999 and the Road Traffic Act 1961 do not give councils appropriate powers to manage unmade public roads, especially in rural areas. There are many 'public roads' laid out in old rural subdivisions which have never been formed, or are no longer used, and over time have been occupied by adjacent landowners. Clearer statutory provisions are needed so council can effectively close a road to all, or certain classes of vehicles, and be able to effectively enforce the road closures</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of the recommendation</p>



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OLG Ref No. OLG Proposal

Traffic
Light

LGA discussion notes

LGA9	Community housing	
<p>The State Government is transferring public housing properties to Community Housing Providers to facilitate their upgrade and renewal. This transfer makes properties eligible for a mandatory 75% rebate on council rates, whereas the State Government previously paid full rates on these properties.</p> <p>The LGA advocates for legislative change to remove the 75% rebate on council rates for community housing providers and that this portion of rates continues to be paid for in full by the State Government.</p> <p>RECOMMENDED RCMB RESPONSE</p> <p>Council is generally supportive of the recommendation</p>		

LGA of SA

ECM1685289 Local Government Reform – LGA Discussion Paper Aug 2019

Page 36 of 25



Local Government Association
of South Australia

The voice of local government.

OLG Ref No.	OLG Proposal	Traffic Light	LGA discussion notes
LGA10	Fees and charges	●	<p>The LGA advocates for review of local government fees and charges regulated by the state government to establish modern price setting principles which promote efficiency, flexibility and fairness in service delivery.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of the recommendation</p>
LGA11	Review the information required to be included in Annual Reports	●	<p>A number of council reporting requirements have marginal value, at best. Cumulatively, they represent a significant impost on council resources and result in higher rates.</p> <p>Examples include annual reporting on:</p> <ul style="list-style-type: none"> • council training programs; • HR management programs; • Informal gatherings (pursuant to section 90(2)). <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of the recommendation</p>
LGA12	Clarify the ability of the SA Register-General to transfer the ownership of land, where there is a caveat placed over the land.	●	<p>The Register-General does not believe that he has the requisite power. As a result, the statutory intention of s184 is frustrated and councils cannot sell land in cases on non-payment of rates.</p> <p>RECOMMENDED RCMB RESPONSE Council is generally supportive of the recommendation</p>



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***Productivity Commission
Inquiry into Local
Government costs and
efficiency - Draft Report***

Issues Paper

September 2019

Note: This is not an endorsed document. It has been prepared for consultation purposes only, and is subject to consideration by the LGA Board of Directors.



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Table of contents

Background	4
Purpose of this Issues Paper	4
Inquiry feedback opportunities and LGA consultation process	4
Stage 1 – Methodology Paper (complete).....	4
Stage 2 – Inquiry Draft Report (current stage).....	4
Proposed LGA consultation process.....	5
Stage 2 responses	5
Previous LGA advocacy and policy positions	6
Draft recommendations to the South Australian Government	8
Draft advice to South Australian councils	11
Summary analysis of Information Requests within the draft report	14
Chapter 2 – Structure, development and reform	14
2.1: Funding.....	14
2.2: Competitive neutrality policy.....	17
2.3: Financial management.....	18
2.4: Workforce planning.....	20
2.5: Resource sharing.....	21
Chapter 3 – Local government costs	23
3.1: Materials, contracts and other costs.....	23
3.2: Population density.....	24
3.3: Sector wide service standards.....	25
3.4: Cost shifting.....	26
3.5: Compliance costs.....	29
3.6: Cost pressures.....	30
Chapter 4 – Local government efficiency and productivity	31
4.1: Performance reporting.....	31
4.2: Partial productivity estimates.....	32
4.3: Service-specific efficiency.....	34
4.4: Efficiency changes through time.....	35
4.5: Factors that influence estimated council efficiency.....	36
Chapter 5 – Costs and efficiency improvements	37
5.1: Employee costs.....	37
5.2: Quality and quantity of data.....	38
5.3: Strengthening councils' accountability and transparency.....	39

Background

The South Australian Productivity Commission (the Commission) has been asked to examine the trends in local government costs and efficiency and the drivers behind these trends. The terms of reference of the Inquiry can be found on the Commission's website¹.

Through the Inquiry, the Commission has analysed council expenditure and service provision data over the past ten financial years and sought to identify the drivers and trends in council costs.

The Commission has now released its draft inquiry report which outlines their draft recommendations to the South Australian Government on actions they could take to lower local government costs and enhance local government financial sustainability and, draft advice to councils on how they may measure and improve their performance over time.

Purpose of this Issues Paper

Through this Issues Paper the LGA is seeking to engage with our members to:

- outline the LGA's consultation process and associated timeframes;
- provide initial commentary on the recently released draft report²; and
- seek comments on the questions posed within the draft report to assist with the development of a sector-wide response.

Inquiry feedback opportunities and LGA consultation process

Councils can provide feedback either to the LGA to be incorporated into sector-wide submissions, direct to the Commission (please provide a copy to the LGA), or both.

Stage 1 – Methodology Paper (complete)

On 31 May 2019, the Commission released a Methodology Paper regarding the Local Government Inquiry into costs and efficiency.

In response to the Methodology Paper, the LGA developed an Issues Paper, facilitated a workshop (1 July 2019) and prepared two submissions.

Copies of the Issues Paper, workshop presentation and LGA submissions can be found here:
[LGA Members Site - LG Reform](#)

Stage 2 – Inquiry Draft Report (current stage)

The release of the draft report starts a further round of consultation with stakeholders, following which the Commission will consider all feedback; finalise its views; and submit its final report and recommendations to the Premier by 22 November 2019.

The Commission's draft report shows that councils are generally achieving a high rate of efficiency when compared with each other. However, it acknowledges there are opportunities for further

¹ www.sapc.sa.gov.au

² <https://www.sapc.sa.gov.au/inquiries/inquiries/local-government-inquiry/draft-report>

improvement, and the LGA will be looking carefully at the draft recommendations. A number of the suggested changes have previously been identified by councils and included in the LGA's submission on local government reform.

This report is only a draft and includes 19 requests for further information in areas such as workforce planning, resource sharing, industrial relations reform, and accountability and transparency measures.

The Commission will hold ongoing consultations with key stakeholders during September and October.

The closing date for written submissions is 25 October, which gives eight weeks for councils to respond to the Commission.

The Commission is required to publish the final report within 90 days.

The Inquiry will run concurrently with the Government's reform program, and where possible the LGA will align the consultation processes for the Inquiry and the reform program.

Proposed LGA consultation process

The LGA anticipates preparing two pieces of work in relation to Stage 2; a Summary Analysis/Issues paper (this document) to gather feedback from member councils and a submission to the Commission.

The LGA has facilitated two workshops with the Productivity Commission (3 and 4 September) to discuss the draft report. Further information including a copy of the Commission's presentation at the workshops can be found here: [LGA Members Site - LG Reform](#)

Proposed LGA consultation timeframes:

Draft report released	30 August 2019
LGA Summary Analysis/Issues Paper released	Approx. 2 weeks following release of report
Final deadline for feedback from members	4 October 2019
Final submissions to the Commission	25 October 2019

Stage 2 responses

The final deadline for comments and feedback to the LGA to be included in the sector-wide submission for Stage 2 is **COB Friday 4 October 2019**.

Responses can be submitted via email to Rebecca Muller, Senior Policy Officer at rebecca.muller@lga.sa.gov.au

Copies of individual council submissions to the Commission can also be provided via email to the address above.

Previous LGA advocacy and policy positions

The LGA has previously outlined a plan for sensible change³ which includes:

- sector wide benchmarking program
- strengthening the Council Members Code of Conduct
- best practice audit committees
- standardising external audits
- introduce a revenue policy
- diversifying local government revenue
- best practice service reviews
- supporting new boundary reform processes
- industry-wide industrial relations framework
- review representation reviews
- local government elections reform

The LGA strongly support the draft recommendation for sector-wide benchmarking. The LGA has been calling for State Government support for a performance reporting framework since 2017, and hopefully there will now be some action on this.

A sophisticated on-line benchmarking system would help councils identify opportunities for continued improvement and provide ratepayers with relevant information about their council's performance.

It's also encouraging to see that the impact of State Government decisions on councils has been recognised.

The LGA and member councils look forward to working with all members of state parliament to deliver sensible local government reforms that will benefit South Australian communities.

³<https://www.lga.sa.gov.au/localgovernmentreform>

Summary analysis of draft recommendations within the draft report

For the most part, the LGA will be guided by comments from member councils. Where the LGA Secretariat does have comment on the draft report, this is included below.

Draft recommendations to the South Australian Government

To lower local government costs and enhance local government financial accountability, the Commission proposes that the South Australian Government:

1. Lift the capacity of local councils to identify and address opportunities to reduce their cost base and improve their operations by:
 - In conjunction with local government, defining and establishing a sector wide performance monitoring framework that would enable comparisons between councils and over time to assist decision making by council leaders and to inform communities, including by:
 - i. Establishing common key performance indicators (KPIs) for inputs, outputs, service standards and financial indicators;
 - ii. Optimising existing information held by the South Australian Government, especially that gathered by the South Australian Local Government Grants Commission;
 - iii. Filling the gaps in the current information;
 - iv. Publishing information in a contextualised form designed to assist individual councils.

LGA Secretariat comments	Council comments
<p>This draft recommendation broadly aligns with the LGA's Local Government Reform Agenda advocacy for a sector-wide benchmarking program.</p>	<p>The Rural City of Murray Bridge supports a sector-wide benchmarking program, and is currently participating in the Australasian Performance Excellence Program, which should also be considered due to its national data set.</p>



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<p><u>In the medium term</u></p> <p>iv. Clarifying the respective responsibilities of the South Australian and local governments to remove unnecessary overlaps, or duplication and reduce uncertainty between governments.</p>	<p>The LGA is advocating for the following changes to the governance arrangements between state and local government:</p> <ul style="list-style-type: none"> • Establish service level agreements for the delivery of state services by local government including agreed responsibilities, cost sharing and funding arrangements • Cease mandating through state laws that local government must perform functions for the state government. 	<p>The Rural City of Murray Bridge is supportive of the LGA comments</p>
<p><u>In the long term</u></p> <p>v. Clarifying relevant aspects of s6, s7 and s8 of the Local Government Act 1999 to reflect an appropriate division between the levels of government and to make clearer the range of options available to councils in the performance of legislated functions.</p>	<p>The LGA is advocating for the following changes to the governance arrangements between state and local government:</p> <ul style="list-style-type: none"> • Establish service level agreements for the delivery of state services by local government including agreed responsibilities, cost sharing and funding arrangements • Cease mandating through state laws that local government must perform functions for the state government. 	<p>The Rural City of Murray Bridge is supportive of the LGA comments</p>



LGA of SA

Local Government Association of South Australia

Page 10 of 33

Summary analysis of draft advice within the draft report

For the most part, the LGA will be guided by comments from member councils. Where the LGA Secretariat does have comment on the draft report, this is included below.

Draft advice to South Australian councils

To guide and assist councils to improve efficiency and to create capacity to pass on cost reductions to rate payers, the Commission suggests that local government:

1. As a body, facilitate in depth benchmarking between councils by:
 - i. Establishing a Community of Practice sponsored by the Local Government Association, to share among other elements:
 - a) Methods, tools and approaches;
 - b) Skilling of council staff;
 - c) Panel of competent providers; and
 - d) Lessons learned and examples of success.
 - ii. Assisting in "matchmaking" South Australian councils that seek deep benchmarking opportunities (noting value of groups of councils at different levels) with other councils, including interstate comparisons;
 - iii. Collectively undertaking a regular sector-wide analysis of efficiency measures.

LGA Secretariat comments	Council comments
<p>The local government sector is working consistently to achieve greater efficiency, transparency and accountability.</p> <p>The LGA currently assists members via LGA Education and Training which provides access to relevant training programs and the LGA Members Site which provides a wide range of guidelines, model policies, tools and best practice examples to assist members.</p> <p>The LGA are open to suggestions of improvements that can be made to further assist member councils.</p>	<p>The Rural City of Murray Bridge supports the development of a toolset, knowledge base and provision of resources to assist in the review of services, efficiency assessments, business improvement activities and measurement of the benefits of such activities. The LGA could assist in the development of these toolsets and provision of resources.</p>



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<p>2. Prioritise, in any systems upgrades, focus on improving collection, retrieval, analysis and presentation of information for planning, decision making, monitoring and managing performance.</p>	<p>This advice is broadly consistent with the LGA's Local Government Reform⁴ agenda. The LGA's sensible plan for local government reform identified that to build trust, communities require certainty that councils are delivering the right services at the right cost. A best practice program of services reviews with strong community engagement will assist in building community confidence and demonstrating efficiencies. In addition, the proposal for councils to adopt a revenue policy describing what mix of revenue options it proposes to adopt for each of its services and why it has made such choices would increase transparency and accountability. While the legislative framework should set our clear expectations regarding continuous improvement and service efficiency, it should not limit the sector to one prescribed approach.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments</p>
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<https://www.lga.sa.gov.au/localgovernmentreform>

LGA of SA EGM 8/17/11 Productivity Commission Draft Report - Issues Paper

Page 12 of 29



Local Government Association
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The voice of local government.

<p>3. Enhance the transparency and accountability of their operations by councils:</p> <ul style="list-style-type: none"> i. When considering new, or material changes to, council services, undertaking an independent review that includes consideration and analysis of alternatives to councils providing the service directly, community consultation; and publishing a report; ii. Including in their external audits an examination of service reviews and program evaluations; and iii. Incorporating in their published long-term asset and financial plans and draft annual budgets advice on whether changes to the scope or level of services are planned and their implications for council expenditure. 	<p>Any proposed framework should identify opportunities for further improvement, without duplicating existing measures or creating greater uncertainty.</p> <p>For example, the LGA's Financial Sustainability program and the work done by the SALGFMG and the LG External Auditor's committee in increasing standards and ensuring councils use consistent definitions and interpretation of the Australian Accounting Standards have already contributed towards greater transparency and accountability in local government in South Australia.</p> <p>Clarification was sought from the Productivity Commission in the workshop held on 4 September regarding their intent around the draft advice to conduct 'an independent review' (3.i.). They advised that they consider that the decision to conduct an independent review should reflect the materiality of the proposed change and be scalable in line with the extent of the materiality.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments</p>
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Summary analysis of Information Requests within the draft report

For the most part, the LGA will be guided by comments from member councils. Where the LGA Secretariat does have comment on the draft report, this is included below.

Chapter 2 – Structure, development and reform

The chapter examines the history, structure and evolution of the local government sector, particularly the legislative and governance environments which affect councils' decisions on the services delivered to their communities. It also considers the influence of the Australian Government on the capacity of councils to deliver services.

