His Worship the Mayor
Councillors
CITY OF MARION

NOTICE OF GENERAL COUNCIL MEETING

Council Chamber, Council Administration Centre
245 Sturt Road, Sturt

Tuesday, 09 October 2018 06:30 PM

The CEO hereby gives Notice pursuant to the provisions under Section 83 of the Local Government Act 1999 that a General Council meeting will be held

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Council Chamber is via the main entrance to the Administration Centre on Sturt Road, Sturt.

Adrian Skull
Chief Executive Officer

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OPEN MEETING

KAURNA ACKNOWLEDGEMENT

We acknowledge the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

DISCLOSURE

All persons in attendance are advised that the audio of this General Council meeting will be recorded and will be made available on the City of Marion website.

ELECTED MEMBER'S DECLARATION OF INTEREST (if any)

CONFIRMATION OF MINUTES

Confirmation of the minutes for the General Council Meeting held on 11 September 2018

Originating Officer Governance Officer - Victoria Moritz

Corporate Manager Manager Corporate Governance - Kate McKenzie

Report Reference: GC181009

RECOMMENDATION:

That the minutes of the General Council Meeting held on 11 September 2018 be taken as read and confirmed.

ATTACHMENTS:

#	Attachment	Type
1	GC180911 - Final Draft Minutes - 11 September 2018	PDF File

MINUTES OF THE GENERAL COUNCIL MEETING
HELD AT ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 11 SEPTEMBER 2018

PRESENT

His Worship the Mayor Kris Hanna

Councillors

Coastal Ward
Ian Crossland

Mullawirra Ward
Jason Veliskou
Jerome Appleby

Southern Hills
Janet Byram
Nick Westwood

Warracowie Ward
Bruce Hull
Nathan Prior

Warriparinga Ward
Luke Hutchinson
Raelene Telfer

Woodlands Ward
Nick Kerry
Tim Pfeiffer

In Attendance

Mr Adrian Skull	Chief Executive Officer
Ms Abby Dickson	General Manager City Development
Mr Tony Lines	General Manager City Services
Mr Vincent Mifsud	General Manager Corporate Services
Ms Kate McKenzie	Manager Corporate Governance
Ms Victoria Moritz	Acting Quality Governance Coordinator

1. COMMENCEMENT

The meeting commenced at 6.30pm

2. KAURNA ACKNOWLEDGEMENT

We acknowledge the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. DISCLOSURE

All persons in attendance are advised that the audio of this General Council meeting will be recorded and will be made available on the City of Marion website.

4. ELECTED MEMBER'S DECLARATION OF INTEREST

The Chair asked if any Member wished to disclose an interest in relation to any item being considered at the meeting.

- Councillor Crossland declared a perceived conflict of interest in the item: *Coastal Walkway (Report Reference GC180911R08).*

5. CONFIRMATION OF MINUTES

Moved Councillor Telfer, Seconded Councillor Hutchinson that the minutes of the General Council meeting held on 28 August 2018 be taken as read and confirmed.

Carried Unanimously

6. COMMUNICATIONS

Nil

7. ADJOURNED ITEMS

6.32pm Celebrating Marion campaign
Report Reference GC110918R01

Adjourned Motion:

Moved Councillor Gard Seconded Councillor Pfeiffer that Council:

1. Adopts the Marion Celebrates Campaign Strategy (attached as Appendix A).

2. Endorses an allocation of $19,700 to deliver the Marion Celebrates Campaign Strategy to be funded in 2018/19 from identified cash savings following the completion of the 2017/18 audited Annual Financial Statements process.

Amendment:

Moved Councillor Crossland, Seconded Councillor Veliskou that Council:

1. Adopts the Celebrating Marion campaign (attached as Appendix A).

2. Endorses the allocation of $4,400 to deliver the Celebrating Marion Campaign to be funded through existing budgets.

The amendment to become the motion was C**arried**
The motion as amended was **Carried**

8. DEPUTATIONS

Nil

9. PETITIONS

Nil

10. COMMITTEE RECOMMENDATIONS

Moved Councillor Hutchinson, Seconded Councillor Prior that the following items be moved en bloc:

- Review and Selection Committee Minutes 28 August 2018 (Report Reference GC180911R02)
- Finance and Audit Committee Meeting Minutes 21 August 2018 (Report Reference GC180911R03)
- Infrastructure and Strategy Committee Minutes 4 September 2018 (Report Reference GC180911R04)

Carried Unanimously

6.38pm Review and Selection Committee Minutes 28 August 2018
Report Reference GC180911R02

Moved Councillor Hutchinson, Seconded Councillor Prior that Council:

1. Receives and notes the public minutes of the Review and Selection Committee Meeting held on 28 August 2018 (Appendix 1).

2. Notes that separate reports will be brought to Council for consideration of any recommendations from the Review and Selection Committee.

Carried Unanimously

6.38pm Finance and Audit Committee Meeting Minutes 21 August 2018
Report Reference GC180911R03

Moved Councillor Hutchinson, Seconded Councillor Prior that Council:

1. Receives and notes the minutes of the Finance and Audit Committee meeting of 21 August 2018 (Appendix 1).

2. Notes that separate reports will be brought to Council for consideration of any recommendations from the Finance and Audit Committee.

Carried Unanimously

6.38pm Infrastructure and Strategy Committee Minutes 4 September 2018
Report Reference GC180911R04

Moved Councillor Hutchinson, Seconded Councillor Prior that Council:

1. Receives and notes the minutes of the Infrastructure and Strategy Committee meeting of 4 September 2018 (Appendix 1).

2. Notes that separate reports will be brought to Council for consideration of any recommendations from the Infrastructure and Strategy Committee.

Carried Unanimously

Order of Agenda Items

The Mayor sought and was granted leave of the meeting to vary the order of agenda items and consider the following items next in the meeting:

- Coastal Walkway (Report Reference GC180911R08)
- Outcome of Expression of Interest for Hotel at 287 Diagonal Road, Oaklands Park (Report Reference GC180911F02)

6.44pm Coastal Walkway
Report Reference GC180911R08

Councillor Crossland declared a perceived conflict of interest in the item *Coastal Walkway* due to residing in close proximity to the area. Councillor Crossland remained for the item.

Moved Councillor Crossland, Seconded Councillor Byram that Council:

1. Endorses Administration undertaking consultation with the community on the Coastal Walkway between Heron Way Reserve to south of the Field River in November 2018, including consultation on potential path alignments in section 1 (Heron Way to Cormorant Drive) and Section 2 (Cormorant Drive to South of Field River) and brings a report back to Council in January 2019.

2. Endorses the engagement of qualified professionals to undertake an environmental assessment and cultural heritage survey to inform the potential alignment of the Coastal Walkway between Heron Way Reserve to south of the Field River, noting that the required funding will be achieved within existing resources.

3. Endorses the development of a Coast Park Plan encompassing the entire City of Marion coast line with priority given to the section of coast between Heron Way Reserve to south of the Field River.

4. Receives a report on the draft Coast Park Plan in mid-2019 for consideration, resourcing and community consultation.

5. Note the funding opportunities through Federal and State Government grants which may attract a 50/50 co-contribution from Council.

Moved Councillor Hull, Seconded Councillor Prior that this item be deferred until later in the meeting and dealt with after the item: *Iconic Event (GC180911R07).*

Carried Unanimously

11. CONFIDENTIAL ITEMS

6.54pm Outcome of Expression of Interest for Hotel at 287 Diagonal Road, Oaklands Park
Report Reference GC180911F02

Moved Councillor Telfer, Seconded Councillor Hutchinson that Council:

1. Pursuant to Section 90(2) and (b) and (d) of the *Local Government Act 1999,* the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer; Abby Dickson, General Manager City Development; Tony Lines, General Manager City Services; Vincent Mifsud, General Manager Corporate Services; Kate McKenzie, Manager Corporate Governance; Greg Salmon, Manager City Activation; Donna Griffiths, Unit Manager Economic Development; Rebecca Kersten, Acting Unit Manager Communications and Victoria Moritz, Acting Quality Governance Coordinator be excluded from the meeting as the Council receives and considers information relating to the report Outcome of Expression of Interest for Hotel at 287 Diagonal Road, Oaklands Park, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential relating to matters pertaining to commercial operations of a confidential nature, the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information and could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or prejudice the commercial position of the council.

Carried

6.54pm the meeting went into confidence

7.18pm Councillor Kerry left the meeting

Moved Councillor Prior, Seconded Councillor Pfeiffer that formal meeting procedures be suspended to discuss the item.

Carried Unanimously

7.19pm formal meeting procedures suspended
7.20pm Councillor Kerry re-entered the meeting
8.00pm formal meeting procedures resumed

Moved Councillor Pfeiffer, Seconded Councillor Prior that Council:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report and appendices, Outcome of Expression of Interest for Hotel at 287 Diagonal Road, Oaklands Park (GC180911F0X), having been considered in confidence under Section 90(2) and (3)(b) and (d) of the Act, except when required to effect or comply with Council□s resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried

Councillor Hull called a Division

The vote was set aside

Those for: Councillors Pfeiffer, Telfer, Hutchinson, Prior, Westwood, Byram, Appleby, and Crossland
Those against: Councillors Kerry, Hull and Veliskou

Carried

8.17pm the meeting came out of confidence

8.18pm Proposed Class Action
Report Reference GC180911F01

Moved Councillor Telfer, Seconded Councillor Hutchinson that Council:

1. Acknowledges the verbal presentation by Andrew Johnson from the Local Government Association, providing formal comments regarding:
   i. the proposed class action being undertaken by Quinn Emanuel, and
   ii. the update in regards to the actions that have been taken in response to the recommendations in the September 2015 Auditor-General report.

2. Authorises the CEO, based on the outcomes of the recent review and comprehensive insurance marketing testing conducted, to respond to Quinn Emanuel advising that the City of Marion does not wish to join the proposed class action against Jardine Lloyd Thompson.

3. Requests that the LGA provide a full copy of the Finity Batt Report.

4. Pursuant to Section 90(2) and (3)(d) of the *Local Government Act 1999,* Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer; Vincent Mifsud, General Manager Corporate Services; Abby Dickson, General Manager City Development; Kate McKenzie, Manager Corporate Governance, Sherie Walczak, Unit Manager Risk, Victoria Moritz, Acting Quality Governance Coordinator and Andrew Johnson, LGA Consultant be excluded from the meeting as Council receives and considers the letter received relating to an offer to register with a class action, upon the basis that Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information the disclosure of which could prejudice the commercial position of Council and would on balance be contrary to the public interest.

Carried

8.19pm the meeting went into confidence

8.38pm Councillor Kerry left the meeting
8.41pm Councillor Kerry re-entered the meeting

Moved Councillor Byram, Seconded Councillor Telfer that:

5. In accordance with Section 91(7) and (9) of the Local Government Act 1999, Council orders that this report and any attachment to this report having been considered in confidence under Section 90(2) and (3)(d) of the Act except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

8.44pm the meeting came out of confidence

8.45pm Councillor Crossland left the meeting

8.45pm Expression of Interest - Community Wireless Internet Service
Report Reference GC180911F03

Moved Councillor Pfeiffer, Seconded Councillor Byram that Council:

1. Pursuant to Section 90(2) and (3)(b) and (d) of the *Local Government Act 1999,* the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer; Vincent Mifsud, General Manager Corporate Services, Abby Dickson, General Manager City Development; Tony Lines, General Manager City Services; Kate McKenzie, Manager Corporate Governance, Ray Barnwell, Manager Finance & Contracts, Victoria Moritz, Acting Quality Governance Coordinator; Fiona Harvey, Manager Innovation & Strategy, Tim Hoggan, Senior Contracts Officer, Phil Mattingly, Unit Manager ICT Service Delivery and Infrastructure and Rebecca Kersten, Acting Unit Manager Communications and Media be excluded from the meeting as the Council receives and considers information relating to the report *Expression of Interest - Community Wireless Internet Service* upon the basis that it is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential on the grounds that the report contains information of a commercial nature and would on balance, be contrary to the public interest.

Carried Unanimously

8.45pm the meeting went into confidence

Moved Councillor Hull, Seconded Councillor Hutchinson that Council:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes, Expression of Interest - Community Wireless Internet Services (GC180911F03), having been considered in confidence under Section 90(2) and (3)(b) and (d) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection until 5.00pm on Thursday 13 September 2018.

2. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report and appendices, Expression of Interest - Community Wireless Internet Services (GC180911F03), having been considered in confidence under Section 90(2) and (3) (b) and (d) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

8.47pm Councillor Crossland re-entered the meeting

Carried Unanimously

8.58pm the meeting came out of confidence

8.58pm Coastal Walkway - Confidential Appendix
Report Reference GC180911F04

Moved Councillor Crossland, Seconded Councillor Pfeiffer that Council:

1. Pursuant to Section 90(2) and (3)(h) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer; Vincent Mifsud General Manager Corporate Services; Abby Dickson, General Manager City Development; Kate McKenzie Manager Corporate Governance, Victoria Moritz, Acting Quality Governance Coordinator; Carol Hampton, Manager Land and Property; Victoria Masterman, Unit Manager Open Space and Renee Pitcher, Landscape and Open Space Planner, Rebecca Kersten, Acting Unit Manager Communications be excluded from the meeting as the Council receives and considers information relating to the Coastal Walkway, upon the basis that it is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential on the grounds that the report contains legal advice and would on balance, be contrary to the public interest.

Carried

8.59pm the meeting went into confidence

Moved Councillor Crossland, Seconded Councillor Hutchinson that Council:

1. Note the information contained within Appendices 1-4.

2. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report and appendices, Confidential - Coastal Walkway, having been considered in confidence under Section 90(2) and (3)(h) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

8.59pm the meeting came out of confidence

9.00pm Review and Selection Committee Confidential Minutes from the meeting of 28 August 2018
Report Reference GC180911F05

Moved Councillor Crossland, Seconded Councillor Appleby that Council:

1. Pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer and Steph Roberts, Manager Human Resources, be excluded from the meeting as the Committee receives and considers information relating to the Chief Executive Officer (CEO) 2017/2018 Performance Review, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential, given the information relates to the performance of the CEO.

Carried

9.01pm the meeting went into confidence

Moved Councillor Hull, Seconded Councillor Crossland that:

1. Receives and notes the confidential minutes of Review & Selection Committee meeting held on 28 August 2018 (Appendix 1)

2. Notes that separate reports will be brought to Council for consideration of any recommendations from the Review and Selection Committee

3. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that Appendix 1 to this report, *Confirmation of Confidential Minutes of the Review and Selection Committee Meeting held 22 August 2018* having been considered in confidence under Section 90(2) and (3)(a) of the Act, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

9.03pm the meeting came out of confidence

9.03pm CEO Annual Performance Review 2017/18
Report Reference GC180911F06

Moved Councillor Crossland, Seconded Councillor Appleby that Council:

2. Pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer and Steph Roberts, Manager Human Resources, be excluded from the meeting as the Committee receives and considers information relating to the Chief Executive Officer (CEO) 2017/2018 Performance Review, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential, given the information relates to the performance of the CEO.

Carried

9.04pm the meeting went into confidence

9.07pm Mr Skull left the meeting
9.08pm Ms Roberts left the meeting

Moved Councillor Crossland, Seconded Councillor Hutchinson that:

1. In accordance with 91(7) and (9) of the Local Government Act 1999 the Committees orders that this report, all appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

9.16pm the meeting came out of confidence

9.16pm Mr Skull re-entered the meeting
9.16pm Ms Roberts re-entered the meeting

9.16pm Code of Conduct - Preliminary Report - Matter 1
Report Reference GC180911F07

Moved Councillor Hutchinson, Seconded Councillor Telfer that Council:

1. That Pursuant to section 90(2) and (3)(a) of the Local Government Act 1999 the Council orders that all person present, with the exception of the following, Adrian Skull, Chief Executive Officer, Kate McKenzie, Manager Corporate Governance, and Victoria Moritz, Acting Governance Quality Coordinator, be excluded from the meeting where the Council receive and consider information pertaining to the item Code of Conduct, upon the basis it is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential on the grounds that the report contains information relating to personnel matters.

Carried Unanimously

9.16pm the meeting went into confidence

Moved Councillor Crossland, Seconded Councillor Byram that the meeting be extended until 10.30pm

Carried

9.27pm meeting extended

9.50pm Councillor Hull left the meeting
9.50pm Councillor Prior left the meeting

Moved Councillor Crossland, Seconded Councillor Westwood that formal meeting procedures be suspended to discuss the item further.

Carried Unanimously

8.51pm formal meeting procedures suspended
10.15pm formal meeting procedures resumed

Moved Councillor Hutchinson, Seconded Councillor Crossland that the meeting be extended until the conclusion of time critical matters.

Carried

10.20pm meeting extended

10.42pm Councillor Pfeiffer left the meeting
10.45pm Councillor Pfeiffer re-entered the meeting
10.45pm Councillor Kerry left the meeting

Moved Councillor Crossland, Seconded Councillor Hutchinson that:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that this report, and any attachments to this report and the minutes arising from this report having been considered in confidence under section 90(2) and (3)(a) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidential order will be reviewed at the General Council meeting in December 2018.

Carried Unanimously

10.45pm the meeting came out of confidence

10.46pm Councillor Kerry re-entered the meeting
10.46pm Councillor Prior re-entered the meeting
10.46pm Councillor Hull re-entered the meeting

10.46pm Code of Conduct - Matter 2
Report Reference GC180911F08

Moved Councillor Hutchinson, Seconded Councillor Crossland that Council:

1. Pursuant to section 90(2) and (3)(a) of the Local Government Act 1999 the Council orders that all person present, with the exception of the following, Adrian Skull, Chief Executive Officer, Kate McKenzie, Manager Corporate Governance, Victoria Moritz, Acting Governance Quality Coordinator, be excluded from the meeting where the Council receive and consider information pertaining to the item Code of Conduct, upon the basis it is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential on the grounds that the report contains information relating to personnel matters.

Carried

10.46 the meeting went into confidence

10.54pm Councillor Pfeiffer left the meeting

10.54pm Councillor Kerry left the meeting and did not return
10.57pm Councillor Telfer left the meeting
11.00pm Councillor Telfer re-entered the meeting
11.14pm Councillor Westwood left the meeting and did not return
11.20pm Mayor Hanna left the meeting and did not return
11.20pm In the absence of the Mayor, Deputy Mayor Byram resumed the chair

Moved Councillor Crossland, Seconded Councillor Telfer that Council:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that this report, any attachment to this report and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council meeting in December 2018.

Carried

11.25pm the meeting came out of confidence

Moved Councillor Veliskou, Seconded Councillor Crossland that the meeting be adjourned until 11.30pm.

11.25pm meeting adjourned
11.29pm Meeting resumed

11.29pm Councillor Hutchinson left the meeting and did not return
11.29pm Councillor Pfeiffer re-entered the meeting

12. CORPORATE REPORTS FOR DECISION

11.31pm Marion Sports and Community Club Lease
Report Reference GC180911R06

Moved Councillor Telfer, Seconded Councillor Pfeiffer that Council:

1. Notes the outcomes from the community consultation undertaken regarding Council entering into a 21 year lease with Marion Sports and Community Club Incorporated.

2. Authorises Administration to finalise and enter into a 21-year lease with the Marion Sports and Community Club Incorporated under the terms and conditions outlined in this report.

3. Notes the Market Review dates should be 2023, 2028, 2033, 2038 (not 2022, 2027, 2032, 2037)

4. Notes Marion Sports and Community Club will negotiate a sub-lease with Marion Bowls Club which is located within the leased area.

5. Notes Marion Sports and Community Club will enter into licences with sporting and community clubs that use the facilities.

6. Notes Council will enter into licence agreements with the remaining facilities that are not within the leased area.

Carried

Councillor Hull called a Division

The vote was set aside

Those for: Councillors Pfeiffer, Telfer, Prior, Veliskou, Appleby and Crossland
Those against: Councillor Hull

Carried

11.42pm Coastal Walkway
Report Reference GC180911R08

Deferred Motion:

Moved Councillor Crossland, Seconded Councillor Byram that Council:

1. Endorses Administration undertaking consultation with the community on the Coastal Walkway between Heron Way Reserve to south of the Field River in November 2018, including consultation on potential path alignments in section 1 (Heron Way to Cormorant Drive) and Section 2 (Cormorant Drive to South of Field River) and brings a report back to Council in January 2019.

2. Endorses the engagement of qualified professionals to undertake an environmental assessment and cultural heritage survey to inform the potential alignment of the Coastal Walkway between Heron Way Reserve to south of the Field River, noting that the required funding will be achieved within existing resources.

3. Endorses the development of a Coast Park Plan encompassing the entire City of Marion coast line with priority given to the section of coast between Heron Way Reserve to south of the Field River.

4. Receives a report on the draft Coast Park Plan in mid-2019 for consideration, resourcing and community consultation.

5. Note the funding opportunities through Federal and State Government grants which may attract a 50/50 co-contribution from Council.

Carried

Moved Councillor Pfeiffer, Seconded Councillor Prior that the following items be moved en bloc:

- Update to the Schedule of Delegations: Development Act 1993, Development Delegations Policy and Road Traffic Act 1961 (Report Reference GC180911R11)
- Independent Member - Finance and Audit Committee Meeting (Report Reference GC180911R12)
- City of Marion Public Health Planning - Progress Report 1 July 2016 - 30 June 2018 (Report Reference GC180911R19)

Carried

11.46pm Update to the Schedule of Delegations: Development Act 1993, Development Delegations Policy and Road Traffic Act 1961
Report Reference GC180911R11

Moved Councillor Pfeiffer, Seconded Councillor Prior that Council:

That having conducted a review of the Council's Delegations Register in accordance with Section 44(6) of the *Local Government Act 1999*, the Council:

1. Revocations

1.1. Hereby revokes its previous delegations to the Chief Executive Officer of those powers and functions under the following:

1.1.1. *Road Traffic Act 1961 (SA), Road Traffic (Miscellaneous) Regulations 2014 and Road Traffic (Road Rules – Ancillary and Miscellaneous Provisions) Regulations 2014*

1.2. Hereby revokes its previous delegations to its Development Assessment Panel under the *Development Act 1993* and *Development Regulations 2008*.

2. Delegations made under *Development Act 1993*

2.1 In exercise of the powers contained in Section 20 and 34(23) of the Development Act 1993, the powers and functions under the *Development Act 1993* and the *Development Regulations 2008* contained in the proposed Instrument of Delegation contained in Appendix 1 are hereby delegated this 11th day of September 2018 to the person occupying the office of Chief Executive Officer subject to the conditions or limitations indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation under the Development Act 1993. (Noting that numbered sections 36.1 to 36.6 are not delegated)

2.2 Such powers and functions may be further delegated by the Chief Executive Officer as the Chief Executive Officer sees fit and in accordance with the relevant legislation unless otherwise indicated herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation under the *Development Act 1993*.

2.3 In exercise of the powers contained in Section 20 and 34(23) of the *Development Act 1993* the powers and functions under the *Development Act 1993* and the *Development Regulations 2008*contained in the proposed Instrument of Delegation contained in Appendix 1 and which are specified below are hereby delegated to the Council's Assessment Panel, subject to any conditions specified herein or in the Schedule of Conditions contained in the proposed Instrument of Delegation under the *Development Act 1993*.

3. Endorses the 'Development Delegations Policy' attached as Appendix 2 (subject to any identified amendments.

4. Delegations made under *Local Government Act 1999.*

4.1 In exercise of the power contained in Section 44 of the *Local Government Act 1999* the powers and functions under the following Act and specified in the proposed Instruments of Delegation contained in Appendix 1 are hereby delegated this 11th day of September 2018 to the person occupying the office of Chief Executive Officer subject to the conditions and or limitations specified herein or in the Schedule of Conditions in each such proposed Instrument of Delegation.

4.1.1 *Road Traffic Act 1961 (SA), Road Traffic (Miscellaneous) Regulations 2014 and Road Traffic (Road Rules – Ancillary and Miscellaneous Provisions) Regulations 2014(Appendix 3)*

4.2 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, unless otherwise indicated herein or in the Schedule of Conditions contained in each such proposed Instrument of Delegation.

Carried

11.46pm Independent Member - Finance and Audit Committee Meeting
Report Reference GC180911R12

Moved Councillor Pfeiffer, Seconded Councillor Prior that Council:

1. Re-appoint Ms Emma Hinchey to the Finance and Audit Committee for a period of 3 years until 30 November 2021

Carried

13. CORPORATE REPORTS FOR INFORMATION/NOTING

11.46pm City of Marion Public Health Planning - Progress Report 1 July 2016 - 30 June 2018 Report Reference GC180911R19

Moved Councillor Pfeiffer, Seconded Councillor Prior that Council:

1. Endorses the 1 July 2016- 30 June 2018 City of Marion Progress Report on Public Health Planning for submission to the Chief Public Health Officer and forwarding to the Minister for Health (Appendix 1).

2. Include the report on the testing undertaken by the EPA of phone tower emissions at Oaklands Park and the report on groundwater testing.

Carried

The following items were not considered:

- Outcome of review of Hire charges of Council Operated Facilities (GC180911R05)
- Iconic Event (GC180911R07)
- Draft Coastal Climate Change Adaptation Plan (GC180911R09)
- Dogs on and off leash areas (GC180911R10)
- Policy Review (GC180911R13)
- Higher Density Dwelling Impacts on Adjacent Infrastructure and Local Parking Management (GC180911R14)
- Questions taken on Notice Register (GC180911R15)
- Corporate and CEO KPI Report Quarter Four 2017/18 (GC180911R16)
- Work Health and Safety – Monthly Performance Report August 2018 (GC180911R17)
- Draft Public Consultation Policy (GC180911R18)
- Public Access to Information (GC180911M01)
- Council Nursery (GC180911Q01)

14. MEETING CLOSURE

Meeting Declared Closed at 11.51pm

CONFIRMED THIS 9 OCTOBER 2018

.....
CHAIRPERSON

COMMUNICATIONS

Mayoral Communication Report

Date of Council Meeting 09 October 2018

Name of Elected Member Mayor - Kris Hanna

Report Reference GC181009R

Details

Date	Event	Comments
25 August 2018	Bangladesh Club Australia: Asian Multicultural Night 2018	Attended
26 August 2018	Marion RSL AGM	Attended, gave speech
27 August 2018	Mayor's Multicultural Forum	Hosted
29 August 2018	Hallett Cove Business Association Local Business Awards	Guest Speaker Presented awards
31 August 2018	Rate Capping Forum	Hosted
1 September 2018	Marion Tennis Club Open Day	Attended
1 September 2018	Marion Rams Footy Elimination Final	Attended
3 September 2018	Sheidow Park School - Moon Lantern Festival	Guest speaker
4 September 2018	Official Renaming Ceremony for Sixth Avenue Reserve / Joan Herraman Reserve	Guest speaker
5 September 2018	Metropolitan Mayors Luncheon	Attended
5 September 2018	Metropolitan Local Government Group Meeting	Attended
6 September 2018	Community Lunch Hosted by Junction	Attended
7 September 2018	Exhibition Openings: limited Edition / Plus One / Fleurs Du Printemps	Attended
8 September 2018	Citizenship Ceremony (two)	Conducted ceremony to welcome new Australians
8 September 2018	Cove Netball Club Presentations	Attended
8 September 2018	South Adelaide Basketball Presentation Night	Attended
8 September 2018	The Cove FC Senior Presentation Night	Attended
9 September 2018	Plympton RSL Quarterly Meeting	Attended
11 September 2018	Clovelly Park Primary School Mural Inspection	Attended
11 September 2018	70th Wedding Anniversary Visit to Shirley & Allen Hurst	Presented gift on behalf of the City of Marion

12 September 2018	Vietnam Veterans Federation of South Australia Site Inspection	Attended
16 September 2018	Marion RSL Bowling Club, Official Season Opening & Presentations	Bowled first bowl of the season to open season
17 September 2018	Marion Community Services Expo	Attended
18 September 2018	Meeting with Dara School Principal	Attended
19 September 2018	Marion Historical Society Meeting	Attended
20 September 2018	Gallery M / Red House Group AGM	Attended
22 September 2018	Morphettville Racecourse Lunch	Attended with CEO Mr Adrian Skull
22 September 2018	Morphettville Park Football & Sporting Club 2018 Presentation Dinner	Attended
23 September 2018	Marino Hall Committee: Pop Up Cafe	Attended
23 September 2018	Bandolody (Marion City Band)	Attended
1 October 2018	South Coast Cycling Farewell to Velodrome	Raced Councillor TIm Pfeiffer

ADJOURNED ITEMS

DEPUTATIONS

PETITIONS

COMMITTEE RECOMMENDATIONS

Finance and Audit Committee Meeting Minutes 2 October 2018

Originating Officer	Governance Officer - Karen Ferry
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC191009R01

REPORT OBJECTIVE

The purpose of this report is to facilitate the receiving and noting of the minutes from the 2 October 2018 Finance and Audit Committee meeting.

EXECUTIVE SUMMARY

Items considered at this meeting are summarised below:

- Elected Member Report
- Annual Financial Statements for the year ended 30 June 2018
- Independence of Council's Auditor
- Meeting with External Auditors in Confidence (without management present)
- Internal Audit Program 2018/19 Scoping Documents
- Corporate Reporting Policy and Framework
- Finance and Audit Committee Annual Report to Council 2017/18
- Insurance and Claims Management 2017-18 Annual Report
- Service Review Program and Recommendations - Progress Update
- Results of the Bi-Annual Performance and Effectiveness Review of the Finance and Audit Committee
- Internal Audit Program - Implementation of Recommendations
- Debtors Report
- Investment Performance 2017/18

RECOMMENDATION

That Council:

1. **Receives and notes the minutes of the Finance and Audit Committee meeting on 21 August 2018 (Appendix 1).**

2. **Notes that separate reports will be brought to Council for consideration of any recommendations from the Finance and Audit Committee.**

Attachment

#	Attachment	Type
1	FAC1181002 - Minutes - 2 October 2018 (2)	PDF File

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
HELD AT THE ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON 2 OCTOBER 2018

PRESENT
Mr. Greg Connor (Chair), Ms Emma Hinchey and Councillor Telfer

In Attendance

Mr. Adrian Skull	Chief Executive Officer
Mr. Vincent Mifsud	General Manager Corporate Services
Ms. Abby Dickson	General Manager City Development
Ms Kate McKenzie	Manager Corporate Governance
Mr. Ray Barnwell	Manager Finance and Contracts
Mr. David Harman	Unit Manager Statutory Finance and Payroll
Ms. Karen Peake	Acting Unit Manager Risk
Ms. Cass Gannon	Performance and Innovation Leader
Ms. Penny Wood	Deloitte Touche Tomatsu
Mr. Justin Jamison	KMPG
Mr. James Rivett	KMPG

1. OPEN MEETING

The meeting commenced at 9.32 am . The Chair welcomed all those present to the meeting.

2. KAURNA ACKNOWLEDGEMENT

We begin by acknowledging the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. MEMBERS DECLARATION OF INTEREST

The chair asked if any member had a conflict of interest regarding any item of the agenda. No conflicts of interests were declared.

4. CONFIRMATION OF MINUTES

9.33 am Confirmation of the Minutes for the Finance and Audit Committee Meeting held 21 August 2018

Moved Councillor Telfer, Seconded Ms Hinchey that the minutes of the Finance and Audit Committee (the Committee) meeting held on 21 August 2018 are confirmed as a true and correct record of proceedings.

Carried Unanimously

5. BUSINESS ARISING

9.34 am Business Arising Statement
Report Reference: FAC1181002R01

The Committee noted the Business Arising Statement and the progress of actions. All items listed in the up-coming scheduled were listed on the agenda.

6. CONFIDENTIAL ITEM

Nil

7. REPORTS FOR DISCUSSION

9.35 am Elected Member Report
Report Reference: FAC181002R02

Councillor Telfer indicated that Council has essentially completed its work for the term and the caretaker period has commenced.

The Committee noted the report and made some further enquiries regarding the Icerinks project. It was noted that this proposal was received by the Council via an unsolicited proposal and Council progressed with an Expression of Interest (EOI) to ensure fairness and equity. Through the EOI, three proposals were received and Icerinks have now been short listed and requested to present a full business case to Council early in 2019.

The Committee also queried whether the purchase of the property at Bakewell Crescent, Marino was part of a predetermined strategy and suggested that Council should have a strategy in place prior to the purchase of assets and be clear what the purpose of such an acquisition is.

9.43 am Annual Financial Statements for the year ended 30 June 2018
Report Reference FAC181002R03

Committee commenced the review of the financial statements by acknowledging the improvement of the reporting in the past few years including its format and layout. The Committee also noted the strong financial position of the Council.

The Manager Finance provided an overview of the report highlighting the following points:

- The accounts show the on-going strong financial performance of the Council reporting an Operating Surplus in 2017/18 of $10.9m down on the $11.7m reported last year but greater than the $5.008m surplus forecast in the original adopted budget.
- The Auditors have completed the audit with no findings with regards to the financial statements and have indicated they expect to issue an unmodified audit opinion in relation to both the financial statements and the effectiveness of our internal controls. They have also provided some recommendations to strengthen the internal controls.
- Page 37 to 39 of the agenda includes an analytical review against prior year actuals and also against original adopted budget with commentary to explain the variations.
- A full comprehensive valuation has been completed in 2017/18 for both our Infrastructure Assets and Land and Buildings. Council's Infrastructure, Property, Plant and Equipment (IPP&E) decreased by $3.1m or 0.3% compared to the previous year. Council has split the independent valuations into two parts with APV completing the Infrastructure valuations and JLL (recent acquirer of Maloney's Field Services) completing Land and Buildings valuation.
- The value of land has also decreased by $8m which predominately relates the re-classification of land at the Marion Golf Course from residential to Hills facing.
- The operating surplus ratio is 12% which is 1% lower than the previous year, however it is still higher than the required target and the 5.8% forecast in the adopted budget.
- The net financial liabilities ratio is in the negative which shows Council's Financial Assets exceed its Financial Liabilities. This is based on substantial holding of cash and other financial assets allocated for unexpended grants and funding of major capital projects, including the multi-year Edwardstown Oval redevelopment currently under way.
- Council also received a cash distribution from its regional subsidiary, Southern Region Waste Resource Authority (SRWRA) of $765k.

In addition to this, the Manager Finance provided an in-depth summary of the income, expenses, assets and liability variations highlighted on page 37 to 39 of the agenda. The Committee noted the summary provided and made the following points:

- That employee costs were down by approximately $740k on original budget and this was due to vacancies (particular from the restructure from the previous financial year). It was noted that there were no retrenchment costs in the 17/18 financial year.
- Carryovers (excluding grants) reduced from $3.2m to $3m. It was noted that some works carryovers occurred very early in the new financial year. For example, a street sweeper valued at $313k arrived on the 12th July 2018 and works on the Club Marion carpark ($252k) were completed in the first week of July, delayed by two weeks due to inclement weather. The Committee commented that the carryovers are improving and this was the third year in a row that they had decreased.
- The Committee agreed that the organisation should be aiming for zero carryovers however there will always be circumstances where works are carried over due to circumstances beyond the control of the Council. The Committee suggested that information on carryovers should be provided to the new council as part of their induction and that the budget process should acknowledge the likelihood of carryovers and include a contingency for works straddling financial years.

ACTION: Information regarding carryovers be included within the Induction of the new Council.

Ms Penny Woods (Deloitte Touche Tohmatsu) provided an overview of their report noting that the scope of their work was completed in accordance with the Australian Auditing Standards, the *Local Government Act 1999* and the *Local Governance Financial management) Regulations 2011*.

The Committee noted the audit was complete with the only outstanding process being the exchange of management letters and the signing of the statements. Ms Woods confirmed that no findings were made with regards to the financial statements and that there were no significant deficiencies to disclose. They expect to issue an unmodified audit opinion.

It was noted that there was no change to accounting standards, however an interpretive change had occurred regarding residual values and many Councils are now componentising assets.

Ms Woods highlighted that the areas of focus within the audit were:

- Infrastructure, Property, Plant and Equipment,
- Rates Revenue and Grant Income, and
- Expenditure.

The Committee noted:

- The variation to the valuations and that some changes were based on asset condition from physical inspections. This may have occurred due to the change in valuers.
- All grant funding that must be recognized has been recognized in the financial statements.
- The internal control review included substantive testing on expenditure which confirmed the adequacy of the controls in place. There were no issues noted through this testing.
- Deloitte used their internal specialist to test the IPP&E valuation process.
- Deloitte tested the management override of journal entries and no issues were identified.

Ms Woods indicated that Deloitte Touche Tohmatsu were also engaged to test the internal controls. They have performed control assessment on a rotation basis for each of the six risk categories being assets, liabilities, expenses, revenue, strategic financial planning and external services. The Auditors did not detect any significant deficiencies in internal controls however five (5) findings for improvement were noted. These related to implementation of a policy for grants attraction, documenting the policy for issuing of grants to the community, creating an audit trail for the debtor master file, ensuring there is a formal process in place for management sign off on the Register of Allowance and Benefits and changes to the creditor master file are reviewed and supported with documented evidence.

The Committee requested that management progress the issue with the debtor master file with Civica and suggested that it is unreasonable that the system cannot track any change and provide an audit trail. The Committee noted that although there are other controls in place, this does impact as a potential fraud risk to the organisation.

It was noted that Management have met with the executive team of Civica and are actively reviewing this system for future needs / requirements.

The Committee noted that the finding on the Register of Allowances and Benefits has already been resolved.

The Committee noted the financial statements from both Council subsidiaries being SRWRA and Council Solutions. The Committee noted the positive operations of SRWRA and that it is more than just a landfill operation. The subsidiary is looking at better ways to continually improve the life of the business. The Committee also noted that it is estimated that Council Solutions has saved the City of Marion in the vicinity of $900k. Concerns were raised that the Councils Solutions may have over complicated the structure for the subsidiary as it is now a $1m business. It was noted that there are changes to improve the performance of the organisation occurring and there is currently an interim CEO in place.

In summary, the Committee noted the end of financial year accounts for 17/18 and made the following points:

- The financial statements presented are solid.
- The asset consumption ratio is lower than target indicating that in outer years of the Long Term Financial Plan there may be an additional funding requirement to maintain and/or replace assets. Council has focused on its major community facilities and it may be that additional work is required on the smaller facilities to increase this ratio.

ACTION: Could further information be provided through the business arising statement on the following:

- **How the aggregate thresholds have been determined for the different assets categories identified within Note 6.2 to the accounts on pages 49 and 50 of the agenda?**
- **In Note 11. Reconciliation to the Statement of Cash Flows, what was the cause of the unreversed prior year increases under Change in Net Current Assets (for Receivables and Trade and Other Payables) on page 67 of the agenda?**

Moved Ms Hinchey, Seconded Councillor Telfer that the Finance and Audit Committee:

1. Recommends to Council that the audited Annual Financial Statements for the year ended 30 June 2018, as included at Attachments 3-5, be adopted (noting changes within the report)

2. Notes Deloitte Touche Tohmatsu's management letter, as included at Attachment 6.

3. Notes the comparative analysis to prior year Audited Financial Statements and original adopted budget (Analytical Review), as included at Attachment 2.

Carried Unanimously

11.18 am Independence of Council's Auditor
Report Reference FAC181002R04

Moved Councillor Telfer, Seconded Ms Hinchey that the Finance and Audit Committee:

1. Notes the statement provided by Council's Auditor attesting to their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2017/18 financial year.

2. Notes that the CEO will be signing a statement that Council's external auditor Deloitte Touche Tohmatsu maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2017/18 financial year.

3. Endorses the Chairperson signing a statement that Council's external auditor Deloitte Touche Tohmatsu maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2017/18 financial year.

Carried Unanimously

11.18 am Independence of Council's Auditor
Report Reference FAC181002R04

Moved Councillor Telfer, Seconded Ms Hinchey that the Finance and Audit Committee:

2. Notes the statement provided by Council's Auditor attesting to their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2017/18 financial year.

3. Notes that the CEO will be signing a statement that Council's external auditor Deloitte Touche Tohmatsu maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2017/18 financial year.

4. Endorses the Chairperson signing a statement that Council's external auditor Deloitte Touche Tohmatsu maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2017/18 financial year.

Carried Unanimously

11.19am Meeting with the External Auditors in Confidence (without management present)
Report Reference FAC180818R07

Moved Councillor Telfer, Seconded Ms Hinchey that the Finance and Audit Committee:

1. Pursuant to Section 90(2) and (3)(g) of the *Local Government Act 1999,* orders that all persons present, be excluded from the meeting, with the exception of Penny Wood from Deloitte Touche Tohmatsu, as the Finance and Audit Committee meets with Council's External Auditors, on the basis that the Finance and Audit Committee is

satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information of the Council.

Carried Unanimously

11.32 am Internal Audit Program 2018/19 Scoping Documents
Report Reference FAC181002R11

Mr Justin Jamison and James Rivett from KPMG entered the meeting. Mr Jamison provided an overview of both scope documents as follows:

Customer Experience
The scope for this audit is to assess the risk and controls associated with the whole organisation's customer experience. The Service Review previously completed in 2017/18 focused on the Customer Services team only. Key focus areas will be policy and procedure, roles and responsibilities, service requests and complaints and benchmarking against ISO 10002 Customer Satisfaction and Complaint Handling. The Committee endorsed the scope and requested the auditors to ensure the work completed in the service review was used to inform the audit but not repeated.

Tendering
The scope for this audit is to assess how tender practices are applied through the City of Marion. The audit will test other procurements to see if a tender should have been used but wasn't and the reasons as to why.

The Committee noted the scope and suggested that it may be useful to speak with both successful and unsuccessful tenderers to understand their experience.

The Committee noted that Mr Jarred Lawrence has resigned from KPMG and the Committee queried what the staffing arrangements will be moving forward. Mr Jamison advised that this is currently being worked through and this can be presented to the December meeting.

ACTION – that KMPG provide further information on the staff structure at the December 2018 meeting.

11.38 am Mr Jamison and Rivett from KPMG left the meeting

11.38am Corporate Reporting Policy and Framework
Report Reference FAC181002R05

The Committee noted that further work was required on the Policy and that the final version had not been presented. The Committee agreed to represent this report in December. The Committee also requested that the report include how this framework will benefit the Committee and organisation, what is its key theme and what it will look like when in operation? The Committee noted that the background in the Framework could also be amended and that greater transparency and clarity was required in regards to responsibilities and accountability.

11.40am Finance and Audit Committee Annual Report to Council 2017/18
Report Reference FAC181002R06

The Committee thanked the staff for the report and made no amendments.

Moved Council Telfer, Seconded Ms Hinchey that the Finance and Audit Committee:

1. Endorses the Annual Report to Council for 2017/18 provided at Appendix 1 to this report and recommends it be presented to the General Council meeting on 9 October 2018.

Carried Unanimously

11.41am Insurance and Claims Management 2017-18 Annual Report
Report Reference FAC181002R08

The Acting Unit Manager Risk provided an overview of the report noting the three categories of motor vehicle, property and public liability / professional indemnity.

The Committee noted the report and made the following comments:

- Incident reporting is a good indicator of what is happening. Ensure that the reduced incident reporting does not diminish the data required to manage the business. Management noted that:
- ELT have introduced quarterly reporting on the claims statistics. Employees with repeat issues are monitored and performance is discussed.
- Theft of copper pipe continues to be an issue. Management are progressing with an audit of sites to reduce the risk.
- The event cancellation policy was enacted in relation to the 'Concert at the Cove' event due to adverse weather conditions.

11.53am Service Review Program and Recommendations – Progress Update
Report Reference FAC1181002R09

The Performance and Innovation Leader provided an overview of the report and commented that the program is on track. It was noted that the Living Kaurna Cultural Centre recommendations are off track which is beyond the control of Council. Council is currently waiting for a response from Kaurna which is impacting on the delay of these recommendations. The current risk is around the recommended future management model not progressing, meaning that Council would need to rethink its strategy in this area.

The Committee also queried the implementation of the Asset Management review. It was noted that some of the original due dates were ambitious. The team is currently progressing with data cleansing prior to a new system being implemented. It was noted that a staff member from the City of Charles Sturt has been seconded to assist with the recommendations. It was noted that the Assets Team are feeling positive but the implementation will take longer than originally anticipated.

11.57am Results of the Bi-Annual Performance and Effectiveness Review of the Finance and Audit Committee
Report Reference FAC181002R10

The Committee noted the report and the good results. The Committee agreed that further work on the size of the agenda, report quality and a review of the risk appetite would be beneficial in 2019. The Committee noted that the Risk Management Framework is due for

review in 2019. The Committee agreed that a workshop with Council and the Committee in August 2019 on risk tolerance would be a positive step.

8. REPORTS FOR NOTING

12.02pm Internal Audit Program – Implementation of Recommendations Report Reference FAC181002R12

The Committee noted the implementation of recommendations for the Capital Works internal audit highlighting that the implementation of the Project Management Framework had still not progressed. It was noted that the Project Management Software was being implemented but the documentation was not yet completed. The Committee cautioned that there was a risk that Council would simply implement the software without the strategy of what the business requires. It was noted that this work has been progressing concurrently and a further report could be brought to the next meeting in December 2018.

ACTION – a report on the progress of the project management framework be presented to the December 2018 meeting.

The Committee also requested that a summary of the recommendations be included within the comments to ensure that the implementation of recommendations reflect the original finding.

12.11pm Debtors Report Report Reference FAC181002R13

The Committee noted the report and noted that the Rate debtors had increased. The Committee queried what could be progressed to reduce this number.

It was noted that a report should be brought to Council with some further profiling of those long outstanding rates debtors that have arrears of greater than three years, which currently totals $603k. It was noted that Council should consider the sale of property to recover longstanding rates debts (particular those that are commercial).

The Committee recommended that some focus is required to reduce these figures.

ACTION: that Administration investigate the sale of commercial properties with rates outstanding and that further analysis be completed to understand the nature of these debtors to Council.

12.16pm Investment Performance 2017/18 Report Reference FAC181002R14

The Committee noted the report and the favourable results reported. The Committee made the following points:

- The Council earned $1.1m of interest on its investments in 2017/18
- The performance is above the Reserve Bank benchmark.
- The LGFA is guaranteed by the State Government.
- The Council do test the market ensuring competitive rates are received from the LGFA.

9. WORKSHOP / PRESENTATION ITEMS

Nil

10. ANY OTHER BUSINESS

The Committee thanked Councillor Telfer for her work, diligence and commitment to the Committee and wished her well in the up-coming elections.

11. MEETING CLOSURE

The meeting was declared closed at 12.23 pm

12. NEXT MEETING

The next meeting of the Finance and Audit Committee is scheduled to be held:

Time: 9.30am
Date: 11 December 2018
Venue: Council Chamber, Administration Building

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CHAIRPERSON

/ /

Infrastructure and Strategy Committee Minutes 2 October 2018

Originating Officer	Governance Officer - Karen Ferry
Corporate Manager	Manager Innovation and Strategy - Fiona Harvey
General Manager	General Manager City Development - Abby Dickson
Report Reference	GC181009R02

REPORT OBJECTIVE

The purpose of this report is to facilitate the receiving and noting of the minutes from the 2 October 2018 Infrastructure and Strategy Committee meeting.

EXECUTIVE SUMMARY

A summary of items considered by Committee Members are noted below:

Morphettville Park Sports Club Redevelopment
This report provided an update on the status of the project. Members provided feedback relating to ensuring the issue of noise attenuation is addressed; the facility is 'battery ready' to ensure energy efficiency; and additional landscaping opportunities are explored in consultation with the local community.

Edwardstown Soldiers Memorial Recreation Grounds
An update on the redevelopment of the Edwardstown facility was provided. The value of the financial and management model used which has the capacity to inform asset management more broadly, and the comprehensive engagement and communications with the community during the planning and construction phases were highlighted. Members requested consideration be given to the renaming of the facility in consultation with the new board, and that strenuous efforts be made for the velodrome to be available for a cycling event scheduled to be held on 26 January 2019.

Committee Handover
Members identified potential agenda items for consideration during the next term of the Committee. These included renewables and energy efficiency; mobility and transport; asset management; Tonsley precinct; and cross-council collaboration and leadership.

Innovative Smart Initiatives
An update was provided on current and potential opportunities in relation to smart technology solutions. Nine initiatives were presented based on the application of the Innovative Smart Initiatives priority scoring system. Members provided feedback on the initiatives noting the value of data collection to inform service provision.

RECOMMENDATION

That Council:

1. **Receives and notes the minutes of the Infrastructure and Strategy Committee meeting of 2 October 2018 (Appendix 1).**

Attachment

#	Attachment	Type
1	ISC181002 - Draft Minutes ISC meeting 2 October	PDF File

APPENDIX 1

MINUTES OF THE INFRASTRUCTURE AND STRATEGY COMMITTEE
HELD AT ADMINISTRATION CENTRE
245 STURT ROAD, STURT
ON TUESDAY 2 OCTOBER 2018

PRESENT

Elected Members

Councillor Tim Pfeiffer *(Presiding Member)*, Councillor Tim Gard, Councillor Bruce Hull

His Worship the Mayor Kris Hanna

Independent Member

Mr Christian Reynolds

In Attendance

Councillor	Jason Veliskou
Mr Adrian Skull	Chief Executive Officer
Ms Abby Dickson	General Manager City Development
Ms Fiona Harvey	Manager Innovation and Strategy
Mr James O'Hanlon	Unit Manager Sport and Recreation Facilities
Ms Birgit Stroeher	Acting Manager City Activation
Ms Georgie Johnson	Smart Cities Project Officer

1. OPEN MEETING

The meeting commenced at 6.34pm.

Moved Mayor Hanna, Seconded Councillor Gard that:

1. Councillor Tim Pfeiffer be the Presiding Member for the duration of the meeting.

Carried unanimously

2. KAURNA ACKNOWLEDGEMENT

We acknowledge the Kaurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3. MEMBERS DECLARATION OF INTEREST

The Chair asked if any Member wished to disclose an interest in relation to any item being considered at the meeting.

- No declarations were made.

4. CONFIRMATION OF MINUTES

Moved Mayor Hanna, Seconded Councillor Hull that the minutes of the Infrastructure and Strategy Committee Meeting held on 4 September 2018 be taken as a true and correct record of proceedings.

Carried unanimously

5. BUSINESS ARISING

The following points were made:

- Confirmation is required that 50 additional car parks will be provided in the Oaklands Crossing Grade Separation Project
- The Council is responsible for determining the Terms of Reference for a new committee in the new Council term

Moved Mayor Hanna, Seconded Councillor Gard that the Infrastructure and Strategy Committee:

1. Noted the report and progress outlined.
2. Administration to seek written clarification in regard to 50 additional car parks at Oaklands Station

Carried unanimously

6. CONFIDENTIAL REPORTS

Nil.

Action: If no Confidential Reports are presented the word 'Nil' to be added to the agenda.

7. REPORTS FOR NOTING

6.42pm Morphettville Park Sports Club Redevelopment – Project Update
Report Reference: ISC181002R02`

The following points were made by the Committee:

- It is envisaged this final development stage will complete the project for the foreseeable future
- Information was sought on the project management structure in place to ensure project delivery by December 2019
- It is critical that noise attenuation be addressed from operational and capital works perspectives to mitigate excessive noise levels for local residents
- The building should include solar panels and be 'battery ready' to ensure energy efficiency
- Potential for additional landscaping at locations on the perimeter of the site should be investigated in consultation with the local residents

Moved Mayor Hanna, Seconded Councillor Gard that the Infrastructure and Strategy Committee:

1. Noted this report
2. Requested additional detail on project planning be provided

3. Requested further consideration be given to noise attenuation, solar infrastructure and future-proofing with regard to batteries, and landscaping in consultation with the local community

Carried unanimously

7.15pm Edwardstown Soldiers Memorial Recreation Grounds – Redevelopment Update
Report Reference: ISC181002R03

The Unit Manager Sport and Recreation Facilities presented on the financial management model and construction status for the facility. The following points were made in discussion:

- The financial and management model aligns itself to, and meets, all national sporting administration objectives for ongoing sustainability of sporting and community clubs
- Consideration should be given to application of the model to inform asset management and delivery of services more broadly over the long-term
- Future tenants have been secured that will expand the use of the facility beyond sport
- Projected revenue will enable the facility to be financially self-sufficient by year 4
- A high priority has been given to ensuring the culture and history of all the clubs are maintained and recognized
- The template for this model is being deployed with other club redevelopments

The Acting Manager City Activation presented on the project's construction. The following points were made in discussion:

- The facility is due to open in April 2019
- A time lapse video is being developed to provide a record of the project's construction phases
- Consideration needs to be given to a phased opening of the site to enable a key cycling event to be held on the velodrome on Australia Day 2019
- Noise attenuation is a critical issue for local residents and will be addressed in the design and construction of the facility
- The community have been kept well informed throughout construction through fliers distributed at the commencement of each project stage, and enewsletters providing timely information on access and requesting feedback from community members on stories they have relating to the facility that can be used. This communications model is being used for other projects, such as Morphettville Park Sports Club redevelopment

Moved Mayor Hanna, Seconded Mr Reynolds that the Infrastructure and Strategy Committee:

1. Noted the report and progress outlined.
2. Request further consideration be given to renaming the facility in consultation with its new board.
3. Request strenuous efforts be made to make the velodrome available for the cycling event to be held on 26 January 2019.

Carried unanimously

8. REPORTS FOR DISCUSSION

7.50pm Committee Handover
Report Reference: ISC181002R04

The Presiding Member requested feedback from Committee Members on items to highlight for consideration by the next Committee. The following items were noted:

- Renewables and energy efficiency – including fleet
- Technology and systems – both internal and external
- Issues relating to youth and ageing community sectors
- Mobility and transport and the role of smart technology
- Funding structures as project enablers - investigate structures for upcoming infrastructure destination projects including use of the Edwardstown Redevelopment model
- Asset optimisation – asset sustainability ratio and use of data to measure the performance of assets to inform investment for next 12-18 months
- LED light smart cell – capacity for data collection to guide investment levels and service levels
- Maximising the potential of Tonsley
- Cross-council collaboration and leadership

In discussion the following points were raised by Members:

- Mega trends, such as technology and economics, affecting strategic directions will not change over the short-term
- Energy efficiency and renewables principles must be embedded in the design and delivery of infrastructure projects
- It is important there are clear links between the vision in Council's 10-Year Strategic Plan 2017-2027 and the focus of the Committee
- Council needs to be proactive from an infrastructure planning perspective, such as roads and rail systems
- Strong relations/partnerships is important for Council in its leadership role in the provision of infrastructure

Moved Mayor Hanna, Seconded Councillor Gard that the Infrastructure and Strategy Committee:

1. Provided input into the handover report for consideration by a new committee.

Carried unanimously

8.13pm Innovative Smart Initiatives Update
Report Reference: ISC181002R05

The Manager Innovation and Strategy introduced the report making the following points:

- Current trials are being undertaken on the Optimo Route Application to create efficient travel routes for outdoor teams, and SmarterWX that enables identification of projects planned in or near locations where Council is performing works, such as SA Water
- The trial of motion sensors installed to measure pedestrian and bike movements was unsuccessful due to picking up additional traffic movement so alternative options are being reviewed
- An example of the use of technology to gather data would be to assist in a review of the Walking and Cycling Guidelines
- It is important to identify what problems need to be solved to support the best selection of providers to collect data and targeted data collection
- Feedback was sought on 9 initiatives in the priority scoring system

The following queries and points were raised by Members:

- Data can support asset optimisation in relation to performance measurement of service - real time measures can assist in the performance of assets
- The value of measuring to acquire data was queried with acknowledgement that effective data collection would support effective service provision
- There is potential to partner with companies that need demonstration sites for trialling their technology through mechanisms such as establishing Memorandums of Understanding
- There would be value in identifying which state government Minister has smart lighting within their jurisdiction
- Comments relating to the 9 initiatives included:
    - The initiatives could be used as models for analysis of assets and work programs
    - The value of data can be demonstrated in the measurement of performance and delivery of strategy
    - Data measurement can correlate with budget forecasting and 'pressure test' budget assumptions
    - Consideration could be given to monitoring wildlife movement with the Sturt River Linear Park Smart Lighting initiative
    - Data can support the establishment and measurement of Key Performance Indicators
    - Clarity is required on data used for asset management so Council has confidence asset sustainability is being achieved

Action: Identify the state government Minister responsible for smart lighting

Moved Councillor Gard, Seconded Mr Reynolds that the Infrastructure and Strategy Committee:

1. Provided feedback on the nine potential initiatives assessed using the Innovative Smart Initiatives Priority Scoring Matrix, and proposed next steps for these prioritised initiatives.

Carried unanimously

9. WORKSHOP / PRESENTATION

Nil

10. ANY OTHER BUSINESS

Nil

11. MEETING CLOSURE

- The Presiding Member thanked Elected Members and the Independent Member for their contributions to the Committee.
- In discussing the work of the Committee over the previous year it was agreed that the monthly meeting structure was effective.

The meeting was declared closed at 8.48pm.

12. NEXT MEETING

The next meeting of the Infrastructure and Strategy Committee will be held at 6.30pm on Tuesday 4 December 2018 in the Council Chamber, 245 Sturt Road, Sturt.

CONFIRMED

.....
CHAIRPERSON
/ /

CONFIDENTIAL ITEMS

CORPORATE REPORTS FOR DECISION

Finance and Audit Committee Annual Report to Council 2017/18

Originating Officer	Manager Corporate Governance - Kate McKenzie
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R03

REPORT OBJECTIVE

The purpose of this report is to present the Finance and Audit Committee Annual Report for 2017/18 to Council and to invite Council's feedback on the opportunities for continuing development of the Committee's operations. **Appendix 1** is a copy of the Report which provides a summary of the work of the Committee pursuant to the Committee's Terms of Reference and Annual Work Program.

EXECUTIVE SUMMARY

The Finance and Audit Committee Policy provides that the Audit Committee shall report annually to the Council on its operation and activities during the year. This report provides an important communication tool with Council in addition to the minutes received after each meeting.

The primary objective of the Finance and Audit Committee is to add value through the provision of advice to ensure that the resources of the City of Marion are being used efficiently and effectively. it assists Council to accomplish its objectives by contributing to a systematic and disciplined approach to evaluating and improving the effectiveness of financial management, risk management, control and governance processes.

RECOMMENDATION

That Council:

1. **Notes the Finance and Audit Committee's Annual Report to Council for 2017/18 provided at Appendix 1.**

Attachment

#	Attachment	Type
1	Appendix 1 - FAC Annual Report 2017-18	PDF File

APPENDIX 1

REPORT TO THE CITY OF MARION COUNCIL

ON THE OPERATIONS OF THE FINANCE AND AUDIT COMMITTEE FOR 2017/18

INTRODUCTION

This report provides an overview of the City of Marion Finance and Audit Committee (The Committee) operations for 2017/18 financial year.

Clause 4.21 of the Finance and Audit Committee Policy provides that the Audit Committee shall report annually to the Council on its operation and activities during the year. This report includes:

- A summary of the Committee's assessment of the City of Marion's Risk & Control Framework;
- A summary of the work the Committee performed during the year including a focus on;
    - Risk and internal control,
    - Financial reporting and prudential requirements,
    - Service reviews and internal audit.
- Meeting statistics;
- Future work scheduled for 2018/19.

This report is intended to invite comment and discussion from Council.

THE FINANCE AND AUDIT COMMITTEE'S ASSESSMENT OF THE CITY OF MARION'S RISK & CONTROL FRAMEWORK

The Committee's assessment of the Council's Risk, Control and Audit Frameworks draws from a number of sources including Council's external and internal audits/reviews, and Council's control and risk frameworks.

Work progressed in the last financial year to further imbed the organisations risk management framework and risk management process across the organisation. The Executive Management Team have had an enhanced focus on reviewing and monitoring the organisation's risks to ensure they are managed appropriately and mitigation strategies are implemented accordingly.

During the 2017/18 year, quarterly risk reporting was introduced to Council to provide enhanced oversite of the corporate risk profile. At the end of the financial year, the residual high risk reduced from 14 to 10.

The Committee recognises that the City of Marion has a mature and planned internal and external audit program. They are both outsourced creating an increased level of independency. A number corporate risks identified have been reviewed via internal audit with findings to further mitigate the risks.

It is evident that the Council's governance, prudential obligations and risk management culture continues to improve and reduce risk to acceptable levels. The Council is making decisions based on risk and reward in the best interest of the community.

SUMMARY OF WORK PERFORMED DURING THE FINANCIAL YEAR (2017-18)

Significant items brought before the Committee for consideration during the year included:

External Audit 2016/17 (considered in October 2017)

- Deloitte Touch Tohmatsu confirmed their independence in accordance with the Local Government Financial Regulations.

- The 2016/17 external audit was completed in accordance with the Australian Auditing Standards. No contraventions of the *Local Government Act 1999* were identified, and an unmodified audit opinion was given by Deloitte's identifying that:
    - The City of Marion financial report provides a true and fair view of the Council's financial position for the year ended 30 June 2017.
    - Council would receive an unmodified audit opinion for the 2016/17 financial year with respect to the effectiveness of its internal control environment and Council's compliance with section 125 of the *Local Government Act 1999.*
    - The auditors did not note any issues regarding fraud (concerning an employee or management), there were no uncorrected misstatements or any uncorrected disclosure deficiencies in the financial statements.
- The Audited Financial Statements 2016/17 provided:
    - An operating surplus of $11.673m, which was $4.02m greater than the surplus forecast in the original adopted 2016/17 budget.
    - Total operating income for 2016/17 was $88.173m compared to $82.628m in 2015/16. The increase of $5.545m (6.7%) predominantly results from an increase in Rates of $2.6m (from an adopted rate increase of 2.5% + growth of 1.4%) and an increase in Grants, Subsidies and Contributions of $2.8m (42.6%).
    - Total operating expense for 2016/17 was $76.500m compared to $72.745m in 2015/16. The increase of $3.755m (5.2%) predominantly relates to an increase in depreciation ($3.236m) resulting from a change in revaluation methodology from the 30 June 2016 asset valuation.
    - Employee costs increased $438k (1.4%) in 2016/17 from 2015/16 with increases from Enterprise Agreements offset by final realized savings achieved from the organisational restructure that occurred in the middle of the 2015/16 financial year resulting in a reduction in management positions.
- The Committee met with Council's external Auditors in the absence of management. The Committee also met with the Internal Auditors without management being present. In both instances, both sets of auditors reported a willingness from management to provide timely information, and act quickly on any recommendations made. The only issue raised was on occasions it had been difficult to obtain information/data required due to the inability of systems to capture it and/or interrogate it.
- The Committee recommended to Council the adoption of the Audited Financial Statements for 2016/17 and noted the excellent results and financial outcomes.

Financial Reporting and Prudential Requirements

- The Committee considered and provided feedback on the framework and key assumptions of the *Annual Business Plan and Budget 2018/19*. Following this, the Committee reviewed the draft *Annual Business Plan and Long Term Financial Plan* noting that this report had improved year on year. The Committee noted the number of unfunded initiatives.
- The Committee recommended that Council keep rates low (around CPI) and cautioned them around the desire to spend. The Committee noted that Council was well prepared for the introduction of the potential for rate capping for the sector. It was noted that rate modelling was based on 1.8% and 2.2%
- The Committee also reviewed the Debtors Report and investment Reports noting the performance in these areas were satisfactory.
- The Committee reviewed a section 48 Prudential Report on the BMX Project and provided various advice. Please note that this report was considered in confidence due to the commercial information within the report.

Service Reviews

- The Committee reviewed and provided comment regarding the progress of the Service Review Program noting that the data and quality of the service review program has improved as the program has matured. The following services were reviewed with various opportunities for improvement identified:
    - Roads
    - Asset Systems
    - Maintenance of Council Facilities
    - Open Space Transformation – Phase 1
    - Customer Service
    - Community Safety Inspectorate
- The Committee considered the Service Review Plan for 2018/19 and recommended to Council that a reduced number of reviews be completed (9 instead of 12) to provide some additional resources to assist with the implementation of recommendations across the organisation. The Committee continue to monitor the progress of implementation of recommendations.

Internal Audit

- The City of Marion's Internal Audit 2015-2019 program progressed steadily. The Committee considered the final year of the program and ensured the Audits were aligned to Councils high risks.
- Various internal audit reports were presented to the Committee during the financial year including Policy Framework, Corporate Reporting, Volunteer Management, NDIS and Contractor Management. Each of these audits had various findings and the Committee continues to monitor closely the implementation of recommendations.
- In addition to the above, scopes were also considered for the Planning Assessment and Fines and Enforcement Internal Audits however these final reports were not considered until August 2018.

Internal Controls and Risk Management

- Internal controls are reviewed annually as part of the external audit process.
- The Committee focused on a number of risk programs during the 2016/17 financial year including the development and implementation of:
    - Work, Health and Safety,
    - Insurance Market Review
    - Community Emergency Management Plan
    - Business Continuity Plan.
- The Committee considered the corporate risk profile at its meeting in October 2017. This report identified 110 risks with 14 risks being rated as high, 83 as medium and 13 as low (after consideration of controls). The 14 high risks come from the following categories:
    1. Property and Infrastructure
    2. WHS Management
    3. Governance and Risk
    4. ICT/Cyber Security
    5. Contractor Management
    6. Business Continuity and Community Safety
    7. Major Projects
    8. Environment Management

- In comparison to industry counterparts, the City of Marion's risks are aligned to the sector's top rated risks. It is noted that two of the sector's top risks, Financial Sustainability/Stability and Human Resources Management, are rated as medium or low by the City of Marion (hence not listed above). This provides assurance to Council that the risk management program is working well to mitigate risks and reduce the risk exposure against the sector's highest rated risks.

Other

Other reports considered by the Committee in 2017/18 included;

- Draft ICT Digital Transformation Plan
- Claims and Insurance Report
- FAC Annual Report to Council 2016/17
- Asset Valuation Process and Outcomes for 2016/17
- Draft Building Asset Management Plan
- Appropriate Levels of Debt
- Update on Edwardstown Redevelopment
- Mitchell Park Sports and Community Centre - Funding
- Ombudsman's Annual Report 2017/18
- Unsoliciated Proposals Policy
- The Committees work program and meeting schedule for 2018

- A joint workshop with Council was held in August 2017 that focused on the principles and methodology for the Service Review Program (stage two).

DETAILS OF MEETINGS

During 2017/18, five meetings were convened;

- 15 August 2017 (joint Council and FAC Forum)
- 10 October 2017
- 12 December 2017
- 27 February 2018
- 29 May 2018

Committee Member attendance at meetings overview		
Member	**Eligible to attend**	**Attended**
Mr Greg Connor (Chairperson)	5	5
Ms Kathryn Presser (Concluded term in Nov 17)	3	3
Ms Emma Hinchey	5	4
Ms Natalie Johnston (Commenced Feb 18)	2	2
Councillor Raelene Telfer	5	5
Councillor Nick Kerry	5	2

The Committee went into confidence on nine (9) occasions to consider the following reports;

- Meeting with Internal Auditors in Confidence (FAC150817R8.4)
- Meeting with External Auditors in Confidence (FAC101017R8.13)
- Section 48 Prudential Report – BMX Confidential (FAC101017R8.14)

- Cove Road, Marino (FAC101018R8.15)
- Service Review – Report – Open Space Transformation Phase 1 (FAC121217F01)
- BMX Project (FAC121217F02)
- Insurance Market Testing (FAC270218RF01)
- Employee Agreement Negotiations (Discussion)
- Service Review – Report – Community Safety Inspectorate (FAC290518F01)

FUTURE WORK PROGRAM PROPOSAL

Major items for the Committee to review and provide comment / feedback for 2018/19 include progress on:

- Internal Audit Tender (due to commence January 2019)
- Prudential Management Policy Review
- Risk Management Framework Review and implementation

CONCLUSION

In conclusion, this report indicates that the Committee has undertaken its principal functions as set out in Section 126(4) of the Local Government Act 1999 which include:

a) reviewing annual financial statements to ensure that they present fairly the state of affairs of the Council;

b) proposing, and providing information relevant to, a review of the Council's strategic management plans and annual business plan; and

c) Liaising with the Council's auditor.

The body of work undertaken by the Committee is maturing and the Committee is striving to ensure that its work is useful in the context of contributing to the City of Marion's strategic objectives. The Committee invites Council's feedback on the opportunities for continuing development of the Committee's operations.

I record my thanks for the support and diligence of those involved in the Committee being my fellow Finance and Audit Committee Members and the Council's Elected Members. The Committee acknowledged Ms Kathryn Presser for her service on the Committee and welcomed Ms Natalie Johnston in February 2018. I would also like to thank the management team for their hard work in the production of quality reporting that allows robust and fruitful discussions.

Greg Connor
Chairperson
City of Marion Finance and Audit Committee

Annual Financial Statements for the year ended 30 June 2018

Originating Officer	Unit Manager Statutory Finance and Payroll - David Harman
Corporate Manager	Manager Finance - Ray Barnwell
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R04

REPORT OBJECTIVE

This report presents the City of Marion's Annual Financial Statements for the financial year ended 30 June 2018. Reports provided include:

1. Representation letters (Attachment 1) - audit of annual financial report for period 1 July 2017 to 30 June 2018. The purpose of these letters is to express an opinion as to whether the financial report is prepared in accordance with Australian Accounting Standards, the Local Government Act 1999 and other mandatory reporting requirements in Australia. These letters will be signed by Adrian Skull, CEO and Vincent Mifsud, General Manager Corporate Services once the statements have been adopted by Council.

2. Comparative analysis to prior year Audited Financial Statements and 2017/18 original adopted budget (Analytical Review) – Attachment 2

3. Annual Financial Statements for year ended 30 June 2018 – Attachments 3 to 5.

4. External Auditor (Deloitte Touché Tohmatsu) report to Council – Attachment 6.

These reports were provided for consideration by the Finance and Audit Committee on 2 October 2018 and have been fully endorsed by the Finance and Audit Committee prior to being brought to Council.

EXECUTIVE SUMMARY

The 2017/18 Annual Financial Statements demonstrate Council's ongoing strong financial performance, providing a sound basis for Council's long-term objectives set out in its Strategic Plan.

In summary Council achieved an Operating Surplus of $10.904m, which was greater than the $5.008m surplus forecast in the original adopted 2017/18 budget. The key factors resulting in this higher than expected operating surplus are detailed at Attachment 2 (Analytical Review – against Adopted Budget 2017/18).

The Annual Financial Statements of the City of Marion, for the year ended 30 June 2018, have been completed with no audit findings with regards to the financial statements. Council's Auditors have indicated that they expect to issue an unmodified audit opinion subject to the satisfactory completion of the following matters:

- A subsequent events review up to the date of the audit opinion (to be provided 9 October 2018)
- Receipt of management's signed representation letters (following this meeting)

This report has been prepared in accordance with section 127 of the Local Government Act and the Local Government Accounting Regulations.

In accordance with section 125 of the Local Government Act 1999 Council's external auditors have also assessed the Internal Financial Control environment in regards to Council's compliance with all material aspects of the Act.

As outlined in their Management Letter (Attachment 6) Deloitte carried over three of their previous year Internal Financial Control audit findings with two new recommendations made to further strengthen our Internal Control environment. All of these have been categorised as 'insignificant' under the risk matrix and management have agreed to appropriately respond to all of these recommendations. Council's Auditors have indicated that they expect to issue an unmodified audit opinion with regards to Council's Internal Financial Control environment.

As part of the annual audit process, Council's external auditors perform a number of minor grant audits, which are required as part of each individual funding agreement.

Next Steps

Following the adoption of the 2017/18 Audited Financial Statements the 1st Budget Review 2018/19 process will be conducted, which includes:

- Transferring the 2017/18 Carryovers & Unexpended Grants (noting that the funding relating to projects which have been retimed will be brought into the budget when required);
- Reconciling and identifying the 2017/18 funding savings achieved against Council's adopted 2017/18 budget.

RECOMMENDATION

That Council:

1. **Adopts the audited Annual Financial Statements for the year ended 30 June 2018 (Attachment 3).**

2. **Authorises the Mayor and CEO to sign off on the audited Financial Statements and Management Representation Letters (Attachment 1).**

3. **Receive the Southern Region Waste Resource Authority (SRWRA) 2017/18 audited Annual Financial Statements (Attachment 4).**

4. **Receive the Council Solutions Regional Authority 2017/18 audited Annual Financial Statements (Attachment 5).**

GENERAL ANALYSIS

The Statements have been prepared in accordance with applicable Australian Accounting Standards and the Local Government Regulations.

The Local Government Accounting Regulations require that a Council must prepare its accounts for audit by the second Friday in October and on or before 30 November, supply a copy of the Audited Financial Statements to each of the following:

- The Minister
- The Local Government Grants Commission
- The Deputy Commonwealth Statistician and Government Statistician

Legal / Legislative / Policy: Local Government Act 1999, Local Government (Financial Management) Regulations 2011

DISCUSSION

Four main statements are prepared as part of the Annual Financial Statements as summarised below:

STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income details Council's revenue and expenses for the reporting period and reveals an operating surplus (before capital revenues and contributed assets) of $10.904m for 2017/18 compared to an operating surplus of $11.673m for 2016/17. Included in Council's operating surplus is grant funding of $1.4m received for the redevelopment of Edwardstown Soldiers Memorial Recreation Oval and advance payment of the 2018/19 Financial Assistance Grants of $1.879m.

Operating Income – prior year comparison

Total Operating income for 2017/18 was $92.566m compared to $88.173m in 2016/17. The increase of $4.393m (5%) predominantly results from an increase in Rates of $2.3m (from an adopted rate increase of 2.2% + growth of 0.99%).

In addition, Council's increased income from Statutory Charges and User Charges of $0.727m, Grant Income of $0.712m and Other Income of $0.415m increasing other sources of income and reducing the reliance on rates. Further analysis of movements are detailed in Attachment 2 ("Analytical Review – against Prior Year Actual").

Operating Expenses – prior year comparison

Total Operating expense for 2017/18 was $81.662m compared to $76.500m in 2016/17. The increase of $5.162m (6.8%) predominantly relates to an increase in Materials ($0.541m), Contractors ($2.750m) & Other Expenses of ($0.769m). These include increases in waste collection and dumping, utilities, infrastructure maintenance works and a number of projects including the Heron Way amphitheatre, Finniss Street streetscaping and an Urban Activation pilot.
Employee costs increased $1.053m (3.3%) in 2017/18 from 2016/17 with increases from Enterprise Agreements and lower than average capitalised labour (where staff costs are allocated to capital works).
Further analysis of movements are detailed in Attachment 2 ("Analytical Review – against Prior Year Actual").

Capital Revenues and Revaluation – prior year comparison

Other key variances reported on the Statement of Comprehensive Income are *Amounts Received Specifically for New or Upgraded Assets* (down $1.002m) predominantly relating to a State Government Grant received in 2016/17 of $2m for the Sam Willoughby International BMX Track. There has also been a decrease from the comprehensive valuation by independent professional valuers of council's assets ($4.922m).

Variances against the 2016/17 Statement of Comprehensive Income are further detailed in Attachment 2 ("Analytical Review – against Prior Year Actual").

KEY OPERATING RATIOS

OPERATING SURPLUS RATIO	**2018**	2017	2016
Operating Surplus (before capital revenues)	**12%**	13%	12%

This ratio expresses the operating surplus/(deficit) as a percentage of total operating revenue. The target set in Council's Long Term Financial Plan is to "maintain a financial position at an average of between 0 and 5% over any five financial years.

Comment:
The Operating Surplus Ratio in the adopted budget for 2017/18 was 5.8% and this has been significantly impacted by the grant for Edwardstown Soldiers Memorial Oval redevelopment ($1,400k), the advance payment of 2018/19 Financial Assistance Grant instalment ($1,879k), and a number of other variances. The ratio would have been 8.5% if not for these two grants.

RATE REVENUE RATIO	2018	2017	2016
Rate Revenue / Operating Revenue	**81%**	82%	85%

This ratio expresses rate revenue as a percentage of total operating revenue.

Although this ratio is not a prescribed ratio required by the 'Model Set of Accounts' it is a valuable indicator as it highlights Council's reliance on rates as a revenue source and the need for Council to seek alternative sources of income.

Comment:
To address the dependency of Council on rate revenue the following programs have been implemented:

- Creation of the External Funding Attraction Program, with a focus on internal training and development of Council officers to maximise grant opportunities.
- Annual review of Fees and Charges Schedule.

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position provides details of Council's assets, liabilities and equity as at 30 June 2018.

Infrastructure, Property, Plant & Equipment (IPP&E):

Council's IPP&E decreased by $3.130m (0.3%) compared to 2016/17 with the majority of the movement relating to a net revaluation decrease of $4.922m made up predominantly of decreases in Land ($8.149m) and Infrastructure ($21.961m), offset by an increase of $25.625m in Buildings & Other Structures. The majority of Council's assets relate to community property and infrastructure assets (roads, paths, drainage, etc).
The table below identifies the key contributors to the movement in Council's non-current assets which can mainly be attributed to revaluations of its Infrastructure assets.

	2018 $000s	2017 $000s	Increase/(Decrease) $000s
Buildings	106,068	83,206	22,862
Infrastructure	652,385	677,069	(24,684)
Land	351,995	360,144	(8,149)

Other variances when comparing 2017/18 against the 2016/17 Statement of Financial Position are further detailed in Attachment 2 ("Analytical Review – against Prior Year Actual").

KEY FINANCIAL POSITION RATIOS

WORKING CAPITAL RATIO	2018	2017	2016
Current Assets - (Less Restricted Assets) / Current Liabilities - (Liabilities associated with Restricted Assets)	**2.5**	2.1	1.5

This ratio focuses on the liquidity position of Council, adjusting for restricted assets (e.g. unspent specific tied grants that would need to be excluded from Council's current assets as Council would be restricted from using this cash to meet short term liabilities).

Council's target for this ratio is between 1.0 and 1.1.

Comment:
Council's cash flow is in a good position to undertake day to day operations, along with having sufficient cash to cover the balances in its Asset Sustainability Reserve. Council's significant cash reserves quarantined for future major projects and long term asset management objectives have impacted on this ratio.

ASSET SUSTAINABILITY RATIO	**2018**	2017	2016
Net Asset Renewals / Depreciation Expense	**78%**	75%	84%

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

This ratio indicates whether the Council is renewing or replacing existing assets at the rate of consumption.

Council's target for this ratio is between 80% - 90%

Comment:
Although the target was not achieved, it is predominantly due to positive outcomes achieved through the Fleet Optimisation Review project. This resulted in a $1.93m realignment of the fleet replacement program, reviewing utilisation rates and deferring $1.14m in the replacement of under utilised fleet and achieving a one-off saving of $790k. A ratio of 88.6% would have been achieved if this realignment did not occur. Continual review and monitoring of Council's Asset Management Plans are to be incorporated into Council's Long Term Financial Planning process in an effort to achieve this target over the LTFP.

ASSET CONSUMPTION RATIO	**2018**	2017	2016
Carrying value of depreciable assets / Gross value of depreciable assets	**77%**	78%	78%

This ratio shows the consumption of the asset stock at a point in time (or the percentage of useful life remaining). Depreciation represents the reduction in value of the assets each year and therefore accumulated depreciation is the total reduction in the carrying value of the assets.

Council's target for this ratio is between 80-100%.

Comment:
A ratio higher than 80% indicates that Council's overall asset base has on average a relatively high remaining useful life. A result of between 40% and 80% is considered acceptable.

BORROWINGS

In assessing Council's financial position it is appropriate to consider liabilities in relation to borrowings. Borrowings are required by Council from time to time to finance strategic long-term assets for the orderly development of the City. Council's total borrowings as at the 30 June 2018 were $7.905m a net decrease of $1.197m over the level of borrowings in June 2017.

The following indicators are used to monitor Council's performance in relation to its current level of debt.

KEY DEBT RATIOS

NET FINANCIAL LIABILITIES RATIO	2018	2017	2016
Net Financial Liabilities / Total Operating Revenue	**(33%)**	(25%)	(8%)

This ratio indicates the extent to which net financial liabilities of the council can be met by the council's total operating revenue and is based on the Net Financial Liabilities above.

Comment:
This result is due to Council's Financial Assets exceeding its Financial Liabilities predominantly as a result a substantial holding of cash and other financial assets allocated for unexpended grants and funding for capital projects carried over or retimed to 2018/19 and beyond totalling $12.256m. Council's capacity to meet its financial obligations from operating revenues is strong and it has capacity to meet future requirements identified in its Long Term Financial Plan.

INTEREST COVER RATIO	2018	2017	2016
Net Interest Expense / Total Operating Revenue	**(0.6%)**	(0.4%)	(0.0%)

Net interest costs are defined as total interest expenses less total interest revenues. This ratio indicates the extent to which Council's commitment to interest expenses are met by total operating revenues.

Comment:
Negative ratios have been recorded for the past 3 years reflecting interest revenues being greater than interest expenses.

DEBT SERVICING RATIO	2018	2017	2016
Principal + Interest / Total Operating Revenue	**1.9%**	2.4%	2.9%

This ratio identifies Council's ability to service its debt obligations from operating revenues, with a maximum target set at 5%.

Comment:
The ratio confirms that Council has a low debt holding and is well positioned for future borrowings outlined in its Long Term Financial Plan. The 1.9% result is below the maximum target of 5%.

STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity reconciles the opening and closing balances of Council's equity over the reporting period.

The balance of equity represents Council's net worth of $1,175.9m as reflected in the Statement of Financial Position.

CASH FLOW STATEMENT

The Cash Flow Statement details the cash movements for the year ended and reconciles with Note 11 of the Annual Financial Statements.

The Statement indicates a cash balance of $21.5m compared with $29.9m in 2016/17. As previously mentioned a sizable portion of the cash position is committed to unexpended grants, carryovers and retimed works ($12.256m).

KEY CASH RATIOS

OPERATING CASH FLOW COVERAGE	2018	2017	2016
Cash Flow from Operations - (Loan Principal Repayments) Average Annual Optimal Level of Expenditure per Council's Asset Management Plans	**132%**	147%	108%

This ratio identifies Council's abilities to fund its operating and capital expenditure requirements without the need for significant sudden rate increases or service reductions, and whilst continuing to maintain intergenerational equity and the sustainable and responsible use of borrowings.

Council's target for this ratio is between 100% and 105%.