Finally, the chapter briefly examines some key local government reforms aimed at either efficiency improvement or cost reduction in other jurisdictions.⁵

2.1: Funding

FAGs funding is untied once distributed to the local government sector. From time to time the Australian Government also provides specific purpose grants to councils of either a capital (e.g. GFC School grants scheme) or operating nature (e.g. Adelaide Hills Council case study, Chapter 3) to achieve its particular policy objectives.⁶

The Commission is seeking information and views on:

How does the untied nature of FAG funding affect council decisions to provide non-mandatory services?

LGA Secretariat comments	Council comments
<p>Financial Assistance Grants (FAGs), which are un-tied in the hands of local Councils, are intended to improve Local Government's capacity to provide communities with an equitable level of services and to increase the effectiveness and efficiency of Local Government.</p> <p>The LGA Policy Manual (7.3.6 Untied and Specific Purpose Grants) states:</p> <p><i>Local government acknowledges that grants from other spheres of government are most beneficial when untied, and available unconditionally for a wide range of purposes.</i></p>	<p>FAG funding is distributed to a broad cross section of Councils with differing communities, demographics, social and economic situations.</p> <p>It is the role of each Council to understand its community through its consultation processes as outlined in the Local Government act.</p> <p>It is also therefore reasonable to expect that due to the diversity of issues and opportunities, Councils know their service</p>

⁵ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 31)
⁶ Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 37)





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<p>How does other Australian Government program or project funding to councils, of a more ad hoc nature, affect council expenditure?</p>	<p><i>Local government shall continue to welcome grants from federal/state governments and negotiate terms that will most benefit local communities.</i></p> <p>The LGA would not be supportive of any suggestion to 'tie' FAG funding to specific purposes however advice is sought from member councils regarding whether it would be beneficial to have a 'statement of expectations' for any further increases above the current level of FAGs funding which expresses the priorities of the Commonwealth and would allow councils to better articulate back to the Commonwealth how councils activities are assisting in the delivery of those priorities.</p>	<p>Grant funding, whilst representing an opportunity to leverage funds to carry out projects which may otherwise not be achievable, can actually work against local government's focus on renewal and replacement of existing assets as grant funding is predominately focused on capital 'new' works rather than 'renewal' or 'maintenance'.</p> <p>Often within grant programs there is also a requirement to provide matching funding, plus there are the associated increase in interest costs, maintenance and depreciation following the construction of the asset. These additional costs also apply for assets vested by developers or by other levels of government.</p> <p>Grant funding is also often tied to a particular outcome or function (for example – funds must be used on open space or arts/culture projects) these areas may not be the highest priority area within a council's asset management plan however, in order not to miss out on funding opportunities, projects are brought forward or re-prioritised.</p> <p>There may also be examples of some grant programs which are set up with the best intentions but, for various reasons, SA councils have limited access to as they don't fit the current guidelines.</p>	<p>gaps and opportunities best, and are in the best position to distribute funding accordingly.</p> <p>The Rural City of Murray Bridge supports the provision of united FAG funding.</p> <p>Grant funding programs are essential to Councils in progressing asset enhancement works. Where Council is given enough notice, Grant programs support the implementation of endorsed Council plans and initiatives, based on community expectations.</p> <p>The Rural City of Murray Bridge supports the LGA comments regarding improvements to Grant programs.</p> <p>It is also suggested that Grant programs which target sporting and community groups are developed with consideration given to the capability of the group and the ongoing expenditure associated with maintenance, depreciation and expense. Often sporting and community groups are allocated Grant funding which Council has limited involvement with and in time, bears the ongoing expense associated with the funding once the asset is returned. In some cases the community group has the best intentions with regard to project</p>
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	<p>For example, the Commonwealth Government will provide \$640 million from 2015-16 to 2022-23, with an on-going commitment of \$85 million each following year to upgrade and replace bridges to enhance access for local communities and facilitate higher productivity vehicle access. However, over the life of the program, South Australia has been awarded 23 projects (out of 511 projects awarded nationally) and received total funding of just \$12 million (out of over \$395 million awarded nationally).</p> <p>The criteria for program and project funding need to be fit for purpose to support council needs, if Commonwealth funding is to support council financial sustainability.</p>	<p>delivery; however with limited resources pulls on Council resources to support delivery. This in turn can place a strain on Council resources.</p>
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2.2: Competitive neutrality policy

The principle of competitive neutrality is given legislative expression in South Australia through the *Government Business Enterprises (Competition) Act 1996* and applies to the business activities of publicly-owned entities whose activities include “producing goods and/or services for sale in the market place with the intention of making a profit and providing financial returns to their owners”. Local government business activities must also comply with the CPA.⁷

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
<p>How, if at all, do the requirements of competitive neutrality policy affect councils' decision making on whether, and how, to provide services to their communities? This may include direct provision of services or contracting the services from private sector providers.</p>	<p>The LGA Secretariat is currently exploring local, national and international business models used by the local government sector to manage commercial operations and explore any current legislative barriers or opportunities that would enable greater innovation and investment in commercial activities, in order to offset the cost of council services for the community. A survey of councils has been completed and a discussion paper is being prepared that will be presented to GAROC for consideration in November 2019.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments</p>

Draft Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 37)

LGA of SA

00111 - Productivity Commission Draft Report - LGA of SA



2.3: Financial management

The local government reform process of the 1990s consisted of legislative changes and other structural reforms. Subsequently there was a new focus on financial management reforms.

The LGASA's Financial Sustainability Program (FSP) produced resources to assist councils to achieve and maintain financial sustainability.⁸

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
<p>How have the financial management program reforms affected councils' ability and incentives to manage costs?</p>	<p>The LGA's submission in response to the Commission's Methodology Paper reported the improvement in the financial performance of councils and the Commission noted that, while some councils are recording deficits, the sector as a whole has moved from deficit to surplus.</p>	<p>The Rural City of Murray Bridge supports the LGA comments, noting that it has delivered an underlying operating surplus for the last four years and has a forecast surplus in each year of its forward Long Term Financial Plan.</p>
<p>What changes to the type or quality of financial management information would assist councils to improve their decision making and contribute to better performance?</p>	<p>The LGA are open to suggestions of improvements that can be made to further assist member councils.</p>	<p>The currently mandated Financial Indicators:</p> <ul style="list-style-type: none"> • Operating Surplus Ratio • Net Financial Liabilities Ratio • Asset Sustainability Ratio • Net Interest Ratio <p>Represent a firm basis for financial management decision making by Councils.</p>





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Is there a need for a stronger external auditing process to increase councils' compliance with their legislated responsibility to produce long-term asset and financial management plans and lift the quality of these plans? If so, what form should it take?

The LGA notes that there is no independent or external body (including the SA Auditor-General) that has adversely commented on the standard of external audits conducted by SA councils.

The Rural City of Murray Bridge is supportive of the LGA comments

We also note that the Auditor-General does not support the suggestion, in the recent Office of Local Government Discussion Paper on Local Government Reform, that he be given oversight of the external audit function of SA councils.

The LGA proposes to use a best practice approach to encourage councils to make the best use of their audit committees.

Each council is required to establish an Audit Committee to, among other things, review the financial statements of the council, provide advice on council's Strategic Management Plan and Annual Business Plan and review the adequacy of council's internal controls and financial management systems.

Many councils have voluntarily expanded the role of their audit committee beyond what is legally required.

Each audit committee must have at least one independent member and it is widely acknowledged within the sector that having more than one independent member, including an independent Chair is best practice.

The way in which many councils have established their audit committees demonstrates that a heavy-handed legislative response is not always required to achieve positive change within local government.



Local Gov

2.4: Workforce planning

Training and upskilling can lift labour productivity and the efficiency of local councils. The literature suggests there is considerable variation in the workforce capabilities of councils.⁹

The Commission is seeking information and views on:

Have councils experienced any issues with attracting and retaining workers or securing workers with specific skills?

	LGA Secretariat comments	Council comments
<p>Have councils experienced any issues with attracting and retaining workers or securing workers with specific skills?</p>	<p>Anecdotally, the recruitment and retention of staff can be difficult particularly for regional councils. Drivers may include a lack of qualified individuals locally, remoteness of location, the inability of councils to compete with the private sector and the lack of opportunity for career progression.</p>	<p>The Rural City of Murray Bridge supports the LGA comments. It is worth highlighting that through its engagements with local small, medium and large businesses, commercial operators also are challenged with recruiting and retaining skilled workers. As a result our Council is partnering with the RDA, TAFESA, Universities and other local Councils to foster initiatives to deal with the education element of this multi-faceted issue. Council supports broader and ongoing collaboration with other parties in looking for solutions to improving employment in regional South Australia. As above.</p>
<p>Are these issues unique to individual councils?</p>	<p>The LGA will be guided by comments from member councils. The LGA currently assists members via LGA Education and Training which provides access to relevant training programs. The LGA are open to suggestions of improvements that can be made to further assist member councils.</p>	<p>As above.</p>
<p>Is there value in a sector-wide or region-wide approach to workforce planning and the development of specific skills to support councils?</p>		<p>As above.</p>



2.5: Resource sharing

Within the local government sector, resource sharing currently occurs in a variety of forms and at different levels of legal and administrative formality, ranging from the highly informal, such as information sharing arrangements between councils, to formal legal structures, including subsidiaries established under sections 42 or 43 of the LG Act.¹⁰

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
<p>What is the potential for additional use of resource sharing to deliver efficiencies and other benefits to participating councils?</p>	<p>The LGA will be guided by comments from member councils.</p>	<p>The Rural City of Murray Bridge supports the sharing of resources. Both from our Council to smaller regional Councils, and from metropolitan Councils to our Council.</p>
<p>In councils' experiences of resource sharing, what works and what does not? Why?</p>	<p>Councils are asked to provide further examples of resource sharing.</p>	<p>The Rural City of Murray Bridge supports resource sharing; however role descriptions and responsibilities often are mismatched between Councils. This can create confusion with staff and the respective Councils. The availability (or lack of) backfill resources also can prevent role sharing opportunities. Further, Council corporate systems can be a limiting factor in managing data sharing between Councils and could be an opportunity.</p>
<p>Are there any impediments to the greater uptake of various forms of collaboration or resource sharing?</p>	<p>The LGA will be guided by comments from member councils.</p>	<p>As above</p>
<p>What challenges, if any, do councils face in making use of the provisions contained in sections 42 and 43 and Schedule 2 of the Local Government</p>	<p>The LGA Secretariat is currently exploring local, national and international business models used by the local government sector to manage commercial operations and explore any current legislative barriers or opportunities that would enable greater innovation and investment in</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments</p>

¹⁰ [South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency \(page 41\)](#)



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Chapter 3 – Local government costs

This chapter examines trends and changes in council operating expenditure and likely explanations for these changes. To understand the cost drivers, the Commission examined councils' costs for the period from 2008-09 to 2017-18 on both a resource (or input) basis and a function or service (output) basis.¹¹

3.1: Materials, contracts and other costs

Materials, contracts and other costs is the most substantial category of expenditure for councils making up approximately 41 per cent of total operating expenditure.

The average rate of increase for materials and contract expenditure, over the last 10 years, was 4.0 per cent annually and this was similar across both urban and rural councils.¹²

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
<p>What are the main drivers of materials, contracts and other costs for rural small and medium councils?</p> <p>In what ways do current council procurement practices affect expenditure on materials, contracts and other costs?</p>	<p>Drivers may include a lack of suppliers locally, remoteness of location and competition with the private sector. Councils are asked to provide examples.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p> <p>The Rural City of Murray Bridge experiences difficulty in accessing all required contractors locally, and therefore have an overhead with project costs for distance related increased expenditure. Despite this, the Rural City of Murray Bridge, has a commitment to engaging local providers. This is reflected in Councils Procurement Policy and a key principle in an impending review being undertaken in the next 6 months.</p> <p>As above</p>

¹¹ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 47)
¹² South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 53)



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<p>Act 1999 to deliver effective and efficient services to their communities?</p>	<p>commercial activities, in order to offset the cost of council services for the community. A survey of councils has been completed and a discussion paper is being prepared that will be presented to GAROC for consideration in November 2019.</p>	
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ECM 84/7/11 Productivity Commission Draft Report - Issues Paper

Page 22 of 33



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3.2: Population density

The population of South Australia continues to grow and its composition is changing. This growth is creating external cost pressure in many councils. The annual increase in population growth in the urban metropolitan and fringe council group will potentially exacerbate cost pressures. Changes in the demographic composition will also drive changes in expenditures as an ageing population brings increased demand for access to its services.¹³

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
How does increasing population density and urban infill impact on council service costs?	Growth areas – may require councils to increase service levels and/or introduce additional services, may also speed up consumption of assets.	The Rural City of Murray Bridge is supportive of the LGA comments.

Plan Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 79)

LGA of SA

Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 79)

3.3: Sector wide service standards

While acknowledging the use of surveys by a significant number of councils, the Commission has not been able to obtain any standardised sector-wide quality or service standard data to analyse the effects of changes in service standards on council operating costs.¹⁴

The Commission is seeking information and views on:

	LGA Secretariat comments	Council comments
<p>How do councils currently define and measure standards of service delivery?</p>	<p>Some councils undertake formal service reviews and/or community surveys to ensure the services they provide are relevant to their communities and are financially sustainable in the long term, a number of known examples of these have been provided to the Commission as part of the LGA's previous submissions.</p>	<p>The Rural City of Murray Bridge supports a sector-wide benchmarking and service review best practice guide, and is currently participating in the Australasian Performance Excellence Program, which should also be considered as an input for Service Reviews due to its national data set.</p> <p>The Rural City of Murray Bridge supports the draft LGA advice.</p>
<p>What measures could be developed on a sector wide basis to measure quality standards for either mandated or non-mandated services?</p>	<p>The LGA proposes the development of a best practice guide to undertaking service reviews. Service reviews should consider service levels, unit costs, community demand, community satisfaction, alternative providers and links to financial sustainability. Standardising the approach to measuring and reporting these factors will assist councils and communities to understand the value of the financial and community value of the services delivered.</p> <p>A prescriptive approach to undertaking service reviews must be avoided to ensure that efficiency gains are not eroded by additional red tape and compliance costs.</p>	

3.4: Cost shifting

The Commission has formed the view that there have been some instances of cost shifting which have raised council costs. However there also appear to be a number of cases where councils have control over expenditure decisions and the term cost-shifting should not be applied. The term cost shifting in practice is unhelpful particularly where it includes a choice by councils to accept tied funding. In such circumstances the commission considers cost sharing rather than cost shifting, is a more accurate description. The Commission is seeking clarification on this from councils.¹⁵

The Commission is seeking information and views on:

To what extent do councils receive external funding or an ability to charge fees for delivery of mandatory services?