Comment:
Council's operating cash flow coverage is sufficient to meet the asset renewal requirements included in its Long Term Financial Plan. This ratio has been impacted by higher than forecast investment returns with Council's significant cash reserves quarantined for future major projects and managing its long term asset management objectives.

RESERVE FUNDS

A review of the balances of Council's reserves indicates that they are at a level sufficient to meet their purpose and intent which are listed in *Note 9 Reserves* in Attachment 3. Council's current Reserve funds are made up of the following:

Grants and Carryovers Reserve: $12.256m

This is made up of grant funded carryover projects and capital works carried over to 2018/19 or retimed to future years as required.

Open Space Reserve: $1.218m

It is considered by management that the current balance of this fund is adequate to meet its intended purpose.

Asset Sustainability Reserve – General $9.591m
The current balance in this fund is considered by management to be adequate to provide Council with the funding capacity to not only respond to a major infrastructure failure ($2m is retained in this reserve for this specific purpose) but to also assist Council in managing its long term asset management objectives.

Asset Sustainability Reserve – Community Facility Partnership Fund (CFPP) $6.672m

Funding has been specifically set aside in the Asset Sustainability Reserve for the renewal, upgrade and purchase of Council assets as specifically resolved by Council. It includes a balance set aside to encourage organisations leasing council facilities to seek partnership funding for the required renewal and upgrade of those facilities.

Asset Sustainability Reserve – Major New Projects **$5.394m**

Funding has also been specifically set aside in the Asset Sustainability Reserve for major new projects. Council has endorsed funding its $4.0m contribution to the Edwardstown Soldiers Memorial Recreation Ground redevelopment from this reserve.

EQUITY ACCOUNTED INVESTMENTS

Council has part ownership in two equity accounted investments and is required to include its equity share in these in its Annual Financial Statements along with copies of these entities' Financial Statements.

Southern Region Waste Resource Authority (SRWRA)

SRWRA provides and operates services for the management of waste and waste facilities on behalf of its constituent councils – The Cities of Onkaparinga, Marion and Holdfast Bay – ensuring that a long term Waste Management Strategy exists in the southern region of Adelaide. The City of Marion has a 30% share in SRWRA.

Council Solutions

Council Solutions is a joint initiative of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully. Its purpose is to optimise the financial sustainability of its constituent councils through the benefits of collaborative strategic procurement and contract negotiation and management. The City of Marion has a 16.67% share in Council Solutions.

Attachment

#	Attachment	Type
1	1. Management Representation Letter - Draft	PDF File
2	2. Analytical Review	PDF File
3	3. Annual Financial Statements 2017-18 CoM	PDF File
4	4. Annual Financial Statements 2017-18 SRWRA	PDF File
5	5. Annual Financial Statements 2017-18 Council Solutions	PDF File
6	6. Deloitte Reports	PDF File

(client letterhead)

[Date]

Deloitte Touche Tohmatsu
11 Waymouth Street
Adelaide SA 5000

This representation letter is provided in connection with your audit of the financial report of the Corporation of the City of Marion for the year ended 30 June 2018, for the purpose of expressing an opinion as to whether the financial report is presented fairly, in all material respects, in accordance with the Local Government Act 1999 including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government (Financial Management) Regulations 2011.

We confirm that:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 11 July 2018, for the preparation of the financial report in accordance with the Local Government Act 1999 including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government (Financial Management) Regulations 2011; in particular the financial report is presented fairly, in all material respects, in accordance therewith.

2. We have provided you with:
   - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
   - Additional information that you have requested from us for the purpose of the audit;
   - Unrestricted access to the persons within the entity from whom you determined it necessary to obtain audit evidence; and
   - All requested information, explanations and assistance for the purposes of the audit.

3. All transactions have been recorded in the accounting records and are reflected in the financial report.

4. We are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.

5. 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.

6. There has been no fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control or others where the fraud could have a material effect on the financial report.

7. There have been no allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.

8. There have been no instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.

9. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

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10. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

11. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the *Local Government Act 1999*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Financial Management) Regulations 2011*.

12. All known actual or possible litigation and claims whose effects should be considered when preparing the financial report have been disclosed to you and accounted for and disclosed in accordance with the *Local Government Act 1999*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Financial Management) Regulations 2011*.

13. The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial report as a whole. A summary of such items is attached to the representation letter as Appendix A.

14. All events occurring subsequent to the date of the financial report and for the *Local Government Act 1999*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Financial Management) Regulations 2011* require adjustment or disclosure have been adjusted or disclosed within the financial report.

15. In respect of other information:

    - We have informed you of all the documents that we expect to issue that may comprise other information;
    - The financial report and any other information obtained by you prior to the date of your auditor's report is consistent with one another, and the other information does not contain any material misstatements.

16. The selection and application of accounting policies as described in Note 1 in the financial report are appropriate.

17. We have no plans or intentions that may affect the carrying value or classification of assets and liabilities.

18. Liabilities, both actual and contingent, have been properly recorded and, when appropriate, adequately disclosed in the financial report.

19. The entity has satisfactory title to, or control over all assets and there are no liens or encumbrances on such assets that have not been disclosed nor has any asset been pledged as collateral.

20. We have properly recorded and, when appropriate, adequately disclosed in the financial report the effects of any laws, regulations and contractual agreements on the financial report, including non-compliance.

21. We have communicated to you all deficiencies in internal control of which we are aware.

22. All post-employment benefits have been identified and properly accounted for and all events impacting the plans have been brought to the actuary's attention.

23. For defined benefit plans:

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(a) the actuarial assumptions underlying the valuation of the plan are in accordance with the Council's best estimate of future events and are consistent with our knowledge of the business;
(b) the actuary's calculations have been based on complete and up-to-date member information; and
(c) the amounts included in the financial report derived from the work of the actuary are in accordance with the requirements of AASB 119 "Employee Benefits".

24. For any transactions and structures, including "Special Purpose Vehicles/Entities" that we consider are appropriately classified as off-balance sheet, we have not withheld any information and documentation from you and there are no side agreements that we have not disclosed to you. In addition, there are no other relationships of a related party nature which would affect how these transactions and structures are accounted for, that we have not disclosed to you.

25. We have obtained all necessary information from subsidiaries that are not subject to Accounting Standards in Australia, to enable us to make appropriate adjustments for the purpose of preparing the financial report. Appropriate adjustments have been made to the information provided by the subsidiaries, to enable the preparation of the financial report.

26. We have disclosed to you all financial guarantees that we have given to third parties and we have accounted for these guarantees in accordance with the requirements of AASB 139 "Financial Instruments Recognition and Measurement".

We understand that your audit was conducted in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your test of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

_____ _____

Adrian Skull **Date**
Chief Executive Officer

_____ _____

Vincent Mifsud **Date**
General Manager Corporate Services

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Appendix A to the Management Representation Letter
City of Marion 30 June 2018

Account Name	Account Number	Assets	Liabilities	Retained Earnings	Other Equity	Income Statement	Total
		DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)
Known misstatements							
None noted							
Likely misstatements							
None noted							
Carry over effects of prior year misstatements							
None noted							
		0	0	0	0	0	0

Description of Disclosure Deficiency	Disclosure Title	Disclosure Number	Amount (where applicable)	Management Reason for Disclosure Deficiency (e.g., not deemed material for disclosure)
None noted				

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(client letterhead)

XX September 2018

Penny Woods

Deloitte Touche Tohmatsu
11 Waymouth Street,
Adelaide, South Australia,
5000, Australia

Dear Penny Woods,

This representation letter is provided in connection with your reasonable assurance engagement for the purpose of you expressing an opinion as to whether, the requirement to design and implement internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities has been performed, in all material respects, in accordance Section 125 of the Local Government Act 1999 ("the Act") for the period 1 July 2017 to 30 June 2018.

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

1. We have provided you with:
    (a) access to all information of which we are aware that is relevant to the purposes of your reasonable assurance engagement such as records, documentation and other matters;

    (b) additional information that you have requested from us for the purpose of the reasonable assurance engagement; and

    (c) unrestricted access to persons within the Corporation of the City of Marion from whom you determined it necessary to obtain evidence.

2. We have fulfilled our responsibilities, as set out in the terms of the reasonable assurance engagement letter dated 27 September 2018 for ensuring that the requirement to design and implement internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities has been performed, in accordance Section 125 of the Local Government Act 1999 ("the Act") for the period 1 July 2017 to 30 June 2018.

3. The effects of control deficiencies are immaterial, individually and in aggregate, to the requirement to design and implement internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities. A summary of such items is attached to this representation letter as Appendix A.

4. Significant assumptions used by us in making any material estimates are reasonable.

5. We have communicated to you all deficiencies in internal control relevant to the reasonable assurance engagement that are clearly not trivial or inconsequential of which we are aware.

6. We acknowledge that we are responsible for the underlying subject matter.

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Yours sincerely,

Adrian Skull **Chief Executive Officer**	**Date**
Vincent Mifsud **General Manager Corporate Services**	**Date**

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This is a draft document. As it is a work in progress it may be incomplete, contain preliminary conclusions and may change. You must not rely on, disclose or refer to it in any document. We accept no duty of care or liability to you or any third party for any loss suffered in connection with the use of this document.

Appendix A to the Management Representation Letter - Internal Controls

30 June 2018

Control	Observation	Recommendation	Management Response
REV-GRA-0001	There is no formal grant attraction procedure at present, however management are addressing the issue and are working towards implementing a functioning system.	Deloitte recommends that the formal grant attraction procedure be finalised.	Council's External Funding Attraction Working Group has commenced the preparation of a formal grant attraction procedure which it expects to be implemented in 2018/19.
ASS-LOA-0001	There were no specific reference details in the policy specific for issuing funds to clubs or community groups in accordance with the Delegations of Authority and in compliance with the Conflicts of Interest Policy.	Deloitte recommends that the policy be amended such that there is specific reference in the policy to issuing funds in accordance with the delegations of authority and conflicts of interest policies.	The process for issuing funds continues to be the same as prior year. All funds issued to clubs for grants were done by way of Council Resolution as required where no delegation exists.
ASS-DEB-0012	There is no way of generating a report in the system which shows changes to debtor masterfile. It is possible to see the date a debtor was edited by clicking into each individual debtor however details of the change cannot be seen i.e. whether it was name, address etc.	Deloitte recommends that changes to the debtor master file are reviewed and supported with documented evidence of review.	Other controls relating to debtors around following up on payments sufficiently mitigate the risk of non-payment associated with change of address details. As the system cannot generate a report that highlights these changes, in conjunction with other mitigating controls it will be recommended during the control review to be conducted during 2018/19 that this control be removed.
EXP-ELE-0005	There is no formal management review evidence available for the regular review of the Register of Allowances and Benefits conducted by Governance and Records.	Deloitte recommends there is a formal review process in place.	The process in place for preparation of the Register of Allowances and Benefits involves a two stage review process – first by the Unit Manager Governance and Records, followed by the Manager Corporate Governance. This will be formalised to ensure an evidentiary process is established to show that the register has been reviewed.
GEI-ITE-0009	There is no way of generating a report in the system which shows changes to creditor masterfile. It is possible to see the date a creditor was edited by clicking into each individual creditor however details of the change cannot be seen i.e. whether it was name, address etc.	Deloitte recommends that changes to the creditor master file are reviewed and supported with documented evidence of review.	The risk and consequence of change of address details is deemed to be low as the majority of suppliers are paid via EFT. It is important to note that Council has the ability to report on changes to Bank Details, and these are reviewed on a regular basis. Bank details changes must be supported by an invoice with the new information on them (emails and phone calls are not sufficient). New suppliers must be created via a documented approval process.

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ANALYTICAL REVIEW - against Prior Year Actual

Statement of Comprehensive Income	2017/18 $000's	2016/17 $000's	Variance $000's	Variance %	Favourable/ (Unfavourable)	Analysis
Income						
Rates Revenues	74,864	72,591	2,273	3.1%	F	2017/18 Rate increase of 2.2% plus growth of 0.993%
Statutory Charges	2,305	1,879	426	22.7%	F	Parking fines ($283k), planning & development fees ($90k) and dog registration & fines ($66k)
User Charges	2,250	1,949	301	15.4%	F	Increase in Marion Outdoor Pool admission charges ($90k), user contributions towards HACC services ($64k), sale of ASR (Oaklands Wetland) Water ($57k)
Grants, Subsidies & Contributions	9,954	9,242	712	7.7%	F	Predominantly relates to grant funding received from the Commonwealth Government towards the Edwardstown Soldiers Memorial Oval redevelopment and a number of other one-off projects
Investment Income	1,112	929	183	19.7%	F	Higher cash holdings throughout the year have resulted in greater investment income - refer Investment Report
Reimbursements	654	691	(37)	(5.4%)	U	
Other Income	894	479	415	86.6%	F	Contributions received from a number of sporting clubs towards jointly funded works on sports courts and facilities ($314k)
Net Gain - Equity Accounted Businesses	533	413	120	29.1%	F	Movement in equity accounted investments - refer Note 19 and SRWRA Annual Financial Statements (includes a distribution received of $765k offset by reduction in value of equity share of $232k)
Total Income	**92,566**	**88,173**	**4,393**	**5.0%**		
Expenses						
Employee Costs	33,274	32,221	1,053	3.3%	U	Includes annual increases from Enterprise Agreements of 2.0% Salary, 2.0% Wages (from January) and lower than average capitalised labour ($270k)
Materials, Contracts & Other Expenses	30,844	26,783	4,061	15.2%	U	Increase in utilities ($288k), contribution towards drainage works in neighbouring council ($300k), commencement of the pilot project for Urban Activation ($98k), NRM levy ($116k), waste collection & dumping fees ($316k), comprehensive valuation ($100k), Heron Way amphitheatre ($345k), Finniss Street streetscaping ($223k), website and online booking platform ($208k), tree planting ($88k), infrastructure maintenance (including roads, footpaths, walking trails and reserves - $530k)
Depreciation, Amortisation & Impairment	16,991	16,870	121	0.7%	U	
Finance Costs	541	613	(72)	(11.7%)	F	No new borrowings were taken out resulting in a decrease in interest expense.
Net Loss - Equity Accounted Businesses	12	13	(1)	(7.7%)	F	Movement in equity accounted investments - refer Note 19 and Council Solutions Annual Financial Statements
Total Expenses	**81,662**	**76,500**	**5,162**	**6.7%**		
Operating Surplus/(Deficit)	**10,904**	**11,673**	**(769)**	**(6.6%)**		
Asset Disposal & Fair Value Adjustments	(1,311)	(1,226)	(85)	6.9%	U	Asset disposal related differences.
Amounts Received Specifically for New or Upgraded Assets	1,522	2,524	(1,002)	(39.7%)	U	Relates predominantly to State Government grant received for the Sam Willoughby International BMX track ($2.0m) received in 2016/17 offset by a number of other grants.
Physical Resources Received Free of Charge	131	439	(308)	(70.2%)	U	
Net Surplus/(Deficit)	**11,246**	**13,410**	**(2,164)**	**(16.1%)**		
Other Comprehensive Income						
Changes in Revaluation Surplus - IPP&E	(4,922)	29,324	(34,246)	(116.8%)	U	Reflects change in the valuation of assets following the comprehensive revaluation undertaken by independent professional valuers in 2017/18
Total Other Comprehensive Income	**(4,922)**	**29,324**	**(34,246)**	**(116.8%)**		
Total Comprehensive Income	**6,324**	**42,734**	**(36,410)**	**(85.2%)**		

ANALYTICAL REVIEW - against Prior Year Actual

Statement of Financial Position	2017/18 $000's	2016/17 $000's	Variance $000's	Variance %	Analysis
ASSETS					
Current Assets					
Cash & Cash Equivalents	21,509	29,913	(8,404)	(28.1%)	Extra funds invested in term deposits with over 90 day terms included below in Other Financial Assets
Trade & Other Receivables	5,878	5,840	38	0.7%	
Other Financial Assets	27,450	11,900	15,550	130.7%	Relates to current term deposits with over 90 day terms
Inventories	227	248	(21)	(8.5%)	
Total Current Assets	**55,064**	**47,901**	**7,163**	**15.0%**	
Non-Current Assets					
Equity Accounted Investments in Council Businesses	5,815	6,059	(244)	(4.0%)	Movement in equity accounted investments - refer Note 19 and SRWRA and Council Solutions Annual Financial Statements
Infrastructure, Property, Plant & Equipment	1,132,532	1,135,662	(3,130)	(0.3%)	Movements in valuation of assets, net of asset acquisitions, disposals and depreciation.
Other Non-Current Assets	6,826	5,202	1,624	31.2%	Increase in Work In Progress, predominantly relating to the multi-year redevelopment of Edwardstown Soldiers Memorial Oval
Total Non-Current Assets	**1,145,173**	**1,146,923**	**(1,750)**	**(0.2%)**	
TOTAL ASSETS	**1,200,237**	**1,194,824**	**5,413**	**0.5%**	
LIABILITIES					
Current Liabilities					
Trade & Other Payables	10,339	10,235	104	1.0%	
Borrowings	1,100	1,197	(97)	(8.1%)	Current borrowings have decreased due to the final payment of a long term loan
Provisions	5,422	5,239	183	3.5%	
Total Current Liabilities	**16,861**	**16,671**	**190**	**1.1%**	
Non-Current Liabilities					
Borrowings	6,805	7,905	(1,100)	(13.9%)	Reduction in total borrowings in line with scheduled repayments of existing loans - no new borrowings taken out during 2017/18
Provisions	700	701	(1)	(0.1%)	
Total Non-Current Liabilities	**7,505**	**8,606**	**(1,101)**	**(12.8%)**	
TOTAL LIABILITIES	**24,366**	**25,277**	**(911)**	**(3.6%)**	
Net Assets	**1,175,871**	**1,169,547**	**6,324**	**0.5%**	
EQUITY					
Accumulated Surplus	380,504	373,871	6,633	1.8%	Refer Statement of Comprehensive Income & Statement of Change in Equity (movement in comprehensive income net of reserve transfers)
Asset Revaluation Reserves	760,237	765,159	(4,922)	(0.6%)	Reflects change in the valuation of assets following the comprehensive revaluation undertaken by independent professional valuers in 2017/18
Other Reserves	35,130	30,517	4,613	15.1%	Increase in amounts held in reserves
Total Council Equity	**1,175,871**	**1,169,547**	**6,324**	**0.5%**	

ANALYTICAL REVIEW - against Adopted Budget

Statement of Comprehensive Income	2017/18 $000's	Original Budget $000's	Variance $000's	Variance %	Favourable/ (Unfavourable)	Analysis
Income						
Rates Revenues	74,864	74,897	(33)	(0.0%)	U	
Statutory Charges	2,305	1,812	493	27.2%	F	Parking fines ($351k), planning & development fees ($52k) and dog registration & fines ($75k)
User Charges	2,250	1,752	498	28.4%	F	Increase in Marion Outdoor Pool admission charges ($138k), user contributions towards HACC services ($150k), sale of ASR (Oaklands Wetland) Water ($79k) and rental income ($35k)
Grants, Subsidies & Contributions	9,954	5,509	4,445	80.7%	F	Edwardstown Soldiers Memorial Oval redevelopment ($1,400k), advance payment of 2018/19 Grants Commission Financial Assistance Grants in 2017/18 ($1,879k), HACC services ($132k), ACE Foundation Skills ($124k), Sturt River Linear Path ($140k) and the Coastal Walking Trail ($200k)
Investment Income	1,112	754	358	47.5%	F	Actual interest reflects on actual cash holdings throughout the year - refer Investment Report
Reimbursements	654	681	(27)	(4.0%)	U	
Other Income	894	1,233	(339)	(27.5%)	U	Budgeted contribution from Onkaparinga towards Sam Willoughby UCI BMX ($750k) not received as works not commenced offset by contributions received from a number of sporting clubs towards jointly funded works on sports courts and facilities ($314k)
Net Gain - Equity Accounted Businesses	533	334	199	59.6%	F	Movement in equity accounted investments - refer Note 19 and SRWRA Annual Financial Statements (includes a distribution received of $765k offset by reduction in value of equity share of $232k)
Total Income	**92,566**	**86,972**	**5,594**	**6.4%**		
Expenses						
Employee Costs	33,274	34,014	(740)	(2.2%)	F	Predominantly relates to savings from greater than budgeted vacancies throughout the year
Materials, Contracts & Other Expenses	30,844	30,375	469	1.5%	U	HACC services (offset with increased income $342k), infrastructure maintenance (including roads, footpaths, walking trails and reserves - $157k)
Depreciation, Amortisation & Impairment	16,991	17,030	(39)	(0.2%)	F	
Finance Costs	541	545	(4)	(0.7%)	F	
Net Loss - Equity Accounted Businesses	12	0	12	0.0%	U	Movement in equity accounted investments - refer Note 19 and Council Solutions Annual Financial Statements
Total Expenses	**81,662**	**81,964**	**(302)**	**(0.4%)**		
Operating Surplus/(Deficit)	**10,904**	**5,008**	**5,896**	**117.7%**	F	
Asset Disposal & Fair Value Adjustments	(1,311)	0	(1,311)	0.0%	U	Predominantly relates to demolition of Edwardstown Soldiers Memorial Recreation Oval buildings being replaced.
Amounts Received Specifically for New or Upgraded Assets	1,522	1,710	(188)	(11.0%)	U	Transfer of Edwardstown grant to Operating Grants & Subsidies ($1,400k) offset by unbudgeted grants for Marion Outdoor Pool Masterplan Works ($150k), Hendrie Street Inclusive Playground ($170k), Heron Way Reserve ($621k) and Hamilton Avenue Reserve Toilet ($180k)
Physical Resources Received Free of Charge	131	1,500	(1,369)	(91.3%)	U	The Contributed Asset budget has previously been forecast at $1.5m per annum in the LTFP. Due to the fluctuating nature of contributed assets, the process for budgeting in future years will be brought in line with the budgeting process for capital grants where Council will only budget for contributed assets where it is expecting to receive them.
Net Surplus/(Deficit)	**11,246**	**8,218**	**3,028**	**36.8%**	F	
Other Comprehensive Income						
Changes in Revaluation Surplus - IPP&E	(4,922)	0	(4,922)	0.0%	U	
Share of Other Comprehensive Income - Equity Accounted Council Business	0	0	0	0.0%		
Total Other Comprehensive Income	**(4,922)**	**0**	**(4,922)**	**0.0%**		
Total Comprehensive Income	**6,324**	**8,218**	**(1,894)**	**(23.0%)**	U	

City of Marion

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

City of Marion

General Purpose Financial Statements
for the year ended 30 June 2018

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City of Marion

General Purpose Financial Statements
for the year ended 30 June 2018

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 2018 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.

Adrian Skull
CHIEF EXECUTIVE OFFICER

Kris Hanna
MAYOR

Date:

City of Marion

Statement of Comprehensive Income
for the year ended 30 June 2018

$ '000	Notes	2018	2017
Income			
Rates Revenues	2a	74,864	72,591
Statutory Charges	2b	2,305	1,879
User Charges	2c	2,250	1,949
Grants, Subsidies and Contributions	2g	9,954	9,242
Investment Income	2d	1,112	929
Reimbursements	2e	654	691
Other Income	2f	894	479
Net Gain - Equity Accounted Council Businesses	19	533	413
Total Income		**92,566**	**88,173**
Expenses			
Employee Costs	3a	33,274	32,221
Materials, Contracts & Other Expenses	3b	30,844	26,783
Depreciation, Amortisation & Impairment	3c	16,991	16,870
Finance Costs	3d	541	613
Net loss - Equity Accounted Council Businesses	19	12	13
Total Expenses		**81,662**	**76,500**
Operating Surplus / (Deficit)		10,904	11,673
Asset Disposal & Fair Value Adjustments	4	(1,311)	(1,226)
Amounts Received Specifically for New or Upgraded Assets	2g	1,522	2,524
Physical Resources Received Free of Charge	2i	131	439
Net Surplus / (Deficit) [1]		11,246	13,410
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	(4,922)	29,324
Total Other Comprehensive Income		**(4,922)**	**29,324**
Total Comprehensive Income		6,324	42,734

[1] Transferred to Statement of Changes in Equity

City of Marion

Statement of Financial Position
as at 30 June 2018

$ '000	Notes	2018	2017
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	21,509	29,913
Trade & Other Receivables	5b	5,878	5,840
Other Financial Assets	5c	27,450	11,900
Inventories	5d	227	248
Total Current Assets		**55,064**	**47,901**
Non-Current Assets			
Equity Accounted Investments in Council Businesses	6a	5,815	6,059
Infrastructure, Property, Plant & Equipment	7a	1,132,532	1,135,662
Other Non-Current Assets	6b	6,826	5,202
Total Non-Current Assets		**1,145,173**	**1,146,923**
TOTAL ASSETS		1,200,237	1,194,824
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	10,339	10,235
Borrowings	8b	1,100	1,197
Provisions	8c	5,422	5,239
Total Current Liabilities		**16,861**	**16,671**
Non-Current Liabilities			
Borrowings	8b	6,805	7,905
Provisions	8c	700	701
Total Non-Current Liabilities		**7,505**	**8,606**
TOTAL LIABILITIES		24,366	25,277
Net Assets		1,175,871	1,169,547
EQUITY			
Accumulated Surplus		380,504	373,871
Asset Revaluation Reserves	9a	760,237	765,159
Other Reserves	9b	35,130	30,517
Total Council Equity		1,175,871	1,169,547

City of Marion

Statement of Changes in Equity
for the year ended 30 June 2018

$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
2018					
Balance at the end of previous reporting period		373,871	765,159	30,517	**1,169,547**
a. Net Surplus / (Deficit) for Year		11,246	-	-	**11,246**
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	9a	-	(4,922)	-	**(4,922)**
Other Comprehensive Income		-	(4,922)	-	**(4,922)**
Total Comprehensive Income		**11,246**	**(4,922)**	**-**	**6,324**
c. Transfers between Reserves		(4,613)	-	4,613	**-**
Balance at the end of period		**380,504**	**760,237**	**35,130**	**1,175,871**
2017					
Balance at the end of previous reporting period		369,211	735,835	21,767	**1,126,813**
a. Net Surplus / (Deficit) for Year		13,410	-	-	**13,410**
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	9a	-	29,324	-	**29,324**
Other Comprehensive Income		-	29,324	-	**29,324**
Total Comprehensive Income		**13,410**	**29,324**	**-**	**42,734**
c. Transfers between Reserves		(8,750)	-	8,750	**-**
Balance at the end of period		**373,871**	**765,159**	**30,517**	**1,169,547**

City of Marion

Statement of Cash Flows

for the year ended 30 June 2018

$ '000	Notes	2018	2017
Cash Flows from Operating Activities			
Receipts			
Rates Receipts		74,602	72,393
Statutory Charges		2,335	1,888
User Charges		2,475	2,013
Grants, Subsidies and Contributions (operating purpose)		10,222	9,377
Investment Receipts		1,112	929
Reimbursements		711	725
Other Receipts		5,665	3,555
Payments			
Payments to Employees		(33,446)	(32,423)
Payments for Materials, Contracts & Other Expenses		(35,993)	(26,707)
Finance Payments		(541)	(613)
Net Cash provided by (or used in) Operating Activities	11b	**27,142**	**31,137**
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		1,522	2,524
Sale of Replaced Assets		529	2,049
Sale of Surplus Assets		318	363
Distributions Received from Equity Accounted Council Businesses		765	-
Payments			
Expenditure on Renewal/Replacement of Assets		(13,223)	(12,675)
Expenditure on New/Upgraded Assets		(8,687)	(4,931)
Net Purchase of Investment Securities		(15,550)	(3,700)
Net Cash provided by (or used in) Investing Activities		**(34,326)**	**(16,370)**
Cash Flows from Financing Activities			
Receipts			
Proceeds from Bonds & Deposits		-	3
Payments			
Repayments of Borrowings		(1,197)	(1,126)
Repayment of Bonds & Deposits		(23)	(2)
Net Cash provided by (or used in) Financing Activities		**(1,220)**	**(1,125)**
Net Increase (Decrease) in Cash Held		**(8,404)**	**13,642**
plus: **Cash & Cash Equivalents at beginning of period**	11a	29,913	16,271
Cash & Cash Equivalents at end of period	11a	21,509	29,913

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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 31 May 2018.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

1.4 Rounding

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

2 The Local Government Reporting Entity

City of Marion is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 245 Sturt Road, Sturt. 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.

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
2015/16	$1,278,810	$2,715,629	-$1,436,819
2016/17	$4,091,214	$2,700,069	+$1,391,145
2017/18	$3,399,489	$3,269,242	+$130,247

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.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

6.2 Materiality

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

Category	Individual Threshold
Infrastructure	$5,000
Land	N/a
Land Improvements	$5,000
Buildings	$5,000
Furniture and Fittings	$3,000
Equipment	$3,000
Other	$3,000

Thresholds are also applied to Aggregated Assets in determining whether the value is considered material.

Category	Aggregated Threshold
Infrastructure	
Reserve Lighting	$250,000
Reserve Pathways	$500,000
Buildings	
Bus Shelters	$1,000,000
Shelters/Gazebos	$250,000
Fencing	$500,000

Note 1. Summary of Significant Accounting Policies (continued)

Furniture and Fittings	$25,000
Equipment	
Irrigation	$1,000,000
LED Lighting	$1,000,000
Other	
BBQs	$250,000
Reserve Furniture	$500,000
Drink Fountains	$50,000
Reserve Bollards	$250,000
Reserve Bins	$100,000
City Band Instruments	$100,000
Council Artwork	$100,000

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

Other than land, all 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.

	Short Life Years	*Long Life Years*
Furniture & Equipment		
Office Equipment	3 to 10	N/a
Office Furniture	15	N/a
Vehicles and Heavy Equipment	3 to 15	N/a
Other Plant & Equipment	7 to 25	N/a
LED Lighting	50	N/a
Irrigation – Equipment	10	N/a
Irrigation - Pipework	60	N/a
Buildings		
Sub Structure	N/a	80 to 200
Super Structure	40 to 80	N/a
Roofing	40	N/a
Services	40 to 50	N/a
Fitout	30 years	N/a
Infrastructure		
Sealed Roads – Surface	25 to 40	N/a
Road Base	60 to 100	200
Road Formation	200	N/a
Kerb	70 - 105	200
Footpath – Bitumen/Rubber	20 to 40	60 to 100
Footpath – Concrete	50 to 85	N/a
Footpath – Paved	50 to 85	N/a
Other Road Structures	20 to 100	20 to 40
Traffic Signs	15 to 20	N/a
Bridges	80 to 140	200
Stormwater Pipes Concrete	100 to 175	200
Stormwater Pipes PVC	60 to 100	N/a
Stormwater Pipes Ribloc	60 to 100	200
Junction Boxes	100 to 175	200
Pollutant Traps	100 to 175	200
Box Culverts	100 to 175	200
Headwalls	100 to 175	200
Drainage Pits	100 to 175	200
Other Infrastructure		
Wetland Assets	15-100	250 years
Car Parks	25 to 40	N/a
Lighting	15-25	N/a
Recreation Pathways	30-40	N/a
Sports Floodlights	25	N/a

Note 1. Summary of Significant Accounting Policies (continued)

Other Assets		
Playground Equipment	20	N/a
Reserve Furniture	25	N/a
Band Instruments	30	N/a
Civic Art Structures	15 to 80	N/a

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

Borrowings are 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.

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

Note 1. Summary of Significant Accounting Policies (continued)

applied and Council's involvement with the schemes are reported in Note 18.

10 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.

11 Equity Accounted Council Businesses

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

12 GST Implications

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

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

13 New accounting standards and 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.

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

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 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 2017

- AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*
- AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*
- AASB 2016-7 *Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities*

Effective for annual reporting periods beginning on or after 1 January 2018

- AASB 9 *Financial Instruments*
- AASB 15 *Revenue from Contracts with Customers*

Note 1. Summary of Significant Accounting Policies (continued)

- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*
- AASB 2014-1 *Amendments to Australian Accounting Standards (Part E)*
- AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*
- AASB 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*
- AASB 2017-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 4*

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

- 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)
- 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 1059 *Service Concession Arrangements: Grantors*
- AASB 1059 *Service Concession Arrangements: Grantors* (Appendix D)

14 Comparative Figures

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

15 Disclaimer

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 2. Income

$ '000	Notes	2018	2017
(a). Rates Revenues			
General Rates			
General Rates		74,161	71,746
Less: Mandatory Rebates		(1,357)	(1,060)
Less: Discretionary Rebates, Remissions & Write Offs		(3)	(7)
Total General Rates		72,801	70,679
Other Rates (Including Service Charges)			
Natural Resource Management Levy		1,801	1,666
Total Other Rates		1,801	1,666
Other Charges			
Penalties for Late Payment		262	246
Total Other Charges		262	246
Total Rates Revenues		74,864	72,591
(b). Statutory Charges			
Development Act Fees		899	810
Town Planning Fees		74	86
Animal Registration Fees & Fines		531	465
Parking Fines / Expiation Fees		801	518
Total Statutory Charges		2,305	1,879
(c). User Charges			
Hall & Equipment Hire		285	256
Sales - General		373	297
Sundry		887	785
Admission Fees		460	380
Rental Income		245	231
Total User Charges		2,250	1,949

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 2. Income (continued)

$ '000	Notes	2018	2017
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		1,103	924
- Banks & Other		9	5
Total Investment Income		1,112	929
(e). Reimbursements			
Private Works		250	171
Other		404	520
Total Reimbursements		654	691
(f). Other Income			
Insurance & Other Recoupments - Infrastructure, IPP&E		175	31
Sundry		145	124
Donations & Contributions income		574	324
Total Other Income		894	479
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		1,522	2,524
Total Amounts Received Specifically for New or Upgraded Assets		1,522	2,524
Other Grants, Subsidies and Contributions		8,433	7,851
Individually Significant Item - Additional Grants Commission Payment (refer below)		1,521	1,391
Total Other Grants, Subsidies and Contributions		9,954	9,242
Total Grants, Subsidies, Contributions		11,476	11,766

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

(i) Sources of grants

Commonwealth Government	4,256	3,613
State Government	7,133	7,956
Other	87	197
Total	11,476	11,766

(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	1,521	1,391

2018 : In June 2018, Council received payment of the first two instalments of the 2018/19 Grants Commission Financial Assistance Grants.This was offset by the 2017/18 Grants Commission payment received in June 2017.
2017: In June 2017, Council received payment of the first two instalments of the 2017/18 Grants Commission Financial Assistance Grants.This has had a material effect on Council's operating result in the 2016/17 financial year.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 2. Income (continued)

$ '000	Notes	2018	2017
(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		2,839	1,245
Less:			
Expended during the current period from revenues recognised in previous reporting periods			
Other		(443)	(835)
Subtotal		**(443)**	**(835)**
Plus:			
Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions			
Other		1,632	2,429
Subtotal		**1,632**	**2,429**
Unexpended at the close of this reporting period		4,028	2,839
Net increase (decrease) in assets subject to conditions in the current reporting period		**1,189**	**1,594**
(i). Physical Resources Received Free of Charge			
Land & Improvements		-	264
Roads, Bridges & Footpaths		112	83
Stormwater Drainage		12	68
Buildings		-	23
Other		7	1
Total Physical Resources Received Free of Charge		131	439

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 3. Expenses

$ '000	Notes	2018	2017
(a). Employee Costs			
Salaries and Wages		28,259	27,408
Employee Leave Expense		2,571	2,609
Superannuation - Defined Contribution Plan Contributions	18	2,540	2,488
Workers' Compensation Insurance		806	890
Less: Capitalised and Distributed Costs		(902)	(1,174)
Total Operating Employee Costs		33,274	32,221
Total Number of Employees (full time equivalent at end of reporting period)		360	344
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		34	37
Bad and Doubtful Debts		3	-
Elected Members' Expenses		329	340
Operating Lease Rentals - Cancellable Leases		483	450
Subtotal - Prescribed Expenses		**849**	**827**
(ii) Other Materials, Contracts and Expenses			
Contractors		14,022	12,770
Energy		2,022	1,815
Maintenance		3,046	2,014
Legal Expenses		249	180
Levies Paid to Government - NRM levy		1,799	1,683
Levies - Other		174	160
Parts, Accessories & Consumables		3,031	2,681
Professional Services		1,342	977
Sundry		2,485	1,826
Insurance		521	627
Fringe Benefits Tax		181	215
Advertising		138	103
Printing & Postage		333	331
Memberships & Subscriptions		260	209
Bank Fees & Charges		200	203
Telecommunication Charges		192	162
Subtotal - Other Material, Contracts & Expenses		**29,995**	**25,956**
Total Materials, Contracts and Other Expenses		30,844	26,783

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 3. Expenses (continued)

$ '000	Notes	2018	2017
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings & Other Structures		4,884	4,927
Infrastructure		8,493	8,361
- Other		1,409	1,380
Plant & Equipment		1,210	1,260
Furniture & Fittings		77	76
Intangible Assets		58	54
Other Assets		965	954
Subtotal		**17,096**	**17,012**
Less: Capitalised and Distributed costs		(105)	(142)
Total Depreciation, Amortisation and Impairment		16,991	16,870
(d). Finance Costs			
Interest on Loans		541	613
Total Finance Costs		541	613

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		688	2,412
Less: Carrying Amount of Assets Sold		(2,053)	(3,638)
Gain (Loss) on Disposal		**(1,365)**	**(1,226)**
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		159	-
Less: Carrying Amount of Assets Sold		(105)	-
Gain (Loss) on Disposal		**54**	**-**
Net Gain (Loss) on Disposal or Revaluation of Assets		(1,311)	(1,226)

Note 5. Current Assets

(a). Cash & Cash Equivalents			
Cash on Hand at Bank		309	213
Short Term Deposits & Bills, etc.		21,200	29,700
Total Cash & Cash Equivalents		21,509	29,913

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 5. Current Assets (continued)

$ '000	Notes	2018	2017
(b). Trade & Other Receivables			
Rates - General & Other		2,315	2,065
Rates Postponed for State Seniors		159	145
Accrued Revenues		328	467
Debtors - General		1,501	1,463
GST Recoupment		988	1,064
Prepayments		587	636
Total Trade & Other Receivables		5,878	5,840
(c). Other Financial Assets (Investments)			
Other Financial Assets (Term Deposits with over 90 days to maturity)		27,450	11,900
Total Other Financial Assets (Investments)		27,450	11,900

Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13

(d). Inventories			
Stores & Materials		227	248
Total Inventories		227	248

Note 6. Non-Current Assets

(a). Equity Accounted Investments in Council Businesses			
Southern Region Waste Resource Authority	19	5,739	5,971
Council Solutions	19	76	88
Total Equity Accounted Investments in Council Businesses		5,815	6,059
(b). Other Non-Current Assets			
Capital Works-in-Progress		6,660	4,978
Computer Software & Licences		1,178	1,238
Less Accumulated Amortisation		(1,012)	(1,014)
Total Other Non-Current Assets		6,826	5,202

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 7a (i). Infrastructure, Property, Plant & Equipment

$ '000	Fair Value Level	as at 30/6/2017 At Fair Value	At Cost	Accumulated Dep'n	Accumulated Impairment	Carrying Value	Asset Movements during the Reporting Period: Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	as at 30/6/2018 At Fair Value	At Cost	Accumulated Dep'n	Accumulated Impairment	Carrying Value
Land	2	357,491	2,653	-	-	360,144	-	-	-	-	-	(8,149)	-	351,995	-	-	-	351,995
Buildings & Other Structures	3	136,341	27,436	80,571	-	83,206	2,256	925	(1,060)	(4,884)	-	-	25,625	168,688	2,399	65,019	-	106,068
Infrastructure	3	741,028	4,562	105,764	-	639,826	2,072	7,161	-	(8,493)	-	(21,961)	-	756,151	2,055	139,601	-	618,605
- Other	3	46,771	6,410	15,938	-	37,243	3,092	944	(548)	(1,409)	(4,538)	(1,004)	-	42,819	3,164	12,203	-	33,780
Plant & Equipment		-	13,687	7,197	-	6,490	1,390	2,036	(536)	(1,210)	4,538	-	-	-	21,872	9,164	-	12,708
Furniture & Fittings		-	1,734	892	-	842	7	35	-	(77)	-	-	-	-	1,774	967	-	807
Other Assets		13,295	1,938	7,322	-	7,911	637	433	(14)	(965)	-	-	567	11,290	537	3,258	-	8,569
Total Infrastructure, Property, Plant & Equipment		**1,294,926**	**58,420**	**217,684**	**-**	**1,135,662**	**9,454**	**11,534**	**(2,158)**	**(17,038)**	**-**	**(31,114)**	**26,192**	**1,330,943**	**31,801**	**230,212**	**-**	**1,132,532**
Comparatives		1,275,378	51,136	214,856	-	**1,111,658**	4,195	11,081	(3,638)	(16,958)	-	-	29,324	1,294,926	58,420	217,684	-	**1,135,662**

Note 7a (ii). Investment Property

Nil

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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

Valuation of Assets

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

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

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

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

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

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

Information on Valuations

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.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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

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 restated 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.

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

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

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

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

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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

Valuation of Assets (continued)

Land & Land Improvements
Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset. Currently there are no assets that require this treatment.

Buildings & Other Structures
A comprehensive revaluation was carried out by independent valuation for this reporting period, 30 June 2018.

Infrastructure
A comprehensive revaluation of infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) was carried out by independent valuation for this reporting period, 30 June 2018.

A comprehensive revaluation was carried out by independent valuation for this reporting period, 30 June 2018 for other infrastructure assets such as car parks, lighting, walking trails and reserve pathways

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

Plant, Furniture & Equipment
These assets are recognised on the cost basis.

All other Assets
A comprehensive revaluation was carried out by independent valuation for this reporting period, 30 June 2018.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 8. Liabilities

$ '000	Notes	2018 Current	2018 Non Current	2017 Current	2017 Non Current
(a). Trade and Other Payables					
Goods & Services		9,537	-	9,451	-
Payments Received in Advance		21	-	-	-
Accrued Expenses - Employee Entitlements		744	-	737	-
Accrued Expenses - Other		18	-	20	-
Deposits, Retentions & Bonds		-	-	23	-
Other		19	-	4	-
Total Trade and Other Payables		10,339	-	10,235	-
(b). Borrowings					
Loans		1,100	6,805	1,197	7,905
Total Borrowings		1,100	6,805	1,197	7,905
(c). Provisions					
Employee Entitlements (including oncosts)		5,422	700	5,239	701
Total Provisions		5,422	700	5,239	701

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

Note 9. Reserves

$ '000	1/7/2017	Increments (Decrements)	Transfers	Impairments	30/6/2018
(a). Asset Revaluation Reserve					
Land	258,845	(8,149)	-	-	250,696
Buildings & Other Structures	59,250	25,625	-	-	84,875
Infrastructure	25,857	(21,961)	-	-	3,896
- Stormwater Drainage	97,742	-	-	-	97,742
- Other	1,302	(1,004)	-	-	298
- Roads, Bridges, Footpaths	318,547	-	-	-	318,547
Other Assets	4,506	567	-	-	5,073
JV's / Associates - Other Comprehensive Income	(890)	-	-	-	(890)
Total Asset Revaluation Reserve	765,159	(4,922)	-	-	760,237
Comparatives	735,835	29,324	-	-	765,159

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 9. Reserves (continued)

$ '000	1/7/2017	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2018
(b). Other Reserves					
Open Space Reserve	1,188	53	(23)	-	1,218
Grants/Carry Forward Projects Reserve	13,698	11,077	(12,519)	-	12,256
Asset Sustainability Reserve	15,631	8,098	(2,073)	-	21,656
Total Other Reserves	30,517	19,228	(14,615)	-	35,130
Comparatives	21,767	15,929	(7,179)	-	30,517

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).

Open Space Reserve

Purpose - this reserve has been established to account for the following:
I. set aside open space contributions provided by developers in accordance with the Development Act (conditions may apply)
II. separate net proceeds associated with Road Closures.
III. net proceeds associated with disposal of minor land holdings
IV. funds received from the 'Urban Trees Fund'

Use of Fund - monies can be applied to the development of Open Space facilities as approved by Council and in accordance with the Open Space Policy (pending). Interest revenues earned on contributions provided by developer are transferred to the Fund.

Grants/Carry Forward Projects Reserve

Purpose - this reserve was created for:
Grants received in advance - occasionally a funding body has provided Grant funds relating to the following financia year in advance. When this has occurred, it has been necessary to transfer these funds to this reserve so that they can be matched against the expenditures planned to be incurred in the next financial year.
Unexpended Grants - when grant monies have not been fully acquitted in the financial year this reserve is used to transfer the unexpended balance to the following year.
Carryovers - typically represents unspent capital and service improvements budgets carried forward to the following financial year.
Use of Fund - monies are utilised in accordance with the original purpose.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 9. Reserves (continued)

Asset Sustainability Reserve

Purpose - this is a reserve fund established to:
I. Primary Purpose – Provide Council with the ability to access sufficient funds to enable it to respond to a major infrastructure failure or fund an infrastructure gap identified in periodic asset audits. A minimum balance of $2 million will be retained in the Asset Sustainability Reserve for this purpose.
II. Assist Council fund its Long Term Asset Management objectives.
III. Provide a means by which to spread the cost of intergenerational assets thereby reducing the need for borrowing
IV. Provide a means by which Council can strategically plan to maintain its asset base within a long term Financial framework.
V. Quarantine funds specifically set aside in the Community Facilities Partnership Program (CFPP) for the purpose of funding the renewal, upgrade and purchase of Council assets as resolved by Council. This will include encouraging organisations leasing council facilities to seek partnership funding for required renewal and upgrade of those community facilities.
The Asset Sustainability Reserve will be funded from planned surpluses identified in the Long Term Financial Plan (LTFP) and from funds specifically set aside for the CFPP in the LTFP.
Use of Fund - Reserve transfers will be controlled by specific Council resolutions or identified as part of the approved annual Strategic Plan and Budget.

Note 10. Assets Subject to Restrictions

$ '000	Notes	2018	2017
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.			
Cash & Financial Assets			
Unexpended amounts received from Federal Government			
Other		4,028	2,839
Total Cash & Financial Assets		**4,028**	**2,839**
Total Assets Subject to Externally Imposed Restrictions		**4,028**	**2,839**

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 11. Reconciliation to Statement of Cash Flows

$ '000	Notes	2018	2017
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	21,509	29,913
Balances per Statement of Cash Flows		**21,509**	**29,913**
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		**11,246**	**13,410**
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		16,991	16,870
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(521)	(400)
Non-Cash Asset Acquisitions		(131)	(439)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(1,522)	(2,524)
Net (Gain) Loss on Disposals		1,311	1,226
Other		2	-
		27,376	**28,143**
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(38)	(1,086)
Net (Increase)/Decrease in Inventories		21	(72)
Net (Increase)/Decrease in Other Current Assets		58	(4)
Net Increase/(Decrease) in Trade & Other Payables		(457)	4,152
Net Increase/(Decrease) in Unpaid Employee Benefits		182	4
Net Cash provided by (or used in) operations		**27,142**	**31,137**
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	131	439
Amounts recognised in Income Statement		**131**	**439**
Total Non-Cash Financing & Investing Activities		**131**	**439**
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Corporate Credit Cards		75	75
LGFA Cash Advance Debenture Facility		11,000	11,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Councl also has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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 2018**	Actual 2017	**Actual 2018**	Actual 2017	**Actual 2018**	Actual 2017	**Actual 2018**	Actual 2017	**Actual 2018**	Actual 2017
Leader in the Delivery of the Community Vision										
Development Assessment	**1,042**	1,086	**3,823**	3,669	**(2,781)**	(2,583)	**-**	3	**-**	-
Crime Prevention	**1**	1	**388**	390	**(387)**	(389)	**-**	-	**-**	-
Community Support & Development	**5,269**	3,404	**10,130**	9,701	**(4,861)**	(6,297)	**3,399**	1,999	**116,030**	115,560
Public & Environment Health	**87**	90	**895**	843	**(808)**	(753)	**35**	38	**-**	-
General Inspection	**1,359**	1,011	**1,610**	1,589	**(251)**	(578)	**-**	1	**-**	-
Public Infrastructure	**3,503**	3,713	**18,988**	18,132	**(15,485)**	(14,419)	**2,910**	3,319	**676,208**	707,144
Open Space	**711**	260	**13,288**	12,000	**(12,577)**	(11,740)	**468**	59	**290,111**	264,162
Public Conveniences	**3**	2	**607**	516	**(604)**	(514)	**-**	-	**3,172**	3,005
Strategic Projects	**182**	25	**1,356**	1,276	**(1,174)**	(1,251)	**-**	21	**-**	1
Asset Management	**-**	-	**-**	-	**-**	-	**-**	-	**15,967**	17,492
Neighbourhood Centres	**778**	640	**2,481**	2,480	**(1,703)**	(1,840)	**521**	382	**7,820**	6,882
Cultural Development	**353**	311	**3,453**	3,371	**(3,100)**	(3,060)	**2**	24	**14,852**	11,129
Libraries	**675**	700	**7,483**	7,518	**(6,808)**	(6,818)	**558**	547	**14,612**	14,581
Waste & Recycling	**96**	56	**7,956**	7,525	**(7,860)**	(7,469)	**9**	3	**5,739**	5,972
Economic Development	**195**	204	**1,002**	749	**(807)**	(545)	**200**	160	**-**	-
Total Leader in the Delivery of the Community Vision	**14,302**	11,503	**74,865**	69,759	**(60,563)**	(58,256)	**8,102**	6,556	**1,144,511**	1,145,928
Organisation of Excellence										
Governance	**1**	89	**4,191**	4,130	**(4,190)**	(4,041)	**-**	1	**-**	2
Service Quality	**-**	1	**168**	136	**(168)**	(135)	**-**	-	**589**	578
Total Organisation of Excellence	**1**	90	**4,359**	4,266	**(4,358)**	(4,176)	**-**	1	**589**	580
Treasury	**77,730**	76,167	**2,426**	2,462	**75,304**	73,705	**1,852**	2,685	**55,137**	48,316
Total Functions/Activities	**92,033**	**87,760**	**81,650**	**76,487**	**10,383**	**11,273**	**9,954**	**9,242**	**1,200,237**	**1,194,824**

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

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 12b. Components of Functions

The activities relating to Council functions are as follows:

Leader in the Delivery of the Community Vision – "Broad Horizons, Bright Future"

PUBLIC INFRASTRUCTURE

Includes the design, development and maintenance of footpaths, streets, drainage and kerb and water table, as well as street signs, traffic control devices and line-marking ensuring that local neighbourhoods are safe and accessible with good amenity

WASTE & RECYCLING

Services including domestic kerbside collection, hard rubbish collection, street sweeping and general litter collection to maintain cleanliness and amenity

OPEN SPACE

Parks, reserves, ovals and streetscape development and maintenance providing well maintained public spaces for use by all members of the community

LIBRARIES

Providing opportunities for learning and social activities for all ages and interests

ASSET MANAGEMENT

Management and maintenance of Council properties enabling them to be utilised by members of the community for various purposes such as meetings, social activities and programs

COMMUNITY SUPPORT & DEVELOPMENT

Services such as home and community care, youth services, support for volunteers and community transport providing direct support to groups within the community

COMMUNITY DEVELOPMENT

Recreation, sport and leisure facilities, services and activities that provide opportunities for community members to socialise and undertake physical activity

DEVELOPMENT ASSESSMENT

Building and planning services which ensure that houses are safely constructed and designed and developed in a manner which is sympathetic to the local neighbourhood

CULTURAL DEVELOPMENT

Supporting community involvement in arts and cultural activity and expression, celebrating diversity, indigenous people and those from culturally and linguistically diverse backgrounds. This includes the Marion Cultural Centre and Living Kaurna Cultural Centre providing cultural and artistic experiences for the community

TREES

Provision of street trees and revegetation programs to improve amenity and promote, where possible, the use of indigenous plants

NEIGHBOURHOOD CENTRES

Providing opportunities for learning and social activities for all ages and interests

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 12b. Components of Functions (continued)

PUBLIC & ENVIRONMENTAL HEALTH

Services such as food safety and public health inspections, immunisation and enforcement of certain environmental regulations as well as Planning, information, advice and demonstration to promote environmentally sensitive practices by both Council and the community

ECONOMIC DEVELOPMENT

Planning and support for existing and potential businesses to assist businesses to adapt to changing circumstance and provide an employment base for the Marion community

STRATEGIC PROJECTS

Major projects such as the Marion South Plan and State Aquatic Centre aimed at providing improved services and facilities for the Community

CRIME PREVENTION

Services such as graffiti removal and working with other agencies to improve the safety and amenity of the community

GENERAL INSPECTION

Services include dog and cat control, pest control, parking control and the enforcement of by-laws to ensure that the community is safe and orderly

PUBLIC CONVENIENCES

Services such as provision and maintenance of public toilets in close proximity to highly frequented reserves and other open space areas

Organisation of Excellence
To lead in the delivery of the Community Vision, the organisation must maintain its sustainability. This underpins our Corporate Vision of “An Organisation of Excellence”. To achieve this, the following essential support services are funded in the budget.

Excellence in Governance

Elected Member Support
Provision of services which enable Elected Members to undertake their role in making decisions for the Council and community, including Council meetings, elections, council receptions and Sister City activities

Strategic, corporate and sustainability planning and policy development
To ensure that Council is progressing towards achieving the Community Vision 2020 and its strategic social, cultural, and economic and environmental sustainability goals in a transparent and accountable manner, working with our Local, State, and Federal Government partners

Financial services
Including budgeting, rating, accounts management and payroll, which ensure sound and transparent financial management which enables Council to provide adequate services and facilities and appropriately address community needs

Risk management policy, development and internal audit
Activities to ensure that Council is continuously improving its management systems

External relations, communication and community engagement
Enables the community to be appropriately and adequately informed about the activities and decisions of the Council

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 12b. Components of Functions (continued)

Service Quality

Customer service
In particular the Customer Service Centre, which enables Council staff to liaise with the community to address issues and concerns directly with Council, as well as provide the community with information and referral to other services provided in the region

Information technology
Provides support to Council staff for their technological needs to enable them to contribute towards delivery of the Community Vision as well as access by the community to Council information and services through the internet and email

Information Management
Enables Council to keep adequate and appropriate records of activities and decisions

Employer of Choice

Human Resources
Services that provide support for staff to undertake their roles to deliver the Community Vision

Occupational Health & Safety
Services to ensure that work is undertaken in a manner that is safe for the staff and community

Note 13. Financial Instruments

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 2.15% and 2.35% (2017: 1.85% and 2.40%). Short term deposits have an average maturity of 98 days and an average interest rate of 2.34% (2017: 95 days and 2.42%).

Carrying Amount:
Approximates fair value due to the short term to maturity.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

Recognised Financial Instruments

Receivables
Rates & Associated Charges
(including legals & penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

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 2% (2017: 2%). 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).

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.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

Recognised Financial Instruments

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.

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 over 10 to 15 years; interest is charged at fixed rates between 5.80% and 6.85% (2017: 5.80% and 6.85%).

Carrying Amount:
Approximates fair value.

Liabilities
Finance Leases

Accounting Policy:
Accounted for in accordance with AASB 117.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2018					
Financial Assets					
Cash & Equivalents	21,509	-	-	21,509	21,509
Receivables	1,829	-	-	1,829	1,829
Other Financial Assets	27,450	-	-	27,450	27,450
Total Financial Assets	**50,788**	**-**	**-**	**50,788**	**50,788**
Financial Liabilities					
Payables	10,339	-	-	10,339	10,339
Current Borrowings	1,570	-	-	1,570	1,100
Non-Current Borrowings	-	5,301	3,155	8,456	6,805
Total Financial Liabilities	**11,909**	**5,301**	**3,155**	**20,365**	**18,244**
2017					
Financial Assets					
Cash & Equivalents	29,913	-	-	29,913	29,913
Receivables	1,930	-	-	1,930	1,930
Other Financial Assets	11,900	-	-	11,900	11,900
Total Financial Assets	**43,743**	**-**	**-**	**43,743**	**43,743**
Financial Liabilities					
Payables	10,235	-	-	10,235	10,235
Current Borrowings	1,743	-	-	1,743	1,197
Non-Current Borrowings	-	5,791	4,235	10,026	7,905
Total Financial Liabilities	**11,978**	**5,791**	**4,235**	**22,004**	**19,337**

The following interest rates were applicable to Council's Borrowings at balance date:	30 June 2018		30 June 2017	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	6.16%	7,905	6.17%	9,102
		7,905		**9,102**

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.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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 Mangement 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.

Note 14. Commitments for Expenditure

$ '000	Notes	2018	2017
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Land		69	56
Buildings		533	961
Infrastructure		1,237	2,952
Plant & Equipment		21	208
Other		274	64
		2,134	**4,241**
These expenditures are payable:			
Not later than one year		2,134	4,241
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
		2,134	**4,241**

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 15. Financial Indicators

$ '000	Amounts 2018	Indicator 2018	Prior Periods 2017	2016
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	**10,904**	**12%**	13%	12%
Total Operating Income	**92,566**			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net Financial Liabilities	**(30,471)**	**(33%)**	(25%)	(8%)
Total Operating Income	**92,566**			
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.				
Adjustments to Ratios				
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.				
Adjusted Operating Surplus Ratio		10%	12%	12%
Adjusted Net Financial Liabilities Ratio		(33%)	(25%)	(8%)
3. Asset Sustainability Ratio				
Net Asset Renewals	**13,278**	**78%**	75%	84%
Infrastructure & Asset Management Plan required expenditure	**16,991**			
Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.				

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 16. Uniform Presentation of Finances

$ '000	2018	2017

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

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

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

Income	92,566	88,173
less Expenses	(81,662)	(76,500)
Operating Surplus / (Deficit)	**10,904**	**11,673**
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(13,807)	(12,675)
add back Depreciation, Amortisation and Impairment	16,991	16,870
add back Proceeds from Sale of Replaced Assets	529	2,049
Subtotal	**3,713**	**6,244**
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(8,687)	(4,931)
add back Amounts Received Specifically for New and Upgraded Assets	1,522	2,524
add back Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	318	363
Subtotal	**(6,847)**	**(2,044)**
Net Lending / (Borrowing) for Financial Year	**7,770**	**15,873**

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 17. Operating Leases

$ '000	2018	2017

Lease Payment Commitments of Council

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

No contingent rentals were paid during the current or previous reporting periods.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease return or acquire the equipment leased

No lease contains any escalation clause

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

Not later than one year	279	300
Later than one year and not later than 5 years	292	287
Later than 5 years	142	-
	713	**587**

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 18. Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2017/18; 9.50% in 2016/17). 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 2016/17) of "superannuation" salary.

In addition, Council makes a separate contribution of 3.2% 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.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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	
	2018	2017	2018	2017
Joint Ventures	521	400	5,815	6,059
Total	521	400	5,815	6,059

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2018	2017
Southern Region Waste Resource Authority (SRWRA)	Waste Disposal	5,739	5,971
Council Solutions	Procurement	76	88
Total Carrying Amounts - Joint Ventures & Associates		**5,815**	**6,059**

Southern Region Waste Resource Authority (SRWRA)
The Southern Region Waste Resource Authority was established under Section 43 of the Local Government Act to provide and operate services for the management of waste and waste facilities under its control on behalf of its constituent councils.

The SRWRA owns and operates the Southern Region Waste Disposal Depot on behalf of the Cities of Holdfast Bay, Marion and Onkaparinga.

The City of Marion has an equal voting right and a 30% interest in the assets and liabilities of SRWRA. For the year ended 30 June 2018, the net assets of SRWRA total $19,133,000. The City of Marion interest, totalling $5,739,000 is disclosed below.

In 2006 the decision was taken to equity account for this investment due to a change in the operations of the business. Initial balances were brought to account through accumulated surplus.

Council Solutions
Established by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully in December 2012, this regional joint venture has been established for the purposes of providing a centre of excellence in procurement and to provide services to the Constituent Councils

The City of Marion has a 16.67% interest in the assets and liabilities of Council Solutions. For the year ended 30 June 2018, the net assets of Council Solutions total $455,000. The City of Marion interest, totalling $76,000 is disclosed below.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 19. Interests in Other Entities

$ '000

(b) Relevant Interests

Name of Entity	Interest in Operating Result 2018	Interest in Operating Result 2017	Ownership Share of Equity 2018	Ownership Share of Equity 2017	Proportion of Voting Power 2018	Proportion of Voting Power 2017
Southern Region Waste Resource Authority (SRWRA)	30%	30%	30%	30%	30%	30%
Council Solutions	17%	17%	17%	17%	17%	17%

(c) Movement in Investment in Joint Venture or Associate

	Southern Region Waste Resource Authority (SRWRA) 2018	Southern Region Waste Resource Authority (SRWRA) 2017	Council Solutions 2018	Council Solutions 2017
Opening Balance	5,971	5,558	88	101
Share in Operating Result	533	413	(12)	(13)
Distributions Received	(765)	-	-	-
Council's Equity Share in the Joint Venture or Associate	**5,739**	**5,971**	**76**	**88**

(d). Share of Joint Operations Expenditure Commitments

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

	2018	2017
(i) Operating Expenditures Payable		
Not later than one year	18	18
Later that one year and not later than 5 years	19	37
Later than 5 years	-	-
	37	**55**

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

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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

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

1. LAND UNDER ROADS

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

2. POTENTIAL INSURANCE LOSSES

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

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductable "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 currently has no guaranteed loans or other banking facilities advanced to community organisations and sporting bodies at reporting date.

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 4 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.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2018, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Accordingly, the "authorised for issue" date is 09/10/18.

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

Note 23. Related Party Transactions

$ '000	2018	2017

Key Management Personnel

Transactions with Key Management Personel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 17 persons were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:

Salaries, Allowances & Other Short-Term Employee Benefits	1,190	1,167
Post-Employment Benefits	77	74
Total	1,267	1,241

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

Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received no receipts from Key Management Personnel.

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Independent Auditor's Report to the Members of the Corporation of the City of Marion

Opinion

We have audited the financial report of the Corporation of the City of Marion (the "Council"), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration the Chief Executive Officer.

In our opinion the accompanying financial report presents fairly, in all material respects, the Entity's financial position as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity 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

The Chief Executive Officer is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

Chief Executive Officer's Responsibilities for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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 Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer.

- Conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive Officer 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.

DELOITTE TOUCHE TOHMATSU

Penny Woods
Partner
Chartered Accountants
Adelaide, 9 October 2018

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Independent Assurance Report to the members of the Corporation of the City of Marion

Opinion

We have undertaken a reasonable assurance engagement on the Corporation of the City of Marion (the "Council")'s compliance, in all material respects, with the requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions, as evaluated against Section 125 of the Local Government Act 1999, for the period from 1 July 2017 to 30 June 2018.

In our opinion, the Council has complied, in all material respects, with the requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions, as evaluated against Section 125 of the Local Government Act 1999, for the period from 1 July 2017 to 30 June 2018.

Basis for Opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* ("ASAE 3100") issued by the Auditing and Assurance Standards Board.

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

The Council's Responsibilities

The Council is responsible for:

a) The compliance activity undertaken to meet Section 125 of the Local Government Act 1999 in relation to the design and implementation of internal controls;

b) Identifying risks that threaten compliance with Section 125 of the Local Government Act 1999 in relation to the design and implementation of internal controls identified above being met;

c) Identifying suitable compliance requirements as specified by Section 125 of the Local Government Act 1999 in relation to the design and implementation of internal controls; and

d) Identifying, designing and implementing controls to enable Section 125 of the Local Government Act 1999 to be met and to monitor ongoing compliance.

Our Independence and Quality Control

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

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Member of Deloitte Touche Tohmatsu Limited

This is a draft document. As it is a work in progress it may be incomplete, contain preliminary conclusions and may change. You must not rely on, disclose or refer to it in any document. We accept no duty of care or liability to you or any third party for any loss suffered in connection with the use of this document.

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance, in all material respects, with the requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions, as evaluated against Section 125 of the Local Government Act 1999, for the period from 1 July 2017 to 30 June 2018. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether the Council has complied, in all material respects, with the requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions, as evaluated against Section 125 of the Local Government Act 1999, for the period from 1 July 2017 to 30 June 2018.

An assurance engagement to report on the Council's compliance with the requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions, as evaluated against Section 125 of the Local Government Act 1999.

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

Inherent Limitations

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

A reasonable assurance engagement for the period from 1 July 2017 to 30 June 2018 does not provide assurance on whether compliance with requirement to design and implement internal controls to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are in accordance with legislative provisions will continue in the future.

Restricted Use

This report has been prepared for use by the members of the Council in accordance with *Section 129 of the Local Government Act 1999* in relation to the design and implementation of internal controls. We disclaim any assumption of responsibility for any reliance on this report to any person other than the members of the Council, or for any purpose other than that for which it was prepared.

DELOITTE TOUCHE TOHMATSU

Penny Woods
Partner
Chartered Accountants
Adelaide, 9 October 2018

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City of Marion

General Purpose Financial Statements
for the year ended 30 June 2018

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Marion for the year ended 30 June 2018, the Council's Auditor, Deloitte Touche Tohmatsu 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.*

Adrian Skull
CHIEF EXECUTIVE OFFICER

Greg Connor
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 2.10.18

Deloitte Touche Tohmatsu
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11 Waymouth Street
Adelaide, SA, 5000
Australia

Phone: +61 8 8407 7000
www.deloitte.com.au

9 October 2018

Corporation of the City of Marion
245 Sturt Road
STURT SA 5047

Dear Members

Auditor's Independence Declaration to the Corporation of the City of Marion

In accordance with the Local Government (Financial Management) Regulations 2011, I am pleased to provide the following declaration of independence to the councillors of the Corporation of the City of Marion.

I confirm that, for the audit of the financial statements of the Corporation of the City of Marion for the 30 June 2018 financial year, 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.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Penny Woods
Partner
Chartered Accountants

DRAFT

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited

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SRWRA

2017/18 Annual Report

SRWRA is a regional subsidiary established by the Cities of Onkaparinga, Marion and Holdfast Bay, pursuant to Section 43 of the Local Government Act, 1999.

Under our Charter, SRWRA is responsible for providing and operating waste management services on behalf of our constituent Councils.

At a practical level, our core business activity is the management of our wholly-owned SRWRA Landfill and Recycling Operation employing innovative resource recovery approaches in managing all products and materials as valuable and finite resources. This is one of the State's major landfill operations currently receiving over 100,000 tonnes of waste annually.

Since 1996 the Authority has been extracting landfill gas (methane) through its gas management plant. On average, the Authority generates over 18,000MWh per annum from the SRWRA Landfill facility, equivalent to powering more than 2,500 local homes. As a result, more than 6.8m cubic metres of methane from the SRWRA's Landfill Gas site is consumed, CO2 abatement equivalent to taking 26,000 cars off the road.

The SRWRA's joint venture operation with Integrated Waste Services (IWS) has developed through 2017/18 with significant improvements in the recycling programme through the jointly operated Southern Recycling Centre (SRC) realising significant improvements in the reduction of waste to landfill.

Joint Venture Partner

Constituent Councils

Chairperson's Message

Waste management impacts many aspects of society and the economy. This has never been more evident than in the past 12 months when the Chinese government stopped taking recyclable materials from Australia, an action which focused our collective consciousness on the need to ensure we have sustainable markets for recycled materials in Australia.

As a country we have a strong commitment to recycling and South Australia has long been at the forefront of this. For many people, recycling means putting waste in the yellow-top bin with the expectation that this is then sorted and turned back into its base materials such as paper, glass, plastics etc. Unfortunately, all too much of this product is not suitable for recycling and ends up in a landfill. This must change. In Australia we need to proactively stimulate markets for the use of recycled materials so that industry will continue to invest and innovate to produce products which rely less on virgin materials. The circular economy needs commitment from government at the policy level, all levels of government from a procurement perspective and from the consumer. We must strive to keep resources in use for as long as possible, extract the maximum value from them while they are in use, then recover and regenerate products and materials at the end of each service lifecycle. We need our businesses and governments to actively prioritise the use of recycled goods or to introduce recycled material quotas.

As the Southern Region Waste Resource Authority, we continue to ensure that we are investing in the technology and systems to increase resource recovery from our operations. The Southern Recycling Centre is now operating effectively and has diverted over 10,000 tonnes from landfill over the past 12 months, and we expect this volume to increase over time.

Our landfill operation is one of the South Australia's largest, and it continues to be a very important component in ensuring SRWRA continues to fulfil its responsibility to provide and operate waste management services on behalf of its Constituent Councils.

We have again delivered an excellent financial performance distributing $2.550 million to the Constituent Councils while keeping waste disposal costs very competitive in the market.

The Board, the Audit Committee and our staff, capably led by Chief Executive Mark Hindmarsh, are to be commended for their dedication and commitment to ensure the Authority continues to meet the objectives and responsibilities outlined in its Charter in a fiscally and environmentally sustainable manner.

On behalf of the Board of the Southern Region Waste Resource Authority, I am pleased to submit the Annual Report for the 2018 financial year.

Board of Management as at June 30th 2018

Chairperson

Mark Booth

Members

Kirk Richardson
City of Onkaparinga

Vincent Mifsud
City of Marion

Lynda Yates
City of Holdfast Bay

Alison Hancock
City of Onkaparinga

Ian Crossland
City of Marion

Roberto Bria
City of Holdfast Bay

Deputy Members

Heidi Greaves
City of Onkaparinga

Nick Kerry
City of Marion

John Smedley
City of Holdfast Bay

Chief Executive Officer's Message

The past year has seen an increased focus on the Waste Management Sector especially around the recovery of reusable and recyclable waste products.

The Authority is committed to sustainability and sets a high environmental standard for its incorporation and use of recycled products which promotes the regeneration of recyclable products and supports the key delivery outcomes by reducing reliance on disposal to landfill.

Recovery and reuse form a staple part of the landfill and recycling operations with over 40,000 tonnes of waste being recovered for reuse on site this year. An integral part of the recovery and diversion from landfill process comes from the Southern Recycling Centre diverting over 10,000 tonnes of organic waste from landfill this year for positive reuse.

The Authority continues to develop its operations incorporating new advancements in lining technology, pioneering an Australian first with a new lining design and application.

The culmination of investigation and exploration of several developments and efficiencies in the use of recovered products has seen the Authority deliver a milestone financial performance distributing $2.55 million to its Constituent Councils whilst assuring low cost competitive disposal costs for its members.

With several successful projects coming to fruition the year has been an educational year of working with new technologies to enhance the operation of the waste management and resource recovery systems at the Authority.

SRWRA has a dedicated team and strong supportive Board who are integral to the momentum of efficiencies and continuous improvements across the administration and operations of the SRWRA landfill and recycling operations.

I would like to take this opportunity to extend my thanks and appreciation to the SRWRA staff, Board members and Audit Committee members for their hard work and dedicated contribution over the past twelve months, strengthening the Authorities commitment and responsibilities to waste management on behalf of its Constituent Councils.

In the continued development of the SRWRA's community educational initiatives each year the Authority writes to all the local primary schools in the Constituent Council areas promoting the Les Perry Memorial Grant Programme. Schools in the Constituent Council areas are encouraged to apply to the Authority for a grant of approximately $500 each to focus on recycling and educating children on the importance of recycling and re-use of common household waste materials. A total of 14 schools were successfully awarded the grant this year.

I am pleased to report that the 2017/18 financial period for the Authority showed an operating surplus of $1.75M for the year ended 30th June 2018. This is an excellent result, built around the improvements and ongoing efficiencies of the operations over the past twelve months. The Authority strives to operate a reasonable commercial return to the Constituent Councils whilst ensuring there are adequate financial reserves to meet future developments and post closure requirements of its operations.

A complete copy of the Audited Financial Statements for 2017/18 form part of this report.

As the demands on the Waste Industry continues to evolve and develop, I look forward to leading the Authority through the challenges and exciting opportunities in the year ahead.

SRWRA
Southern Region Waste Resource Authority

FINANCIAL REPORT

For the Financial Year Ended 30 June 2018

SOUTHERN REGION WASTE RESOURCE AUTHORITY

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SOUTHERN REGION WASTE RESOURCE AUTHORITY

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2018

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern Region Waste Resource Authority Board 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 2018 and the results of its operations and cashflows 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 throughout the financial year.

- the financial statements accurately reflect the Authority's accounting and other records.

.....
Mark Booth
Chairman

.....
Mark Hindmarsh
Executive Officer

Dated the 12th **day of** Sept **2018**

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 30 June 2018

	Notes	2018 $'000	2017 $'000
INCOME			
User charges	2	11,713	11,617
Investment income	2	620	552
Other Income	2	1,201	244
Net gain - equity accounted Joint Venture	15	176	265
Total Income		**13,710**	**12,678**
EXPENSES			
Employee costs	3	1,189	1,194
Materials, contracts & other expenses	3	9,777	9,240
Depreciation, amortisation & impairment	3	908	949
Other Expenses	3	80	78
Net loss - equity accounted Joint Venture	15	-	-
Total Expenses		**11,954**	**11,461**
OPERATING SURPLUS / (DEFICIT)		**1,756**	**1,217**
Net gain (loss) on disposal or revaluation of assets	4	21	18
Amounts received specifically for new or upgraded assets		-	140
NET SURPLUS / (DEFICIT)		**1,777**	**1,375**
transfer to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	-
Total Other Comprehensive Income		**-**	**-**
TOTAL COMPREHENSIVE INCOME		**1,777**	**1,375**

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	Notes	2018 $'000	2017 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	16,343	19,940
Trade & other receivables	5	1,839	2,025
Inventories	5	-	-
		18,182	**21,965**
Total Current Assets		**18,182**	**21,965**
Non-current Assets			
Equity Accounted Joint Venture	15	885	709
Property, Plant & Equipment	6	15,580	15,081
Total Non-current Assets		**16,465**	**15,790**
Total Assets		**34,647**	**37,755**
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	2,436	2,529
Provisions	7	101	149
Total Current Liabilities		**2,537**	**2,678**
Non-current Liabilities			
Provisions	7	12,980	15,174
Total Non-current Liabilities		**12,980**	**15,174**
Total Liabilities		**15,517**	**17,852**
NET ASSETS		**19,130**	**19,903**
EQUITY			
Accumulated Surplus		19,130	19,903
TOTAL EQUITY		**19,130**	**19,903**

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 30 June 2018

2018	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		**19,903**	**-**	**-**	**19,903**
Adjustments due to compliance with revised Accounting Standards		**-**	-	-	**-**
Adjustments to give effect to changed accounting policies		**-**	-	-	**-**
Restated Opening Balance		**19,903**	**-**	**-**	**19,903**
Net Surplus/ (Deficit) for Year		1,777			**1,777**
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		**-**	-	-	**-**
Transfers between reserves		**-**	-	-	**-**
Distributions to Member Councils		(2,550)	-	-	**(2,550)**
Balance at end of period		**19,130**	**-**	**-**	**19,130**

2017	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		**18,528**	-	-	18,528
Adjustments due to compliance with revised Accounting Standards		**-**	-	-	-
Adjustments to give effect to changed accounting policies		**-**	-	-	-
Restated Opening Balance		**18,528**	**-**	**-**	**18,528**
Net Surplus/ (Deficit) for Year		**1,375**	-	-	**1,375**
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		**-**	-	-	**-**
Transfers between reserves		**-**	-	-	**-**
Distributions to Member Councils		**-**	-	-	**-**
Balance at end of period		**19,903**	**-**	**-**	**19,903**

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF CASH FLOWS

for the year ended 30 June 2018

	Notes	**2018** **$'000**	2017 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating receipts		13,439	11,927
Investment receipts		623	552
Payments			
Operating payments to suppliers & employees		(12,322)	(10,279)
Net Cash provided by (or used in) Operating Activities	8 (b)	**1,740**	2,200
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		-	-
Sale of surplus assets		33	163
Distributions received from equity accounted Joint Venture	15	-	125
Payments			
Expenditure on renewal/replacement of assets		(341)	(754)
Expenditure on new/upgraded assets		(2,479)	(863)
Capital contributed to equity accounted Joint Venture	15	-	-
Net Cash provided by (or used in) Investing Activities		**(2,787)**	(1,329)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Distribution to Member Councils		(2,550)	
Net Cash provided by (or used in) Financing Activities		**(2,550)**	-
Net Increase (Decrease) in cash held		**(3,597)**	**871**
Cash & cash equivalents at beginning of period		19,940	19,069
Cash & cash equivalents at end of period	8 (a)	**16,343**	19,940

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

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 equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS 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 thousand dollars ($'000).

2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

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.

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 policies applied to financial instruments forms part of Note 10.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

5 Infrastructure, Property, Plant & Equipment
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".

5.1 Initial Recognition
All assets are initially recognised at cost. 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. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

5.2 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. No capitalisation threshold is applied to the acquisition of land or interests in land.

Capitalisation threshold applied of $1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

5.3 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 on Landfill Construction assets are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. 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 these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment	3 -10 years
Buildings	30 - 50 years
Waste Facility	10 - 15 years
Landfill Construction	Amortised proportionately to rate of filling

6 Payables
6.1 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.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

7 Employee Benefits

7.1 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.

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super. The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation 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 (9.5% in 2016/17; 9.5% in 2015/16). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014.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 the Authority's contribution rates at some future time.

The Authority 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 new assets of the scheme, and no further liability attaches to the Authority.

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. 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.

9 Inventory

Inventory held by the Authority reflect materials stored on site which have either been purchased or gifted which will be used for future Cell and Capping construction works to be undertaken in future years.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

10 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.

11 Comparative Information
Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

12 New Accounting Standards
Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been used in preparing these reports.

The Authority is of the view that none of the new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

13 Valuation of Land and Building Assets
Land and Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on the current zoning of the Onkaparinga Council Development Plan and Environmental Protection Agency (EPA) constraints and assessed market values based on highest and best use. All purchases made post 30 June 2014 have been recorded at Cost.

14 Capping Liability Review
During the 2017/18 financial year, the Authority undertook a review of all the key assumptions and estimates in relation to the measurement of the Future Restoration liability recorded in Note 7 of the Financial Statements. The Authority engaged Golder Associates Pty Ltd to complete the independent assessment of the liability. As a result of work completed, Golder Associates estimated the liability to be $1.471 million as at 30 June 2018. The Authority has applied an additional 10% contingency estimate on the Post Closure liability estimate for risk mitigating purposes which resulted in a total reduction in the liability of $2.555 million reducing the balance of the provision for future restoration costs to $1.605 million (2017: $4.159 million).

As a result of the reduction in the liability, a non-cash income amount totalling $0.886 million was recognised in the Statement of Comprehensive Income.