LGA Secretariat comments	Council comments
<p>South Australian councils receive the lowest total revenue per capita of all mainland states, and this is in part attributed to the significant gap between the fees and charges that can be raised by interstate councils for undertaking regulatory functions such as planning and building assessments and food safety inspections.</p> <p>The LGA continues to advocate, as part of our Local Government Reform agenda, for a comprehensive review of local government fees and charges regulated by the State Government to establish modern price setting principles which promote efficiency, flexibility and fairness in service delivery.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>



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<p>To what extent are councils able to fully recover costs for the mandatory services listed in appendix 4?</p>	<p>The LGA's submission in response to the Commission's Methodology Paper outlined: Cost recovery – fees and charges The LGA and the South Australian Financial Management Group (FMG) has raised concerns for some years regarding fees and charges that are fixed by State Government Statute. Many of these fees and charges have not been reviewed for many years and there has been concern that the lack of review is leaving councils with a burden of legislated work without being able to charge adequate fees and charges to cover costs. Planning and Development Councils are covering a large portion the cost of implementing the new e-planning system under the Planning, Development and Infrastructure Act 2016. The fees applicable to councils to support the cost of maintaining the SA Planning Portal are a significant impost for many councils. There are also costs and fees incurred by both professional staff and/or councils under the new accredited professional schemes. Further, there is a significant shortfall in the development and compliance income councils receive from undertaking these functions. Our member councils tell us that their total income is only 29 percent of total costs and that development assessment income only covers 31 percent of their assessment costs.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>
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LGA of SA

LGA 987111 Productivity Commission Draft Report - Issues Paper

Page 27 of 39



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<p>Councils are asked to provide further information on instances of cost shifting and quantify how they have impacted on councils' costs.</p>	<p>SA councils are required to:</p> <ul style="list-style-type: none"> develop an Annual Business Plan and Budget which outlines amongst other things: <ul style="list-style-type: none"> (i) the council's objectives for the financial year; and (ii) the activities that the council intends to undertake to achieve those objectives; and (iii) the measures (financial and non-financial) that the council intends to use to assess the performance of the council against its objectives over the financial year. <p>The LGA's previous submissions to the Commission included information on the broad cost shifting areas such as Solid Waste Levy and Community Housing mandatory rebates.</p> <p>The Commission is particularly interested in what this means for individual councils and has asked for further examples of cost shifting along with information on how these have impacted on councils' costs.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>
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How are service scope and standards determined for mandatory services?

The Rural City of Murray Bridge is supportive of the LGA comments.



LGA of SA

Productivity Commission Draft Report Issues Paper

Page 20 of 31



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3.5: Compliance costs

A number of submissions from councils...argued that the costs of complying with legislation and regulation have increased council operating costs.¹⁶

The Commission is seeking information and views on:

Councils are asked to provide further examples of compliance costs and quantify how they have impacted on councils' costs.

LGA Secretariat comments	Council comments
<p>The LGA's previous submissions to the Commission included broad information on:</p> <p>Local Government Elections - costs of carrying out official duties and arranging advertising for local government elections.</p> <p>Nuisance and Litter Control Act - since July 2017, local councils have been responsible for enforcing the Local Nuisance and Litter Control Act. Some councils are indicating they are finding it difficult to keep up with the volume of complaints.</p> <p>Implications of changes to heritage system - the changes proposed by the State Planning Commission (SPC) will lead to about 11,000 Contributory Items being unprotected from demolition control. The cost of review of each of these items has been estimated to cost between \$300-500 per item (consultant costs), plus additional internal resourcing in amending development plans.</p> <p>The Commission is particularly interested in what this means for individual councils and has asked for further examples of compliance costs and quantify information on how they have impacted on councils' costs.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>





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3.6: Cost pressures

The Commission is seeking additional information and evidence from councils to identify and understand drivers of councils' costs, the extent to which they are internal or external to councils, the extent to which cost pressures are systematic or unique to particular councils, and their impacts on council costs.¹⁷

The Commission is seeking information and views on:

What are the most significant cost pressures (and their impact on costs) which councils expect to face over the next 5 years?

	LGA Secretariat comments	Council comments
<p>What are the most significant cost pressures (and their impact on costs) which councils expect to face over the next 5 years?</p>	<p>This may include:</p> <ul style="list-style-type: none"> • industrial relations – staff turnover/competition in labour market • properly accounting for and maintaining important infrastructure • technology advancements • grant timing and reliability • increase in supplier costs • increased number of force majeure events (bushfires, floods) • shift in demographics (causing significant increase/decrease in demand for services/assets) • skills shortage in region • change in economic contributor to region (major redundancy, industry/market failure in region) • cost shifting/sharing • change to regulations and/or legislation • limits on other revenue sources including user pays fees • climate change • ratepayer expectations • red tape. 	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>

¹⁷ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 83)



Chapter 4 – Local government efficiency and productivity

The term efficiency in this chapter refers to technical efficiency. An organisation is technically efficient if it produces the largest possible output from a given set of inputs, or if it uses the least possible quantity of inputs to produce a given level of output.¹⁸

This chapter presents the principal methodological approaches used in the Commission's analysis.¹⁹

4.1: Performance reporting

The LGA will be conducting further analysis of this section however councils are directed to pages 90 to 101 of the draft report which discusses the performance monitoring in other jurisdictions.

Performance and efficiency measurement play a role in helping councils to understand of their business and to improve outcomes through reduced costs or better services. This section describes performance monitoring activities across Australia to assist the identification of mechanisms and indicators that might usefully be employed by local government in South Australia.²⁰

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
How can these lessons from state-wide performance reporting frameworks in other jurisdictions be applied to South Australia?	Consideration should be given to the cost to implement any proposed model and that this doesn't become an additional cost driver that works against local government's efforts to put downward pressure on council rates. Councils should be provided with assistance to implement reporting systems, and care should be taken to limit duplication with any existing data collections (so councils don't have to replicate data with slightly different requirements, time periods and formats).	The Rural City of Murray Bridge is supportive of the LGA comments.
Which indicators would be appropriate for South Australian councils?	Achieving consistent data reporting across 68 councils will be a resource intensive exercise and consideration will need to be given to the items that are reported to	The Rural City of Murray Bridge is supportive of the LGA comments.

¹⁸ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 86)
¹⁹ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 87)
²⁰ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 87)



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	<p>ensure that they deliver some strategic, operational and policy benefit. The LGA would welcome suggestions from member councils.</p>	<p>Council supports the financial sustainability measures utilised in its Long Term financial Planning. Council is currently participating in the Australasian Performance Excellence Program, which should also be considered due to its national data set.</p>
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4.2: Partial productivity estimates

The LGA will be conducting further analysis of this section however Councils are directed to pages 102 to 113 of the draft report which discusses the partial productivity measure estimates for South Australian councils for the selected services areas of Transport, Waste Management, Planning and Library Services.

The data demonstrates that urban councils face different unit costs than rural councils, and that metropolitan urban councils differ from urban regional councils. For example, urban councils have significantly higher expenditure per kilometre of sealed roads than other councils, but lower expenditure per tonne on waste collection. Furthermore, there is significant variation within each council group.²¹

The Commission is seeking information and views on:

	LGA Secretariat comments	Council comments
<p>What do these partial productivity estimates tell us about local government efficiency?</p>	<p>Technical efficiency is an important element in defining efficiency but this should also be underpinned by the principles of meeting community needs or desires (which may include a request for increased service levels), achievement against strategic management plans, achieving increased/enhanced community/social outcomes and sound asset management practices (where higher quality costs may be deemed to be relatively less technically efficient but are optimising asset lifecycle costs or performance). A true estimation of local government efficiency should consider additional indicators at an individual council level</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>

South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 87)

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South Australian Productivity Commission Draft Report Issues Paper





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<p>What other partial productivity estimates can be used with currently available data?</p>	<p>such as the existing Financial Indicators, community satisfaction survey results and an assessment of achievements against Annual Business Plans.</p> <p>The LGA will be guided by comments from member councils.</p>	<p>The Rural City of Murray Bridge is currently participating in the Australasian Performance Excellence Program, which should be considered due to its national data set.</p>
<p>What additional data would councils be able to report on for minimal additional cost which would improve our understanding of council efficiency?</p>	<p>The LGA will be guided by comments from member councils.</p>	<p>As above</p>
<p>Is there any other evidence of an expansion in the scope of council services, or improvement in quality over this time period?</p>	<p>The LGA will be guided by comments from member councils.</p>	<p>As above</p>
<p>Is the current reporting to the SALGGC an appropriate process for any additional reporting by councils? Is there value in making any changes to this reporting?</p>	<p>The LGA will be guided by comments from member councils.</p>	<p>As above. It should also be noted, that Councils are already required to provide extensive data reporting to a number of different bodies, and organisations. Additional reporting should be considered carefully for its impacts on administrative burden.</p>

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4.3: Service-specific efficiency

Data availability has limited the number and quality of partial productivity indicators that the Commission has been able to estimate. There are also some concerns with the consistency of the financial data at the individual service level and their comparability across councils. For instance, there may be differences in how councils apportion indirect costs across services and allocate costs to each of the SALGGC expenditure subcategories. Moreover, output quantity data that are reported to the SALGGC but not used by them are subject to less thorough checking than the financial data.²²

The Commission investigated possible options for measuring service-specific global efficiency estimates, including obtaining expert advice from Economic Insights, and has concluded that currently available data do not support this exercise at this point. Nevertheless, the Commission sees value in further work in this area.²³

The Commission is seeking information and views on:

	LGA Secretariat comments	Council comments
<p>Acknowledging the gaps in data currently available, how can data quality be improved in order to measure service-specific efficiency across councils?</p>	<p>The LGA recognises the need for a sector-led performance management system, with a primary aim of providing reliable data with which councils can make informed decision.</p> <p>Much of the data is already collected by councils and stored on their corporate IT systems. Optimally, a central system would automatically extract the required data from the 68 councils, collate, analyse and present it in a meaningful manner. In doing so, such a system could increase council efficiency and reduce the considerable time currently devoted to collection, analysis and reporting of data.</p> <p>A performance measurement system with subsequent analysis of information would lead to a more efficient local government sector and, hence, a more productive state. As such there is a case for state government financial support for the scoping and then creation (but not ongoing costs) of such a system.</p>	<p>The Rural City of Murray Bridge is currently participating in the Australasian Performance Excellence Program, which should be considered due to its national data set.</p>

²² South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 103)
²³ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 126)

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4.4: Efficiency changes through time

Quantifying changes in the volume and scope of council services is problematic. The Commission has not been able to identify any standardised measures of service quality across councils, which limits incorporating service quality into the model.²⁴

Data issues have also prevented the Commission from quantifying any expansion in the scope of services provided by councils.²⁵

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
<p>How can the change in volume, scope or quality of services be quantified or otherwise incorporated into an evaluation of local government efficiency?</p>	<p>To build trust, communities require certainty that councils are delivering the right services at the right cost. A best practice program of services reviews with strong community engagement will assist in building community confidence and demonstrating efficiencies.</p> <p>Councils already undertake regular reviews of key services to ensure they are meeting community needs, being delivered in an efficient manner and not impacting on the long-term financial sustainability of the council. Sometimes difficult and unpopular decisions need to be made about reducing or consolidating services for the sake of greater efficiency and sustainability. It is important that these decisions about the range and level of local services provided remain in the hands of councils and their communities.</p> <p>The LGA proposes to develop a best practice guide to undertaking service reviews. Service reviews should consider service levels, unit costs, community demand, community satisfaction, alternative providers and links to financial sustainability. A sector-led consistent approach to measuring and reporting these factors will assist councils and communities to understand the value of the financial and community value of the services delivered.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p> <p>Council also recognises the importance of all levels of government working collaboratively and Local Government having a seat at the table. This approach prevents misunderstanding and consistent communication with all levels of government.</p>

²⁴ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 121)
²⁵ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 122)

4.5: Factors that influence estimated council efficiency

Council performance may be influenced by factors outside their control, including socio-economic and demographic characteristics of council areas, their geographic location, and operating and policy environments, as discussed in Chapter 3. Submissions from stakeholders also noted factors such as growth areas, ageing populations, labour market shocks (for example, large scale redundancies such as the closure of automotive manufacturers) and thin markets (LGASA submission, p.32).²⁶

The Commission is seeking information and views on:

	LGA Secretariat comments	Council comments
<p>What other factors can explain the estimated efficiency differences between councils or over time?</p>	<p>Some of these noted in the consultation process, including submissions, are outlined below:²⁷</p> <ul style="list-style-type: none"> • multiple towns/service delivery centres • climatic factors • soil types • topographic differences • coastal versus inland setting • tourism • quality of services. 	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>
<p>What factors can explain the estimated productivity differences between councils over time?</p>	<p>As above.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>
<p>What other possible data sources can improve this analysis?</p>	<p>The LGA is conducting further research on other data sources however suggestions from member councils is welcomed.</p>	<p>The Rural City of Murray Bridge is currently participating in the Australasian Performance Excellence Program, which should be considered due to its national data set.</p>

²⁶ South Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 122)
²⁷ Victorian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 124)



What further information could be considered to analyse and interpret estimated partial and global efficiency scores?

The LGA is conducting further research however suggestions from member councils is welcomed.

The Rural City of Murray Bridge is currently participating in the Australasian Performance Excellence Program, which should be considered due to its national data set.

Chapter 5 – Costs and efficiency improvements

Trends in, and possible drivers of, expenditure in the local government sector shows that the growth in local government operating expenditure over the last decade has been relatively high. Urban metropolitan and fringe councils consistently recorded higher growth in operating expenditure than other councils during this period. This growth has been greater than underlying measures of inflation and has been funded, in the main, by increases in rate revenue, thereby putting upward pressure on the cost of living for ratepayers.²⁸

5.1: Employee costs

The Commission has found that councils' operating expenditure is mainly made up of employee costs and materials, contracts and other costs, which accounted for 35 per cent and 41 per cent of total sector operating expenditure in 2017-18. These proportions have not changed significantly since 2008-09.

Sector expenditure on employee costs increased more, in percentage terms, over the decade than any other expenditure category at an annual average increase of 4.5 per cent, although growth has moderated over the decade in both urban and rural councils.²⁹

The Commission is seeking information and views on:

Are there any benefits from streamlining the current industrial relations arrangements by moving to sector-wide enterprise bargaining?

LGA Secretariat comments

The LGA has started looking at opportunities to streamline processes within local government through an industry-wide industrial relations framework which enables a culture of meaningful, open and respectful engagement between employees, management and unions.

Council comments

The Rural City of Murray Bridge is supportive of the LGA comments.

Our work to date demonstrates there is an opportunity to align the sector workforce through a modernised industrial relations framework. An aligned workforce will provide individual councils with continued success and simultaneously deliver wellbeing to employees through shared values and commitments; support individual council's strategic and business plans; secure a multi-

²⁸ Draft Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 128)
²⁹ Draft Australian Productivity Commission Draft Report – Inquiry into Local Government Costs and Efficiency (page 128)





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skilled and engaged workforce; foster flexibility and continuous improvement in the local government sector; enhance productivity and significantly reduce duplicated costs and effort.

5.2: Quality and quantity of data

The Commission's identification of cost drivers has been constrained by a lack of data, particularly with respect to outputs and quality. It has formed the provisional view, through consultation with councils, that increases in the scope, volume and quality of outputs have been a significant driver of growth in councils' operating expenditure.³⁰

The Commission is seeking information and views on:

How can councils be assisted to work collectively to improve the quantity and quality of the available data on inputs, outputs and outcomes for services?

LGA Secretariat comments	Council comments
<p>The LGA would welcome a local government-led Local Government Efficiency Program, which would:</p> <ul style="list-style-type: none"> capture and report on local government performance measurement data in a consistent way enhance integration of Asset Management Plans, Long Term Financial Plans and Strategic Management Plans be based on a maturity model - that helps councils assess their current effectiveness and identifies the capabilities that are needed in order to improve their performance. <p>The LGA are open to suggestions of improvements that can be made to further assist member councils.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>



5.3: Strengthening councils' accountability and transparency

South Australia's legislative framework, particularly the LG Act itself, not only recognises local government as a separate and legitimate sphere of government in its own right, but also provides councils with a high degree of autonomy to act as decision makers in their communities. The quality of councils' decision-making will therefore have a significant effect on the service mix that councils provide in their communities. This is especially important in relation to non-mandatory services, where councils' discretionary authority is greatest, but is also important when councils consider the scope and quality of service provision for mandatory services.³¹

The Commission is seeking information and views on:	LGA Secretariat comments	Council comments
<p>How can the South Australian Government strengthen the accountability and transparency of councils?</p> <p>Possible instruments include:</p> <ul style="list-style-type: none"> • funding; • legislation and monitoring of implementation through audits of the processes of local government decision making; and • an agreement with councils and regular dialogue to reinforce the expectation that councils will conduct audits of the processes of local government decision making. 	<p>The LGA would welcome a local government-led Local Government Efficiency Program, which would:</p> <ul style="list-style-type: none"> • capture and report on local government performance measurement data in a consistent way • enhance integration of Asset Management Plans, Long Term Financial Plans and Strategic Management Plans • be based on a maturity model - that helps councils assess their current effectiveness and identifies the capabilities that are needed in order to improve their performance. <p>The LGA are open to suggestions of improvements that can be made to further assist member councils.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments. Additional comments as per page 11.</p>



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<p>Should councils be required to undertake an independent external audit of their expenditure and efficiency in the event of that they record relatively high operating expenditure growth in a given period?</p>	<p>A heavy-handed legislative response is not always required to achieve positive change within local government, the LGA proposes to use a best practice approach to encourage councils to make the best use of their audit committees. Consideration should be given to the cost to implement any proposed model and that this doesn't become an additional cost driver that works against local government's efforts to put downward pressure on council rates.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>
<p>Would growth in operating expenditure over any three-year period (normalised for population growth) which exceeds the rise in the Local Government Price Index for that period be an appropriate trigger for such an audit?</p>	<p>Current legislation requires councils to publicly report broadly on where their revenue comes from. However, councils are not required to adopt a revenue policy describing what mix, of this suite of revenue options, it proposes to adopt for each of its services and why it has made such choices. A revenue policy would create a single point of reference to enable the community to understand how a council proposes to pay for the services it chooses to deliver over a period of time, taking into account rates, grants, fees and charges and commercial activities.</p>	<p>The Rural City of Murray Bridge is supportive of the LGA comments.</p>





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167.4 COUNCIL REPRESENTATION ON EXTERNAL BODIES

Author Ros Kruger

Legislative () Corporate (X) Other ()

Purpose

For Council to consider appointments of Council delegates to an external Association and a Regional Subsidiary.

Background

Council at its meeting held on the 19 November 2018, item 200.8 considered representation on external bodies and Regional Subsidiaries, item 200.11

Cr Mat O'Brien was nominated to represent Council on the Murray Bridge Business Alliance and also the Regional Subsidiary of the Adelaide Hills Regional Waste Management Authority. Due to work commitments Cr O'Brien has advised he is no longer able to represent Council at these meetings.

Proposal

Council representation is now invited for:

Murray Bridge Business Alliance – The Murray Bridge Business Alliance was established in 2016. (Council report 10 October 2016 item 194.5). The Murray Bridge Business Alliance seeks Council representation through its Chief Executive Officer to ensure the Alliance has a direct link to Council's Administration and ensure a collaborative approach to promotion and marketing as well as the development of an external business profile and local support strong themes. Representation is also sought from an Elected Member.

Adelaide Hills Regional Waste Management Authority (AHRWMA) membership comprises the following Councils:

Adelaide Hills Council; Alexandrina Council; Mount Barker Council; Rural City of Murray Bridge.

Information on the Adelaide Hills Regional Waste Management Authority is located on their website - <https://www.ahrwma.com/>

The AHRWMA meets bimonthly. Minutes of each meeting is presented to Council at the next available meeting for information and noting.

The AHRWMA Charter provides for the appointment of an Elected Member delegate and an Officer delegate. Council's General Manager Assets & Infrastructure has been appointed as the Officer delegate.

Murray Bridge Soldier's Memorial Hospital Advisory Council

Council has received a request for a nomination to the Murray Bridge Soldiers Memorial Hospital Advisory Council.

The Health Care Act 2008 enables the Minister for Health to establish Health Advisory Councils. In relation to country health services the Minister has established Health Advisory Councils in 42 areas across country South Australia. A fact sheet is provided for further information at Attachment 1.

Membership of The Murray Bridge Soldiers' Memorial Hospital Health Advisory Council can include:

- Up to 8 community members

- 1 local government nominee
- 1 local member of Parliament or his or her nominee
- 1 medical practitioner
- A worker from Country Health SA

Legislative Requirements

Local Government Act 1999

Council Policy

Code of Conduct Elected Members

Code of Conduct Staff

Council Delegates – Appointment Process

Elected Members Allowances and Benefits Policy

Financial Implications

Costs associated with attendance at meetings are covered within the 2019/20 budget.

Risk

Costs associated with attendance at meetings are covered within the 2018/19 budget.

WHS

No new issues are identified for staff.

Asset Management

Not applicable

Implementation Strategy

Not applicable

Communication Strategy

Council's registers will be updated and the external organisations advised.

Strategic Plan

Goal 5 - Our Commitment

5.3 - Responsive

Recommendation

1. *That item number 167.4 on Council agenda of 14 October 2019 be received.*
2. *That Council appoint an Elected Member delegate to the Murray Bridge Business Alliance for the remainder of the Council term.*
3. *That Council appoint an Elected Member delegate to the Adelaide Hills Regional Waste Management Authority for the remainder of the Council term.*
4. *That Council nominate..... to the **Murray Bridge Soldier's Memorial Hospital** Advisory Committee for their consideration.*

Attachments

1	MBSMH Advisory Council Fact Sheet	Attachment
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Cr Eckermann moved

1. *That item number 167.4 on Council agenda of 14 October 2019 be received.*
2. *That Council appoint Cr John DeMichele as the Elected Member delegate to the Murray Bridge Business Alliance for the remainder of the Council term.*
3. *That Council appoint Cr Fred Toogood as Elected Member delegate to the Adelaide Hills Regional Waste Management Authority for the remainder of the Council term.*
4. *That Council nominate Cr Karen Eckermann to the Murray Bridge Soldier's Memorial Hospital Advisory Committee for their consideration.*

Seconded by Cr O'Brien and CARRIED



Health Advisory Council Fact Sheet

The *Health Care Act 2008* changes the governance arrangements for the public health system in South Australia from 1 July 2008. This fact sheet describes the key changes under the *Health Care Act 2008*, outlines the roles and functions of country Health Advisory Councils (HACs) and highlights some of the main administrative requirements for the operation of country HACs.

What is the purpose of the *Health Care Act 2008*?

The *Health Care Act 2008* aims to create a unified integrated health system for South Australia, with improved state wide coordination and integration of public health services.

The *Health Care Act 2009* will reduce fragmentation and duplication of services and streamlines governance arrangements, underpinning the implementation of South Australia's Health Care Plan.

What are some of the key changes under the *Health Care Act 2008*?

As of 1 July 2008:

- The Chief Executive of the Department of Health has direct responsibility and accountability for managing South Australia's public health system;
- The current metropolitan health regions have remained in place, however, regional boards have been dissolved and regional Chief Executive Officers (CEOs) now report directly to the Chief Executive of the Department of Health;
- The legal entity known as Country Health SA Incorporated has been established as an incorporated hospital, Country Health SA Hospital Incorporated. Country Health SA Hospital Inc will be responsible for the

planning and delivery of health services in the country region.

- Consistent with the metropolitan regions the Country Health SA Board has been dissolved and the Country Health SA Chief Executive Officer will report directly to the Chief Executive of the Department of Health;
- Health Advisory Councils will be established across South Australia to give regional and other communities continued direct input into the health priorities.

What is a Health Advisory Council ('HAC')?

- The *Health Care Act 2008* provides for the establishment of Health Advisory Councils (HACs) to ensure that the strong links between communities and their health services are maintained. HACs are either incorporated or unincorporated advisory bodies and are governed by their own constitutions or rules, as appropriate.
- Health Advisory Councils (HACs) are to undertake an advocacy role on behalf of the community, provide advice, and perform other functions, as determined under the *Health Care Act 2008*. They give local country communities continued

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direct input into their health priorities and planning.

- The Country Health SA Board HAC Inc has been established to act as an "umbrella body" for other HACs established in country regions, providing advice from a whole of country perspective.

What will be the role of local Health Advisory Councils?

Under section 18 of the *Health Care Act 2008*, the role of HACs are to:

- Advocate for community interests;
- Provide advice about health services from a consumer, volunteer, carers or the community perspective;
- Provide advice about health goals, issues, priorities, plans and strategic initiatives;
- Provide advice or assistance about the development or implementation of systems designed to support the delivery of health services;
- Provide information to, and consult with, consumers, volunteers, carers and the community;
- Encourage community participation in programs that support health services and promote the importance of carers and volunteers in achieving successful outcomes;
- Consult with other bodies that are interested in the provision of health services within the community;
- Provide advice to the Minister about any matter referred to it by

the Minister or the Chief Executive; and

- Participate in the consultation or assessment process associated with the selection of senior staff of a relative entity.

The specific functions of a HAC are also detailed in the HAC's constitution or rules.

How will HACs be governed?

HACs were given the option of being incorporated or unincorporated. Each HAC is governed by a constitution (if incorporated) or set of rules (if unincorporated). The *Health Care Act 2008* also contains provisions relating to the governance of HACs.

What is the difference between an incorporated and unincorporated HAC?

The difference between incorporated and unincorporated HACs is that incorporated HACs have the ability to hold and deal with assets.

What are the requirements in relation to assets?

Incorporated HACs are able to hold assets for the benefit, purposes and use of the relevant site/s of Country Health SA Hospital Inc, i.e. health units within the HAC's local area.

Incorporated HACs are required to adhere to terms and conditions approved by the Minister, which outline how incorporated HACs must hold their assets. The constitutions of incorporated HACs also detail information about assets.

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What are the requirements for HAC meetings?

HACs are required under the terms of their constitution or rules to hold at least four ordinary meetings each year. These meetings must be arranged and conducted in accordance with Part 3 of the constitution or rules of the HAC. Special meetings of the HAC may also be called. The first Annual General Meeting of each HAC must be held by 31 March 2009.

What are the rules concerning membership of subsequent councils?

Each HAC will comprise not fewer than six members and not more than 15 members, appointed in accordance with the constitution or rules, and ensuring that a majority of members are selected or appointed on the basis of being members of the community (as defined in the constitution or rules).

Subsequent councils may have up to eight resident members as well as one member appointed by the HAC following nomination by local government and one member appointed by the HAC following nomination by local member/s of Parliament. The HAC may consist of one member who is a medical practitioner and one member from a health unit, who are both nominated by an election process detailed in the constitution and rules. In addition, the Minister has discretion to appoint three members to the HAC.

Subsequent councils should have a balance of skills, qualifications and experience. There cannot be more than two medical practitioners as members at any one time. There should also be a gender balance in membership as far as practicable.

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What is the role of HAC Members and the Presiding Members?

Each HAC has a Presiding Member and a Nominated Officer. The Presiding Member is appointed by the Minister to call and chair the meetings of the HAC. The Presiding Member should also ensure the HAC adheres to relevant policies, its constitution or rules, terms and conditions and the *Health Care Act 2008* when carrying out its functions.

Each HAC must also have a Nominated Officer who is responsible for ensuring meetings are called when requested by the Presiding Member or other members.

What is the relationship between Country Health SA Board HAC Inc and other HACs?

The Country Health SA Board HAC Inc will help to coordinate the activities of local HACs in relation to whole of country issues.

Additionally, if HACs believe there is some particular issue of regional importance that should be brought to the attention of the Minister or Country Health SA Hospital Inc the HAC may raise the issue with Country Health SA Board HAC Inc in the first instance.

What are HAC's reporting requirements?

Each HAC has annual reporting obligations under the HC Act. Incorporated HACs must ensure that they keep proper accounts of their financial affairs and financial statements



pertaining to each financial year to allow for annual auditing.

An annual report on the HACs activities must be delivered to the Minister within 3 months after the end of the financial year for tabling in Parliament.

Incorporated HACs should ensure that their financial records are readily accessible and up to date as the Minister can request a report on their financial status at any time.

The accounts of each HAC must also be produced to members at each Annual General Meeting.

Country Health SA Hospital Inc will provide HACs with the resources and the support required for them to carry out their functions.

What is the role of Country Health SA Hospital Incorporated?

Country Health SA Hospital Inc is responsible for the daily operation of all country hospital sites. The CEO of Country Health SA Hospital Inc reports directly to the Chief Executive of the Department of Health on the operations of all country hospital sites.

If HACs have any queries about their functions they should contact Country Health SA Hospital Inc in the first instance.

What about gift funds and fund-raising?

A fund-raising policy will shortly be issued to incorporated HACs.

Further information

If you require any further information please contact Director, Office of the

Chief Executive Officer, Country Health SA Hospital Incorporated on 08 8826 6205.

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Local Government Member

22. There must be 1 Member appointed by the Advisory Council in the following manner as a nominee of local government:

22.1. In the case of the appointment of such a Member to the Advisory Council, at least 6 weeks before the first and each subsequent Annual General Meeting at which such a Member is to be appointed, the Advisory Council will by Written Notice request the Rural City of Murray Bridge to nominate to the Advisory Council 2 persons in total to be considered for appointment under this clause.

22.2. All nominations will be made in writing in the form appearing as Schedule 3 to this Constitution and will be accompanied by evidence in writing of the consent of the persons so nominated.

22.3. The Advisory Council will select one of the nominees for appointment pursuant to this clause. In the event that no nominations are received from the Rural City of Murray Bridge by the date requested by the Advisory Council, then the Advisory Council will appoint a suitable person to be that Member.

22.4. The Member appointed pursuant to this clause will hold office until the conclusion of the 3rd Annual General Meeting after his or her appointment.