During the 2018/19 financial year, all other landfill capping liability estimates and assumptions will be reviewed and updated accordingly. Any changes to key assumptions or estimates will be applied in the 2018/19 financial year once the review has been completed.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 2 - INCOME

	Notes	2018 $'000	2017 $'000
USER CHARGES			
Landfill Operations		**11,713**	11,617
		11,713	11,617
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		**444**	488
Banks & other		**24**	22
Investment property rental income		**152**	42
		620	552
OTHER INCOME			
Movement in Landfill Liabilities	1.14	**886**	-
Other Income		**48**	88
Southern Recycling Centre		**267**	156
		1,201	244

Note 3 - EXPENSES

EMPLOYEE COSTS		
Salaries and Wages	**1,092**	1,042
Employee leave expense	**(42)**	26
Superannuation	**87**	90
Workers' Compensation Insurance	**52**	50
Less: Capitalised and distributed costs	**-**	(14)
Total Operating Employee Costs	**1,189**	1,194
Total Number of Employees	***11***	*11*
(Full time equivalent at end of reporting period)		
MATERIALS, CONTRACTS & OTHER EXPENSES		
Prescribed Expenses		
Auditor's Remuneration		
- Auditing the financial reports	**18**	16
Board Expenses	**38**	37
Operating Lease Rentals - cancellable leases	**-**	-
Subtotal - Prescribed Expenses	**56**	53
Other Materials, Contracts & Expenses		
Contractors	**143**	238
Fuel	**113**	135
Equipment Hire	**68**	19
Maintenance	**299**	299
Legal Expenses	**21**	14
Levies paid- EPA Levy	**8,547**	8,018
Professional services	**28**	20
Southern Recycling Centre	**187**	60
Sundry	**315**	384
Subtotal - Other Materials, Contracts & Expenses	**9,721**	9,187
	9,777	9,240

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 3 - EXPENSES (cont)

	Notes	2018 $'000	2017 $'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Landfill Construction		**394**	488
Buildings & Waste Facility		**140**	99
Plant & Equipment		**374**	362
Impairment	6	**-**	-
		908	949
OTHER EXPENSES			
Transfer to Provision of Cell 3-1 & 3-2 Capping		**80**	78
		80	78

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

PROPERTY, PLANT & EQUIPMENT		
Proceeds from disposal	**33**	163
Less: Carrying amount of assets sold	**(12)**	(145)
Gain (Loss) on disposal	**21**	18
NET GAIN (LOSS) ON DISPOSAL OF ASSETS	**21**	18

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	**2,013**	3,787
Short Term Deposits & Bills, etc	**14,330**	16,153
	16,343	19,940
TRADE & OTHER RECEIVABLES		
Accrued Revenues	**22**	19
Debtors - general	**1,813**	1,994
Prepayments	**4**	12
	1,839	**2,025**
INVENTORIES		
Stores & Materials	**-**	-
	-	-

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 6 - PROPERTY, PLANT & EQUIPMENT

	2017				2018			
	$'000				$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	1,427	400	-	1,827	**1,427**	**2,556**	**-**	**3,983**
Buildings	560	3,825	(351)	4,034	**560**	**4,042**	**(491)**	**4,111**
Plant & Equipment	-	4,150	(2,358)	1,792	**-**	**4,393**	**(2,651)**	**1,742**
Office Equipment	-	132	(102)	30	**-**	**148**	**(113)**	**35**
Landfill Construction:								
Landfill Cell 3-1 & 3-2	-	-	-	-	**-**	**-**	**-**	**-**
Landfill Cell's 3-1 & 3-2 Capping	-	-	-	-	**-**	**-**	**-**	**-**
Cell 3-3 & 3-4 (Lower)	-	-	-	-	**-**	**-**	**-**	**-**
Cell 3-3 & 3-4 (Lower) Capping	-	-	-	-	**-**	**-**	**-**	**-**
Cell 4	-	-	-	-	**-**	**-**	**-**	**-**
Cell 4 (Capping)	-	-	-	-	**-**	**-**	**-**	**-**
Super Cell		7,436	(4,867)	2,569		**7,511**	**(5,042)**	**2,469**
Super Cell Capping		4,737	(1,777)	2,960		**4,887**	**(1,982)**	**2,905**
Post Closure Rehabilitation	-	5,851	(5,740)	111	**-**	**5,974**	**(5,756)**	**218**
Future Restoration Costs	-	4,159	(2,495)	1,664	**-**	**4,159**	**(4,159)**	**-**
Work in Progress	-	94	-	94	**-**	**117**	**-**	**117**
TOTAL PROPERTY, PLANT & EQUIPMENT	1,987	30,784	(17,690)	15,081	**1,987**	**33,787**	**(20,194)**	**15,580**
Comparatives	***1,987***	***36,085***	***(23,611)***	***14,461***	***1,987***	***30,784***	***(17,690)***	***15,081***

This Note continues on the following pages.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 6 - PROPERTY, PLANT & EQUIPMENT

	2017 $'000	CARRYING AMOUNT MOVEMENTS DURING YEAR $'000							2018 $'000
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Adjustments	Transfer	CARRYING AMOUNT
		Capital	Renewals						
Land	1,827	2,156	-	-	-	-	-	-	3,983
Buildings	4,034	217	-	-	(140)	-	-	-	4,111
Plant, Equipment & Motor Vehicles	1,792	-	326	(12)	(364)	-	-	-	1,742
Office Equipment	30	-	15	-	(10)	-	-	-	35
Landfill Construction:									
Landfill Cell 3-1 & 3-2	-	-	-	-	-	-	-	-	-
Landfill Cell's 3-1 & 3-2 Capping	-	-	-	-	-	-	-	-	-
Cell 3-3 & 3-4 (Lower)	-	-	-	-	-	-	-	-	-
Cell 3-3 & 3-4 (Lower) Capping	-	-	-	-	-	-	-	-	-
Cell 4	-	-	-	-	-	-	-	-	-
Cell 4 (Capping)	-	-	-	-	-	-	-	-	-
Super Cell	2,569	74	-	-	(174)	-	-	-	2,469
Super Cell Capping	2,960	150	-	-	(205)	-	-	-	2,905
Post Closure Rehabilitation	111	122	-	-	(15)	-	-	-	218
Future Restoration Costs	1,664	-	-	-	-	-	(1,664)	-	-
Work in Progress	94	23	-	-	-	-	-	-	117
TOTAL PROPERTY, PLANT & EQUIPMENT	**15,081**	2,742	341	(12)	(908)	-	(1,664)	-	**15,580**
Comparatives	***14,461***	***1,343***	***755***	***(145)***	***(949)***	***-***	***-***	***(384)***	***15,081***

This Note continues on the following pages.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2018

Note 7 - LIABILITIES

		2018 $'000		2017 $'000	
TRADE & OTHER PAYABLES	Notes	**Current**	**Non-current**	Current	Non-current
Goods & Services		**2,371**	**-**	2,469	-
Accrued expenses - other		**65**	**-**	60	-
		2,436	**-**	2,529	-
PROVISIONS					
Annual Leave		**63**	**-**	78	-
Long Service Leave		**38**	**39**	71	32
Post Closure Rehabilitation		**-**	**3,895**	-	3,772
Cell Capping - 3-1 & 3-2		**-**	**2,554**	-	2,474
Cell Capping - 3-3 & 3-4 (Lower)		**-**	**2,937**	-	2,845
Cell 4 Capping		**-**	**1,950**	-	1,892
Future Restoration Costs		**-**	**1,605**	-	4,159
		101	**12,980**	149	15,174

Movements in Provisions - 2018 year only *(current & non-current)*	*Opening Balance*	*Additional Amounts Recognised/ (Derecognised)*	*Payments*	*Closing Balance*
Post Closure Rehabilitation	*3,772*	*123*	-	***3,895***
Cell Capping -3-1 & 3-2	*2,474*	*80*	-	***2,554***
Cell Capping - 3-3 & 3-4 (Lower)	*2,845*	*92*	-	***2,937***
Cell 4 Capping	*1,892*	*58*	-	***1,950***
Future Restoration Costs	*4,159*	*(2,554)*	-	***1,605***
Total	*15,142*	*(2,201)*	-	***12,941***

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 8 - RECONCILIATION OF CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	**2018** **$'000**	2017 $'000
Total cash & equivalent assets	5	**16,343**	19,940
Less: Short-term borrowings		**-**	-
Balances per Cash Flow Statement		**16,343**	19,940
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus (Deficit)		**1,777**	1,375
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		**908**	949
Net (Gain) loss in Equity Movement Joint Venture		**(176)**	(265)
Movement in Landfill Provisions		**(886)**	-
Net (Gain) Loss on Disposals		**(21)**	(45)
		1,602	**2,014**
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		**186**	(1,018)
Net (increase) decrease in inventories		**-**	48
Net (increase) decrease in other current assets		**-**	-
Net increase (decrease) in trade & other payables		**(93)**	1,166
Net increase (decrease) in other provisions		**45**	(10)
Net Cash provided by (or used in) operations		**1,740**	2,200

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:		
- Physical resources received free of charge	**-**	-
- Non-cash grants & contributions		
Amounts recognised in Income Statement	**-**	-
- Finance Leases	**-**	-
	-	-

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:		
Corporate Credit Cards	**18**	18

The Authority has no bank overdraft facility.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 9 - FINANCIAL INSTRUMENTS

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 of 1.25 - 2.5% (2017: 1.25 - 2.5%). Short term deposits have an average maturity of 90 days (2017: 90 days).
	Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Gate Fees & Associated 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.
	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 Authority.
	Terms & conditions: Liabilities are normally settled on 30 day terms.
	Carrying amount: approximates fair value.

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 provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and the ANZ Bank. 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 15), liabilities have a range of maturity dates based on cash inflows.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 9 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2018		Floating Interest Rate	Fixed interest maturing in ≤ 1 year	Fixed interest maturing in > 1 year ≤ 5 years	Fixed interest maturing in > 5 years	Non-interest bearing	Total
Financial Assets		$'000	$'000	$'000	$'000	$'000	$'000
Fair Value through P&L							
Cash Assets		**2,013**	**14,330**	**-**	**-**	**-**	**16,343**
Loans & Receivables							
Receivables		**-**	**-**	**-**	**-**	**1,839**	**1,839**
	Total	**2,013**	**14,330**	**-**	**-**	**1,839**	**18,182**
Weighted Average Interest Rate		***1.25%***	***2.50%***				
Financial Liabilities							
Payables		**-**	**-**	**-**	**-**	**2,436**	**2,436**
	Total	**-**	**-**	**-**	**-**	**2,436**	**2,436**
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES		**2,013**	**14,330**	**-**	**-**	**(597)**	**15,746**

2017		Floating Interest Rate	Fixed interest maturing in ≤ 1 year	Fixed interest maturing in > 1 year ≤ 5 years	Fixed interest maturing in > 5 years	Non-interest bearing	Total
Financial Assets		$'000	$'000	$'000	$'000	$'000	$'000
Fair Value through P&L							
Cash Assets		3,787	16,153	-	-	-	19,940
Loans & Receivables							
Receivables		-	-	-	-	2,025	2,025
	Total	3,787	16,153	-	-	2,025	21,965
Weighted Average Interest Rate		*1.50%*	*2.80%*				
Financial Liabilities							
Payables		-	-	-	-	2,529	2,529
	Total	-	-	-	-	2,529	2,529
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES		3,787	16,153	-	-	(504)	19,436

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2018

Note 10 - COMMITMENTS FOR EXPENDITURE

	Notes	2018 $'000	2017 $'000
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Committed Projects		**-**	-
		-	-

As at 30 June 2018, the Authority has entered into no capital commitments that are not already recorded on the Statement of Financial Position.

Other Expenditure Commitments

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

Audit Services	**37**	55
	37	55
These expenditures are payable:		
Not later than one year	**18**	18
Later than one year and not later than 5 years	**19**	37
Later than 5 years	**-**	-
	37	55

Note 11 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

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

1. Potential Insurance Losses

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

2. Legal Expenses

All known costs have been recognised.

Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2018 that need to be disclosed in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

	2018 **$'000**	**2017** $'000
Income	**13,710**	12,678
less Expenses	**(11,954)**	(11,461)
Operating Surplus / (Deficit)	**1,756**	1,217
less **Net Outlays on Existing Assets**		
Capital Expenditure on renewal and replacement of Existing Assets	**341**	754
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	**(988)**	(1,027)
Proceeds from Sale of Replaced Assets	**-**	-
	(647)	(273)
less **Net Outlays on New and Upgraded Assets**		
Capital Expenditure on New and Upgraded Assets	**2,479**	863
Amounts received specifically for New and Upgraded Assets	**-**	-
Proceeds from Sale of Surplus Assets	**(33)**	(163)
	2,446	700
Net Lending / (Borrowing) for Financial Year	**(43)**	790

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 14 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999* . The following payments were made to Key Management Personnel during the year:

	2018 $'000
Salaries, allowances & other short term benefits	380
Post-employment benefits	-
Long term benefits	26
Termination Benefits	7
TOTAL	**413**

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services ($'000)	Amounts Outstanding from Related Parties ($'000)	Description of Services Provided to Related Parties
City of Onkaparinga	4,509	382	Provision of waste disposal services
City of Holdfast Bay	825	84	Provision of waste disposal services
City of Marion	2,026	248	Provision of waste disposal services
Southern Recycling Centre	4,523	508	Provision of waste 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 Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2018

Note 15 - EQUITY ACCOUNTED JOINT VENTURE

Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services Pty Ltd to operate the Southern Recycling Centre located on the Authority's landfill site.

	2018	**2017**
	$'000	$'000
The Authority's respective interests are:		
- interest in operating result:	49.99%	49.99%
- ownership of equity	49.99%	49.99%
the proportion of voting power	50.00%	50.00%
Movement in Investment in Joint Operation:		
Opening Balance	**709**	164
New Capital Contributions	**-**	405
Share in Operating Result	**176**	71
Equity Adjustment	**-**	194
Distributions Received	**-**	(125)
Share in Equity of Joint Operation	**885**	709

Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 16 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

– Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) **Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

– *Market approach:* uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.

– *Income approach:* converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.

– *Cost approach:* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 16 - FAIR VALUE MEASUREMENTS (Cont.)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1	Level 2	Level 3	Total
		$	$	$	$
2018					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,427	-	1,427
- Buildings	6	-	560	-	560
Total financial assets recognised at fair value		**-**	**1,987**	**-**	**1,987**
2017					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,427	-	1,427
- Buildings	6	-	560	-	560
Total financial assets recognised at fair value		**-**	**1,987**	**-**	**1,987**

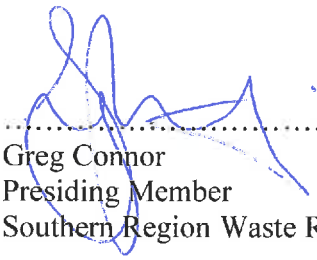
(b) **Disclosed fair value measurements**

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements

Presiding Member Southern Region Waste Resource Authority
Audit Committee – Auditor Independence

I, Greg Connor the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority's Audit Committee, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999.



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Greg Connor
Presiding Member
Southern Region Waste Resource Authority Audit Committee

28/8/18
Dated

Galpins

Accountants, Auditors
& Business Consultants

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
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SOUTHERN REGION WASTE RESOURCE AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS
For the year ended 30 June 2018

Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2018, 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) Regulation 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Simon Smith FCPA, Registered Company Auditor

Partner

13/09/2018

Galpins

Accountants, Auditors
& Business Consultants

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE
SOUTHERN REGION WASTE RESOURCE AUTHORITY

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

We have audited the compliance of the Southern Region Waste Resource Authority ("the Authority") with the requirements of *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2017 to 30 June 2018 have been conducted properly and in accordance with law.

The Authority's Responsibility for Internal controls

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, with acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements,* issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the Local Government Act 1999 in relation only to the internal controls specified above for the period 1 July 2017 to 30 June 2018. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

Limitation of Use

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

Inherent Limitation.

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

Independence

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

Opinion

In our opinion, the Authority has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal controls established by the Authority relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the authority have been conducted properly and in accordance with law for the year ended 30 June 2018.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Simon Smith FCPA, Registered Company Auditor

Partner

13/09/2018

Galpins

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& Business Consultants

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INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Southern Region Waste Resource Authority ("the Authority"), which comprises the balance sheet as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity 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 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.

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 (including the Australian Accounting Interpretations), the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal control as the Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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.

Auditor's Responsibility for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, 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 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

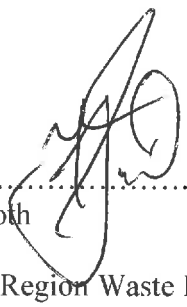
Simon Smith FCPA, Registered Company Auditor

Partner

13/09/2018

Southern Region Waste Resource Authority
Board Chair – Auditor Independence

I, Mark Booth, the person occupying the position of Chair of the Southern Region Waste Resource Authority's Board, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999.



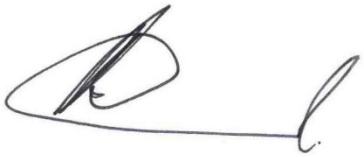
.....

Mark Booth
Chair
Southern Region Waste Resource Authority Board

28 / 8 / 2018
Dated

Chief Executive Officer's Certificate of Compliance - Auditor Independence
Southern Region Waste Resource Authority

I, Mark Dowd the person for the time being occupying the position of Chief Executive Officer of the City of Onkaparinga, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.



Mark Dowd
Chief Executive Officer
City of Onkaparinga
23 August 2018

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Morphett Vale
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Facsimile (08) 8382 8744

17 August 2018

CITY OF MARION

Henny Redden
Southern Region Waste Resource Authority
PO Box 2414
McLaren Vale SA 5171

PO Box 21, Oaklands Park
South Australia 5046

245 Sturt Road, Sturt
South Australia 5047

T (08) 8375 6600
F (08) 8375 6699
E council@marion.sa.gov.au

Dear Henny,

Chief Executive Officer's Certificate of Compliance – Auditor Independence
Southern Region Waste Resource Authority

I, Adrian Skull, the person for the time being occupying the position of Chief Executive Officer of the City of Marion, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.

.....
Adrian Skull
Chief Executive Officer
City of Marion

15.8.18
.....
Dated

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.

CITY OF HOLDFAST BAY

holdfast.sa.gov.au
Brighton Civic Centre 24 Jetty Road, Brighton SA 5048
PO Box 19 Brighton SA 5048
P 08 8229 9999 F 08 8298 4561
Glenelg Customer Service Centre and Library
2 Colley Terrace, Glenelg SA 5045

Chief Executive Officer's Certificate of Compliance – Auditor Independence
Southern Region Waste Resource Authority

I, Justin Lynch, the person for the time being occupying the position of Chief Executive Officer of the City of Holdfast Bay, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.

.....
Justin Lynch
Chief Executive Officer
City of Holdfast Bay

17/8/18
Dated

Attendance at Board Meetings

July 2017 – June 2018

BOARD MEETINGS	A	B
BOARD MEMBERS		
Chairman Mark Booth	7	7
Trish Aukett (resigned April 2018)	5	3
Roberto Bria (appointed May 2018)	2	2
Kirk Richardson	7	7
Vincent Mifsud	7	6
Alison Hancock (appointed October 2017)	5	5
Lynda Yates	7	6
Ian Crossland	7	5
DEPUTY BOARD MEMBERS Please Note: Deputy Board Members are only required to attend a Board Meeting when the Board Member is an apology.		
Nick Kerry		
John Smedley		2
Heidi Greaves		

A = Number of meetings held 1 July 2017 to 30 June 2018 at which time the Board Member or the Deputy Board Member was a member of the Board.

B = Number of meetings attended by the Board Member or Deputy Board Member from 1 July 2017 to 30 June 2018.

Attendance at Audit Committee Meetings

AUDIT COMMITTEE MEETINGS	A	B
Chairman Greg Connor	4	4
Vicki Brown	4	4
David Powell	4	3
Mark Booth	4	3
Lynda Yates (Deputy SRWRA Representative)	3	3

A = Number of meetings held 1 July 2017 to 30 June 2018 at which time the Audit Committee Member was a member of the Committee.

B = Number of meetings attended by the Audit Committee Board Member from 1 July 2017 to 30 June 2018

SRWRA
Southern Region Waste Resource Authority

Performance Against Business Plan

Each year SRWRA prepares an Annual Business Plan that is submitted to the Constituent Councils detailing its aims and objectives.

Aims and objectives	
Operating Surplus is maintained	Achieved
Meet all legislative requirements (WHS, EPA, Zero Waste)	Achieved
Asset Management plans are in place	Achieved
Grow the revenue (to offset a reduction in the forecast SRWRA revenue)	Achieved
Capital works program is planned and funded i.e. cell construction (link to LTFP).	Achieved
Development of a Bio-Pad, Bailing field and Hard-Stand/Capped operational area	In Progress

SRWRA
Southern Region Waste Resource Authority

SRWRA Constituent Councils

CITY OF HOLDFAST BAY | CITY OF MARION | CITY OF ONKAPARINGA

Council Solutions Regional Authority
General Purpose Financial Reports
for the year ending 30 June 2018

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Council Solutions Regional Authority

Certification Of Financial Statements

for the year ending 30 June 2018

I have been authorised by the Council Solutions Regional Authority Board to certify the financial statements of the Council Solutions Regional Authority in their final form. In my opinion:

- The accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- The financial statements present a true and fair view of the Council Solutions Regional Authority's financial position at 30 June 2018 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 Council Solutions Regional Authority's accounting and other records.

.....

Catherine Cooper
Chair Of The Board

Date: 5/9/18

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2018

	Notes	2018 $'000	2017 $'000
INCOME			
Investment Income	2	**4**	**6**
Management Fees	2	**1,054**	**1,167**
Other Income	2	**641**	**61**
Total Income		**1,699**	**1,234**
EXPENSES			
Materials, contracts & other expenses	3	**1,770**	**1,310**
Total Expenses		**1,770**	**1,310**
OPERATING SURPLUS / (DEFICIT)		**(71)**	**(76)**
NET SURPLUS / (DEFICIT)		**(71)**	**(76)**
Total Other Comprehensive Income		**-**	**-**
TOTAL COMPREHENSIVE INCOME		**(71)**	**(76)**

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

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	Notes	2018 $'000	2017 $'000
ASSETS			
Current Assets			
Cash and cash equivalents		**174**	**334**
Receivables		**563**	**469**
Total Current Assets	4,7	**737**	**803**
Total Assets		**737**	**803**
LIABILITIES			
Current Liabilities			
Trade & Other Payables		**124**	**222**
Other Current Liabilities		**158**	**55**
Total Current Liabilities	5,7	**282**	**277**
Total Liabilities	5,7	**282**	**277**
NET ASSETS		**455**	**526**
EQUITY			
Accumulated Surplus		**312**	**383**
Share Capital		**143**	**143**
TOTAL EQUITY		**455**	**526**

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

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2018

2018	Initial Contribution by Owners $'000	Accumulated Surplus $'000	Total $'000
Opening Balance	**143**	**383**	**526**
Net Surplus for Year	**-**	**(71)**	**(71)**
Balance at end of period	**143**	**312**	**455**

2017	Initial Contribution by Owners $'000	Accumulated Surplus $'000	Total $'000
Opening Balance	**143**	**459**	**602**
Net Surplus for Year	**-**	**(76)**	**(76)**
Balance at end of period	**143**	**383**	**526**

STATEMENT OF CASH FLOW
for the year ended 30 June 2018

	Notes	2018 $'000	2017 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating receipts		**1,600**	**1,150**
Investment Income		**4**	**6**
Payments			
Operating payments to suppliers & employees		**(1,764)**	**(1,089)**
Net Cash provided by (or used in) Operating Activities		**(160)**	**67**
Net Increase (Decrease) in cash held		**(160)**	**67**
Cash & cash equivalents at beginning of period		**334**	**267**
Cash & cash equivalents at end of period	6	**174**	**334**

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

Council Solutions Regional Authority

Notes to and forming part of the Financial Statements
for the year ending 30 June 2018

Note 1 - Significant Accounting Policies

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.

Council Solutions Regional Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

Constituent Council	Equity Share
Adelaide City Council	16.67%
City of Charles Sturt	16.67%
City of Marion	16.67%
City of Onkaparinga	16.67%
City of Salisbury	16.67%
City of Tea Tree Gully	16.67%

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

1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars ($'000).

2 Income recognition

Management Fee Income is recognised when the Constituent Councils enter into the purchase of a good or service from a Supplier contracted to provide the Authority (or in the case of some prior contracts that were created jointly between the six constituent Council) with a Management Fee.

3 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.

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.

4 Infrastructure, Property, Plant & Equipment

The Authority did not procure any non-current assets during the reporting period and does not hold any non-current assets as at the reporting date.

5 Employee Benefits

All employees are employed through Adelaide City Council, one of the Constituent Councils. Those employees are then contracted to the Authority.

Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2018

6 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.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

7 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.

9 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 16	Leases
AASB 1058	Income of Not-for-Profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

The Authority is of the view that other than AASB 16 and AASB 1058, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 2 - INCOME

	2018 $'000	2017 $'000
INVESTMENTS		
Interest Income	**4**	**6**
	4	**6**
REBATES		
Management Fees	**1,054**	**1,167**
	1,054	**1,167**
OTHER INCOME		
Reimbursements	**641**	**61**
	641	**61**

Note 3 - EXPENSES

	2018 $'000	2017 $'000
MATERIALS, CONTRACTS & OTHER EXPENSES		
Advertising	**1**	**2**
Audit Fees	**4**	**4**
Catering	**1**	**2**
Contractors	**45**	**73**
Consultant Fees	**532**	**253**
Insurance	**27**	**32**
IT Expenses	**34**	**20**
Legal Fees	**63**	**48**
Membership Fees & Subscriptions	**4**	**12**
Motor Vehicle	**2**	**1**
Reimbursements - Salary & Wages	**982**	**775**
Rent	**26**	**30**
Sitting Fees	**32**	**39**
Sundry	**13**	**14**
Telephone	**2**	**1**
Training and Development	**2**	**4**
	1,770	**1,310**

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 4 - CURRENT ASSETS

	2018 $'000	2017 $'000
CASH & CASH EQUIVALENTS		
Cash at Bank	**174**	**334**
	174	**334**
RECEIVABLES		
Accounts Receivables	**418**	**271**
Accrued Income	**143**	**196**
Prepaid Expenses	**2**	**2**
	563	**469**
TOTAL CURRENT ASSETS	**737**	**803**

Note 5 - LIABILITIES

	2018 $'000	2017 $'000
TRADE & OTHER PAYABLES		
Creditors	**120**	**218**
Expenses Accrued	**4**	**4**
	124	**222**
OTHER CURRENT LIABILITIES		
Payable to Adelaide City Council	**158**	**55**
	158	**55**
TOTAL LIABILITIES	**282**	**277**

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 6 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	2018	2017
	$'000	$'000
Cash at Bank	174	334
Balances per Cash Flow Statement	174	334

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

Net Surplus	(71)	(76)
Net (increase)/decrease in Receivables	(95)	(79)
Net increase/(decrease) in Current Liabilities	6	222
Net Cash provided by (or used in) operations	(160)	67

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 7 - FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Authority's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those applicable financial assets and liabilities is as follows;

2017-18

	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		$'000	$'000	$'000	$'000	$'000
Financial Assets:						
Cash	1.9%	174	-	-	-	173
Receivables	0.0%	-	-	-	-	564
Total Financial Assets		174	-	-	-	737
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	282
Total Financial Liabilities		-	-	-	-	282

2016-17

	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate instruments maturing within One Year	Fair Value of Fixed Interest rate instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		$'000	$'000	$'000	$'000	$'000
Financial Assets:						
Cash	1.8%	334	-	-	-	334
Receivables	0.0%	-	-	-	-	469
Total Financial Assets		334	-	-	-	469
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	277
Total Financial Liabilities		-	-	-	-	277

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

(b) Credit Risk

Credit Risk respresents the loss that would be recognised if other entities failed to perform as contracted. The Authority's exposure to credit risk is summarised as follows;

Receivables - the Authority's maximum exposure is disclosed in the financial statements net of any provision for doubtful debts

(c) Net Fair Value

The net fair value of a financial instrument is defined as its value net of all costs to settle the asset and liability The financial assets and liabilities as stated or referred to in notes (a) and (b) above, are stated at their face value (less provision for doubtful debts if applicable).

Due to the nature of financial instruments held in the Authority, the cost associated with their settlement would not be material, and hence, have not been considered.

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

Note 8 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Chair of the Board, the Board and the CEO.

Salaries, allowances & other short term benefits paid by Council Solutions to KMP were $259k (2017-18) and $261k (2016-17)

The following qualifying related party disclosures have been identified in relation to the 2017-18 financial year

Related Party Entity	Amounts received from related parties during 2017-18 FY	Amounts outstanding from related parties as at 30 June 2018	Amounts outstanding to related parties as at 30 June 2018
	$ '000	$ '000	$ '000
City of Adelaide	109	53	100
City of Charles Sturt	128	57	-
City of Marion	203	48	-
City of Salisbury	35	3	-
City of Tea Tree Gully	23	3	-
City of Onkaparinga	45	3	-

The above amounts received represent reimbursements of designated project costs paid by the above listed Constituent Councils to Council Solutions at various times throughout the year. These amounts have been approved by the Board and reported on as part of the ongoing annual budget setting and budget review process.

Council Solutions provides procurement services to the above listed entities.

Council Solutions Regional Authority

Certification Of Auditor Independence
for the year ending 30 June 2018

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Council Solutions Regional Authority for the year ended 30 June 2018, the Council's Auditor, Ian G McDonald FCA, 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) (b) Local Government (Financial Management) Regulations 2011.

.....

Catherine Cooper
CHAIR
Date: 5/9/18

.....

Tanya Johnston
PRESIDING MEMBER OF AUDIT COMMITTEE
Date: 05/09/18

.....

Mark Dowd
CHIEF EXECUTIVE OFFICER
City of Onkaparinga
Date: 5 September 2018

.....

Mark Goldstone
CHIEF EXECUTIVE OFFICER
City of Adelaide
Date: 10/9/18

.....

Paul Sutton
CHIEF EXECUTIVE OFFICER
City of Charles Sturt
Date: 6.9.18.

.....

Adrian Skull
CHIEF EXECUTIVE OFFICER
City of Marion
Date: 6.9.18

.....

John Harry
CHIEF EXECUTIVE OFFICER
City of Salisbury
Date: 7/9/2018.

.....

John Moyle
CHIEF EXECUTIVE OFFICER
Tea Tree Gully
Date: 7/9/18

Ian G McDonald FCA

Council Solutions Regional Authority

ANNUAL FINANCIAL STATEMENTS
For the year ended 30 June 2018

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Council Solutions Regional Authority for the year ended 30 June 2018, we have maintained our 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.*

Ian G McDonald FCA

Dated this 17th day of August 2018

Ian G McDonald FCA

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Council Solutions Regional Authority
Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of Council Solutions Regional Authority for the year ended 30 June 2018.

Opinion
In our opinion, the financial statements of the Authority are properly drawn up:

a) to present fairly the financial position of the Authority as at the 30 June 2018 and the results of its operations for the period then ended, and;
b) according to Australian Accounting Standards.

Basis for Opinion
For the audit of the Authority we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information – Basis of Accounting and Restriction on Distribution
Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the authority to meet the requirements of Local Government Act 1999 together with the Local Government (Financial Management Regulations 2011. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

Responsibilities of Management for the Financial Report
The Board of Management is responsible for the preparation of the financial report in accordance with Local Government Act 1999 together with the Local Government (Financial Management Regulations 2011 and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Report
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

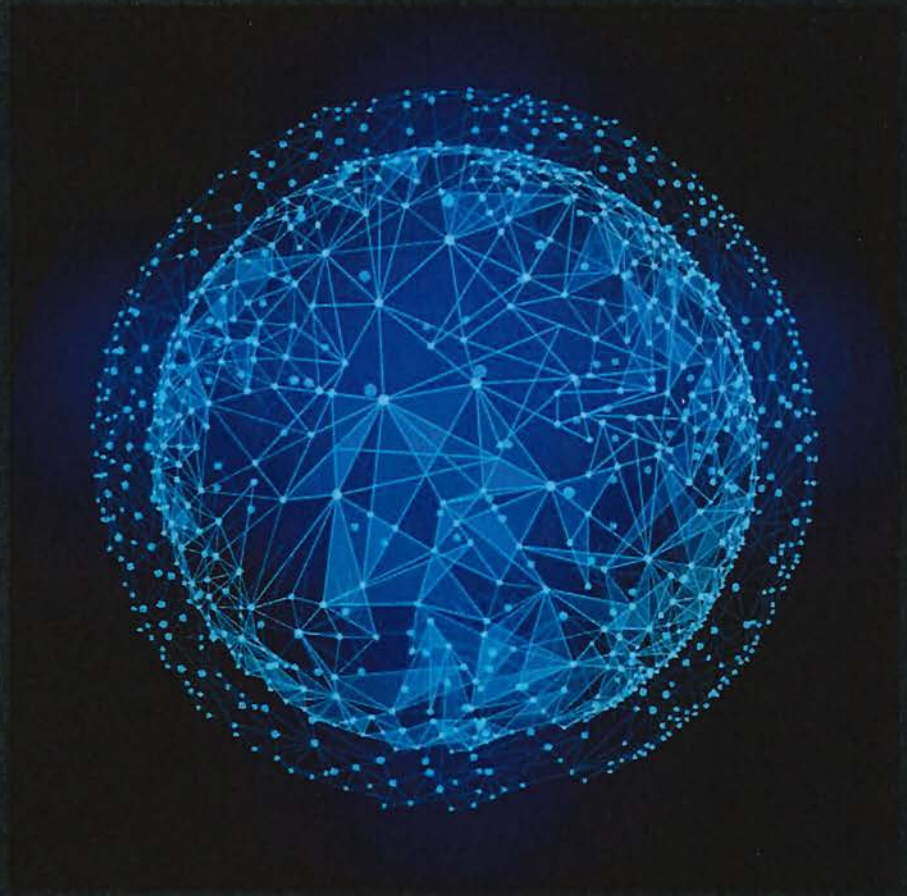
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation 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 management, as well as evaluating the overall presentation of the financial report.

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

Ian G McDonald FCA
Registered Company Auditor

Dated at Grange this 12th day of September 2018

Deloitte.



Corporation of the City of Marion

Report to the Finance and Audit Committee and Elected Members for the year ended 30 June 2018

26 September 2018

Deloitte.

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Adelaide SA 5001 Australia
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www.deloitte.com

26 September 2018

Mr Greg Connor
Chair, Finance & Audit Committee
Corporation of the City of Marion
245 Sturt Road
STURT SA 5047

Dear Greg

We are pleased to present this report to the Finance and Audit Committee and Elected Members of the Corporation of the City of Marion ("City of Marion" or "the Council") in connection with the year end audit as of 30 June 2018.

We have substantially completed our audit and subject to the satisfactory resolution of the matters detailed in the Executive Summary we expect to issue an unmodified audit report. Included in the attached report are matters arising from our audit of the financial report of the Corporation of the City of Marion for the year ended 30 June 2018 which we consider appropriate for the attention of the Finance and Audit Committee ("the Committee") and Elected Members. These matters have been discussed with management of the Council and their comments have been included, where appropriate.

We look forward to the Committee meeting on 2 October 2018 where we will have the opportunity to discuss this report. In the interim, should you require clarification on any matter in this report please do not hesitate to contact us.

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

Yours faithfully
DELOITTE TOUCHE TOHMATSU

Penny Woods
Audit Partner

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We have prepared this report solely for the use of the Corporation of City of Marion and it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy without our prior written consent, we would not accept responsibility for any reliance that they might place on it.

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Executive Summary

A. Audit focus areas

B. Other audit focus areas

C. Internal control

D. Summary of uncorrected misstatements and disclosure deficiencies

E. Independence

F. Financial Reporting Update

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Executive Summary

Purpose

This report has been prepared to assist the Finance and Audit Committee and Elected Members in fulfilling its governance obligations relating to the City of Marion for the year ended 30 June 2018.

This report includes only those matters which have come to our attention as a result of our audit procedures which we believe require the attention of the Finance and Audit Committee and Elected Members.

Scope

We have conducted an audit of the financial report of the City of Marion for the year ended 30 June 2018 ("financial report") in accordance with the requirements below with the objective of expressing an opinion on the financial report.

- Australian Auditing Standards
- *Local Government Act 1999*
- *Local Government (Financial Management) Regulations 2011*

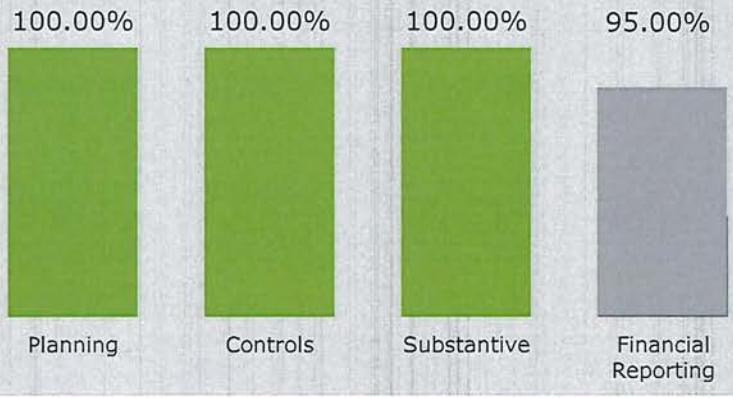
We have also conducted a compliance audit of the Council with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2017 to 30 June 2018 are in accordance with legislative provisions.

Status

Our audit of the financial report is substantially complete. We expect to issue unmodified audit opinions on the financial report, grant audit, audit of the Workers Compensation Declaration and ASAE 3100 engagement with respect to the Council's compliance with Section 125 of the Local Government Act subject to the completion of:

- appropriate procedures relating to subsequent events up to the date of our audit opinion
- receipt of the signed written representation letters from management
- adoption of the accounts by the Council and signing of Certification of the financial report by the Chief Executive Officer and Mayor.

We have not identified any uncorrected misstatements that, in our judgement, either individually or in aggregate, could have a material effect on the financial report for the year ended 30 June 2018.



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Executive Summary

Internal Controls

In performing our audit we have not identified any significant deficiencies in internal control relating to the prevention and detection of fraud and error which would impact upon our ability to provide our opinion on the financial report.

We have however, noted a number of control observations as part of our engagement on the compliance with section 125 of the Local Government Act 1999. These findings are summarised in our letter to management circulated separately.

No matters relating to fraud, concerning either employees or management came to our attention.

Summary of uncorrected misstatements

We have not identified any uncorrected misstatements for the year ended 30 June 2018.

Summary of uncorrected disclosure deficiencies

We detected no uncorrected disclosure deficiencies in the financial report.

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A. Audit focus areas

Audit focus areas
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Our audit procedures were focused on those areas of the Council's financial report that were identified and assessed as audit risks. These areas were identified as a result of:

- The risk assessment processes undertaken during the planning phase and throughout our engagement

- Our understanding of the business risks faced by the City of Marion, obtained through our prior experiences providing services to the Corporation of the City of Marion as well as a number of other Councils across South Australia and Australia
- Discussion with management during the course of our audit

We detail on the following pages the areas of focus which we have identified as relevant to our audit that include significant risks and other areas of interest that we are required to and/or have determined should be, communicated to you.

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A. Audit focus areas

Infrastructure, Property, Plant and Equipment

Audit focus areas

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Areas of Audit Focus	Risk Factors	Controls Testing	Data Analytics	Use of Specialists
The majority of Infrastructure, Property, Plant & Equipment gets re-valued on an annual basis at a value equal to depreciated replacement cost per Council policy. In the 2018 financial year the revaluation resulted in a net decrease in revaluation surplus of $4.9m				

Summary of response and findings
Deloitte performed the following:

Evaluation of the assumptions made by your independent experts (JLL and APV) in their valuation reports, by comparing the assumptions they have made with prior year valuation reports and understanding any material variances. We also obtained control reliance by performing extensive testing around key controls in the property, plant and equipment business cycle.

We held discussions with your independent expert in order to understand the rationale for the significant movements in the year

Our detail testing covered the following areas:
- existence of fixed assets
- additions of fixed assets
- disposal of fixed assets

We have also performed the following procedures:

- Developing an expectation of depreciation expenditure in accordance with policy.
- Review of the reconciliation of the fixed asset register to the financial statements.
- Involvement of our internal valuation specialist in assessing the reasonableness of the overall valuation methodology used by council's valuers.

We noted no issues through our testing for the year ending 30 June 2018.

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A. Audit focus areas

Rates Revenue and Grant Income

Audit focus areas

Other focus areas

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Areas of Audit Focus	Risk Factors	Controls Testing	Data Analytics
	Rate revenue has been identified as a significant transaction cycle given the size of the account balance. Grant revenue has been identified as a material account balance in relation to recognition requirements as set out in AASB 1004 (Contributions). In accordance with this standard local government councils are required to recognise the revenue at the point where: - The Council has a right to receive the revenue, or - The Council has control over the grant funding.		

Summary of response and findings
Deloitte performed the following:

Rate Revenue
Given the stability of rate revenue, we have established an expectation of the overall rate revenue using published rates and Valuer General reports to support property valuations.

No issues in relation to rate revenue were noted.

Grant Income
Based on the above, we have assessed the revenue recognised during the current year and ensured no grant revenue was inappropriately deferred to the statement of financial position.

We noted no issues through our testing for the year ending 30 June 2018.

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A. Audit focus areas

Expenditure

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Areas of Audit Focus	Risk Factors	Controls Testing	Data Analytics
	Given the volume, magnitude and public accountability of Council expenditures the preventative and detective controls over expenditures, including the budgetary cycle were given consideration.		

Summary of response and findings
Deloitte performed the following:

Detailed testing has been performed over operating expenditure.

For employee costs, an expectation was developed using staff numbers, average pay and known increases awarded.

Depreciation expenditure was analysed for each asset category for compliance with the Council approved policy which also included an assessment of the useful lives and residual values of the fixed assets.

No issues in relation to these account balances were noted.

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B. Other audit focus areas

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Non-compliance with applicable laws and regulations

In performing our audit of the City of Marion for the year ended 30 June 2018 we have not become aware of any instances of non-compliance with applicable laws and regulations that would have an impact on the determination of material amounts and disclosures in the financial report.

Use of specialists

As planned, specialists assisted in the audit to the extent we considered necessary:

- **Valuation specialists** have been consulted in the evaluation of property and infrastructure valuations

Journal Entry Testing

Through the use of our proprietary software 'My Analytics' we were able to apply a data driven approach to journal entry testing in order to improve audit detection risk. The technique enabled analysis of the complete journal entry population with a specific focus on manual journals and assisted us in addressing the risk of management override of controls.

All journal entries identified for further investigation had appropriate explanations and supporting evidence.

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C. Internal controls

Audit focus areas
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Objective

We were engaged to perform a compliance audit of the Council with the requirements of Section 125 of the Local Government Act 1999 in relation to the Internal Controls established by the Council to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2017 to 30 June 2018 are in accordance with legislative provisions.

Summary of internal control

The 31 business processes are divided into 6 risk categories including Assets, Liabilities, Expenses, Revenue, Strategic Financial Planning and External Services. The Better Practice Model provided by the South Australian Local Government Financial Management Group (SALGFMG) identifies risks for each business process and suggests several controls to address each risk. In total there are 491 controls, of which 233 are considered "Core" and 258 are considered "Additional".

Summary of results

We have performed the control assessment on a rotation basis for each of six risk categories. For the financial year ended 30 June 2018, we have selected the risk categories of Revenue and Expenses as well as scoping in controls that fit the following profile:

- Control activities which are different from last year and different from the Better Practice Model
- Control activities which have different assessors or reviewers from last year
- Control activities which have a rating for assessor or reviewer which are equal or less than 2
- Control activities which the rating for assessor and reviewers are different by 2 or more
- Control activities which had findings identified from last year
- Control activities which are significant to the statutory audit

In performing our audit of the Council for the year ended 30 June 2018 whilst we have not identified any significant deficiencies in internal controls relating to the prevention and detection of fraud and error which would impact upon our ability to provide our opinion on the financial report for the year ended 30 June 2018, we noted a number of control observations as part of our engagement on the compliance with section 125 of the Local Government Act 1999. These findings are summarised in our letter to management circulated separately.

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C. Internal controls

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Future Considerations

The Council has conducted a risk analysis and implemented 219 of 233 core controls in accordance with the recommendations of the Better Practice Model, in order to comply with Section 125 of the Local Government Act 1999. We recommend that management perform further risk profiling analysis on these core controls to identify, and further reduce the key controls required to address the risks specific to the council.

Not all the core controls have been implemented due to alternative or mitigating controls being identified. In addition the Council has adopted additional Governance, Ethics and ICT (GEI) controls which are not required by the Better Practice Model, however show a strong culture of internal control at the Council.

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D. Summary of uncorrected misstatements and disclosure deficiencies

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Summary of uncorrected misstatements
We have not identified any uncorrected misstatements that we believe could, either individually or in aggregate, have a material effect on the financial report for the year ended 30 June 2018.

Summary of disclosure deficiencies
No material uncorrected disclosure deficiencies were detected in the financial report.