Local Member of Parliament

23. There must be 1 Member appointed by the Advisory Council who is a member of Parliament or nominee of a member of Parliament and who is appointed in the following manner:

23.1. In the case of the appointment of such a Member to the Advisory Council, at least 6 weeks before the first and each subsequent Annual General Meeting at which such a Member is to be appointed, the Advisory Council will by written notice request the local member/s of Parliament for the Hammond Electoral District to nominate to the Advisory Council 1 person to be considered for appointment under this clause.

23.2. The nomination for such a position will be made in writing in the form appearing as Schedule 4 to this Constitution and will be accompanied by evidence in writing of the consent of the person

167.5 DELEGATIONS UPDATE - PLANNING AND DEVELOPMENT AND INFRASTRUCTURE ACT 2016

Author Ros Kruger

Legislative (x)

Corporate ()

Other ()

Purpose

To present to Council recommendations relating to delegations applicable to the *Planning Development and Infrastructure Act 2016*.

Background

Council at its meeting on the 9 September 2019, item 150.3, received an annual review report in relation to Delegations from Council to the Chief Executive Officer to make administrative decisions on behalf of Council.

Proposal

Attachment 1 is a copy of the updated delegations under the *Planning Development and Infrastructure Act 2016* as a Designated Authority and Designated Identity.

Attachment 2 is a copy of the updated delegations under the *Planning Development and Infrastructure Act 2016* as a Relevant Authority.

The following definitions apply.

- A relevant authority – means a decision making body
- A designated authority – can mean a number of different entities under the Act including a joint planning board or a council or the Commission or the Minister, and who constitutes the designated authority will depend on what section of the Act is being discussed (i.e. it will be a joint planning board or council for constituting an assessment panel, but could be all four for issuing a notice to complete building work)
- A designated entity – means any number of agencies (9 or more) including a council who may act as the designated entity for a number of different clauses such as infrastructure schemes,

It is noted that as the implementation of this Act occurs it will be necessary to review and update delegations on a regular basis.

Legislative Requirements

Local Government Act 1999

Planning Development and Infrastructure Act 2016

Council Policy

Delegations – Application Policy

Complaint Framework

Good Governance Framework

Codes of Conduct

Access to Council Meetings, Council Committee and Council Documents

Financial Implications

Costs associated with the implementation of the *Planning Development and Infrastructure Act 2016* have been included within Council's budget.

Risk

Without appropriate delegations in place in relation to this Act the ability to process requests may be delayed as all requests would be required to be presented to Council's

Assessment Panel for consideration.

WHS

No new risks are identified for staff.

Asset Management

Not Applicable

Implementation Strategy

Council's delegation register will be updated

Communication Strategy

Staff will be advised of the update.

Strategic Plan

Goal 5 - Our Commitment

5.1 - Effective

Recommendation

1. That item number 167.5 on Council agenda of 14 October 2019 be received.
2. That having received advice in relation to changes to appropriate delegations under the Planning Development and Infrastructure Act 2016 hereby revokes previous delegations to the Chief Executive Officer of those powers and functions.
3. Delegate Powers of the Council as a Council, Designated Authority and Designated Entity Under The Planning Development and Infrastructure Act 2016

In exercise of the power contained in Section 44 of the Local Government Act 1999 the powers and functions under the Planning Development and Infrastructure Act 2016 contained in the proposed Instrument of Delegation (Attachment 1)) are hereby delegated this 14 October 2019 to the person occupying or acting in the office of Chief Executive Officer of the Council

Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Sections 44 and 101 of the Local Government Act 1999 as the Chief Executive Officer sees fit.

4. Delegate Powers of the Council as a Relevant Authority under the Planning Development and Infrastructure Act 2016

In exercise of the power contained in Section 100 of the Planning Development and Infrastructure Act 2016 the powers and functions under the Planning Development and Infrastructure Act 2016 contained in the proposed Instrument of Delegation ((Attachment 2)) are hereby delegated this 14 October 2019 to the person occupying or acting in the office of Chief Executive Officer of the Council

Such powers and functions may be further delegated by the Chief Executive Officer as the Chief Executive Officer sees fit

Attachments

1↓.	Planning Development and Infrastructure Act 2016 delegations - Designated Authority and Designated Identity	Attachment
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2↓.	Planning Development and Infrastructure Act 2016 delegations - Relevant Authority	Attachment
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Cr Eckermann moved

1. That item number 167.5 on Council agenda of 14 October 2019 be received.
2. That having received advice in relation to changes to appropriate delegations under the Planning Development and Infrastructure Act 2016 hereby revokes previous delegations to the Chief Executive Officer of those powers and functions.
3. Delegate Powers of the Council as a Council, Designated Authority and Designated Entity Under The Planning Development and Infrastructure Act 2016

In exercise of the power contained in Section 44 of the Local Government Act 1999 the powers and functions under the Planning Development and Infrastructure Act 2016 contained in the proposed Instrument of Delegation (Attachment 1)) are hereby delegated this 14 October 2019 to the person occupying or acting in the office of Chief Executive Officer of the Council

Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Sections 44 and 101 of the Local Government Act 1999 as the Chief Executive Officer sees fit.

4. Delegate Powers of the Council as a Relevant Authority under the Planning Development and Infrastructure Act 2016
In exercise of the power contained in Section 100 of the Planning Development and Infrastructure Act 2016 the powers and functions under the Planning Development and Infrastructure Act 2016 contained in the proposed Instrument of Delegation ((Attachment 2)) are hereby delegated this 14 October 2019 to the person occupying or acting in the office of Chief Executive Officer of the Council

Such powers and functions may be further delegated by the Chief Executive Officer as the Chief Executive Officer sees fit

Seconded by Cr Schubert and CARRIED

Instrument of Delegation Under the Planning, Development and Infrastructure Act 2016 – COUNCIL; DESIGNATED AUTHORITY; DESIGNATED ENTITY

PLANNING DEVELOPMENT AND INFRASTRUCTURE ACT 2016 COUNCIL; DESIGNATED AUTHORITY; DESIGNATED ENTITY



DELEGATIONS TO CEO

Version No: 4	Council reference: 14 October 2019
Previous revisions	<ul style="list-style-type: none"> 3 – 9/9/19 – item, 150.3 2 – 9/7/18 item 136.4 1 – 13/9/17 item 189.2 0 – 11/9/17 item 151.3
Doc Id	875656

In exercise of the powers contained in Section 44 of the Local Government Act 1999 and in accordance with the resolution made by the Rural City of Murray Bridge (the "Council") on the 14 October 2019 the following powers and functions under the Planning Development and Infrastructure Act 2016 ("the Act") are delegated by the Council to the person occupying the office of the Chief Executive Officer of the Council extending to any person who is appointed to act in the position of Chief Executive Officer ("the Delegate").

The delegate is authorised to further delegate these powers and functions in accordance with Section 44 and Section 101 of the Local Government Act 1999 as the Delegate sees fit.

Planning, Development and Infrastructure Act 2016		
Item Delegated	Conditions and Limitations	Delegate
<p>1. Planning Regions and Greater Adelaide</p> <p>1.1 The power pursuant to Section 5(5)(b) of the Planning, Development and Infrastructure Act 2016 (the Act) to make submissions to the Minister on a proposed proclamation under Section 5 of the Act.</p>		CEO, Man D&R
<p>2. Subregions</p> <p>2.1 The power pursuant to Section 6(3)(b) of the Act to make submissions to the Minister on the Minister's proposed course of action.</p>		CEO, Man D&R
<p>3. Environment and Food Production Areas – Greater Adelaide</p> <p>3.1 The power pursuant to Section 7(5) of the Act, in relation to a proposed development in an environment and food production area that involves a division of land that would create 1 or more additional allotments:</p> <p>3.1.1 to seek the concurrence of the Commission in the granting of the authorisation;</p> <p>3.1.2 to concur in the granting of the development authorisation to the development;</p> <p>3.1.3 to, if the proposed development will create additional allotments to be used for residential development, refuse to grant development authorisation in relation to the proposed development.</p>		CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner, Senior Planner - Felke, Senior Planner - Mason, TL Development - Getsom

<p>4. Planning Agreements</p> <p>4.1 The power pursuant to Section 35(1)(g) of the Act to enter into an agreement (a planning agreement) with the Minister relating to a specified area of the State in accordance with Section 35 of the Act.</p>		CEO, Man D&R
<p>4. Functions</p> <p>4.1 The power pursuant to Section 22(4)(g) (f) of the PDI Act to, if an inquiry is conducted by the Commission under Section 22(1)(e) of the PDI Act make submissions or representations.</p>		CEO, Man D&R
<p>4. Planning Agreements</p> <p>4.2 The power pursuant to Section 35(3) of the Act to, in a planning agreement, include provisions that outline the purposes of the agreement and the outcomes that the agreement is intended to achieve and to provide for:</p> <p>4.2.1 the setting of objectives, priorities and targets for the area covered by the agreement; and</p>		CEO, Man D&R
<p>4. Planning Agreements</p> <p>4.2.2 the constitution of a joint planning board including, in relation to such a board:</p> <p>4.2.2.1 the membership of the board, being between 3 and 7 members (inclusive); and</p> <p>4.2.2.2 subject to Section 35(4) of the Act, the criteria for membership; and</p> <p>4.2.2.3 the procedures to be followed with respect to the appointment of members; and</p> <p>4.2.2.4 the terms of office of members; and</p>		CEO, Man D&R

<p>4.2.2.5 conditions of appointment of members, or the method by which those conditions will be determined, and the grounds on which, and the procedures by which, a member may be removed from office; and</p> <p>4.2.2.6 the appointment of deputy members; and</p> <p>4.2.2.7 the procedures of the board; and</p>		CEO, Man D&R
<p>5. Planning Agreements</p> <p>5.2.3 the delegation of functions and powers to the joint planning board (including, if appropriate, functions or powers under another Act); and</p>		CEO, Man D&R
<p>5. Planning Agreements</p> <p>5.2.4 the staffing and other support issues associated with the operations of the joint planning board; and</p>		CEO, Man D&R
<p>5. Planning Agreements</p> <p>5.2.5 financial and resource issues associated with the operations of the joint planning board, including:</p> <p>5.2.5.1 the formulation and implementation of budgets; and</p> <p>5.2.5.2 the proportions in which the parties to the agreement will be responsible for costs and other liabilities associated with the activities of the board; and</p>		CEO, Man D&R

5. Planning Agreements		CEO, Man D&R
5.2.6 such other matters as the Delegate thinks fit.		
5. Planning Agreements		CEO, Man D&R
5.3 The power pursuant to Section 35(5)(a) of the PDI Act, at the expiry of a planning agreement, to replace it with a new agreement (in the same or different terms).		
5. Planning Agreements		CEO, Man D&R
5.4 The power pursuant to Section 35(5)(b) of the PDI Act, to vary or terminate a planning agreement by agreement between the parties to the agreement.		
5. Community Engagement Charter		CEO, Man D&R
5.1 The power pursuant to Section 44(6)(a) of the Act, to, in accordance with the Charter, make submissions in relation to any proposal to prepare or amend a designated instrument under Part 5 Division 2 Subdivision 5 (unless the proposal has been initiated by the Council).		
6. Appointment of Administrator		CEO, Man D&R
6.1 The power pursuant to Section 41 (2)(a) of the PDI Act to make submissions to the Minister on the Minister appointing an administrator under Section 41 of the PDI Act.		
6A. Preparation and Amendment		CEO, Man D&R, IL
6A.1 The power pursuant to Section 73(2)(b)(iv) of the Act to initiate a proposal to amend a designated instrument with the approval of the Minister, acting on the advice of the Commissioner.		Development - Getsom

<p>6A. Preparation and Amendment</p> <p>6A.2 The power pursuant to Section 73(6) of the Act where the Council is authorised or approved under Section 73 of the Act, and after all of the requirements of Section 73 have been satisfied:</p> <p>6A.2.1 to prepare a draft of the relevant proposal; and</p> <p>6A.2.2 to comply with the Community Engagement Charter for the purposes of consultation in relation to the proposal; and</p> <p>6A.2.3 to the extent that paragraph (b) of Section 73(6) of the Act does not apply, in the case of a proposed amendment to a regional plan that has been prepared by a joint planning board where the amendment is not being proposed by the joint planning board – to consult with the joint planning board; and</p> <p>6A.2.4 to the extent that paragraph (b) of Section 73(6) of the Act does not apply, in the case of a proposed amendment to the Planning and Design Code that will have a specific impact on 1 or more particular pieces of land in a particular zone or subzone (rather than more generally) – to take reasonable steps to give:</p> <p>6A.2.4.1 an owner or occupier of the land; and</p> <p>6A.2.4.2 an owner or occupier of each piece of adjacent land, a notice in accordance with the regulations; and</p> <p>6A.2.5 to consult with any person or body specified by the Commission and any other person or body as the delegate thinks fit; and</p> <p>6A.2.6 to carry out such investigations and obtain such information specified by the Commission; and</p> <p>6A.2.7 to comply with any requirement prescribed by the regulations.</p>		<p>CEO, Econ Dev Planner, Man D&R, Senior Planner , Senior Planner - Fielke, Senior Planner - Mason, TL Development - Getsom</p>
<p>7. Community Engagement Charter</p>		<p>CEO, Man D&R</p>
<p>7.2 The power pursuant to Section 44(9)(b) of the PD Act to the extent that Section 44(9)(a) of the PD Act does not apply, have regard to, and seek to achieve, any principles or performance outcomes that apply in a relevant case.</p>		

7. Community Engagement Charter		CEO, Man D&R
7.3 The power pursuant to Section 44(10) of the PDI Act to:		
7.3.1 seek the approval of the Commission to adopt an alternative way to achieving compliance with a requirement of the Charter; and		
7.3.2 with the approval of the Commission, adopt an alternative way to achieving compliance with a requirement of the Charter.		
6A. Preparation and Amendment		CEO, Econ Dev Planner, Man D&R, Senior Planner, Senior Planner - Fielke, Senior Planner - Mason, TL Development - Getsom
6A.3 The power pursuant to Section 73(8) of the Act to, after the Council has furnished a report to the Minister under Section 73(7) of the Act, ensure that a copy of the report is published on the SA planning portal in accordance with a practice direction that applies for the purposes of Section 73 of the Act:		
6A. Preparation and Amendment		CEO, Econ Dev Planner, Man D&R, Senior Planner, Senior Planner - Fielke, Senior Planner - Mason, TL Development - Getsom
6A.4 The power pursuant to Section 73(9) of the Act to enter into an agreement with a person for the recovery of costs incurred by the Council in relation to an amendment of the Planning and Design Code or a design standard under Section 73 of the Act (subject to the requirement to charge costs under Section 73(4)(b) of the Act (if relevant)).		
8. Preparation and Amendment of Charter		CEO, Man D&R
8.1 The power pursuant to Section 45(2)(c) of the PD Act to make representations (including in writing or via the SA Planning portal) on a proposal to prepare or amend the Charter:		
6B. Parliamentary Scrutiny		CEO, Econ Dev Planner, Man D&R, Senior Planner, Senior Planner - Fielke, Senior Planner -
6B.1 The power pursuant to Section 74(8) of the Act if the ERD Committee is proposing to		

<p>suggest an amendment under Section 74(4) of the Act and the amendment is specifically relevant to the Council, to provide a comment and response within the period of 2 weeks.</p> <p>6D. Panels Established by Joint Planning Boards or Councils</p> <p>6D.1 The power pursuant to Section 83(1) of the Act in relation to an assessment panel appointed by the Council under Division 1 of Part 6 of the Act, to:</p> <p>6D.1.1 appoint more than 1 assessment panel and if the delegate does so, to clearly specify which class of development each assessment panel is to assess;</p> <p>6D.1.2 determine:</p> <p>6D.1.2.1 the membership of the assessment panel, being no more than 5 members, only 1 of which may be a member of a council, and, if the delegate thinks fit, on the basis that the assessment panel will be constituted by a different number of members depending on the particular class of development that is being assessed by the assessment panel; and</p> <p>6D.1.2.2 the procedures to be followed with respect to the appointment of members; and</p> <p>6D.1.2.3 the terms of office of members; and</p> <p>6D.1.2.4 conditions of appointment of members, or the method by which those conditions will be determined, (including as to their remuneration) and the grounds on which, and the procedures by which, a member may be removed from office; and</p> <p>6D.1.2.5 the appointment of deputy members; and</p> <p>6D.1.2.6 who will act as the presiding member of the panel and the process for appointing an acting presiding member.</p>		<p>Mason, TL Development - Getsom</p> <p>CEO, Man D&R</p>
<p>9. Preparation and Amendment</p> <p>9.5 The power pursuant to Section 73(9) of the PDI Act to enter into an agreement with a person for the recovery of costs incurred by the Council in relation to an amendment of the Planning and Design Code or a design standard under Section 73 of the PDI Act (subject to the requirement to charge costs under Section 73(4)(b) of the PDI Act (if relevant)).</p>		<p>CEO, Man D&R</p>
<p>11. Entities Constituting Relevant Authorities</p>		<p>CEO, Man D&R</p>

11.1 The power pursuant to Section 82(d) of the PDI Act, subject to the PDI Act, to appoint an assessment panel.		
<p>6E. Panels Established by Minister</p> <p>6E.1 The power pursuant to Section 84(1)(c)(iii)(b) of the Act to make submissions to the Minister about the constitution of a regional assessment panel in relation to the area of the Council (or part of the area).</p>		CEO, Man D&R
<p>12. Panels Established by Joint Planning Boards or Councils</p> <p>12.2 The power pursuant to Section 83(1)(h) of the PDI Act to arrange the staffing and support required for the purposes of the operations of the panel.</p>		CEO, Man D&R
<p>12. Panels Established by Joint Planning Boards or Councils</p> <p>12.3 The power pursuant to Section 83(1)(i) of the PDI Act to substitute the existing members of the panel with new members if directed to do so by the Minister acting on recommendation of the Commission under Section 86 of the PDI Act.</p>		CEO, Man D&R
<p>12. Panels Established by Joint Planning Boards or Councils</p> <p>12.4 The power pursuant to Section 83(2) of the PDI Act to form the opinion and be satisfied that a person to be appointed as a member of an assessment panel who is a member, or former member, of a Council is appropriately qualified to act as a member of the assessment panel on account of the person's experience in local government.</p>		CEO, Man D&R
<p>9. Adoption of Scheme</p> <p>9.1 The power pursuant to Section 167(7) of the Act to consult with the Minister in relation to a variation to a scheme.</p>		CEO, Man D&R

<p>10. Funding Arrangements</p> <p>10.2 The power pursuant to Section 169(8) of the Act to approve a funding arrangement that provides for or includes the collection of contributions under subdivision 8 in relation to prescribed infrastructure.</p>		CEO, Man D&R
<p>14. Substitution of Local Panels</p> <p>14.1 The power pursuant to Section 86(2)(a) of the PDI Act to make submissions to the Commission in relation to an inquiry.</p>		CEO, Man D&R
<p>11. Contributions by Constituent Councils</p> <p>11.1 The power pursuant to Section 177(4) of the Act to consult with the Minister in relation to the Council's share.</p>		CEO, Man D&R
<p>16. Essential Infrastructure – Alternative Assessment Process</p> <p>16.2 The power pursuant to Section 130(14) of the PDI Act to, if the Council has, in relation to any matters referred to the Council under Section 130(5) of the PDI Act, expressed opposition to the proposed development in its report under Section 130(6) of the PDI Act, withdraw the Council's opposition.</p>		CEO, Man D&R
<p>12. Imposition of Charge by Councils</p> <p>12.1 The power pursuant to Section 180(7) of the Act, if the Council incurs costs in recovering a charge as a debt, to claim the reimbursement of those costs (insofar as they are reasonable) from the relevant fund established under subdivision 9.</p>		CEO, CFO, GMCD, GMCS, Man D&R
<p>17. Initiation of Scheme</p>		CEO, Man D&R

17.1 The power pursuant to Section 163(3)(b) of the PDI Act to request the Minister initiate a proposal to proceed under Section 163 of the PDI Act.		CEO, Man D&R
17. Initiation of Scheme		CEO, Man D&R
17.2 The power pursuant to Section 163(10) of the PDI Act to make submissions to the Minister in relation to the draft outline.		CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner, Senior Planner - Felke, Senior Planner - Mason, TL Development - Getson
18. Consideration of Proposed Scheme		CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner, Senior Planner - Felke, Senior Planner - Mason, TL Development - Getson
18.1 The power pursuant to Section 166(1)(c) of the PDI Act to consult with a scheme coordinator in relation to a scheme in accordance with the Community Engagement Charter.		CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner, Senior Planner - Felke, Senior Planner - Mason, TL Development - Getson
13. Authorised Works		CEO, Man D&R
13.3 The power pursuant to Section 187(5)(b) of the Act to consult with the relevant road maintenance authority in relation to the matter.		CEO, Man D&R
13. Authorised Works		CEO, Man D&R
13.4 The power pursuant to Section 187(5)(b) of the Act, in a case of emergency, to only comply with Section 187(5)(b) of the Act to such extent as is practicable in the circumstances.		CEO, Man D&R
20. Funding Arrangements		CEO, Man D&R
20.1 The power pursuant to Section 169(2)(b) of the PDI Act in relation to a scheme that provides for the collection of contributions under Subdivision 8 of the PDI Act to apply for		CEO, Man D&R

<p>any matter to be considered or determined by ESCOSA or some other prescribed person or body as part of a periodic review of the levels and amounts of those contributions.</p>		
<p>10. Funding Arrangements</p> <p>10.3 The power pursuant to Section 169(9) of the Act to consult with the Commission in relation to a funding arrangement that is specifically relevant to the Council.</p>		CEO, Man D&R
<p>15. Acquisition of Land</p> <p>15.1 The power pursuant to Section 189(1) of the Act, to with the consent of the Minister, acquire land for a purpose associated with infrastructure works under and in accordance with the Land Acquisition Act 1959.</p>		CEO, Man D&R
<p>21. Contributions by Constituent Councils</p> <p>21.2 The power pursuant to Section 177(5) of the PDI Act to, at the request of the Minister, supply the Minister with information in the possession of the Council to enable the Minister to determine shares under Sections 177(2) and (3) of the PDI Act.</p>		CEO, Man D&R
<p>23. Authorised Works</p> <p>23.1 The power pursuant to Section 187(1) of the PDI Act, subject to Section 187(3) of the PDI Act, to carry out any infrastructure works if the Council is authorised to so do by or under the PDI Act or any other Act.</p>		CEO, Man D&R
<p>23. Authorised Works</p> <p>23.2 The power pursuant to Section 187(5) of the PDI Act, subject to Section 187(6) of the PDI Act, in relation to a proposal that involves disturbing the surface of a road, or that otherwise relates to a road to:</p>		CEO, Man D&R

<p>23.2.1 inform the relevant road maintenance authority of the proposal at least 28 days before the proposed commencement of any work; and</p> <p>23.2.2 give the relevant road maintenance authority a reasonable opportunity to consult with the Council in relation to the matter; and</p> <p>23.2.3 ensure that proper consideration is given to the views of the road maintenance authority.</p>		
<p>24. Entry onto Land</p> <p>24.1 The power pursuant to Section 188(1) of the PDI Act to authorise a person for the purpose of undertaking any work or activity in connection with the exercise of a power under Division 2 of Part 13 of the PDI Act to:</p> <p>24.1.1 enter and pass over any land; and</p> <p>24.1.2 bring onto any land any vehicles, plant or equipment; and</p> <p>24.1.3 temporarily occupy land; and</p> <p>24.1.4 do anything else reasonably required in connection with the exercise of the power.</p>		<p>CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, TL Development - Getson</p>
<p>24. Entry onto Land</p> <p>24.2 The power pursuant to Section 188(4) of the PDI Act to pay reasonable compensation on account of any loss or damage caused by the exercise of a power under Section 188(1) of the PDI Act.</p>		<p>CEO, Man D&R</p>

<p>26. Appointment of Authorised Officers</p> <p>26.1 The power pursuant to Section 210(1) of the PDI Act to:</p> <p>26.1.1 appoint a person to be an authorised officer for the purposes of the PDI Act; and</p> <p>26.1.2 appoint a person who holds the qualifications prescribed by the regulations to be an authorised officer for the purposes of the PDI Act if the Council is required to do so by the regulations.</p>		CEO, Man D&R
<p>26. Appointment of Authorised Officers</p> <p>26.2 The power pursuant to Section 210(2) of the PDI Act to make an appointment of an authorised officer subject to conditions.</p>		CEO, Man D&R
<p>26. Appointment of Authorised Officers</p> <p>26.3 The power pursuant to Section 210(3) of the PDI Act to issue each authorised officer an identity card:</p> <p>26.3.1 containing a photograph of the authorised officer; and</p> <p>26.3.2 stating any conditions of appointment limiting the authorised officer's appointment.</p>		CEO, Man D&R
<p>27. Enforcement Notices</p> <p>27.1 The power pursuant to Section 213(1) of the PDI Act, if the delegate has reason to believe on reasonable grounds that a person has breached the PDI Act or the repealed Act, to do such of the following as the delegate considers necessary or appropriate in the circumstances:</p>		CEO, Man D&R

<p>27.1.1 direct a person to refrain, either for a specified period or until further notice, from the PDI Act, or course of action, that constitutes the breach;</p> <p>27.1.2 direct a person to make good any breach in a manner, and within a period, specified by the delegate;</p> <p>27.1.3 take such urgent action as is required because of any situation resulting from the breach.</p>		
<p>27. Enforcement Notices</p> <p>27.2 The power pursuant to Section 213(2) of the PDI Act to give a direction under Section 213(1) of the PDI Act by notice in writing unless the delegate considers that the direction is urgently required.</p>		CEO, Man D&R
<p>27. Enforcement Notices</p> <p>27.3 The power pursuant to Section 213(5) of the PDI Act, if a person fails to comply with a direction under Section 213(1)(b) of the PDI Act within the time specified in the notice, to cause the necessary action to be taken.</p>		CEO, Man D&R
<p>27. Enforcement Notices</p> <p>27.4 The power pursuant to Section 213(6) of the PDI Act to recover the reasonable costs and expenses incurred by the Council (or any person acting on behalf of the Council) under Section 213 of the PDI Act, as a debt due from the person whose failure gave rise to the action.</p>		CEO, Man D&R
<p>27.5 The power pursuant to Section 213(7) of the PDI Act, if an amount is recoverable from a</p>		CEO, Man D&R

<p>person by the Council under Section 213 of the PDI Act to, by notice in writing to the person, fix a period, being not less than 28 days from the date of the notice, within which the amount must be paid by the person.</p>		CEO, Man D&R
<p>28. Applications to Court</p> <p>28.1 The power pursuant to Section 214(1) of the PDI Act to apply to the Court for an order to remedy or restrain a breach of the PDI Act or the repealed Act (whether or not any right of that person has been or may be infringed by or as a consequence of that breach);</p>		CEO, Man D&R
<p>28. Applications to Court</p> <p>28.2 The power pursuant to Section 214(2) of the PDI Act to consent to proceedings under Section 214 of the PDI Act being brought in a representative capacity on behalf of the Council.</p>		CEO, Man D&R
<p>28. Applications to Court</p> <p>28.3 The power pursuant to Section 214(4) of the PDI Act to make an application without notice to any person and to make an application to the Court to serve a summons requiring the respondent to appear before the Court to show cause why an order should not be made under Section 214 of the PDI Act.</p>		CEO, Man D&R
<p>28. Applications to Court</p> <p>28.4 The power pursuant to Section 214(6) of the PDI Act to make submissions to the Court on the subject matter of the proceedings.</p>		CEO, Man D&R
<p>28. Applications to Court</p>		CEO, Man D&R

28.5 The power pursuant to Section 214(9) of the PDI Act to appear before a final order is made and be heard in proceedings based on the application.		CEO, Man D&R
28. Applications to Court 28.6 The power pursuant to Section 214(10) of the PDI Act to make an application to the Court to make an interim order under Section 214 of the PDI Act.		CEO, Man D&R
28. Applications to Court 28.7 The power pursuant to Section 214(11) of the PDI Act to make an application for an interim order without notice to any person.		CEO, Man D&R
28. Applications to Court 28.8 The power pursuant to Section 214(12) of the PDI Act, if the Court makes an order under Section 214(6)(d) of the PDI Act and the respondent fails to comply with the order within the period specified by the Court, to cause any work contemplated by the order to be carried out, and recover the costs of that work, as a debt, from the respondent		CEO, Man D&R
28. Applications to Court 28.9 The power pursuant to Section 214(13) of the PDI Act, if an amount is recoverable from a person by the Council under Section 214(12) of the PDI Act to, by notice in writing to the person, fix a period, being not less than 28 days from the date of the notice, within which the amount must be paid by the person.		CEO, Man D&R
28. Applications to Court		CEO, Man D&R

28.10 The power pursuant to Section 214(17) of the PDI Act to apply to the Court to vary or revoke an order previously made under Section 214 of the PDI Act.		CEO, Man D&R
29. Proceedings for Offences 29.1 The power pursuant to Section 219(1) of the PDI Act to commence proceedings for an offence against the PDI Act.		CEO, Man D&R
30. Adverse Publicity Orders 30.1 The power pursuant to Section 223(2) of the PDI Act to make an application to the Court for an adverse publicity order.		CEO, Man D&R
30. Adverse Publicity Orders 30.2 The power pursuant to Section 223(4) of the PDI Act, if the offender fails to give evidence to the Council in accordance with Section 224(1)(b) of the PDI Act to: 30.2.1 take the action or actions specified in the order; and 30.2.2 authorise a person in writing to take the action or actions specified in the order.		CEO, Man D&R
30. Adverse Publicity Orders 30.3 The power pursuant to Section 223(5) of the PDI Act, if: 30.3.1 the offender gives evidence to the Council in accordance with Section 223(1)(b) of the PDI Act; and 30.3.2 despite the evidence, the delegate is not satisfied that the offender has taken the		CEO, Man D&R