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E. Independence Declaration

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2 October 2018

Mr Greg Connor
Chair, Finance and Audit Committee
Corporation of the City of Marion
245 Sturt Road
Sturt, South Australia

Dear Sir

Auditor's Independence Declaration to the Corporation of the City of Marion

In accordance with the Local Government (Financial Management) Regulations 2011, I am pleased to provide the following declaration of independence to the councillors of the Corporation of the City of Marion.

I confirm that, for the audit of the financial statements of the Corporation of the City of Marion for the 30 June 2018 financial year, 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.

Yours faithfully

Deloitte Touche Tohmatsu

Penny Woods
Partner

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E. Independence Letter

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Financial Reporting Update

2 October 2018

Mr Greg Connor
Chair, Finance and Audit Committee
Corporation of the City of Marion
245 Sturt Road
STURT SA 5047

Dear Sir

Independence letter for the Finance and Audit Committee

Deloitte Touche Tohmatsu ("Deloitte") has prepared the following letter to facilitate our communication with the Finance and Audit Committee of the Corporation of the City of Marion (the "Council") and to assist you in meeting your requirements under the *Local Government Act 1999* to communicate matters to the members of Council regarding Auditor independence.

To the best of our knowledge and belief, there have been no contraventions of the auditor independence requirements of the Local Government Act or of any applicable code of professional conduct in relation to the audit for the financial year ended 30 June 2018.

We are not aware of any relationships between Deloitte and the Council that, in our professional judgment, may reasonably be thought to bear on our independence.

This report is intended solely for the information and use of the Council and management for the purposes stated herein, and is not intended to be and should not be used or relied upon by any other person or by any person for any other purpose.

Should you have any queries or wish to discuss this matter further please do not hesitate to contact me on 8407 7085.

Yours faithfully

Deloitte Touche Tohmatsu

Penny Woods
Partner

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F. Financial reporting update

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There continues to be constant developments in financial reporting mainly driven by harmonisation of international accounting practices. We continue to provide regular analysis of the latest accounting developments through our IAS Plus website, www.iasplus.com/en. We have set out below some of the recent accounting developments that are of relevance to the Corporation of the City of Marion and impact the financial report for June 2018 and beyond.

G.1 Standards in issue that are mandatory for the year ended 30 June 2018

The following new and revised Accounting Standards and amendments have been issued by the Australian Accounting Standards Board ("AASB") which must be applied that are of relevance to the Corporation of the City of Marion:

Standard/Interpretation	Effective date	Applicable date
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15, AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15, ED 260 Income of Not-for-Profit Entities	1 January 2018	30 June 2019
AASB 9 Financial Instruments	1 January 2018	30 June 2019
AASB 16 Leases	1 January 2019	30 June 2020

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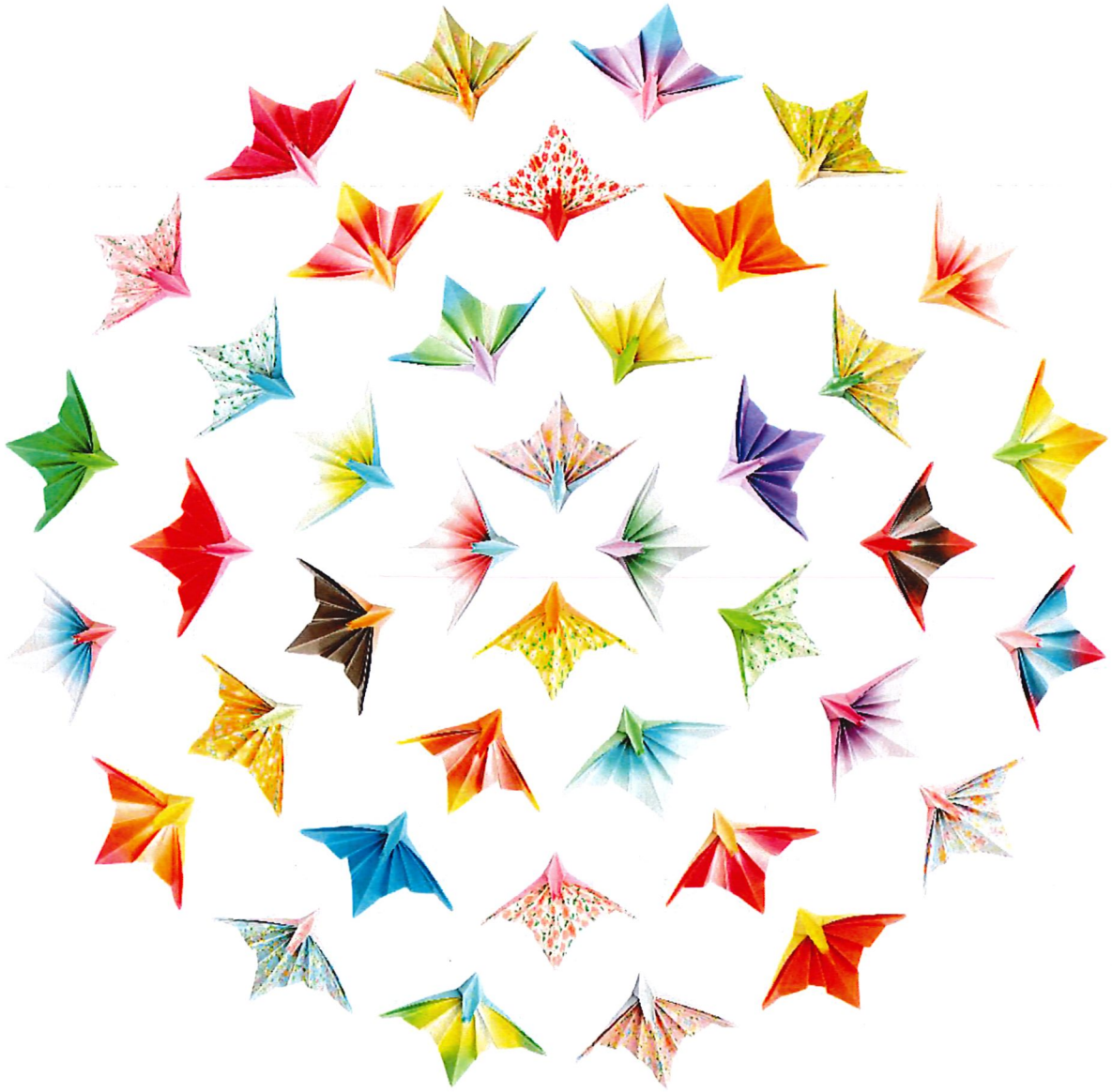

The Corporation of the City of Marion

Management letter

Year ended 30 June 2018

Deloitte.

Deloitte Touche Tohmatsu
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Australia

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STRICTLY PRIVATE & CONFIDENTIAL

28 September 2018

Mr Kris Hanna
Mayor
Corporation of the City of Marion
PO Box 21
OAKLANDS PARK SA 5046

Dear Sir

Matters arising from the Audit of the Corporation of the City of Marion for the year ended 30 June 2018

We have completed our audit of the Corporation of the City of Marion ("the Council") for the year ended 30 June 2018, and our Report to the Finance and Audit Committee and Elected Members was discussed at the Finance and Audit Committee meeting on 2 October 2018. That report included the most significant internal control, accounting and other matters which came to our attention during the 30 June 2018 audit. This report provides a discussion on certain matters concerning the company's internal control and accounting practices which came to our attention during our field work in connection with the audit for the year ending 30 June 2018 and our recommendations for improvements.

You will appreciate that our normal audit procedures are designed primarily to enable us to form an opinion on the financial statements as a whole and therefore do not necessarily bring to light at each audit all the weaknesses in internal control or accounting practice which a special investigation might do. Recommendations for improvements should be assessed by you for their full commercial impact before they are implemented.

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

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

We shall be pleased to discuss with you any matters mentioned in this report.

Yours faithfully
DELOITTE TOUCHE TOHMATSU

Penny Woods
Partner

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1 Introduction and scope of work

We have completed both the statutory audit of the Corporation of the City of Marion ("the Council") and the ASAE 3100 engagement with respect to the Council's compliance with *Section 125 of the Local Government Act* for the year ended 30 June 2018. The scope of our audit was set out in our audit engagement letter dated 11 July 2018 and the audit service plan dated 23 May 2018.

During the audit, every effort was made to identify audit, accounting, internal and IT control deficiencies, disaster recovery and other issues which would be of benefit to the Council and its controlled entities.

In accordance with our normal practice, we write to draw your attention to those matters which came to our attention during the audit for the year ended 30 June 2018.

2 Audit Findings – Internal Controls

2.1 Background

Amendments to the *Local Government Act 1999* (the "Act") require local government auditors to provide separate formal opinions in relation to:

- The financial statement audit; and
- Financial internal controls audit as prescribed in Section 125 of the Act.

Implications for Councils

To comply with these changes Council has implemented an internal control framework as that prescribed in the South Australian Local Government Financial Management Group ("SALGFMG") Better Practice Model – Financial Internal Controls.

Objectives

We have provided you with the following risk rating matrix and details of the results of our testing and recommendations for improvement as part of the services as determined by the scoping agreed on between City of Marion management and Deloitte.

The Corporation of the City of Marion

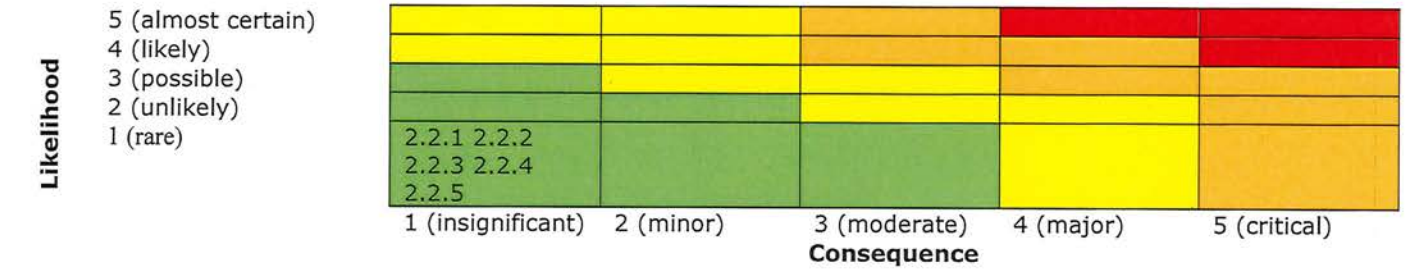
2.2 Overview

Sample controls within the best practice model as developed by the SALGFMG have been tested by Deloitte. Any control deficiencies identified by Deloitte on the controls tested have been summarised below.

Summary	Strategic Planning	Revenue	Expenses	Assets	Liabilities	External Contracts	Governance	Total
Number of controls tested	30	17	5	63	17	7	0	139
Findings	1	1	1	2	0	0	0	5
No Findings	29	16	4	61	17	7	0	134

Risk Matrix

The Risk Ratings provided in this report were based on the criteria below and have been determined in accordance with the Local Government Act –Better Practice model.



Key

- Extreme
- High
- Moderate
- Low

Observation	Recommendation	Prior Year Response	Status Update 30 June 2018
2.1.1 Grant attraction procedure			
REV-GRA-0001			
There is no formal grant attraction procedure at present, however management are addressing the issue and are working towards implementing a functioning system.	Deloitte recommends that the formal grant attraction procedure be finalised.	Council has set up an External Funding Attraction Program in 2017/18, overseen by the External Funding Attraction Steering Committee to monitor applications.	Council's External Funding Attraction Working Group has commenced the preparation of a formal grant attraction procedure which it expects to be implemented in 2018/19.
2.1.2 Policy for issuing funds to clubs			
ASS-LOA-0001			
There were no specific reference details in the policy specific for issuing funds to clubs or community groups in accordance with the Delegations of Authority and in compliance with the Conflicts of Interest Policy.	Deloitte recommends that the policy be amended such that there is specific reference in the policy to issuing funds in accordance with the delegations of authority and conflicts of interest policies.	Grant funds are currently issued by way of Council Resolution at General Council Meetings, with no delegations in place, meaning that this is the only way for them to be issued. Elected Members are required to declare any conflicts of interest at the commencement of any General Council Meetings.	The process for issuing funds continues to be the same as prior year. All funds issued to clubs for grants were done by way of Council Resolution as required where no delegation exists.

Observation	Recommendation	Prior Year Response	Status Update 30 June 2018
2.1.3 Debtor Masterfile			
ASS-DEB-0012 There is no way of generating a report in the system which shows changes to debtor Masterfile. It is possible to see the date a debtor was edited by clicking into each individual debtor however details of the change cannot be seen i.e. whether it was name, address etc.	Deloitte recommends that changes to the debtor master file are reviewed and supported with documented evidence of review.	The majority of changes to the Debtor Masterfile are initiated within finance due to address details being incorrect. This can be done by way of cross referencing council's other databases, and in some instances online research. Monitoring the accuracy of these changes is done by way of reviewing outstanding debts and making sure they are followed up in a timely fashion.	Other controls relating to debtors around following up on payments sufficiently mitigate the risk of non-payment associated with change of address details. As the system cannot generate a report that highlights these changes, in conjunction with other mitigating controls it will be recommended during the control review to be conducted during 2018/19 that this control be removed.
2.1.4 Debtor Masterfile			
EXP-ELE-0005 There is no formal management review evidence available for the regular review of the Register of Allowances and Benefits conducted by Governance and Records.	Deficiency in this control means there is no formal way of monitoring changes to the Register of Allowances and Benefits.	Deloitte recommends there is a formal review process in place.	The process in place for preparation of the Register of Allowances and Benefits involves a two stage review process – first by the Unit Manager Governance and Records, followed by the Manager Corporate Governance. This will be formalised to ensure an evidentiary process is established to show that the register has been reviewed.

Observation	Implication	Recommendation	Management Response
2.1.5 Register of Allowances and Benefits			
EXP-ELE-0005			
There is no formal management review evidence available for the regular review of the Register of Allowances and Benefits conducted by Governance and Records.	Deficiency in this control means there is no formal way of monitoring changes to the Register of Allowances and Benefits.	Deloitte recommends there is a formal review process in place.	The process in place for preparation of the Register of Allowances and Benefits involves a two stage review process – first by the Unit Manager Governance and Records, followed by the Manager Corporate Governance. This will be formalised to ensure an evidentiary process is established to show that the register has been reviewed.
2.1.6 Authority Exception Reports – Masterfile Changes			
GEI-ITE-0009			
There is no way of generating a report in the system which shows changes to creditor Masterfile. It is possible to see the date a creditor was edited by clicking into each individual creditor however details of the change cannot be seen i.e. whether it was name, address etc.	Deficiency in this control means there is no formal way of monitoring changes to the creditors master file data.	Deloitte recommends that changes to the creditor master file are reviewed and supported with documented evidence of review.	The risk and consequence of change of address details is deemed to be low as the majority of suppliers are paid via EFT. It is important to note that Council has the ability to report on changes to Bank Details, and these are reviewed on a regular basis. Bank details changes must be supported by an invoice with the new information on them (emails and phone calls are not sufficient). New suppliers must be created via a documented approval process

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Code of Conduct - Councillor Hull

Originating Officer	Manager Corporate Governance - Kate McKenzie
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	GC181009R05

REPORT OBJECTIVE

To provide Council with a copy of the final report regarding a Code of Conduct complaint for Councillor Hull and ensure compliance with section 2.24 of the Code of Conduct for Council Members that states *"A breach of the behavioural code must be the subject of a report to a public meeting of the Council."*

EXECUTIVE SUMMARY

At its meeting of 11 September 2018, Council considered a Preliminary Report regarding alleged breaches of the Code of Conduct by Councillor Hull relating to release of information under a confidential order determined by Council on the 12th June 2018 for the Expression of Interest for the Marion Cultural Centre site. The Council found that Councillor Hull did breach the Code of Conduct and applied various sanctions in accordance with the Elected Member Code of Conduct - Procedure for Investigating Complaints.

RECOMMENDATION

That Council:

1. **Notes the report in Appendix 1 regarding breaches of the Code of Conduct by Councillor Hull.**

2. **Confirms Councillor Hull has breached sections 2.2, 2.6, 2.7 and 2.8 of the Code of Conduct.**

3. **Confirms the following actions be applied in accordance with section 5 of the Elected Member Code of Conduct Procedure for Investigating Complaints:**

- **Notes the mitigating circumstances presented by Councillor Hull**

- **Councillor Hull writes a letter of apology to the individual to whom he released confidential information to, in relation to the manner in which he initially described the Council motion.**

GENERAL ANALYSIS

On 10 July 2018, a Code of Conduct complaint was received regarding Councillor Hull regarding the release of confidential information to a third party and in doing so, he had breached the Code of Conduct for Council members.

In accordance with the Elected Member Code of Conduct Procedure for Investigating Complaints (the Procedure), the matter was referred to Council (in confidence) and Council determined to refer the matter to the Local Government Governance Panel. An initial assessment was provided and Council determined to appoint an independent investigator.

This investigation was completed and a Preliminary Report was provided to Council (in confidence) at its meeting of 11 September 2018. At that meeting, Council resolved that:

1. Councillor Hull has breached section(s) 2.2, 2.6, 2.7 and 2.8 of the Code of Conduct for Council Members.

- The following actions be applied in accordance with section 5 of the Elected Member Code of Conduct Procedure for Investigating Complaints:
    - Notes the mitigating circumstances presented by Councillor Hull
    - Councillor Hull writes a letter of apology to (name withheld) in relation to the manner in which he initially described the Council motion.

Council also determined certain information be removed from the Preliminary Report to protect individual's personal information. The attachments to the report are also not included within the public report as it contains confidential information.

In accordance with the requires of the Code of Conduct for Council members, the final report is presented to a public meeting of Council attached as **Appendix 1.**

Legal / Legislative / Policy: The requirements of the Code of Conduct for Council Members and the Procedure for Investigating Complaints have been fulfilled.

Current Budget Allocation The cost of this investigation is approximately $2k and has been funded from the Corporate Governance budget.

Attachment

#	Attachment	Type
1	Code of Conduct - Councillor Hull - Appendix 1	PDF File

Councillor Bruce Hull – Code of Conduct

Complaint:
The complaint relates to Councillor Hull breaching the confidential order determined by Council on the 12th June 2018 regarding the Expression of Interest for the Marion Cultural Centre site. The confidential order in questions stated that "*In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the minutes, Commercial Development within Regional Centre Zone, having been considered in confidence under Section 90(2) and (3)(b and d) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection until the close of business on 14 June 2018....."*

Reported Breach:

2.2 Act in a way that generates community trust and confidence in the Council.

2.6 Comply with all Council policies, codes and resolutions.

2.7 Deal with information received in their capacity as a Council Member in a responsible manner.

2.8 Endeavour to provide accurate information to the Council and to the public at all times.

Background:
At its meeting of 12 June 2018, Council considered a report on an unsolicited proposal for the Marion Cultural Centre site.
The following provides a summary of the report:

- The Marion Cultural Centre (MCC) currently operates from 287 Diagonal Road, Oaklands Park. This site is owned by the City of Marion.
- This prominent site has been the subject of a recent unsolicited enquiry from a private developer to build an international standard hotel. This is consistent with the types of development envisaged in the Development Plan Amendment (DPA) for this site.
- The site is designated Regional Centre Zone. The site was excluded from the Community Land classification under the provisions of Section 193 of the *Local Government Act 1999*. This means that the site can be sold without Ministerial approval.
- Council determined to progress with a competitive open market EOI for this site with expert advice provided by a commercial agent.
- The EOI sought proposals for a hotel which are to complement the precinct and will deliver community as well as economic benefits. The EOI requested that due consideration be given to retaining the community functions already at the site (in full or partially) and or deliver them at alternative locations.
- The report highlighted the project risks and mitigation strategies.
- The report included a section on stakeholder engagement as follows:

  Stakeholder Engagement

An engagement plan has been developed to inform key stakeholders and the community about the EOI for the site (refer to attachment three). The key message is to inform stakeholders that a proposal was received to build a hotel at the site incorporating all of the existing community functions and Council would like to test the market.

Prior to the release of the EOI to the market, a media release and briefings will be provided to the following key stakeholders before 14 June 2018:

- [redacted]
- *Marion Cultural Centre staff*
- *Gallery M staff and Redhouse group*
- *Next Chapter Café Operators*
- *Precinct stakeholders*
- *Residents in Warracowie Ward and wider community*
- *Community users of MCC*
- *Media*

Elected Members and Customer Service will be provided with talking points about the process.

A full copy of this report and the minutes is attached as **Document 1.**

At its meeting of 10 July 2018, a Code of Conduct complaint was submitted to Council regarding Councillor Hull releasing confidential information. Council determined (in confidence) that the Code of Conduct complaint be referred to the Local Government Governance Panel for assessment.

On 14 August 2018, Council received an initial assessment from the Governance Panel. This report made the following statement:

"given the potential seriousness of the alleged breach, the matter could not be considered trivial or frivolous, and the Panel has no information to suggest the complaint is vexatious. The Panel recommends that an investigation by an investigator nominated by the Panel be appointed to determine the relevant factual circumstances with a view to:

- attending on and interviewing relevant witnesses. At this stage we identify them as [redacted]

A copy of this report is attached as **Document 2**.

Council resolved to appoint an independent investigator rather than referring the matter back to the Governance Panel. EMA Consulting was appointed to obtain statements from those involved.

<u>Investigation:</u>
On the 23rd August 2018, statements were taken from the following people:

- Councillor Bruce Hull (**Document 3**)
- [redacted] (**Document 4**)
- [redacted] (**Document 5**)

[redacted] declined to participate. Based on the statements provided the most probable sequence of events are as follows:

- The media was listed in the key stakeholder group of people who would be notified prior to the confidentiality embargo being lifted.
- [redacted] notified [redacted] late morning on the 14th June 2018.
- Councillor Hull received a phone call from [redacted] seeking comments about the MCC EOI after the media was notified.
- Councillor Hull called [redacted] to seek advice. This occurred between 2.45 pm and 3.30 pm.
- [redacted] issued an email to Elected Members at 3.44 pm. This email said "Today, staff have been informed along with stakeholders around the precinct."
- Councillor Hull phoned [redacted] sometime between 3.30 pm and 3.45 pm.
- [redacted] phoned [redacted] sometime between 3.45 pm and 4.00 pm.

Without a statement from [redacted] it is difficult to establish the exact times.

[redacted] and [redacted] were not interviewed as the probable events have be established from the statements taken.

Councillor Hull has requested that the following documents are provided as part of this report:

- Email from [redacted] to Elected Members dated 14 June 2018 (**Document 6**)
- Email from Councillor Hull to [redacted] dated 24 July 2018 (**Document 7**)

Findings

From the information provided in the statements (including Councillor Hull's), it is evident that Councillor Hull phoned [redacted] before close of business on the 14th June advising her of the expression of interest for the Marion Cultural Centre site.

Council Resolution:

Based on the facts within the Preliminary Report, Council found that Councillor Hull did release confidential information prior to the close of business deadline and therefore breached sections 2.2, 2.6, 2.7 and 2.8 of the Code of Conduct.
Council also determined that there were extenuating circumstances within this matter that needed to be taken into consideration when determining this Code of Conduct Complaint.

Report:

This report is written by the Manager Corporate Governance based on the evidence provided within the statements obtained by the independent Investigator.

Documents:

Document 1 Report and Minutes – 12 June 2018 – Commercial Development within Regional Centre Zone

Document 2 Governance Panel Initial Assessment

Document 3 Statement Councillor Bruce Hull

Document 4 Statement [redacted]

Document 5 Statement [redacted]

Document 6 Email from [redacted]

Document 7 Email from Councillor Hull

Code of Conduct - Councillor Kerry

Originating Officer	Manager Corporate Governance - Kate McKenzie
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	GC181009R06

REPORT OBJECTIVE

To provide Council with a copy of the final report regarding a Code of Conduct complaint for Councillor Kerry and ensure compliance with section 2.24 of the Code of Conduct for Council Members that states '*A breach of the behavioural code must be the subject of a report to a public meeting of the Council'.*

EXECUTIVE SUMMARY

At its meeting of 11 September 2018, Council considered a Preliminary Report from an independent investigator regarding alleged breaches of the Code of Conduct by Councillor Kerry relating to his conduct with a staff member. The Council found that Councillor Kerry did breach the Code of Conduct and applied various sanctions in accordance with the Elected Member Code of Conduct - Procedure for Investigating Complaints.

RECOMMENDATION

That Council:

1. **Notes the report in Appendix 1 regarding breaches of the Code of Conduct by Councillor Kerry**

2. **Confirms Councillor Kerry has breached sections 2.11 and 2.14 of the Code of Conduct**

- **Confirms the following actions be applied in accordance with section5 of the Elected Member code of Conduct Procedure for investigating complaints:**
  - **Councillor Kerry be censured**
  - **Councillor Kerry write a letter of apology to the staff member involved in the matter**
  - **Councillor Kerry be advised that all communication from himself to staff be through either the Chief Executive Officer or Manager Corporate Governance until otherwise advised by the Chief Executive Officer.**

GENERAL ANALYSIS

On the 11th July 2018, a Code of Conduct complaint was received regarding Councillor Kerry in relation to an alleged incident that occurred between Councillor Kerry and a staff member. The incident alleged that Councillor Kerry bullied and threatened a member of staff and hence breached sections 2.11 (*not bully or harass Council Staff*) and 2.14 *(that Elected Members must refrain from directing or influencing Council staff with respect to the way in which these employees perform their duties).*

In accordance with the Elected Member Code of Conduct Procedure for Investigating Complaints (the Procedure), the matter was referred to Council (in confidence) and Council determined to appoint an

independent investigator. As a result, EMA Consulting were appointed to conduct the investigation.

This investigation was completed and a Preliminary Report was provided to Council (in confidence) at its meeting of 11 September 2018. At that meeting, Council resolved that:

- Councillor Kerry has breached section(s) 2.11 and 2.14 of the Code of Conduct for Council Members.
- that the following actions be applied in accordance with section 5 of the Elected Member Code of Conduct Procedure for Investigating Complaints:
  - Councillor Kerry be censured.
  - Councillor Kerry write a letter of apology to the staff member involved.
  - Councillor Kerry be advised that all communication from himself to staff be through either the Chief Executive Officer or Manager Corporate Governance until otherwise advised by the CEO.

Council also determined certain information be removed from the Preliminary Report from EMA Consulting to protect individuals' personal information.
In accordance with the requirements of the Code of Council for Council members, the final report is presented to a public meeting of Council attached in **Appendix 1**.

Legal / Legislative / Policy: The requirements of the Code of Code for Council Members and the Procedure for Investigating Complaints have been fulfilled.

Current Budget Allocation The cost of this investigation is approximately $12k and has been funded from the Corporate Governance budget.

Attachment

#	Attachment	Type
1	Code of Conduct - Councillor Kerry - Appendix 1	PDF File

4 September 2018

City of Marion
PO Box 21
Oaklands Park SA 5046

[redacted]

Dear Kate,

Investigation Report – Councillor Nick Kerry

In accordance with the instruction of the City of Marion ("**Council**"), I attach the following report of my findings regarding the issues raised by [redacted] (on behalf of employee [redacted] about Councillor Nick Kerry.

Instructions

We were instructed to conduct an investigation and make factual findings as to whether certain events did or did not occur, as well as findings as to whether the behaviour by Cr Kerry constitutes bullying or otherwise inappropriate behaviour. You also requested preliminary views in respect of whether there is a basis for the Council to take action against Cr Kerry in respect of any identified inappropriate behaviour. The report is limited to these matters only. We are not instructed to provide advice or recommendations in respect of specific outcomes nor options to assist the parties to resolve the matter.

Legislative Framework

Work Health and Safety

The *Work Health and Safety Act 2012* (SA) ("**WHS Act**") provides an active requirement that a person conducting a business or undertaking (eg Council) and officers of the organisation (eg the CEO, senior management, and Elected Members) must ensure, so far as is reasonably practicable, the health and safety of workers which includes:

- eliminating risks to health and safety; and
- if it is not reasonably practicable to eliminate the risks, minimising those risks as far is as reasonably practicable.

This obligation applies to the extent to which a person has the capacity to influence and control the matter. This also includes the provision and maintenance of a work environment without risks to health and safety of any workers. 'Workers' (for the purpose of the WHS jurisdiction) includes but is not limited to Council employees, contractors, sub-contractors, and volunteers.

Where the investigation concludes that there is potentially a hazard to the health and safety of any persons, the Council must take all reasonable steps to eliminate or minimise the risk. This may include taking steps to make sure that workers comply with their obligations to ensure that their actions or omissions do not adversely affect the health and safety of themselves or other persons.

Once you have determined the outcome(s) to the investigation and taken such actions, you will need to confirm with any affected parties of the following:

- the steps to be taken by the Council to deal with identified safety risks;
- what individuals can do and who to contact in the event that there are reoccurrences; and
- the support mechanisms available to workers.

Stress

In addition to the above risks to health and safety, the Council may be exposed to claims for stress from workers under the *Return to Work Act 2014* (SA) ("**RTW Act**"). Section 7 of the RTW Act states that a disability consisting of an illness or disorder of the mind (eg a stress claim) is compensable if and only if:

- the employment was the significant contributing cause of the disability; and
- the disability did not arise wholly or predominantly from reasonable administrative action taken in a reasonable manner by the employer in connection with the worker's employment.

The test to satisfy a stress claim is relatively high (compared to a non-psychiatric injury) in that the worker needs to establish that employment was 'the significant contributing cause' and not 'a significant contributing cause' of the disability.

Other Considerations

In addition to the above, the alleged conduct should be assessed against the relevant obligations that apply to Elected Members.

Our findings should be considered in the context of this legislative framework.

If you have any further questions please do not hesitate to contact me.

Yours sincerely,

Ming-Lyn Hii
Consultant

Enclosure – Investigation Report

INVESTIGATION REPORT

1. SUMMARY OF INVESTIGATION

1.1 Purpose and Background

In accordance with the Council's instruction on 1 August 2018, I confirm that I have conducted an independent investigation into matter raised about Councillor Nick Kerry. This report provides a summary of the key factual findings from the investigation as to whether certain events did or did not occur on the balance of probabilities and findings as to whether the behaviour constitutes bullying or otherwise inappropriate behaviour. The report also makes a preliminary view in relation to the general outcomes arising from the investigation that are available to the Council to address the issues.

As instructed, I have not provided advice or recommendations in relation to specific outcomes or options to assist the parties to resolve the matter, as this is beyond your instructions.

1.2 Executive Summary

This report finds that Cr Kerry has engaged in inappropriate and unreasonable behaviour that breaches his obligations as a Councillor; being his obligations under safety legislation and his specific obligations under Parts 2 of the Code of Conduct. In light of the repeated and targeted nature of the unreasonable conduct, it meets the definition of workplace bullying.

1.3 Scope and Process

I confirm that the following persons agreed to participate in the investigation process by attending an interview and providing a witness statement:

[redacted]

I interviewed [redacted] first to obtain the relevant details and factual background. I then interviewed the relevant persons who were identified as having (or potentially having) direct knowledge of the relevant events. On your instruction this was limited to only the persons considered necessary to corroborate certain events or provide supporting information. For example, only one person was interviewed from the [redacted] team, whereas we are aware that further team members (potentially all of them) were witness to a particular event and could provide further information. It is open to the Council to obtain statements from these persons if it wishes to do so, as this would lend weight to the findings.

I interviewed Cr Kerry last in order to obtain his view on the events raised.

2. ASSESSMENT OF ISSUES

2.1 Findings of Fact (Whether the events occurred or not)

The assessment of the evidence is attached at **Appendix 1**, and my findings about which events did occur are listed below by reference to the numbered issues in Appendix 1. Where a matter or event is not referred to, it is either not found to have occurred on the balance of probabilities, or it may have occurred but is not relevant to the scope of this report.

Matters that are relevant factual background:

1	On 5 October 2017, Cr Kerry stood very closely behind Mayor Hanna during Mayor Hanna's media interview. Cr Kerry repeatedly muttered disapproving comments which included [redacted] watched Cr Kerry speak to a journalist.
2	For the City Limits issue in September 2017, [redacted] to contact Cr Kerry in respect to amending his article to comply with Council guidelines, but they did not receive a response by the deadline. The article was published in [redacted] amended form.
3	For the City Limits issue in February/March 2018, [redacted] tried to contact Cr Kerry in respect to amending his article to comply with Council guidelines, but they did not receive a response by the deadline. [redacted] also attempted to contact Cr Kerry. The article was published in [redacted] amended form.
4	In June 2018, Cr Kerry submitted Questions on Notice to [redacted] in relation to what he identified as 'censorship' of his City Limits articles. [redacted] emailed and phoned Cr Kerry in order to give him the opportunity to see the responses before publication as a courtesy to determine if he was comfortable to proceed with the questions. This was on the instruction of [redacted].

Factual matters that constitute potentially inappropriate behaviour by Cr Kerry:

5	At the end of a Council meeting around September 2017 (after the amended article was published in City Limits), Cr Kerry approached [redacted] and made comments along the lines of, "*You're trying to gag me*" a few times, and "*I won't be silenced*" and "*You are being rude, your actions will be brought to the CEO who will deal with you*". He stood over [redacted] and spoke with a raised voice whilst pointing at him.
6	In June 2018, in response to [redacted] correspondence about the proposed responses to the Questions on Notice, Cr Kerry was rude and defensive and repeatedly asked, "*What are you saying, what are you saying*". His tone was confronting.
7	On 3 July 2018, upon exiting an Infrastructure and Strategy meeting, Cr Kerry walked past [redacted] without saying hello. About 10-15 seconds later, he popped his head and torso backwards around the corner suddenly and stared directly [redacted] in an intimidating manner for about 5 seconds without saying anything, and then walked away. This was intimidating for [redacted] in the context that Cr Kerry had an appointment booked with the CEO the next day to speak [redacted].
8	Cr Kerry (and potentially other Councillors) referred to [redacted] and Cr Kerry told the CEO that this is [redacted] nickname. This was raised in the context that Cr Kerry believed he was being censored by [redacted].
9	Cr Kerry made a comment to [redacted] said to him on various occasions, [redacted]".
10	Cr Kerry suggested to the [redacted] that [redacted] was [redacted]
11	On 9 July 2018, Cr Kerry spoke to [redacted] on the phone and made accusations of [redacted] 'leaking' to the Mayor and demanding him to '*apologise and confess*' repeatedly. The conversation went back and forth with Cr Kerry accusing [redacted] of being rude and demanding that he be more respectful, accused him of lying and threatened to '*take this*

	further', saying words to the effect that the Mayor cannot protect [redacted] and "*There's going to be a new Mayor*".
12	Cr Kerry has, on occasion, sneered at [redacted] in the corridor of the Council.
13	Cr Kerry has, on occasion, tried to physically intimidate [redacted], including at the conclusion of Council meetings, where he would often walk towards [redacted] and move away at the last second.

2.2 Conclusions (Whether the conduct constitutes bullying or not)

(a) What are the relevant standards of conduct that apply?

Legislative Obligations – General duty to take care

The *Work Health and Safety Act 2012* (SA) ("**WHS Act**") places certain obligations on businesses and persons, as described in the covering letter to this report. In addition, all workers have an obligation to take reasonable care that their acts or omissions do not adversely affect the health and safety of themselves or other persons (section 28).

Legislative Obligations – Bullying

Bullying is defined in the SafeWork Australia Guide for Preventing and Responding to Workplace Bullying ("**Guide**") as, 'repeated and unreasonable behaviour directed towards a worker or a group of workers that creates a risk to health and safety'. This is the definition that is adopted for the purpose of assessing breaches of any legislative obligations regarding safety under the *WHS Act*. Where behaviour falls short of the definition of bullying, if it is unreasonable behaviour that creates a risk to safety, it will still be a breach of safety legislation.

Policy Obligations – Code of Conduct for Council Members

Part 2 – 'Behavioural Code' states (in part) that Elected Members must:

2.2 act in a way that generates community trust and confidence in the Council;
2.3 act in a reasonable, just, respectful and non-discriminatory way when dealing with people;
2.6 comply with all Council policies, codes and resolutions;
2.11 not bully or harass Council Staff; and
2.14 refrain from directing or influencing Council staff in respect to the way in which these employees perform their duties.

Part 3 – 'Misconduct' states that failure to comply with this Part constitutes misconduct. The Part requires (in part) Elected Members to:

3.1 act honestly at all times in the performance and discharge of their official functions and duties;
3.2 perform and discharge their official functions and duties with reasonable care and diligence at all times; and
3.5 not attempt to improperly direct a member of the Council's staff to act in their capacity as a Local Government employee for an unauthorised purpose.[1]

(b) Does the conduct breach any standards?
(As determined from the findings – see Appendix 1 below)

The conduct noted in 5 and 6 constitute conduct that a reasonable person in [redacted] position would consider to be threatening and intimidating, and therefore constitutes unreasonable conduct which is in breach of safety legislation. Cr Kerry's intimidating comments relate to [redacted] amended publication of Cr Kerry's article and his continued reply that the amendments were made in order to comply with Council policy on what can be published. Cr Kerry's comments expressing opposition to being 'silenced' or 'gagged' and threatening to report [redacted] to the [redacted] all appear to amount to an attempt to compel

[redacted] to perform his role against Council guidelines. It is recommended that this is in breach of Part 2 (2.3, 2.6, 2.11, 2.14) and Part 3 (3.2, 3.5) of the Code of Conduct.

The conduct in Events 7, 11, 12, and 13 constitute conduct that a reasonable person in [redacted] position would consider to be threatening and intimidating, and therefore constitutes unreasonable conduct which is in breach of safety legislation. The tone and manner of the phone conversation in Event 11 was confronting and adversarial, in particular the repetitive nature of the questions or accusations being made by Cr Kerry. The conduct in Events 7, 12 and 13 are physical, or otherwise non-verbal communication, which a reasonable person in [redacted] would find intimidating, especially in light of the context in which these events occurred (being threats to [redacted] employment) and the fact that Cr Kerry is in a position (or perceived position) of power. This conduct is unreasonable and therefore in breach of Part 2 (2.3, 2.6, 2.11) and Part 3 (3.2) of the Code of Conduct.

The conduct in Events 8, 9, and 10 constitute conduct that a reasonable person in [redacted] position would consider to be undermining in his position as [redacted] and therefore constitutes unreasonable conduct which is in breach of safety legislation. The conduct is akin to rumour-spreading. The fact that these comments are made behind [redacted] back and without reasonable basis contributes to their unreasonableness. This conduct is unreasonable and therefore in breach of safety legislation and in breach of Part 2 (2.3, 2.6, 2.11) and Part 3 (3.2) of the Code of Conduct.

General Comments

In light of the repeated and targeted nature of the unreasonable conduct identified above, such conduct meets the definition of workplace bullying.

A central issue to these matters is Cr Kerry's belief that he is being 'gagged', 'censored' or 'silenced' by Council (either via [redacted] or the City of Marion generally). Whether this belief is based on reasonable foundation is pivotal to the findings of whether certain conduct was or was not unreasonable. This matter ought to be further investigated before any findings are confirmed and/or acted upon. This can be done by verifying whether Cr Kerry was (or reasonably ought to have been) aware of the Council's requirements for what can and cannot be published in City Limits and what is the authority of Elected Members to speak to the media (including on what matters, and how such discussion, should take place).

(c) Other Issues

Whether the complaint was raised vexatiously

Cr Kerry stated that the issues with [redacted] and that the complaint is in fact a political manoeuvre by [redacted] This infers that the complaint was not raised in good faith and/or is without reasonable cause. We are not instructed to make findings in relation to these matters, though for completeness, I make the following observations.

Clause 7.2 of the Procedure for Investigating Complaints provides that an Elected Member who is of the opinion that a breach of Part 3 of the Code of Conduct has occurred, or is currently occurring, must report the breach to the Mayor of the Council or Chief Executive Officer, the Ombudsman or the Office of Public Integrity.[2] It also states at clause 2.4 that the CEO is responsible for advising the Mayor and referring the complaint to Council. [redacted] raising a complaint directly (albeit on behalf of an employee) is not inconsistent with the procedure. The fact that the complaint is found to be with cause lends weight to a finding that it was not raised vexatiously however, if the matters raised in this report and Cr Kerry's statement give rise to concern to Council, it is recommended that those matters be separately investigated.

Bullying of Cr Kerry by [redacted]

Cr Kerry described a few instances where [redacted] allegedly bullied him. For those specific matters (eg Events 1, 2, 4, 5 and 6) this report makes no finding of bullying by [redacted]. Though those matters are not the subject of this investigation, based on the information available, it appears that [redacted] acted appropriately and reasonably in all those circumstances. For clarity, those actions include [redacted]

[redacted]

Notwithstanding this view, if the matters raised in this report and Cr Kerry's statement give rise to concern to the Council, it is open to the Council to have those matters separately investigated.

2.3 Conclusions

Factual Findings and Conclusions

This report finds that Cr Kerry has engaged in inappropriate and unreasonable behaviour that breaches his obligations as a Councillor; being his obligations under safety legislation and his specific obligations under Parts 2 and 3 of the Code of Conduct.

These conclusions are reached based on the information arising from the witness statement evidence. I note however that Cr Kerry was interviewed in an open manner by reference to his recollection of specific events in order to obtain a witness statement from him on those factual matters. Councillor Kerry was provided full details of this report prior to the Council meeting on the 11th September 2018.

Outcomes

Subject to the above, at the conclusion of the investigation, the following actions are open to Council under the Procedure for Investigating Complaints (as applicable):

5.1.1 Take no action and provide the reasons as to why.
5.1.2 Pass a censure motion in respect of the Elected Member.
5.1.3 Request a public apology, whether written of verbal.
5.1.4 Request the Elected Member to attend training on the specific topic found to have been breached.
5.1.5 Resolve to move or suspend the Elected Member from a position within the Council (not including the Members Elected position on Council).

We are not instructed to provide a recommendation in respect to specific outcomes however, for completeness, please note the following observations.

Based on the nature of the issues, action 5.1.1 would not be appropriate. Where a resolution relates to actions 5.1.3 or 5.1.4, the action must correspond to the factual findings in this report and should be confined to those matters which gave rise to the unreasonableness. For example, training provided under 5.1.4 may be in relation to the following matters (or a combination thereof):

- Council guidelines on what can be published in printed media on behalf of Elected Members.
- Council guidelines on what matters an Elected Member may speak to the media about and the manner of that communication to the extent it may impact on the City of Marion's reputation and integrity.
- Respectful communications.
- Workplace bullying.

Ming-Lyn Hii
Independent Investigator
EMA Consulting

City of Marion response to NRM Reform

Originating Officer	Senior Environmental Planner - Rebecca Neumann
Corporate Manager	Manager Innovation and Strategy - Fiona Harvey
General Manager	General Manager City Development - Abby Dickson
Report Reference	GC181009R07

REPORT OBJECTIVE

To provide Council with an update on the South Australian Government proposed reforms to the natural resources management system (Attachments 1 and 2) and to seek feedback and endorsement for a response from the City of Marion (Attachment 3).

EXECUTIVE SUMMARY

Following the election of the new state government in March this year, the Minister for Environment and Water the Hon David Speirs MP wrote to Council outlining his policy commitment to reform natural resources management (Attachment 1).

The proposed reforms have been described in a discussion paper (Attachment 2) with the central theme being about empowering landowners and the community to be directly responsible for management of natural resources.

Council's draft response to the reform is presented in Attachment 3. This response is based on the outcomes of past experiences working with the NRM Board as well as past Council positions on natural resources management. In particular the submission highlights that Council:

- needs regional and state-level support in the coordination, identification and funding of natural resources management priorities
- wants to collaborate on projects around urban water management, community education and engagement and biodiversity management and pest species management consistent with our strategic directions.
- does not support the use of Council rates notices for the collection of the NRM Levy.

RECOMMENDATION

That Council:

1. **Endorses the submission contained in Attachment 3 on the proposed reforms to the natural resources management system (subject to comments received at this meeting).**

GENERAL ANALYSIS

Council's draft response to the NRM Reform Discussion Paper (Attachment 2) is an important opportunity to support strategic alignment between Council's planning and priorities and the proposed Green Adelaide Plan and highlight opportunities for future work with the Green Adelaide Board.

Valuing Nature:	The NRM reform process has the potential to impact the way Council delivers projects relating to this theme. These have been discussed in detail in the draft response (Attachment 3)
Engaged:	A summary of consultation and feedback are provided on YourSAy

https://yoursay.sa.gov.au/decisions/landscape-reform/about. Further opportunities for Council feedback will occur as part of the proposed legislative change and establishment of Green Adelaide.

Legal / Legislative / Policy: The proposed reform includes the repeal of the Natural Resources Management Act 2004 and changes to the establishment of regional plans and boards. Known potential impacts of relevance to Council have been summarised in the draft response.

Timeline Responses on the discussion paper (Attachment 2) are due back to the state Government by 15 October 2018.

Other Funding Sources: Council has historically received funding from the NRM Board. There is potential for this funding arrangement to change in the future. Strategic funding priorities have been identified in the draft submission (Attachment 3).

DISCUSSION

City of Marion has historically had a very positive relationship with the Adelaide and Mount Lofty Ranges Natural Resources Management Board (the NRM Board). A number of major projects have been delivered in the council area with the technical and funding support of the NRM Board, in particular:

- Establishment of Oaklands and Warriparinga Wetlands
- Stormwater Management Plans across the majority of the Council area
- Ongoing watercourse monitoring and restoration projects for Waterfall Creek, Field River and Sturt River.
- Collaboration on community engagement programs including, support for on-ground action groups (Friends groups), sustainability programs such as Living Smart, NRM school education programs
- Technical and on-ground support for pest plant and animal control activities (particularly olive and ash control)
- Advocacy for broader protection and restoration of Field River valley (including support with the development of concepts around Great Southern Urban Forest – now known as Glenthorne National Park)
- Technical advice and support in a range of NRM activities including coastal and biodiversity, community engagement, urban sustainability and water sensitive urban design.

Key changes of the proposed reform that have implications for the City of Marion:

- Replacing the *Natural Resources Management Act 2004* with a proposed Landscape South Australia Act.
- Establishment of new Landscape Boards in place of the NRM Boards in all regional areas. With each board having a respective plan.
- Abolishment of the Adelaide and Mount Lofty Ranges region board and creation of a new Green Adelaide board over the metropolitan area.
- Capping the NRM Levy at CPI, but continuing to impose a land-based levies through Council rates.
- Decentralisation of NRM services and placing responsibility for decision making on land owners
- Having more cross-regional collaboration with a new State-wide fund and plan established (funded by levy collections from within each region).

The City of Marion's response to the State Government's Discussion Paper and planned NRM Reform highlights where things are currently working well and emerging issues that are important to us in the future. Creating a climate resilient city where people value and connect to the natural world is a strong focus for the City of Marion. Trends in development and changes to urban environment are presenting significant challenges that will require major shifts in policy and funding in the future.

In this regard, the City of Marion welcomes the proposed NRM reform as an opportunity to reassess the

future needs of our community and work together to meet these challenges head on.

As part of this reform process, major opportunities to explore further include:

- Improved alignment between **urban development policy** and natural resources management policy– particularly in relation to urban water, biodiversity, greening and climate resilience. The current state government planning reform presents significant opportunities here.
- Ensuring **biodiversity** is core element of the 'back to basics' approach
- A focus on sustainable living, through increased resourcing to **urban sustainability education and engagement** to meeting the rapidly changing need for climate change mitigation and adaptation and sustainable living.
- Increased resourcing for onground water sensitive urban design works to support the transition of Adelaide to a **water sensitive city**.
- The development of **Glenthorne National Park** as an outer-ring parklands and a centre for urban sustainability engagement and awareness.
- Reforming of the current **NRM funding** arrangements to place the management of natural resources as a core state government service that is not reliant on local government collection of a levy.
- Ensuring the decentralisation of NRM still allows for **regional coordination** and does not place additional funding burdens on landowners.

Attachment

#	Attachment	Type
1	Attachment 1 - NRM Reform Letter from Minister Speirs	PDF File
2	Attachment 2 - Discussion Paper	PDF File
3	Attachment 3 - NRM Reform - City of Marion Response	PDF File

18EW0001455

Government of South Australia

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Mr Adrian Skull
Chief Executive Officer
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Email: adrian.skull@marion.sa.gov.au

Dear Mr Skull

In March of this year, a new state government was elected by the people of South Australia.

One of the most important policies of the new government is the reform of natural resources management.

These reforms will empower local communities and land managers, focussing on getting back to basics, with an emphasis on soil quality, water management and pest plant and animal controls, while recognising the importance of sustaining high quality biodiversity in our landscapes.

A key component of the reform agenda is a new piece of legislation – the proposed Landscape South Australia Act that will replace the *Natural Resources Management Act 2004*. The development of this new legislation represents a unique opportunity to reset and reform natural resources management in South Australia, holding on to what is working well and making important improvements to ensure the system is delivering for the people of this state.

In drafting this important legislation, I need strong engagement, creativity and frank advice from a range of stakeholders, including local government. Local government has significant investment in the natural resources management system and, as such, your council's advice to me as minister is critical to help inform the development of this vital new legislation. It is my view that the relationship between local government and state government in the area of NRM delivery has not been as strong or as fruitful as it could be, and I want to reinvigorate this relationship so that we can deliver for our government and communities.

Over the coming months I will be undertaking an extensive engagement process, and have recently appointed independent facilitators, Ms Becky Hirst, Mr Jon Bok and Mr Steve Dangerfield to help oversee this important work.

Between August and October 2018, there will be a series of facilitated stakeholder workshops and regional community forums. Workshop and forum dates, times and locations, as well as additional information, can be found at https://yoursay.sa.gov.au/landscape-reform.

A discussion paper has been developed that outlines the proposed reforms and will support the important conversations over the coming months. You can also find this at https://yoursay.sa.gov.au/landscape-reform.

You can provide your organisation's feedback on the reforms through the YourSAy website https://yoursay.sa.gov.au/landscape-reform.

If you have any questions about this process please email LandscapeReform@sa.gov.au or telephone (08) 8124 4772.

I look forward to working with you as we shape the future of natural resources management in South Australia.

Yours sincerely

DAVID SPEIRS MP
Minister for Environment and Water

Date: 27 / 7 / 2018

Managing Our Landscapes
Conversations for Change

Discussion Paper | July 2018

SOUTH AUSTRALIA

Government of South Australia

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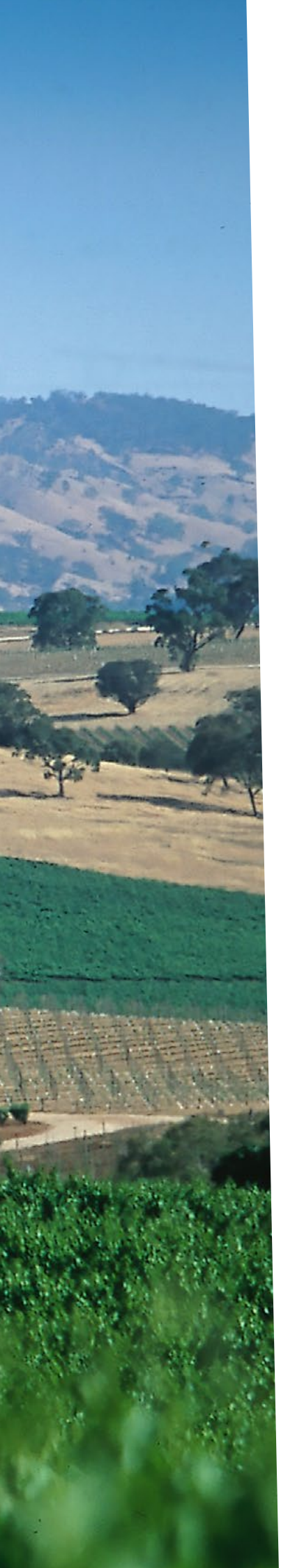


Foreword

As South Australians, we are incredibly blessed with diverse, productive and stunning natural resources.

These natural resources underpin our communities, our economy, our wellbeing and our way of life, and we all have a responsibility to be stewards of our precious natural assets.

The new state government is committed to a significant reform program that will change the way natural resources are managed. A landscape scale and integrated approach underpins the reforms, recognising that people and their livelihoods rely on the health and productivity of our landscapes.

A central focus of the reform program is empowering local communities and land managers to be directly responsible for sustainably managing their region's natural resources - with an emphasis on soil quality, water management and pest plant and animal control.

Another focus for reform will be the forging of strong, enduring and productive partnerships with land managers, volunteer groups, industry experts, Aboriginal nations, other tiers of government and advocacy organisations to deliver practical, on-ground works that address local priorities.

Our state does not come to a halt at the Tollgate, at Gepps Cross or at the bottom of Anzac Highway: distance should not mean disadvantage. The sustainable management of our natural resources is critical for the survival of our regional communities, both in terms of their economic viability and the quality of life enjoyed by those who live in regional South Australia.

A central plank of the reform program is a new piece of legislation – the Landscape South Australia Act.

In my first days as the new Minister for Environment and Water, I issued drafting instructions for the repeal of the *Natural Resources Management Act 2004* with the government to introduce a new Landscape South Australia Bill into Parliament in the first quarter of 2019.

There are parts of the *Natural Resources Management Act 2004* that have worked well and should be retained and other parts that are over-complicated and have impeded good, local, on-the-ground management that should be removed, amended or simplified.

These reforms will be deeply informed by the people who spend their lives working in the environment, protecting it while also sustaining their livelihoods. This sort of reform can only be achieved through meaningful consultation and the establishment of long-term delivery partnerships.

The State Government is undertaking a thorough statewide engagement process to help shape the future of natural resources management. This will see a series of workshops and conversations occur throughout the state and across industry sectors over the coming months.

I encourage you to get involved in the numerous opportunities you have to contribute to the development of these reforms, as outlined in this discussion paper.

I look forward to working with you as we shape the future of natural resources management for the benefit of all South Australians.

David Speirs MP
Minister for Environment
and Water

About natural resources management reform

The South Australian Government has committed to a range of specific reforms to the natural resources management system.

These reforms will put people at the heart of managing our natural resources, recognising that those who work and live on the land are well placed to manage and sustain it.

The Minister for Environment and Water is seeking stakeholder and community views about how these commitments can best be implemented.

This discussion paper will support conversations with stakeholders and the broader community about the government's reforms, including the proposed new Landscape South Australia Bill which is proposed to replace the NRM Act.

Community input is critical to ensuring the purpose and implementation of these reforms reflect community needs and expectations.

As a part of this process, it will also be important to consider those elements of the NRM Act that are working well and could be retained, versus those that should be removed, amended or simplified.

The South Australian Government acknowledges Aboriginal people as the State's first peoples and nations, and that Aboriginal peoples' deep knowledge and relationship with Country continues to be critical to sustainably caring for our lands and waters. Practical involvement in managing natural resources is vital for the future of Aboriginal nations and people.

A summary of our reform commitments

Landscape Boards

- Create nine Landscape Boards to replace existing NRM Boards.
- The Boards will have seven members with three members elected by the community and four members, including the Chair, appointed by the Minister for Environment and Water.
- The Boards will be responsible for setting strategy and approving programs for the environmentally sustainable management of South Australia's natural resources.
- Landscape Boards will be at arm's length from government and responsible for their own budget.
- Landscape Boards will establish a five-year Landscape Plan for their region, identifying up to five priorities to be achieved by the plan during that time. The plans will be simple and publicly accessible.
- Landscape Boards will be responsible for employing a general manager who will employ and direct staff that will deliver environmental management programs on behalf of the Board.
- Landscape Boards will be required to partner with the private sector, non-government organisations and local and federal government to deliver environmental programs to create jobs and drive investment in local communities.

Levies

- Cap annual land and water levy rises at a rate set by an independent body or according to the Consumer Price Index (CPI).
- Establish the Grassroots Grants program, a $2 million statewide annual fund (in addition to existing NRM grants programs), administered at a Board level for volunteer, community and not-for-profit groups to access.
- Levies (land and water) collected in a region will be spent in the region, except for a portion of priority landscape scale or cross-boundary projects, and services to underpin regional outcomes
- Provide a publicly available budget outlining how levies will be spent in the forthcoming financial year and an end-of-financial-year report documenting actual expenditure.
- Continue to collect land levies via council rates.

Legislation

- The legislative reform will focus on practical programs and on-ground works delivered within existing resources.
- The NRM Act will be repealed and replaced with the Landscape South Australia Act.
- The new Act will identify soil quality, pest plant and animal control and water management as major priorities.

Green Adelaide

- Green Adelaide will be created to deliver natural resources management functions in metropolitan Adelaide, focusing on enhancing the city's urban ecology and investing in the natural environment to improve overall community wellbeing.
- It will work towards Adelaide being the most ecologically vibrant city in the world.
- Green Adelaide will have an expert Board appointed by the Minister for Environment and Water. It will focus on building a strong connection between Adelaide residents and their natural environment, and work to ensure there is a clear understanding of how and where levies are spent.
- Green Adelaide will focus on seven key priorities: coastal management, urban rivers and wetlands, water sensitive urban design, green streets and flourishing parklands, fauna in the city, controlling pest plants and animals and nature education.
- Green Adelaide will co-administer the $2 million Grassroots Grants fund to support environmental groups and not for profits deliver on-ground projects.

Guiding principles for reform

Decentralised decision making

- Decentralising responsibility for decision making will empower and reinvigorate regional communities in their management of natural resources.
- We will build and encourage greater participation in priority setting and on-ground activities and create more opportunities to broaden and deepen partnerships.
- Support greater flexibility and responsiveness to local issues.

A simple and accessible system

- A simple, straightforward system is required that is less encumbered by red tape and complex compliance requirements.
- We need a transparent system that draws a clear line of sight between funding sources and on-ground action.
- We will grow participation, build greater trust and confidence, and foster an enduring culture of goodwill.

Community and land owners at the centre

- Those who work on, live on and care for the land are well placed to sustain our environment.
- The reforms will build on strong partnerships with land users, valuing their knowledge and understanding of the landscape.
- It is the role of government to work alongside land managers, providing support, advice and a helping hand where needed.

A whole of landscape approach

- When the efforts of many individuals and organisations are combined across a wide area, the results are more substantial, visible and long-lasting.
- Large-scale combined efforts require strategic prioritisation and investment and must complement local efforts to maximise effectiveness.
- A landscape scale restoration approach must also consider interactions between natural systems and people, to improve resilience to change.

Back to basics

- The system for managing natural resources needs to renew focus on the issues that matter most to regional communities – soil, water and pest plants and animals.
- These fundamental issues form the backbone of local level nature stewardship that, in turn, supports and complements landscape scale restoration to achieve vibrant biodiversity, a sustainable economy and resilient communities.

Why is reform necessary?

Our approach to managing natural resources continues to evolve as circumstances change and we learn more about what works and what doesn't. While the NRM Act brought positive change and benefits, the passage of time, and gradual centralisation mean the current system of natural resources management is not delivering what it should.

Significant change is therefore essential.

We understand there are a broad range of perspectives and opinions that exist about NRM Boards – both positive and negative. Some of the key issues we are looking to address with our reforms include:

- NRM Boards are seen by some as spending too many funds and resources on planning and administration and not enough on tangible outcomes for the regions.
- Some believe NRM Boards have been brought too close to government agencies, reducing their independence to work as effectively as they perhaps could within their local communities.
- NRM levies have continued to rise but results and outcomes are not always visible to the community.
- Greater transparency and a clear line of sight is needed to demonstrate how levies are spent and the associated outcomes achieved.
- Many provisions of the NRM Act do not work as intended, or they make processes unnecessarily complicated and bureaucratic. This wastes precious resources and makes the job of the NRM Boards and others much harder than it needs to be. We need to cut through this red tape and create a system that is simple and accessible.
- Many effective partnerships have delivered great results over the years. More scope remains, though, to build and strengthen enduring partnerships between the many different organisations and individuals involved in managing natural resources.
- We also need to recognise that Adelaide is very different to other parts of the state. We need a way to better prioritise effort in the city and build a closer connection between Adelaide residents and their natural environment, and between Adelaide and regional South Australia.

Objectives and benefits of our reforms

The proposed reforms provide for the ecologically sustainable management of the state's natural resource base to support the state's primary production industries, regional communities, Aboriginal nations and the natural environment.

Landscapes are the natural systems and resources that make up our surroundings – the soil, water, plants and animals that make up our rivers and plains, forests and hills, coasts and seas.

The new focus on landscape management recognises that these natural systems are connected and we need to look beyond individual natural resources and manage them together across the landscape. Working together in partnership at landscape scale will achieve better long term results.

Landscapes that contain healthy biodiversity underpin sustainable agriculture and make local production and farming more productive and profitable. An investment in natural resource protection and enhancement helps local economies.

Creating a new Landscape South Australia Act is an opportunity to reset our shared vision, revitalise community leadership and strengthen focus on practical programs and on-ground works.

The reforms aim to achieve:

Vibrant biodiversity
Healthy native species and ecosystems that are able to adapt and persist in the face of change.

Sustainable economy
Prosperous businesses now and in the future, able to adapt as the economy and primary industries transform over time.

Resilient communities
Capable local people and groups leading stewardship of their natural environment, contributing to strong social networks that can cope with changing environments.

Community-led landscape management

Our reforms will enable greater local action on the fundamental priorities of soil quality, water management and pest plant and animal control.

This will help land managers and communities manage their local areas and deal with the natural resources management problems they face every day.

In addition to these priorities, additional local and landscape scale activities may be needed in particular areas. These activities, such as revegetation, rewilding and fencing, can also be important contributions to achieving the community's desired outcomes for their landscapes.

The reforms will complement local action with greater capacity to deliver strategic landscape scale restoration projects. When the efforts of many individuals and organisations are combined across a wide area, the results are more substantial, visible and long-lasting. Strong and enduring partnerships will be crucial to the success of landscape scale investments.

Local and landscape scale approaches are intended to complement each other, not conflict. Where local priorities intersect with strategic priorities, this will help to enhance overall benefits.

Local actions and landscape scale restoration

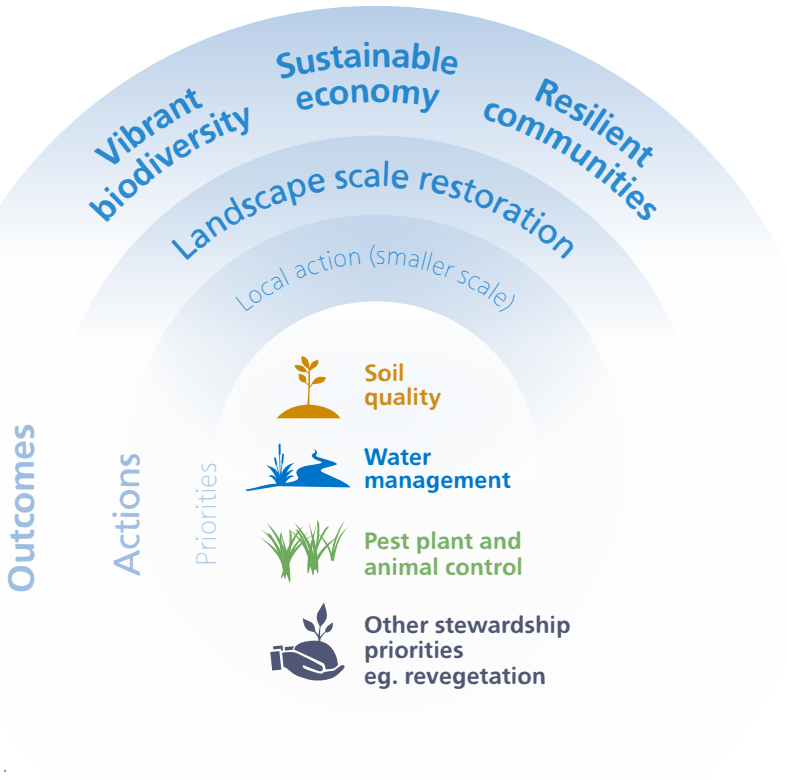
Thinking and operating at a landscape scale achieves the best outcomes from practical, on-ground works. This means recognising that the issues we face in our regions operate at scales bigger than individual properties or patches of bush, and across public and private land.

The social, economic, and environmental aspects of a landscape also affect each other – for example, changes to the economics of a landscape (e.g. commodity prices and production systems) will also affect the social and environmental fabric of the landscape, and vice versa. Recognising these interactions means we can design activities to achieve positive and resilient outcomes across the landscape.

Landscape scale management also recognises that the social, economic and environmental goals for a landscape should be locally relevant to the communities and ecosystems of that landscape. This requires using the best available scientific, traditional and local knowledge, along with a clear understanding of the community's aspirations for their landscape.

This not only means that on-ground works are designed to target the issues most relevant to the local landscape, but also that there is local ownership over addressing these issues, and partnerships with government and other sectors of the community.

Ultimately we want to ensure that landscapes as a whole thrive, and we increasingly recognise the co-benefits – across the environment, the economy and the community – of managing landscapes sustainably.



Question 1

What is most important to you in managing natural resources?

Question 2

What do you think is working well about how we manage natural resources?

Question 3

What do you think should be changed about how we manage natural resources?

Question 4

How do you think we can best enable landscape scale restoration projects?

Enabling greater leadership by Aboriginal peoples

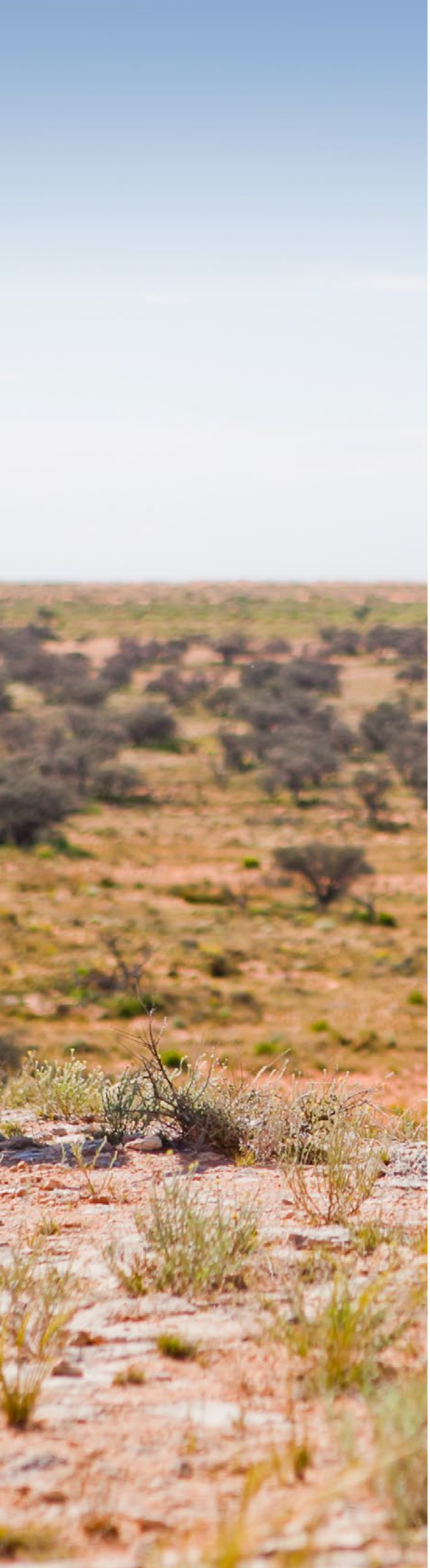
Aboriginal people are the first nations and people of South Australia. Their spiritual, social, cultural and economic practices come from their traditional lands and waters. Aboriginal people are increasingly being engaged in natural resources management, bringing their immense experience and knowledge.

It is important that the knowledge and interests of Aboriginal nations be recognised and promoted to drive positive and practical improvements in landscape management and benefits for Aboriginal people.

It is critical for Aboriginal peoples to be represented in governance and planning processes. Strengthening Aboriginal voices will open space for strong and productive partnerships, for integrating Aboriginal knowledge, and for supporting Aboriginal people to take a leading role in managing natural resources.

Question 5

How do you think we can better recognise and promote Aboriginal peoples' land, water, economic and cultural interests?



Benefits

The government anticipates the following key benefits as a result of the proposals put forward within this discussion paper

- Our reform proposals aim to create a simple and accessible system for managing natural resources that decentralises decision making, empowering regional communities to take responsibility for managing natural resources at the local level.
- Local action is complemented by strategic landscape scale restoration projects that are delivered by multiple stakeholders working in strong and enduring partnerships.
- The new Landscape South Australia Bill is intended to be shorter, less process-oriented and more flexible, to reduce red tape. This will help Landscape Boards and other managers of natural resources to get the job done more easily.
- There are a range of processes in the NRM Act that could be simpler and more flexible, such as Board appointments, planning, engagement, operations and compliance. Placing specific procedural requirements in regulations or policy, rather than in legislation, will enable far greater flexibility when those processes need to change.
- Sharper focus on the fundamentals of managing natural resources.
- Strong Board governance, including clear, dedicated staffing arrangements for Landscape Boards.
- Simplified agility and responsiveness to adapt to changing circumstances and regional needs.
- Less money spent on administration, management and documentation, thereby freeing up funds for on-ground activities.
- More funding opportunities for local community organisations to deliver on-ground works.
- More focus on facilitating delivery through partnerships.
- Greater investment in strategic landscape scale projects.
- Simplified reporting, making deliverables and measurable outcomes clear and easy to understand, compare and track.

Your involvement in natural resources management reform

It is widely recognised across government, community and stakeholder groups, that natural resources management reform is needed. It is a clear priority for this government.

It is essential that we guide and manage our proposed reforms in ways which will give people and communities the change they are looking for. We want to build greater public confidence in natural resources management, build greater participation and coordination, and, to put it simply, get more done within the boundaries of available resources.

While our reform commitments are clear, we are very open to ideas on how these should best be achieved in practice.

This discussion paper is the first significant step towards shaping what the future could look like. It will support conversations with stakeholders and the broader community about the government's reforms, including the proposed new Landscape SA Bill.

The upcoming statewide engagement activity, in which the Minister is heavily involved, is critical to ensuring community and stakeholder feedback is gathered and heard.

This is a unique opportunity to refresh and reset natural resources management within our state.

01

How can you engage in the reform?

Stakeholder workshops and community forums

Three independent facilitators have been appointed to work with the Minister. Their task is to ensure the engagement process effectively canvasses everyone's views and is fair, balanced and equitable.

Between August and October 2018, there will be a series of facilitated stakeholder workshops and regional community forums. People attending will hear about the proposed reforms, be able to ask questions and provide input through facilitated, participatory conversations.

Workshop and forum dates, times and locations can be found at **www.yoursay.sa.gov.au/landscape-reform**

Written feedback

You can also provide written feedback:

- **Online at www.yoursay.sa.gov.au/landscape-reform**
- **By email to:** LandscapeReform@sa.gov.au
- **By post to:** The Independent Facilitator
  Landscape Reform
  GPO Box 1047
  ADELAIDE SA 5001.

Please note that your submission will be made publicly available unless you indicate you wish for it remain confidential.

02

What feedback can you provide?

The Reform Proposals section of this discussion paper provides more detail on the proposed reforms and how they might work in practice.

We have also posed a series of questions to encourage you to challenge the way things have been done in the past. We want fresh ideas, a local perspective and community ownership and empowerment.

We want to understand how our reforms will work best in practice, within existing community structures.

You can also provide more general comments about the proposals or other aspects of natural resources management that you feel are important to you and your region.

The closing date for feedback is 5:00 pm (ACST) Monday 15 October 2018.

A summary document will be prepared by the independent facilitators and made publicly available outlining the key findings of the engagement.

This discussion paper and other information is available online at **www.yoursay.sa.gov.au/landscape-reform**

03

How will your feedback be used?

Your feedback will be used in several ways.

Comments about the South Australian Government's natural resources management reform commitments will help to inform how those commitments are implemented.

Comments about other proposals or ideas in this discussion paper will help to inform the development of the Landscape SA Bill, and/or regulations, policy or programs that follow the introduction of the Bill.

We will share the outcomes of the engagement process and how it influences our reforms. Engagement will continue to be part of the medium and long-term implementation of these reforms to ensure they remain fit for purpose and are able to meet expectations.

Key stages of the reform process

Locations

- Alinytjara Wilurara/ APY Lands
- Ceduna
- Cooper Pedy
- Port Lincoln
- Port Augusta
- Kingscote
- Hawker
- Leigh Creek and surrounds
- Marree
- Clare
- Gawler
- Mawson Lakes
- Glenunga
- McLaren Vale
- Victor Harbor
- Mt Barker
- Murray Bridge
- Berri
- Meningie
- Bordertown
- Mt Gambier

Discussion Paper
Release July 2018

Statewide community forums
Aug – Sep 2018

Stakeholder workshops
Sep – Oct 2018

Feedback on planned reforms due
15 Oct 2018

Engagement report – what we heard
Nov 2018

Key elements of the Landscape SA Bill released for review
Late 2018

Further engagement with key stakeholders on key draft provisions
Late 2018 – early 2019

Landscape South Australia Bill introduced to Parliament
First Quarter 2019

Landscape South Australia Act passed

Transition and Implementation

Future legislative reform opportunites

How will we transition?

We understand our reforms will require a change in approach and some uncertainty for many people invested in the current natural resources management of the state.

We are looking at a collaborative approach to ensure a smooth transition from the NRM Act to the Landscape South Australia Act.

It is anticipated that current NRM arrangements will remain largely unchanged for the 2018-19 financial year, with their focus being on the delivery of services for the community – essentially conducting "business as usual" without the requirement to exhaustively plan for future years.

We want to ensure the positive momentum around many of the current programs and projects underway is not lost.

The Department for Environment and Water will support the transition process, with feedback to inform this process being sought during the upcoming engagement.

Once the mechanism for reform is in place, we will then implement the right processes to lead the transition, ensuring it occurs in a timely, efficient and effective way.

Reform proposals

Role of the Minister

The Minister for Environment and Water will remain responsible for overall direction of natural resources management in South Australia. The Minister will be responsible for administering the Act, with powers of delegation. The Department for Environment and Water and other State agencies will continue to support the Minister in developing policy and contributing to statewide strategy, coordination, reporting and other initiatives on managing natural resources as required by the Minister.

Question 6

How can Landscape Boards best facilitate the management of natural resources by their communities?

Landscape Boards

Election commitment

The new Landscape South Australia Act will create nine Landscape Boards to replace existing NRM Boards, with the intent to place community at the heart of delivery.

Landscape Boards will be responsible for setting strategy and approving programs for the environmentally sustainable management of South Australia's natural resources.

Landscape Boards will be at arm's length from government and responsible for their own budget. They will have a general manager who will be responsible for employing and directing staff.

Landscape Boards will employ staff to undertake environmental management in the region employing them unless agreed otherwise.

Boards will be required to outsource some of their work to the private and non-government sector to create jobs and drive investment further. Local councils will also be encouraged to apply to undertake this work.

Establishing Landscape Boards

It is proposed that the Landscape Boards would facilitate effective management of natural resources, working in partnership with primary producers, conservation organisations, Aboriginal nations, councils and government agencies.

- Landscape Boards would have more autonomy than the current NRM Boards. They would be responsible for their own budgets and employ a general manager who would manage staff. Landscape Boards would have the power to set and manage their own levies, with any increases reviewed by an independent regulator or according to the CPI.
- Increased autonomy brings with it a need for improved transparency and reporting. It is proposed that the Landscape SA Bill would establish a regulator to oversee a cap on levy increases and Landscape Boards would need to provide publicly available plans and budgets. An end of financial year report would document actual expenditure as well as the measurable outcomes achieved.
- The Landscape Boards would remain statutory entities, and would continue to meet the high standards of governance and accountability required of statutory entities. They would remain subject to the direction of the Minister, so the Minister can fulfil his or her accountability to Parliament and the community. They would continue to provide service and advice to the Minister on matters related to their functions. They would also continue to work in partnership with a broad range of government agencies to maximise effectiveness and achieve common goals.
- It is anticipated that Landscape Boards would continue to partner to facilitate funded delivery of natural resources management services on behalf of the Australian Government, such as through the National Landcare Program.

Landscape Board boundaries

The regions covered by the nine new Landscape Boards will be:

- Alinytjara Wilurara
- SA Arid Lands
- Eyre Peninsula
- Hills and Fleurieu (new)
- Kangaroo Island
- Northern and Yorke
- Plains and Valleys (new)
- SA Murray Darling Basin
- South East (proposed to be renamed as the Limestone Coast for consistency with other regional bodies in this area).

Green Adelaide will be created to deliver natural resources management functions in metropolitan Adelaide.

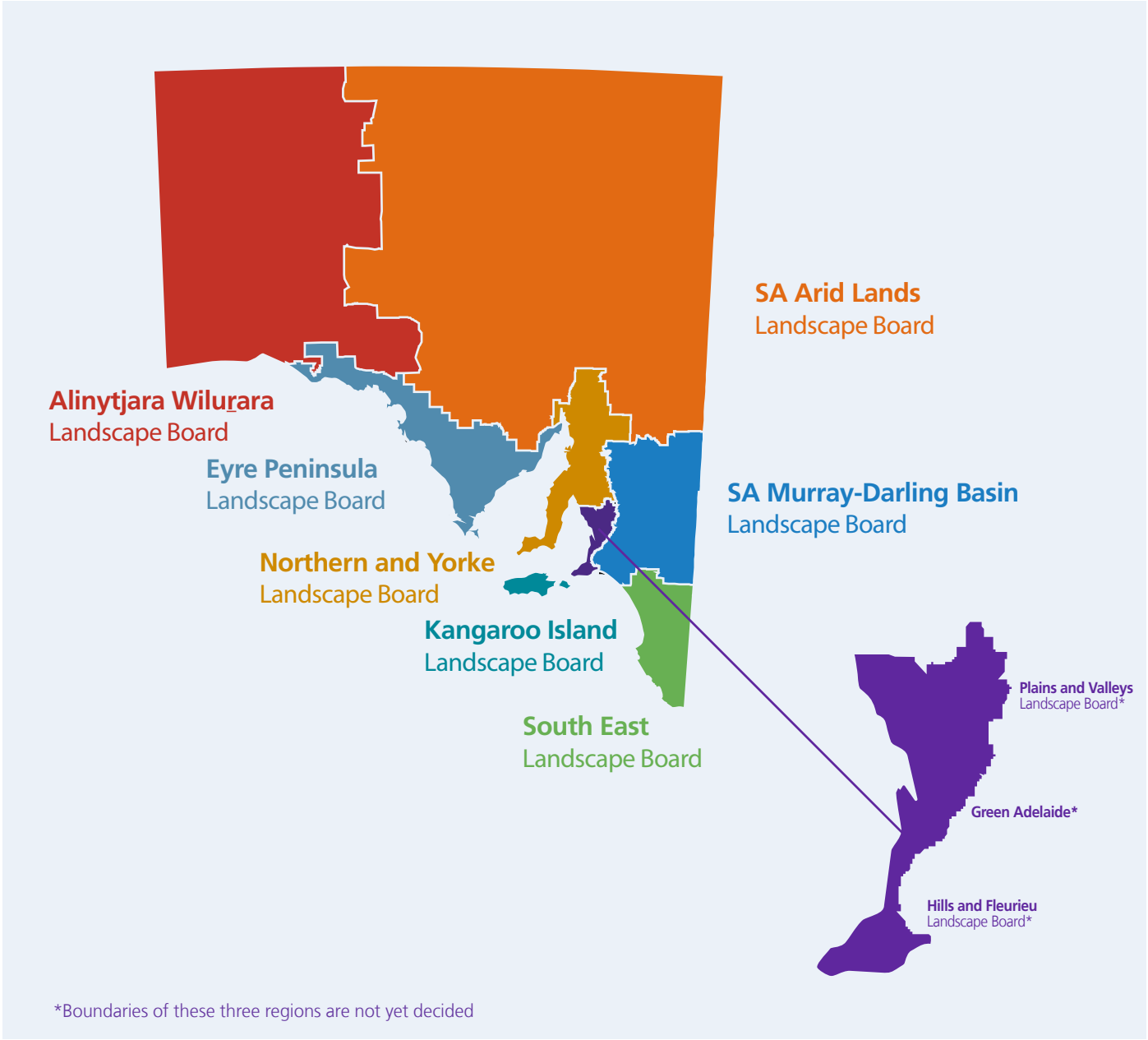
The Adelaide and Mount Lofty Ranges (AMLR) NRM Board will be abolished and the areas it serves will be covered by Green Adelaide and the two new Landscape Boards established to serve the Hills and Fleurieu region and the Plains and Valleys region north of Adelaide.

Existing boundaries are proposed to be largely retained. However there could be some changes to boundaries depending on the outcomes of the engagement process.

The boundaries for the new Adelaide regions are not yet drawn. Factors to consider in defining their boundaries include:

- Financial viability – to ensure sufficient funding to fulfil their functions
- Logical administrative boundaries – to simplify levy administration, relationships and delivery
- The Country of Aboriginal nations
- Community connections and identity
- Land use – patterns and features to take into account areas of commonality and consistency
- Water catchments
- Marine ecosystems
- State Government regional boundaries

As part of defining these boundaries, it may be relevant to consider adjusting the boundaries of other regions adjacent to the new Adelaide regions.



*Boundaries of these three regions are not yet decided

Question 7

What do you think is the best approach for electing the three community members to the Landscape Board in each region?

Membership of Landscape Boards

Election commitment:

The nine Landscape Boards will have seven members with three members elected by the community and the other four members, including the Chair, appointed by the Minister for Environment and Water.

Minister appointed members

Collectively, the members of each Landscape Board would need to have the relevant skills to facilitate management of the region's natural resources. To be effective, Landscape Board members will need to have local knowledge and strong connections with the local community, and appropriately reflect the diversity in the community.

The appointment process would be streamlined and simple, requiring minimal approval "gates". Specifying these processes in regulations rather than in the Act would improve flexibility to adjust those that aren't working as intended.

Community elected members

Electing Board members will give communities a greater stake in their Landscape Board. A number of options could be considered:

- The Minister could review nominees to ensure they meet specified requirements, such as demonstrating relevant skills or experience.
- Members could be elected from the whole region, or a subregion.
- Voting could be voluntary, with all NRM land levy payers eligible to vote in elections. This would reinforce the link between those paying the levy and the Boards responsible for administering the levy. Alternatively, and to be consistent with other electoral processes, all adult residents in the region could vote.
- The method of conducting elections would be specified in regulations, not the Landscape SA Bill, to enable flexibility to adopt new methods and technology as they become available.