<p>action or actions specified in the order in accordance with the order, to apply to the court for an order authorising the Council, or a person authorised in writing by the Council, to take the action or actions and to authorise a person in writing to take the action or actions.</p>		<p>CEO, Man D&R</p>
<p>30. Adverse Publicity Orders</p> <p>30.4 The power pursuant to Section 223(6) of the PDI Act, if the Council, or a person authorised in writing by the Council, takes an action or actions in accordance with Section 223(4) of the PDI Act or an order under Section 223(5) of the PDI Act, to recover from the offender an amount in relation to the reasonable expenses of taking the action or actions, as a debt, due to the Council.</p>		<p>CEO, Man D&R</p>
<p>31. Civil Penalties</p> <p>31.1 The power pursuant to Section 225(1) of the PDI Act, subject to Section 225 of the PDI Act, if the delegate is satisfied that a person has committed an offence by contravening a provision of the PDI Act, to, as an alternative to criminal proceedings, recover, by negotiation or by application to the Court, an amount as a civil penalty in respect of the contravention.</p>		<p>CEO, Man D&R</p>
<p>31. Civil Penalties</p> <p>31.2 The power pursuant to Section 225(2) of the PDI Act, in respect of a contravention where the relevant offence does not require proof of intention or some other state of mind, to determine whether to initiate proceedings for an offence or take action under Section 225 of the PDI Act, having regard to the seriousness of the contravention, the previous record of the offender and any other relevant factors.</p>		<p>CEO, Man D&R</p>

<p>31. Civil Penalties</p> <p>31.3 The power pursuant to Section 225(3) of the PDI Act to serve on the person a notice in the prescribed form advising the person that the person may, by written notice to the Council, elect to be prosecuted for the contravention.</p>		CEO, Man D&R
<p>31. Civil Penalties</p> <p>31.4 The power pursuant to Section 225(3) of the PDI Act to seek the authorisation of the Attorney-General to the commencement of proceedings for an order under Section 225 of the PDI Act;</p>		CEO, Man D&R
<p>31. Civil Penalties</p> <p>31.5 The power pursuant to Section 225(17) of the PDI Act to seek an authorisation from the Commission for the Council to act under Section 225 of the PDI Act.</p>		CEO, Man D&R
<p>32. Make Good Orders</p> <p>32.1 The power pursuant to Section 228(7) of the PDI Act to apply to the Court to vary or revoke an order under Section 228 of the PDI Act.</p>		CEO, Man D&R
<p>33. Recovery of Economic Benefit</p> <p>33.1 The power pursuant to Section 229(5) of the PDI Act to apply an amount paid to the Council in accordance with an order under Section 229(1) of the PDI Act for the purpose of acquiring or developing land as open space and to hold it in a fund established for the purposes of Section 198 of the PDI Act.</p>		CEO, Man D&R
<p>34. Enforceable Voluntary Undertakings</p>		CEO, Man D&R

<p>34.1 The power pursuant to Section 230(1) of the PDI Act to accept (by written notice) a written undertaking given by a person in connection with a matter relating to a contravention or alleged contravention by the person of the PDI Act.</p>		
<p>34. Enforceable Voluntary Undertakings</p> <p>34.2 The power pursuant to Section 230(4) of the PDI Act if the delegate considers that a person has contravened an undertaking accepted by the Council, to apply to the Court for enforcement of the undertaking.</p>		<p>CEO, Man D&R</p>
<p>34. Enforceable Voluntary Undertakings</p> <p>34.3 The power pursuant to Section 230(7) of the PDI Act to agree in writing with a person who has made an undertaking to:</p> <p>34.3.1 vary the undertaking; or</p> <p>34.3.2 withdraw the undertaking.</p>		<p>CEO, Man D&R</p>
<p>34. Enforceable Voluntary Undertakings</p> <p>34.4 The power pursuant to Section 230(11) of the PDI Act to accept an undertaking in respect of a contravention or alleged contravention before proceedings in respect of that contravention have been finalised.</p>		<p>CEO, Man D&R</p>
<p>34. Enforceable Voluntary Undertakings</p> <p>34.5 The power pursuant to Section 230(12) of the PDI Act if the delegate accepts an undertaking before the proceedings are finalised, to take all reasonable steps to have the proceedings discontinued as soon as possible.</p>		<p>CEO, Man D&R</p>

<p>34. Enforceable Voluntary Undertakings</p> <p>34.6 The power pursuant to Section 230(14) of the PDI Act to seek an authorisation from the Commission for the Council to act under Section 230 of the PDI Act.</p>		CEO, Man D&R
<p>35. Charges on Land</p> <p>35.1 The power pursuant to Section 239(1) of the PDI Act if a charge on land is created under a provision of the PDI Act in favour of the Council, to deliver to the Registrar-General a notice in a form determined by the Registrar-General, setting out the amount of the charge and the land over which the charge is claimed.</p>		CEO, Man D&R
<p>35. Charges on Land</p> <p>35.2 The power pursuant to Section 239(6) of the PDI Act if a charge in the Council's favour exists and the amount to which the charge relates is paid, to by notice to the appropriate authority in a form determined by the Registrar-General, apply for the discharge of the charge.</p>		CEO, Man D&R
<p>36. Registering Authorities to Note Transfer</p> <p>36.1 The power pursuant to Section 240(1) of the PDI Act to apply to the Registrar General or another authority required or authorised under a law of the State to register or record transactions affecting assets, rights or liabilities, or documents relating to such transactions, to register or record in an appropriate manner the transfer to the Council of an asset, right or liability by regulation, proclamation or notice under the PDI Act.</p>		CEO, Man D&R
<p>37. Review of Performance</p> <p>37.1 The power pursuant to Clause 3(3) of Schedule 4 of the PDI Act to explain the Council's</p>		CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner,

<p>actions, and to make submissions (including, if relevant, an indication of undertakings that the Council is willing to give in order to take remedial action), to the Minister.</p>		<p>Senior Planner - Fielke, Senior Planner - Mason, TL Development - Getson</p>
<p>37. Review of Performance</p> <p>37.2 The power pursuant to Clause 3(14) of Schedule 4 of the PDI Act to make submissions to the Minister on the report on which the PDI Action to be taken by the Minister under Clause 3(13) of Schedule 4 of the PDI Act is based.</p>		<p>CEO, Man D&R</p>
<p>37. Review of Performance</p> <p>37.3 The power pursuant to Clause 3(15) of Schedule 4 of the PDI Act, if the Minister makes a recommendation to the Council under Clause 3(13)(a) of Schedule 4 of the PDI Act and the Minister subsequently considers that the Council has not, within a reasonable period, taken appropriate action in view of the recommendation, to make submissions to the Minister in relation to the directions of the Minister.</p>		<p>CEO, Man D&R</p>
<p>37. Review of Performance</p> <p>37.4 The power pursuant to Clause 3(16) of Schedule 4 of the PDI Act to comply with a direction under Clauses 3(13) or (15) of Schedule 4 of the PDI Act.</p>		<p>CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner, Senior Planner - Fielke, Senior Planner - Mason, TL Development - Getson</p>
<p>38. Planning and Design Code</p> <p>38.1 The power pursuant to Clause 9(6)(a) of Schedule 8 of the PDI Act to apply to the Minister for approval to commence the process under Section 25 of the repealed Act.</p>		<p>CEO, Man D&R</p>

<p>39. General Schemes</p> <p>39.1 The power pursuant to Clause 30(3) of Schedule 8 of the PDI Act to request the Minister make a declaration under Clause 30(2) of Schedule 8 of the PDI Act in relation to a scheme.</p>		CEO, Man D&R
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Instrument of Delegation Under the Planning, Development and Infrastructure Act 2016 as a Relevant Authority
PLANNING, DEVELOPMENT AND INFRASTRUCTURE ACT 2016 as a Relevant Authority



Version No: 0	Council reference: 10 October 2019
Previous revisions	
Doc Id	

In exercise of the power contained in Section 100 of the Planning Development and Infrastructure Act 2016 and in accordance with the resolution made by the Rural City of Murray Bridge (the "Council") on the 14 October 2019 the following powers and functions under the Planning Development and Infrastructure Act 2016 are delegated to the person occupying or acting in the office of Chief Executive Officer of the Council

Such powers and functions may be further delegated by the Chief Executive Officer as the Chief Executive Officer sees fit

Planning, Development and Infrastructure Act 2016		
Item Delegated	Conditions and Limitations	Delegate
<p>1. Environment and Food Production Areas – Greater Adelaide</p> <p>1.1 The power pursuant to Section 7(5)(a) and (d) of the Planning, Development and Infrastructure Act 2016 (the PDI Act), in relation to a proposed development in an environment and food production area that involves a division of land that would create 1 or more additional allotments:</p> <p>1.1.1 to seek the concurrence of the Commission in the granting of the development authorisation to</p>		<p>CEO, Econ Dev Planner, Man D&R, Planner - Sedlacek, Planner - Van Eck, PSO - Ludewigs, Senior Planner - Fielke, Senior Planner - Mason, TL Development - Gelsom</p>

<p>the development;</p> <p>1.1.2 to, if the proposed development will create additional allotments to be used for residential development, refuse to grant development authorisation in relation to the proposed development.</p>		
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168. MOTIONS ON NOTICE

168.1 CR ANDREW BALTENSPERGER - LED STREET LIGHTING

Author Andrew Baltensperger

I, Councillor Andrew Baltensperger having complied with the requirements of Regulation 12 of the Local Government (Procedures at Meetings) Regulations 2013, hereby give Notice of the following motion to be submitted at the meeting of the Council of the Rural City of Murray Bridge to be held on 14 October, 2019 at 7:00pm, I move that:

That Council Administration provides a report (including possible funding sources such as CEEP) on the feasibility of replacing/Updating our Streetlights with new Energy Efficient LED Streetlights.

Background

I believe that New LED Street Lighting would greatly improve amenity and safety as LED provides a consistent quality (White) light, minimises glare, reduced Environmental Impact, minimises operating and maintenance requirements and provides improved visibility which allows Pedestrians and Motorists to react quicker.

Key Benefits include (but not limited to):

1 - **"Cost Benefits"**- LED lights will reduce Energy usage/costs dramatically (Could be as much as 50% more efficient), thereby resulting in massive cost/expense savings to our Council/Ratepayers.

2 - **"Significant Environmental Benefits"** - Street Lighting is the largest source of Greenhouse gas Emissions by Local Government in Australia. This project would assist in protecting the Environment by reducing our Carbon Emissions.

3 - **"Reduced Light Pollution"** - These lights will improve visibility on roads and footpaths with more light being directed toward the ground where it is needed..

4 - **.Numerous other benefits.."**

Administration Comment

The benefits of LED Street Lighting are positive from many aspects and the investigations to inform appropriate, timely (and financial) decision making are considerable.

In this regard, an investigation into options and opportunities for the Rural City of Murray Bridge is anticipated in 2020, to inform investment in 20/21 and 21/22 and beyond.

Attachments

Nil



Cr Baltensperger moved

That Council Administration provides a report (including possible funding sources such as CEEP) on the feasibility of replacing/updating our Streetlights with new Energy Efficient LED Streetlights.

Seconded by Cr Schubert and CARRIED



169. MOTIONS WITHOUT NOTICE

Nil

170. QUESTIONS ON NOTICE

Regulation 9 of the Local Government (Procedures at Meetings) Regulations 2013 - Questions

- (1) A member may ask a question on notice by giving the chief executive officer written notice of the question at least five clear days before the date of the meeting at which the question is to be asked.
- (2) If notice of a question is given under subregulation (1)—
 - (a) the chief executive officer must ensure that the question is placed on the agenda for the meeting at which the question is to be asked; and
 - (b) the question and the reply must be entered in the minutes of the relevant meeting.

170.1 CR AIRLIE KEEN - NO FEEDING OF BIRD SIGNS AT STURT RESERVE

Author Malcolm Downie

Could Council Administration provide advice in relation to a constituent request to install signs at Sturt Reserve asking the public not to feed the birds?

Answer

Geese and ducks are being fed bread by visitors at Sturt Reserve. There are a number of problems with doing this:

- Hand feeding can cause birds to become concentrated in areas that are incapable of supporting large numbers of birds. The birds then become dependent upon humans for food and can become a nuisance and aggressive.
- Feeding causes them to beg and steal food and go through garbage.
- They would normally migrate to a warmer climate for the winter where food is abundant, or simply endure the winter but feeding stops that normal behaviour and so they stay.
- People typically feed the geese and other water fowl processed bread, French fries, popcorn, etc. While this is okay for humans, is not part of their natural diet. It doesn't contain the right nutrition, makes them more susceptible to disease, ill and more aggressive toward people.
- Mouldy bread that is not eaten and left on the ground can cause *aspergillosis*, a lung infection that can be fatal to waterfowl. Leftover food attracts rodents.
- The birds may become malnourished and there have been cases of birds choking on wads of bread.
- A diet rich in carbohydrates will cause the birds to defecate more, which can spread bacteria that can contribute to disease. The faeces can make the paths slippery so a safety issue is created.
- Over-grazed and badly-eroded lawns, are often the result of overcrowding. Grassy areas such as those at Sturt Reserve can become unsanitary and unusable (they are very slippery) until goose droppings can be cleaned up, which can be quite costly.
- Administration intends to erect signs in selected areas within Sturt Reserve containing the following wording:

Help keep our wildlife wild.

Feeding geese and ducks human food, particularly bread and chips makes birds:

- *Aggressive and a nuisance because they expect more food*
- *Stay here instead of migrating which they should do for breeding and then they damage the grass you want to play on*
- *Poo more and this spreads disease, makes the paths slippery and the area unsightly*
- *Full but malnourished as they aren't designed to digest bread or carbohydrates*



*We know you only want the best for our wildlife.
So, thank you for not feeding the geese and ducks.*

Attachments

Nil

170.2 CR WAYNE THORLEY - WEED MANAGEMENT CONTROL - SAMDBNRM BOARD

Author Malcolm Downie

Could Council Administration write to the SAMDBNRM Board seeking its advice in relation to its proposed activity regarding weed management controls.

Answer

Administration has sought advice from the SA Murray-Darling Basin Natural Resources Management Board. They have advised as follows:

Many declared weeds including African Boxthorn are widespread and it is not feasible to undertake the same management interventions in all locations. The SA Murray-Darling Basin Natural Resources Management Board use a risk and impact based approach to manage weeds in line with the NRM Act and State policy.

Weed risk assessments are undertaken which consider invasiveness, impacts and potential distribution. NRSAMDB staff also determine the feasibility of containment which considers control costs, persistence and current distribution. These assessments are measured against various land uses recognising the varied impacts.

It is also recognised that some issues have higher localised impacts for particular landholders. In these instances regional staff are also able to assist property owners that are facing these specific land management issues. Staff work with the affected landholder and their neighbours where appropriate to find a suitable intervention to limit the impact of the weeds on their property and reduce spread.

Recent Boxthorn Control Activity in RCMB:

- *Roadside control along the Burdett Road from Murray Bridge to Karoonda turn off 2019*
- *Roadside and property control and incentive program Kepa Rd – NRSAMDB has undertaken to provided suitable equipment and chemical (an identified barrier to landholders undertaking control) to landholders in this key area to undertake control works.*
- *Kinchina Conservation Park (of note this was coordinated with RCMB undertaking control on roadsides spreading out from Kinchina CP to complement each other's work)*

The SA Murray-Darling Basin Natural Resources Management Board has offered to continue to partner with Council Administration and other interested community groups in identifying key areas of concern and undertaking to raise awareness, skills and knowledge of landholders in the methods and need to control African Boxthorn.

Attachments

Nil

170.3 CR FRED TOOGOOD - AFRICAN BOXTHORN CONTROL ON ROAD RESERVES

Author Malcolm Downie

Could Council Administration provide an update on the control of African Box Thorn on Council Road Reserves and State Government Land.

Answer

The Rural City of Murray Bridge has received a grant for \$35,437.50 under the Australian Government's Combating Weeds Grant to control a range of weeds including African Boxthorn on the following roads:

Arterial Roads

Reedy Creek Road

Mannum Road - Complete

Callington Road - Complete

East Terrace - Callington to Strathalbyn Road

Jervois Road

Wellington to Strathalbyn Road

Showgrounds to Karoonda Road boundary (2 or 3 White Weeping Broom - *Retama monosperma* near Bungana Drive)

Burdett Road (from Karoonda Road – Karoonda Road to Pineview Road (Council Boundary) (*Acacia saligna*))

Local Regional Roads

Old Princes Highway

Rathjen Road

Wageknecht Road

Schenscher Road

Liebelt Road

Kallina Road (extension of Liebelt)

Kuchel Road

Hillview Road

Pallamanna Road – Complete

Maurice Road - Complete

Schenscher Road

Monarto Road

Ferries McDonald Road (to Altmann Road)

Brinkley Road

Flagstaff Road

Jarvis Road

Hoadville Road

Bow Hill Road (summer growing grass from Russel Road to Boundary Road)

Boundary Road

Kepa Road (NRM may be doing this one)

The Natural Resources SA Murray Darling Basin were approached on Boxthorn control and their response is provided within the response to Cr Thorley refer item 170.2 of this Agenda.

Attachments

Nil

170.4 CR SCHUBERT AND CR THORLEY - PROPOSED TRAFFIC MANAGEMENT PFEIFFER ROAD/FLAGSTAFF ROAD

Author Matt James

Could Council Administration provide advice in relation to proposed traffic management improvements relating to vehicle movements in the vicinity of the Pfeiffer Road/ Flagstaff Road intersection.

Answer

Flagstaff and Pfeiffer Road are located south of Murray Bridge and provide both direct and indirect access to agricultural operations, intensive animal keeping, large industrial operations (Big River Pork, Ingham's) and waste management facilities (Brinkley Landfill, SA Water Treatment Plant).

Flagstaff Road

Flagstaff Road was constructed and sealed in 2003 and has a Rural Collector classification in accordance with Councils Road Management Hierarchy. It provides direct access to the Ingham's Feed Mill and Big River Pork, as well as numerous Pig and Chicken Farm operations. A significant proportion of vehicle movement on Flagstaff Road occur between the junction with Jervis Road and the southern driveway of Big River Pork.

Flagstaff Road has been identified as a Road of Regional Significance regarding the movement of freight as part of the 2030 Murray and Mallee Regional Transport Plan and is therefore eligible to be funded through third parties programs such as the Special Local Roads Program or National Heavy Vehicle Safety and Productivity Program.

Following the intensification of Agribusiness operations in the Flagstaff precinct, such as those listed above, the condition of Flagstaff Road has significantly deteriorated, as the initial design did not take into consideration the significant freight movements currently experienced.

Through this intensification, Flagstaff Road will continue to deteriorate and will require intervention in the near future to ensure a safe and trafficable carriage way is provided to the community. In its current condition, Flagstaff Road marginally serves Performance Based Standards (PBS) vehicles class 2A for vehicle length equal or less than 26m.

Council administration is currently developing a tender package to undertake a detailed geometric and structural design to ensure Flagstaff Road is adequate to serve Performance Based Standards (PBS) vehicles Class 2 Type 1 road train up to 36.5m (including B-Double, A-Double, AB Triple & Quad), as well as Performance Base Standards (PBS) vehicle Class 3A up to 36.5m.

By having a "shovel ready" design and cost estimate, it will enable Council to seek funding from third parties and reduce the financial burden required to upgrade Flagstaff Road to support industry.

Pfeiffer Road

Pfeiffer Road is an open surface, sheeted road classified as Rural Minor in accordance with Councils Road Management Hierarchy. The existing pavement was constructed in 1996

however has received significant maintenance in recent years as a result of increased traffic accessing the Brinkley Landfill and Transfer station site.

Pfeiffer Road also provides direct access to a commercial limestone quarry and more recently has experienced significant construction traffic generated by the development of the new Murray Bridge Waste Water Treatment Plant. While the current level of traffic on Pfeiffer Road is higher than usual as a result of construction activity, it is not expected to continue into the future.

Pfeiffer Road is not considered a road of regional significance nor has it been identified as a priority for network expansion based and therefore any upgrade will need to be funded through Councils own source funding.

The junction of Pfeiffer Road and Flagstaff Road will be upgraded with any future works undertaken on Flagstaff Road and ongoing maintenance of the unsealed section of Pfeiffer Road will continue until it is due for re-sheeting in 2021-22.

Attachments

Nil

170.5 CR FRED TOOGOOD - FRESH FRENZY PROGRAM UPDATE

Author Reginald Budarick

Could Council be provided with an update on the Fresh Frenzy Program?

Answer

Funding of \$13,000 from the Small Wins budget was provided for the Fresh Frenzy Program via a Council resolution on 13 May 2019, to support the delivery of the program to nine primary schools in the Rural City of Murray Bridge. The program aims to create a school-based nutrition program to encourage students to make nutritious snack food choices.

An update was provided by the Fresh Frenzy Program Manager (Bianca Gazzola) on the following progress to date:

During term 3 the Fresh Frenzy Program has been delivered at four local schools- Mypolonga Primary, Callington Primary, Jervois Primary and Tyndale Christian School. Four program sessions were delivered at each school over four consecutive weeks. The table below details the year level, number of participating students and session delivery dates at each school.

School	Year level	Number of students	Session delivery dates
Mypolonga Primary School	Year 6,7 students	31	23rd June, 30th June, 6th Aug, 13th Aug.
Callington Primary School	Year 5,6,7 students	22	22nd Aug, 29th Aug, 5th Sept, 12th Sept.
Jervois Primary School	Year 2,3 students	24	20th Aug, 27th Aug, 3rd Sept, 10th Sept.
Tyndale Christian School	Year 7 students	12	6th Sept, 13th Sept, 20th Sept, 27th Sept.

Fresh Frenzy has been very well received by the four school. Schools are requesting Fresh Frenzy program delivery again in 2020. Each school is building upon Fresh Frenzy program outcomes to sustain healthy, wrapper free lunchboxes strategies.

- At Mypolonga Primary school, Fresh Frenzy was complimentary to the school's Stephanie Alexander Kitchen Garden Program as well as the sustainability and recycling campaigns underway. The school was arranging a bees wax wraps workshop to be facilitated by local families to promote wrapper free lunchboxes.
- Many Callington Primary School students reported making healthy changes as a result of participating in Fresh Frenzy. The school is exploring options to create a school garden and ways they can continue to promote healthy, wrapper free lunchboxes.
- Jervois Primary School students set a class goal to reduce the number of recess time food wrappers to less than 22 wrappers. At the final Fresh Frenzy session, the total number of class food wrappers was 7 wrappers. The classroom teacher was amazed at the response and hopes to sustain the healthy foods packed in the lunchbox for the remainder of the year.

- Tyndale students especially enjoyed eating healthy foods and the final Fresh Frenzy session where they presented healthy food facts and facilitated a taste testing session with their Reception year level buddy class.

Pre and post Fresh Frenzy program evaluation data is currently being collated and analysed for each school. Summary reports will be provided for each school.

In Term 4, Fresh Frenzy will be delivered to Year 7 classes at North Primary School.

The Program will be undertaken at the remaining schools over the coming months:

- Fraser Park Primary School;
- Murray Bridge South Primary School;
- St Joseph's Catholic School;
- Unity Christian College.

Attachments

1	Mypolonga Dips	Attachment
2	Mypolonga Fruit	Attachment
3	Mypolonga Muffins	Attachment
4	Mypolonga Snacks	Attachment
5	Mypolonga Vegetables	Attachment











170.6 CR ANDREW BALTENSPERGER - HOMELESSNESS

Author Andrew Baltensperger

Could Council Administration advise our strategies, resources, activities and planning around assisting, supporting and liaising with people affected by Homelessness locally including appropriate relevant organisations and Authorities?

Answer

Council through the Murray Bridge Safe Taskforce advocates for and engages with service providers in relation to activities and planning to assist, support and liaise with people affected by homelessness. Homelessness along with mental health, misuse of drugs & alcohol and family violence are key advocacy roles for the Taskforce.

Within the Rural City of Murray Bridge, AC Care is the primary agency funded by DCS and auspiced by SAHA as its preferred Provider of Specialist Homelessness Service providing support to people who are homeless or at imminent risk of homelessness. Services include: brokerage funds; crisis support, early intervention advice and information; homeless children's support; outreach support; wait-list support; referral to other agencies; supported accommodation options. AC Care work with other organisations within the community using a collaborative process of assessment, planning, facilitation and advocacy for options and services to meet an individual's needs and provide non-judgemental and non-discriminatory advice.

AC Care also run the Reconnect community based intervention program for young people 12 to 18 years who are homeless or at risk of homelessness and their families. The program aims to help young people achieve family reconciliation and improve their level of engagement with work, education, training and the community. The aim is that youth homelessness is avoided by early intervention practice modules.

AC Care are also running an "Escaping the Elements" Project to address the expected increase in severe weather and natural disasters due to the impacts of climate change. A study completed in 2016 by CQ University and the Australian Red Cross surveyed and identified the key impacts extreme weather has on people experiencing homelessness in Australia. As a result of this nationwide, Red Cross is working with homelessness services to improve clients' experience of accessing services by providing training and resources that would benefit the homeless community ie: extreme weather packs, local maps etc.

AC Care are now working with local services and homeless community members in the region to seek their input in identifying what is needed for our communities.

Actions that have been taken to date:

- Red Cross are will be applying for grants and other donations by contacting local services such as Bunnings, Rotary Club etc
- AC Care are working with Salvation Army to seek input from people who are currently experiencing or have previously experienced homelessness to share their knowledge of the local community and what would benefit them during extreme weather events.
- SAHA is in support of the project
- AC Care are also working on a 5.00-7.00 pm possible office open roster during extreme weather
- AC Care are also organising some training for partnered organisations.

Uniting Communities also operates the Homelessness Gateway Service, a 24/7 state-wide telephone service to assist with referrals to a specialist homelessness service for case

management support. In addition, they can provide emergency support, as well as access to community services for people who are new arrivals to Australia.

The Salvation Army in Murray Bridge provides emergency relief packages and financial counselling services that may assist people at risk of homelessness as well as Community Lunches and a Soup Kitchen.

Murray Bridge Community Centre has dedicated facilities for showering and laundry of clothing for people in need and distribute food from the Community Garden and also bakery items donated to them by local businesses. Additionally the State Government has recently opened a 'Safety Hub' information and referral service at the Community Centre for women living with domestic violence.

Centacare provides the Murray Mallee Adelaide Hills Domestic Violence Service, with offices located in Murray Bridge and outreach workers able to travel anywhere in the Murray Mallee, Coorong and Adelaide Hills regions. In May 2019, the State Government announced that it would increase services and crisis accommodation for women and children escaping domestic violence by April next year, with some of these crisis homes to be provided in the Murray Bridge area.

In relation to Youth Homelessness, Council has been a member and sponsor of the working party to deliver a youth homelessness facility. SAHA, AC Care, Anglicare and Habitat for Humanity have recently signed an agreement where SAHA to provide a pair of maisonettes, which Habitat for Humanity will reconfigure as four 1 bedroom apartments for young people experiencing homelessness to assist them to remain engaged in education or pathways to employment programs.

Attachments

Nil

171. QUESTIONS WITHOUT NOTICE

Regulation 9 of the Local Government (Procedures at Meetings) Regulations 2013 –
Questions

(3) A member may ask a question without notice at a meeting.

(4) The presiding member may allow the reply to a question without notice to be given at the next meeting.

(5) A question without notice and the reply will not be entered in the minutes of the relevant meeting unless the members

(6) The presiding member may rule that a question with or without notice not be answered if the presiding member considers that the question is vague, irrelevant, insulting or improper

Nil

172. CONFIDENTIAL ITEMS

Section 83(5) of the Local Government Act states that the Chief Executive Officer may indicate on a document or report provided to members of the Council under subsection (4) (or on a separate notice) any information or matter contained in or arising from a document or report that may, if the Council so determines, be considered in confidence under Part 3, provided that the Chief Executive Officer at the same time specifies the basis on which an order could be made under that Part.

Cr Schubert moved

That:

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all persons, except (Michael Sedgman, Chief Executive Officer; Tim Vonderwall, General Manager Corporate Services, Heather Barclay General Manager Assets & Infrastructure; Kristen Manson, General Manager Community Development, Malcolm Downie, Manager City Assets, Brad Warncken Chief Finance Officer, Caroline Moffatt Senior Rates Officer, Jodie Hagger Rates Officer and Ros Kruger, Executive Officer Minute Secretary) be excluded from attendance at the meeting held on 14 October 2019 for agenda item/s:

172.1 SA WATER RECYCLED WATER SERVICES AGREEMENT

This Council is satisfied that pursuant to Section 90(3) (b)(i) of the Local Government Act 1999, the information to be received, discussed or considered in relation to agenda item 172.1 is:

- (i) information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council.

172.2 RATES ARREARS UPDATE

This Council is satisfied that pursuant to Section 90(3) (a) of the Local Government Act 1999, the information to be received, discussed or considered in relation to agenda item 172.2 is:

- (i) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

172.3 REGIONAL ROWING FACILITIES AT STURT RESERVE

This Council is satisfied that pursuant to Section 90(3) (b)(i), (b)(ii), (d)(i) and (d)(ii) of the Local Government Act 1999, the information to be received, discussed or considered in relation to agenda item 172.3 is:

- (i) information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
- (ii) information the disclosure of which would, on balance, be contrary to



the public interest; and

- (iii) commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
- (iv) commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.

Seconded by Cr O'Brien and CARRIED

Meeting closed at 8.25 pm

Minutes taken as read and confirmed this day of 2019.

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MAYOR