Green Adelaide

Election commitment:

Green Adelaide will be created to deliver natural resources management functions in metropolitan Adelaide, focusing on enhancing the city's urban ecology and investing in the natural environment to improve overall community wellbeing.

It will work towards Adelaide being the most ecologically vibrant city in the world.

Green Adelaide will have an expert Board appointed by the Minister for Environment and Water. It will focus on building a strong connection between Adelaide residents and their natural environment.

Green Adelaide will have the following seven priorities:

1. Coastal management
2. Urban rivers and wetlands
3. Water sensitive design
4. Green streets and flourishing parklands
5. Fauna in the city
6. Controlling pest plants and animals
7. Nature education

We often think of cities as places filled with people and buildings, but the best cities in the world are those which have thriving natural environments in their midst.

The Green Adelaide initiative recognises that urban communities connect with natural systems. The 1.3 million people who live in metropolitan Adelaide should have the opportunity to be environmental stewards - whether in backyards, streets, suburbs, at work places, or in places of recreation. Adelaide residents also impact on, and benefit from, the natural resources of the state and should contribute to the sustainable management of those resources.

- Working with partners, Green Adelaide would invest in community development that fosters long-term positive action for environmental stewardship. It could also have a strategic and influencing role.
- Green Adelaide will support Adelaide residents to live more sustainably. Environmental programs are proposed to build resilience and social well-being; promote environmental awareness and education, including the role of sustainable primary production; and contribute to an economically viable and environmentally sound future.
- The engagement process will shape the scope and functions of the Green Adelaide Board, and its governance and financial arrangements.
- Green Adelaide would manage a separate region, and raise levies in a similar way to Landscape Boards.
- To leverage its urban environmental focus and expertise, it could also support urban initiatives in regional urban centres, in partnership with Landscape Boards and other organisations.
- To complement the main engagement process, some further focused engagement will help to guide development of Green Adelaide.

A separate discussion paper on Green Adelaide is being developed.

Question 8

How could Green Adelaide help to make Adelaide a more ecologically vibrant city?

Landscape Plans and a Green Adelaide Plan

Question 9

How can regional planning be streamlined?

Question 10

How can regional plans be more accessible to the community, while becoming more consistent in format and terminology?

Question 11

How do we best measure and report outcomes from managing natural resources?

Election commitment:

Landscape Boards will establish a five-year Landscape Plan for their region, identifying up to five priorities to be achieved by the plan during that time. The plans will be simple, short, focused on tangible actions and publicly accessible.

Currently, each regional NRM Plan is unique, and there are few requirements for consistency, making them difficult to compare and reducing the ability of the Minister and regulators to provide effective oversight.

NRM plans have also suffered from limited buy-in from other organisations to deliver on shared outcomes.

A five-year Landscape Plan would be prepared for each region:

- These plans would identify up to five priorities, with measurable outcomes to be achieved during the life of the plan. Priorities would focus on the basics of enabling management of natural resources, including soil quality, water management and pest plant and animal control, complemented with landscape scale restoration efforts.
- To help create jobs and drive investment, some of the on-ground delivery for each region would be outsourced to the private and non-government sectors and local councils.
- Simpler, fit for purpose approaches to stakeholder and community engagement would be encouraged, to ensure effective community involvement in planning and delivery.
- Streamlined procedures and consistent plan elements would be spelt out in regulations, to enable increased flexibility and adaptability as new engagement and planning approaches emerge and to improve the ability of the Minister, regulators and the community to review and evaluate them.
- Substantial scientific, local and Aboriginal cultural knowledge about the current state of resources in the region is vital to ensuring their effective development and implementation but need not be detailed in the plans.
- While Green Adelaide will have different priorities and stakeholders, a similar streamlined planning model is proposed.

Reporting and evaluation

Effective reporting allows managers of natural resources to track how the condition of those resources change over time. Reporting also helps Landscape Boards, stakeholders and the community evaluate outcomes, understand investments made and guide and prioritise future actions.

It will be important to understand community and stakeholder preferences around reporting and evaluation and how the processes needed to deliver that information can remain effective, streamlined, and highly contemporary.

Improving the levy system

Election commitment:

Cap annual land and water levy rises at a rate set by an independent body or according to the CPI. Levies (land and water) collected in a region will be spent in the region, except for a portion of priority landscape scale or cross-boundary projects, and services to underpin regional outcomes. Provide a publicly available budget outlining how levies will be spent in the forthcoming financial year and an end-of-financial-year report documenting actual expenditure. Continue to collect land based levies via council rates.

Two types of NRM levies are currently collected in South Australia:

- Land levies collected from rate payers both inside and outside of Local Government areas
- Water levies, collected from people who hold a water management authorisation.

Under the NRM Act, these levies are intended to share the cost of implementing a Regional NRM Plan across the region. They are not quarantined specifically for land based or water based activities respectively. The NRM Act allows NRM levies to be raised through a variety of mechanisms. Land levies may be based on capital value, fixed rate or land area. Water levies may be based on a fixed rate, water allocations or water usage, the share of the resource, area of land, the effect that taking or using water may have or for a defined special purpose. In determining the most appropriate mechanism, NRM Boards must undertake a social impact assessment to minimise the impact on levy payers.

It is essential that the way levies are raised and used is transparent, accountable and fair. As public funds, levies should primarily deliver public benefit. In relation to water levies there are a range of other price setting mechanisms such as National Water Initiative price setting principles and those of the Australian Competition and Consumer Commission that should also be considered in the setting of the levy.

A number of changes to the levy system are proposed to:

- Help to reduce cost of living pressures for South Australians
- Improve fairness of levies across and within regions
- Make levy expenditure transparent to the community
- Improve effectiveness in delivering sustainable landscapes.

Proposed changes could include:

I. Capping annual land and/or water levy increases at a rate set by an independent regulator with regular reviews, or could be set according to the CPI.

II. Providing a more consistent basis for land and water levies both within and across regions, while retaining some flexibility for regional differences.

III. Ensuring that all levies collected in a region are spent in that region – except for a percentage of all levies collected each year from some or all Landscape Boards and Green Adelaide that would contribute to a Grassroots Grants program and a Landscape Priorities Fund.

Each Board will have a publicly available budget outlining how the levies they set are to be spent in the forthcoming financial year. An end of financial year report will document actual expenditure.

Land based levies will continue to be collected via the most cost effective method – by local government via council rates (and in out of council areas by the Minister). Improvements that assist councils to collect land based levies will be considered.

Levy funds also enable access to Australian government funding for significant natural resource management programs such as National Landcare Program Phase Two.

Question 12

How important is it to have more consistency in the way land and water levies are raised across the state?

Question 13

How can we best fund high priority landscape scale projects?

Cross-regional and statewide coordination

Question 14

How important is it to coordinate efforts to manage our natural resources across regions? How could this best be achieved?

Local and regional partnerships are the engine of landscape management in South Australia. However, landscapes and the pressures affecting them don't stop at administrative boundaries.

Many issues require cross-regional and statewide coordination. For example, many pests and weeds such as wild dogs and buffel grass occur across two or more regions and threaten other regions, requiring a coordinated approach. Likewise, threatened species and ecological communities often occur across regions and coordinated efforts to sustain them are needed. Coordination of effort could also help communities and farming systems to adapt and be resilient to a changing climate.

There are a range of ways to achieve some level of cross-regional coordination to achieve more effective delivery. These include:

- Informal agreements between Landscape Boards and other stakeholders and groups.
- Establishment of a cross-sector advisory body including representatives from peak bodies, Aboriginal nations, Landscape Boards and government agencies. Any such advisory group would need to operate in a streamlined, fit for purpose way to avoid creating additional bureaucracy.
- There may also be value in some level of statewide planning and prioritisation to support coordinated regional effort, complemented by an appropriate evaluation and reporting framework to facilitate consistent approaches to evaluation and reporting in each region.
- Establishment of a statewide Landscape Priorities Fund to which some or all Landscape Boards and Green Adelaide would contribute a portion of levy funds raised. While the policy direction for the new Act is for levy funding to be spent in the region in which it is collected, there are times when statewide priorities should complement spending in a region.
- It is proposed that such a fund would be invested in accordance with priorities set out in a statewide strategy and could be used only with the approval of the Minister and all Landscape Boards involved. It is proposed that all funds would be invested in landscape management, through regional Landscape Boards, supporting the principle of investing levy funds in regions, and minimising additional administration costs.

Grassroots Grants program to support local projects

Election commitment:

Establish the Grassroots Grants program, a $2 million a year statewide annual fund (in addition to existing grants programs), administered at a Landscape Board level for volunteer, community and not-for-profit groups to access

All Landscape Boards and Green Adelaide will co-administer the program, which will be funded through a percentage of all land and water levies raised in each region.

Grassroots Grants would aim to support local level action enabling stewardship of our natural environment. Volunteers, community and not-for-profit groups play a major role in managing natural resources across South Australia. Their contribution of time, energy, expertise, equipment and resources is extremely valuable.

Grassroots Grants could operate in a range of different ways, such as small grants to support the operation of groups, or grants for local projects.

Question 15

How could a Grassroots Grants program best work?

Question 16
What are the highest priority ways we could improve pest plant and animal control?

Clear, simple priorities

Election commitment:

Legislative reforms will focus on practical programs and on-ground works delivered within existing resources. The new Landscape SA Act will identify the fundamental, interrelated issues of soil quality, pest plant and animal control and water management as major priorities.

There will be a clear focus on grassroots environmental projects targeting the most relevant issues in the local landscape.

Soil quality, pest plant and animal control and water management do not operate in isolation. Management of these issues, and stewardship of the natural environment more generally, must be considered together to achieve landscape scale restoration.

Local ownership of the issues and partnerships with government and other sectors of the community will be vital to the success of local level stewardship, that in turn supports and complements landscape scale restoration to achieve vibrant biodiversity, a sustainable economy and resilient communities.

Many of the existing NRM Act provisions dealing with pest plant and animal control, water management and soil quality are likely to be kept in the new Landscape South Australia Bill. Your feedback will shape opportunities to enhance and simplify those provisions, and make them more flexible by incorporating procedural details into regulations and policy.

Pest plant and animal control

Pest plants and animals cost South Australian agriculture millions of dollars each year. They also impact our way of life and are one of the leading threats to biodiversity.

As many pest plants and animals are mobile, they cannot be effectively controlled by regions in isolation.

The Landscape SA Bill and its associated regulations and policy will need to consider:

- A strategic, prioritised approach to on-ground action is the only way to reduce the impacts of the most important pest plants and animals.
- Priorities need to consider the risks posed by pests and the feasibility of controlling them.
- Partnerships between Landscape Boards, government, community and industry are needed to detect and respond to new incursions and for landscape scale management of established pests.
- Landscape Boards to work with local landholders to increase education and awareness.
- Legislation is important to help eliminate or minimise the impact of pest plants and animals. Enforcement of declared pest plants and animal control needs to be consistent. Penalties should encourage compliance and be proportional to the biosecurity impacts or risks posed by pest plants and animals.
- Compliance would be strengthened if authorised officers could prescribe specific control activities (for example specifically requiring landholders to bait to control wild dogs) and have the ability to directly undertake control activities and recover costs where there is high risk impact.
- It is proposed to keep many of the current provisions for pest plants and animal control with improvements to be informed through the engagement process.

Water management

Effective water management involves the water resources themselves as well as the broader landscapes, or catchments.

Water resource management engages a range of stakeholders who may or may not be actively engaged in the Landscape Boards, and involves a broad suite of legislative and policy arrangements.

The current water provisions of the NRM Act provide for:

- The prescribing of water resources, where necessary for proper management
- Preparation of statutory water allocation plans for prescribed resources and community consultation on draft plans by the relevant NRM Board, prior to Ministerial approval
- Licensing of water access entitlements under a water allocation plan and associated water levy requirements
- Permits for other water affecting activities, including where water is regulated under a regional NRM plan.

Since that time the Water Industry Act 2012 has been introduced, which provides for:

- Water security planning, including demand and supply management
- A licensing regime for the water industry
- Regulation of prices, customer service standards and technical standards for water and sewerage infrastructure and installations and plumbing
- Performance monitoring of the water industry

A statutory review of the Water Industry Act is required in 2018 and the Productivity Commission has recently recommended that a new phase of national water reform be commenced.

The potential for reform across the areas identified by the Productivity Commission has been highlighted in feedback received from the community. However, given the complexity and scale of statewide water reform, it will need to be implemented in stages - with a first phase of incremental reform reflected in the draft Landscape SA Bill.

Initial benefits to be introduced via the Landscape SA Bill could include the streamlining of water allocation planning, transparency of decision making and greater protection for security interests in water licences.

Soil quality

The sustainable management of our soil resources is vital to food production systems, agricultural industries and food security.

Our ancient soils have sustained Aboriginal peoples, culture and economies for thousands of generations and they also underpin a healthy environment, including biodiversity and water resources.

Legislation helps to ensure that soil resources are managed sustainably and are protected from degradation that could limit their potential for production or negatively impact the environment.

The collaborative efforts of farmers, government, advisers and researchers and their sharing of ideas, innovations and knowledge has led to the adoption of improved farming practices and should continue to be supported and encouraged.

Much of our agricultural production system is very dependent on seasonal rainfall and growing conditions. Adaptation of farming systems to be resilient against weather variability and climatic changes will be a significant driver in the future.

The impacts of a changing climate on soil degradation need to be considered. Flexibility of management practices could help to manage unforeseen consequences of climate change or emergency events.

Other stewardship priorities

The priorities of managing soil, water and pest plants and animals are fundamental to landscape scale restoration.

In addition to these priorities, other local and landscape scale activities may be needed in particular areas.

These activities, such as revegetation, rewilding and fencing can also be important contributions to achieving the community's desired outcomes for their landscapes.

The government's reforms aim to recognise that land managers and local communities are leading stewards of their natural environment. Our landscapes, made up of natural features such as our coastline, trees and wildlife are valued by many people and contribute to their unique sense of place in our diverse state. As part of a landscape-scale approach, we can assist people to undertake broader efforts to restore their natural environments.

Many people are keen protectors and managers of the bush in their local area and on their properties. The priorities of managing soil, water, pest plants and animals meaningfully contribute to the stewardship of nature. Combining these with other actions such as sustainable agricultural practices, revegetation, and protecting and connecting vital habitats for priority native species, helps to achieve the community's desired outcomes for their landscapes.

Sharing information and citizen science enables land managers and owners to be effective stewards of their natural environment, and to see the benefits of their actions.

Partnerships between land managers, community groups, Landscape Boards, industry, Aboriginal nations, local and state governments can collectively help to revitalise and restore the quality of our natural environments in a wide range of ways.

Effective stewardship of our natural environments is vital to achieving vibrant biodiversity, sustainable economy and resilient communities.

Question 17

Are there any minor amendments that could be made in this Bill to current water management processes?

Question 18

What more substantial water reform do you believe should be looked at as part of subsequent reform processes?

Question 19

What should be included in the new legislation to enable more effective management of our soils, pest plants and animals?

Question 20

What should be included in the new legislation to enable better stewardship of our landscapes?

Compliance

Effective compliance is crucial to sustaining vibrant biodiversity, productive farms, food security and relationships between neighbours.

Compliance priorities and investments should be risk-based, strategic and targeted to the issues of greatest risk or concern. Priorities must take into account scientific as well as local and cultural knowledge. Processes should ensure compliance breaches are resolved in a timely, consistent and cost-effective manner. Penalties should encourage compliance and be proportional to the risks posed by breaches. The community should also have faith in, and consistent expectations of, the compliance system – that it will protect landscapes from willful or negligent non-compliance by individuals and entities.

Further consideration is required of the relationship between regional Landscape Boards, government agencies and the Crown Solicitor's Office in relation to compliance.

Question 21

How do you think the new legislation can best enable effective compliance arrangements?

Future opportunities

Effective and sustainable landscape management requires much more than a new piece of legislation. A wide range of other laws intersect with landscape management, and the effectiveness of these interactions will significantly affect the success of our efforts. Some of this legislation includes:

- The *Aquaculture Act 2001*
- The *Coast Protection Act 1972*
- The *Fisheries Management Act 2007*
- The *National Parks and Wildlife Act 1972*
- The *Native Vegetation Act 1991*
- The *Pastoral Land Management and Conservation Act 1989*
- The *Planning, Development and Infrastructure Act 2016*
- The *Water Industry Act 2012*

This process focuses on the Landscape South Australia reforms. However as part of the government's future agenda, there will be opportunities to explore improved interactions between these laws. Further engagement will be required on any further reforms in coming years.

TUMBY BAY

www.yoursay.sa.gov.au/landscape-reform

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SOUTH AUSTRALIA

Government of South Australia

City of Marion Submission – NRM Reform

The following submission has been prepared by the City of Marion administration in response to the Discussion Paper *Managing our Landscapes: Conversation for Change* . This response is subject to approval at the Council meeting on the 9 October 2018.

For enquires about this submission, please contact Rebecca Neumann, Senior Environmental Planner rebecca.neumann@marion.sa.gov.au

Overview

The City of Marion has had a strong history of collaborating with the Adelaide and Mount Lofty Ranges Natural Resources Management Board (the NRM Board) and the antecedent Catchment Water Management Boards over many years. A number of major projects and significant environmental outcomes have been achieved through this positive relationship including:

- Establishment of Oaklands and Warriparinga Wetlands
- Stormwater Management Plans across the majority of the Council area
- Ongoing watercourse monitoring and restoration projects for Waterfall Creek, Field River and Sturt River.
- Collaboration on community engagement programs including, support for on-ground action groups (Friends groups), sustainability programs such as Living Smart, NRM school education programs
- Technical and on-ground support for pest plant and animal control activities (particularly olive and ash control)
- Advocacy for broader protection and restoration of Field River valley (including support with the development of concepts around Great Southern Urban Forest – now known as Glenthorne National Park)
- Technical advice and support in a range of NRM activities including coastal and biodiversity, community engagement, urban sustainability and water sensitive urban design.

These partnerships equate to many millions of dollars of investment for our community and have enabled Council to leverage significant funding from other partners, particularly the federal government.

Underpinning these projects has been a very positive and ongoing mutual commitment between the City of Marion and the NRM Board to seek strategic alignment of policy in response to the ever-changing needs of the community and our environment. The Resilient South Climate Change Sector Agreement is an important recent example.

City of Marion Submission – NRM Reform

The City of Marion's response to the State Government's Discussion Paper and planned NRM Reform highlights where things are currently working well and emerging issues that are important to us and our community in the future.

Creating a climate resilient city where people value and connect to the natural world is a strong focus for the City of Marion. Trends in development and changes to urban environment are presenting significant challenges that will require major shifts in policy and funding in the future.

In this regard, the City of Marion welcomes the proposed NRM reform as an opportunity to reassess the future needs of our community and work together to meet these challenges head on.

As part of this reform process, major opportunities we would like to explore further include:

- Improved alignment between **urban development policy** and natural resources management policy– particularly in relation to urban water, biodiversity, greening and climate resilience. The current state government planning reform presents significant opportunities here.
- Ensuring **biodiversity** is core element of the 'back to basics' approach
- A focus on sustainable living, through increased resourcing to **urban sustainability education and engagement** to meeting the rapidly changing need for climate change mitigation and adaptation and sustainable living.
- Increased resourcing for water sensitive urban design to support the transition of Adelaide to a **water sensitive city**.
- The development of **Glenthorne National Park** as an outer-ring parklands and a centre for urban sustainability engagement and awareness.
- Reforming of the current **NRM funding** arrangements to place the management of natural resources as a core state government service that is not reliant on local government collection of a levy.
- Ensuring the decentralisation of NRM still allows for **regional coordination** and does not place additional funding burdens on landowners or reduced efficiency in monitoring and reporting.

Biodiversity, pest plants & animals

The City of Marion considers the protection and enhancement of biodiversity in our Council area as a core aspect of environmental management. Through programs such as our Remnant Native Vegetation Plan (2018), we are aiming to create a city with diverse and connected ecosystems and provide opportunities for our community to meaningfully connect and develop value with the natural world.

Whilst we note that biodiversity is mentioned in parts of the Discussion Paper, the "back to basics' mantra places a stronger focus on the management of soil, water and pest plants and animals in regional areas with biodiversity being an ancillary outcome.

- **Our position**: We believe that protection and restoration of biodiversity must form a key component of the 'back to basics' approach for both urban and regional environments and we would welcome the opportunity to work further with Green Adelaide in this area.

Fragmentation and clearance of habitat is the most significant cause of species decline in urban areas – particularly for animal species. This decline is notable in the City of Marion, with animals such as shingleback lizards and several woodland birds now uncommon or locally extinct. There are currently no strategies to halt this decline in metropolitan Adelaide and regional coordination and funding support is required to enable Councils and other landowners to overcome this issue.

- **Our position**: Green Adelaide is an important opportunity to provide specific guidance on urban design to enhance biodiversity through defining strategic corridors and priority sites for conservation and restoration. In particular, the plan for Green Adelaide needs to have close connections to the Planning and Design Code as well as for local Council open space plans.

As a metropolitan Council, the Native Vegetation Act does not apply to the majority of our Council area – most notably remnant vegetation on private land within the suburbs of

Hallett Cove and Marino. Classification of conservation ratings for species and 'priority sites' for management in the metropolitan area is often confusing.

- **Our position**: Priority remnant vegetation within the metropolitan area should be mapped and protected from clearance with regional boards providing improved clarity and consistency around conservation ratings for species and communities.

Management of pest plants and animals on Council land requires significant Council resources. It is regularly noted that major infestations of olive, ash, artichoke and other pest plants occur within the State Parks located within the City of Marion. Weed infestations along Government maintained road reserves and verges is an issue with olives, Aleppo pines and *Casuarina glauca* being particularly prevalent along South Road and Lonsdale Road.

- **Our position**: State Parks should be a demonstration of best practice land management with significantly greater resources placed on restoration of biodiversity and the control of pest plants and animals.

Council receives regular support from the NRM Board around pest plant control (particularly for olive and caltrop control).

- **Our position:** We value the technical and funding support that we receive for pest plant and animal control and would like to see this continue under Green Adelaide.

Water management

Water management is a major area where the City of Marion has collaborated with the NRM Board and antecedent catchment boards.

The NRM Board's urban water team have provided significant technical support as well collaborating with Council on the delivery of projects for urban constructed wetlands, investigation and delivery of stormwater capture and reuse schemes, water sensitive urban design projects and various water course restoration projects.

Council is continuing to invest in creation of a water sensitive city and will continue to look at ways of optimising the capture and delivery of Oaklands water to offset consumption of mains water and provide a cool, green environment for our community.

- **Our position**:
    - the inclusion of water sensitive design as a priority for the Green Adelaide Board is strongly supported.
    - funding for onground works in this area is not mentioned in the discussion paper. Whilst Council does funds some WSUD from our capital works budget, to effectively transition Adelaide to a water sensitive city, significant additional funding and technical support will be required e.g. through the Urban Water Grants and support from the Water Sensitive SA partnership.
    - Further connection between stormwater planning and urban development planning is needed. The current state government Planning Reform is a good opportunity.

The current requirements for approvals of "water affecting activities" (*Natural Resources Management Act 2004* - SECT 127) is clunky. City of Marion has been granted an exemption through use of *best practice operating procedures* however, this section could be improved to provide more consistency and clarity across sectors.

- **Our position**: There is a need for review of the approval process for "water affecting activities".

Coasts and marine

The City of Marion's coastal suburbs of Hallett Cove and Marino contain two State Parks, significant remnant coastal vegetation and habitats and a range of locally, regionally, state and nationally threatened species. The NRM Board's "*Metropolitan and Northern Coastal Action Plan*" describes these natural assets well and is an important resource for working with the NRM Board on priority issues.

- **Our position**: the proposed Green Adelaide Board should take a lead on the review and ongoing implementation of a coastal action plan for the metropolitan area including being specific around roles and responsibilities.

The Adelaide's Living Beaches strategy is implemented largely by the NRM Board to manage sand replenishment along the metropolitan beaches. As the rocky cliffs start at the northern coastal border of the City of Marion, this strategy stops and is silent on issues around sand management in our Council region. In addition to this, the strategy does not address the ever-increasing need for further direction from the State Government around coastal climate change adaptation.

- **Our position:** Whilst the sand replenishment programs on the metropolitan beaches are supported, funding of this program via Green Adelaide is not supported as it directs significant funding away from core natural resources management function. This function should sit with the Coastal Protection Board and should also address the need for region-wide coastal climate change adaptation planning.

Sustainability education & engagement

The City of Marion has a very strong history of collaborating with the NRM Board and the antecedent Catchment Boards on community education and engagement programs. Strong relationships with local Friends groups have been fostered through this work as well as significant outcomes around improved environmental education and awareness.

Council currently works closely with the NRM Board on the delivery of community-focussed **sustainability** initiatives aimed to support groups and individuals make a difference to their own lives and those of their networks.

There is a current focus in our region on the delivery of champion-based sustainability programs such as Living Smart (a partnership with the NRM Board) and Climate Ready Communities. Council also delivers monthly workshops through our Common Thread program as well as a range of specialised activities focussing on sustainability, nature engagement and waste education. These programs prove to be popular and are often over-subscribed. Feedback from participants highlights their growing interest in practical sustainable living programs over just environmental awareness and engagement.

The needs of the community and the environment are continuously changing in this area with current areas of focus being more around the development of communities that can meaningfully engage with their environment and move towards more sustainable patterns of living.

Through our community engagement programs, City of Marion has also noted a significant trend in interest around sustainable food production both through sourcing of food from nearby traditional agricultural zones, as well as also through urban food production, including market gardening, school gardens, community gardens and urban orchards.

The Discussion Paper very notably does not make mention of 'sustainability'.

- **Our position:** The current NRM education and engagement programs are highly valued and should be retained and expanded to include broader connection to sustainable living.

Council recognises the special relationship of Kaurna and other first-nations people living in Adelaide have with Country. We are increasingly seeking opportunities for cultural and cross-cultural involvement in managing the environment.

- **Our position:** City of Marion would welcome the opportunity work with Green Adelaide to engage further with Aboriginal people in our natural resources management activities. Several opportunities may exist in particular through Council's Living Kaurna Cultural Centre.

The City of Marion hosts a project officer for the NRM Board's school **NRM Education Program**. This arrangement is positive and provides Council with more frequent access to specialist skills, as well as improved connection staff within the NRM Board.

Some particular strengths of the NRM Education Program include:

- A schools-based approach working with sustainability champions; teachers, students, and community members.
- Holistic sustainability action in schools encompassing biodiversity, waste reduction, food gardens, youth mentoring, climate adaptation, and STEM based learning.

- Provision of one-on-one expert support in schools and the fostering of long-term productive relationships.
- Resources on local environments and issues connected to learning and the Australian Curriculum.
- Professional Development sessions for staff to increase their skills and knowledge on environmental projects.
- The Youth Environment Leaders Program, targeted to Primary School aged students, and the Youth Environment Council, targeted to High School students, as ways for young people to meaningfully engage in learning about, and taking action for the environment.

The school-based NRM program achieves impressive results for community awareness and engagement in NRM. This program compliments Council's community education and engagement directions with resources often being shared.

- **Our position:** Council has a long history of hosting NRM education and engagement positions and would welcome the opportunity to consider further hosting arrangements into the future.

Community environment hubs form an important focus to join like-minded people together and help to broaden and deepen understanding and opportunities to move towards a sustainable future. The closest community environmental sustainability centre for the Marion community is the Adelaide Sustainability Centre (the Joinery) in the City. We see that an opportunity exists to develop an urban sustainability centre closer to people in the inner south. Given the levels of interest in our current sustainability programs we expect that demand for such a centre would be high. We also see Glenthorne Farm (and Glenthorne National Park as a whole) as a key opportunity in this area.

- **Our position:** An opportunity exists to shape Glenthorne Farm into a valuable resource for the community as a demonstration site and hub for learning and sharing about the environment and sustainable living – something similar to the CERES Community Environment Park in Melbourne. (see more on Glenthorne National Park below)

State Parks – Glenthorne National Park

The Discussion Paper does not provide a lot of detail around how decentralisation will work within the context of management of State Parks, one of the functions that moved towards the responsibility of NRM Boards in recent years.

Within the City of Marion, there are currently three State parks: O'Halloran Hill Recreation Park, Hallett Cove Conservation Park and Marino Conservation Park.

As part of the new State Government election commitments, these State parks will be combined with Glenthorne Farm, Happy Valley Reservoir, Field River Valley and several Council reserves to form Glenthorne National Park.

Council welcomes this move and we will continue to work closely with key partners to maximise benefits for the community in the establishment of Glenthorne National Park. Particularly we will continue to advocate for:

- Retention of open space character;
- Revegetation and protection of existing biodiversity and waterways;
- Restoration and interpretation of heritage;
- Open community access through trails and recreation;
- Economic development through, research, education, innovation and tourism.

Consistent with the *Glenthorne Community Vision* developed by the Friends and local community, some of the activities Council would like to see at this site include:

- Restoration of grey box woodland
- Heritage interpretation
- Volunteering and community involvement
- Community events and function centre (through restoration of heritage buildings)
- Outdoor sport and recreation: walking tracks, bike trails, horse riding, orienteering, camping, nature play, bird watching
- A community farm and education centre
- Farmers' and makers' markets
- Native plant nursery and native grass production
- Wildlife recovery centre and refuge
- Environmentally sensitive renewable energy generation/storage
- Natural burial.

- **Our Position:** Council looks forward to engaging with the State further on specific detail around the proposed development of Glenthorne National Park.

Volunteering

The nature of volunteering is changing and while the community is continuing to express a desire to contribute to improving our natural resources, they are more likely to do so on a more casual basis or on their own terms.

The numbers of volunteers in the traditional environmental "Friends" groups in Marion are continuing to stay approximately the same however there is an increasing interest in volunteering coming from different sectors including young people, new migrant groups and volunteering at single events e.g. community planting days

Work Health and Safety of volunteers as well as volunteer insurance continues to be a focus for Council. To ensure volunteering opportunities are not limited by these factors City of Marion is moving towards seeking specialist services in management of environmental volunteers working in Council open space (e.g. through Trees for Life).

City of Marion has recently developed a new volunteering strategy and we would welcome the opportunity to work further with Green Adelaide to support volunteering with our community.

- **Our position:** Green Adelaide should assist with providing insurance, training and coordination for volunteer environmental groups – particularly those working on state government land.

All of the State Parks in the City of Marion have dedicated Friends groups. These groups are instrumental in the ongoing management of these parks. Council often receives feedback that the groups would benefit from further resourcing and coordination from the state government to support their efforts.

- **Our position:** There is an over-reliance on volunteer effort to manage State Parks in the City of Marion. Additional funding needs to be allocated to core maintenance activities at these sites with guidance and support from Friends Groups.

The Grass Roots Grants program proposed in the discussion paper will be an important resource to support volunteering, however this fund will be rapidly diminished if it represents the total budget for all friends groups and other interest groups working across the State. Council occasionally supports these groups already through our Community Grants Program; however this fund is usually over-subscribed and is not aimed at funding activities that may be an existing responsibility for a landowner (e.g. control of declared weeds on state governments parks land).

- **Our position:** The Grass Roots Grants program is supported in principle; however the State should not be using this to fund core maintenance activities by volunteers on state government land.

NRM levy

Funding for the activities of the current NRM Board in our region comes largely from the collection of the NRM levy. Under the Natural Resource Management Act 2004, Council is required to collect this levy. It does so by imposing a separate rate for all rateable properties within the Council area. For each financial year, the levy for each property is determined by the total capital valuation within the City of Marion. See Figure 1 for a chart of the annual levy collection and reimbursement received within the City of Marion.

The state government controls the basis of how the levy is collected and is able to set increases on the levy separate from Council's rating policy.

The City of Marion has been collecting a form of regional environment levy for over 20 years. Council originally supported the LGA's position to collect the levy because it was considered that it provided a greater capacity for Local Government to influence policy, funding and administration. Economic modelling also indicated that collection from Councils was the most cost efficient option.

Over time however the City of Marion has formally raised a number of questions regarding the ongoing role of local government in collecting of the NRM levy. In particular

- While Council strongly supports the NRM Board's role in regional prioritisation of NRM funding, Council considers that utilising Council rates notices to collect local funding is not appropriate when this funding is being allocated to priorities outside of Council boundaries.
- Council would like to see further investigation to understand how collecting the NRM levy might be impacting on our rate-payers expectations of services being provided by Council.
- Annual increases in the NRM Levy are set at rates determined outside of Council's rating policy – this is seen as inequitable by Council.
- Council was supportive of the Emery[1] and Connor Holmes[2] recommendations for the NRM levy to be collected via a State-wide property tax or the augmentation of the

[1] Emery, P. (2009) Review of Natural Resources Management Levy Arrangements – Report to the Local Government Association of South Australia.

[2] Connor Holmes, (2009). Proposal for NRM Funding Reform – Prepared for the Local Government Association of South Australia.

Emergency Services Levy and that the LGA work collaboratively with the State Government on an overall reform of NRM funding.

Councils across South Australia are regularly echoing these concerns with the LGA investing heavily into campaigns to help to investigate and resolve the issues. Discussions on the NRM levy have historically become a major distraction for local government.

Since the collection of regional environment levies was introduced, the scope of environmental activities provided by the State Government, NRM Boards and Councils has increased significantly. Many of the activities that once would have been considered as discretionary are now very much Council's core business (e.g. stormwater management). Similarly, there are many environmental activities now led by the Boards / state government that the community expect (e.g. fair allocation of water resources).

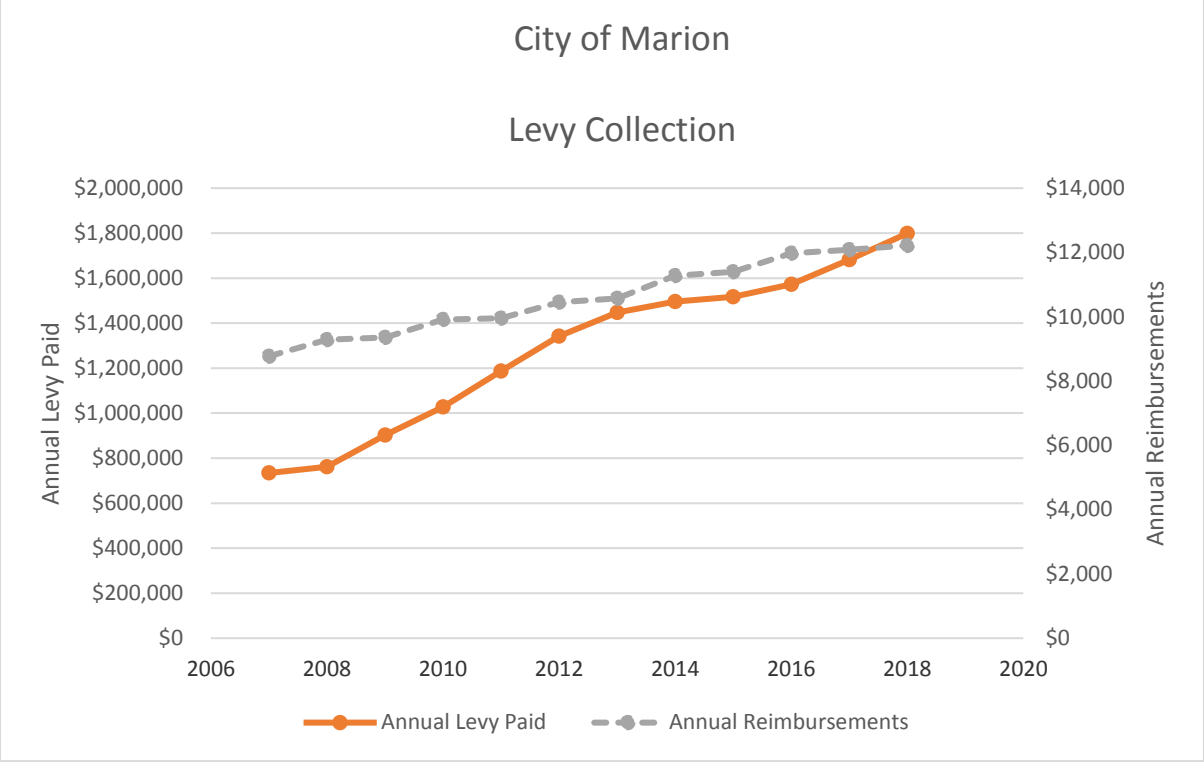
This establishment of natural resources management as a core public service raises questions around the method for funding of environmental services. The use of a levy implies that the need for funding is new or temporary – this is no longer the case for management of natural resources.

One of the biggest challenges with environmental management in the future is the integration of environmental policy into other services. The ongoing use of a levy for funding these activities may in fact be limiting discussion of natural resources priorities in a whole-of-government context. The principle of decentralised decision making in the Discussion Paper may further contribute to this problem.

Whilst we note that the Discussion Paper proposes that a levy continue to be collected via Council rates, Council strongly urges the Minister to reconsider this arrangement.

- **Our position:** City of Marion believes that Councils should not be responsible for collection of the levy and that the current NRM reform process should include an overall review of NRM funding arrangements.

Figure 1: Collection of NRM Levy (known as Catchment Levy prior to 2010) within the City of Marion along with the reimbursement Council has received for collection.



Green Adelaide

The delivery of natural resources management within the metropolitan area is a specialised service. The physical environment is different, as is its ecology and the needs of the people that reside, work and visit. In this regard, the separation of this area into Green Adelaide is welcomed.

- **Our Position:** With Green Adelaide focussing on the metropolitan area, we believe that the City of Marion should be wholly included within Green Adelaide.

Some of the considerations relevant to the City of Marion that we as important when setting this boundary for Green Adelaide include:

  - The need for inclusion of the whole Hills Face Zone and the Metropolitan Open Space System
  - Inclusion of all parts of the proposed Glenthorne National Park

- Inclusion of all urbanised areas of the metropolitan coastline – consistent with the metropolitan Adelaide and northern coastal action.
- The boundaries for application of the Native Vegetation Act in the City of Marion are confusing and need to be reviewed to provide better alignment with the objectives of Green Adelaide.

A significant opportunity for Green Adelaide will be providing stronger direction and alignment for urban development policy, particularly through the current planning reform. We acknowledge that there may be challenges given the concurrent timeframes for these processes. Important considerations include:

- Regional coordination of measurement and monitoring of greening initiatives.
- Regional modelling of climate resilience under different urban development scenarios.
- Identification of strategic urban biodiversity corridors.

Council looks further to discussing to priorities and structure of Green Adelaide Board particularly the need for local government and community representation.

- **Our position:** The City of Marion requests further engagement around the development of the Green Adelaide Board and looks forward to commenting on the Green Adelaide discussion paper when it is released.

Coordinating natural resources management

The concepts of **decentralisation** and putting **landowners at the centre** of management of natural resources are clear priorities of the discussion paper. Whilst we support the principles of efficiency in governance and ensuring meaningful community involvement in decision-making, we see that the state government and regional authorities play an essential role in setting strategic goals, measurement, monitoring and providing technical support. Whilst autonomy for local decision-making can occur, we believe that it should only occur within this context. We also believe that regional and state priorities should not only rely on local funding or volunteer efforts for individual landowners.

- **Our position:** decentralisation of natural resources management must only occur within the context of clear state and regional planning and evaluation frameworks and the State must be responsible for funding of regional and state priorities.

The Discussion Paper also highlights that the Grassroots Community Fund and the Regional Priorities Fund are likely to be collected within Green Adelaide, however directed outside of the region to state-wide priorities.

- **Our position:** We feel that direction of money collected within Green Adelaide to priorities outside of this regional will only further fuel the debate around the role of local government in collection of a Landscapes Levy (see section on Levy in this response).

Outcome of review of Hire Charges of Council Operated Facilities

Originating Officer	Unit Manager Libraries - Damian Garcia
Corporate Manager	Manager Community and Cultural Services - Liz Byrne
General Manager	General Manager City Services - Tony Lines
Report Reference	GC181009R08

REPORT OBJECTIVE

To provide Council with the outcomes of the review undertaken about the hire charges of Council operated facilities.

EXECUTIVE SUMMARY

At the 10 July 2018 General Council meeting, Council requested the following:

1. Council request Administration undertake a review of the fees and charges for the hire of halls, meeting rooms and performance spaces of Council operated facilities with options that can make charges more accessible for community groups, maximise the use of council facilities and are sustainable.
2. A report and recommendations be brought back to Council for consideration by September 2018.

The City of Marion has 20 individual spaces across 8 locations that are operated by Council staff. The majority of the spaces include two hire rates, and distinguish between community and corporate type customers. Fees range from the minimum charge of $10 per hour for a small meeting room at the Cove Civic Centre up to $150 per hour for the Domain Theatre at the Marion Cultural Centre.

Hire charges of Council operated facilities in neighbouring councils were also analysed.

The review highlighted a number of opportunities to improve the consistency between each site, and a number of recommendations have been proposed for Council's determination.

RECOMMENDATION

That Council:

1. **Notes the report.**

2. **Adopts Option X as the Fees and Charges for the hire of Council operated facilities, to be effective 1 January 2019.**

3. **(Optional) From 1 January 2019 offers a 50% discount to residents and business registered within the City of Marion to the Fees and Charges for the hire of Council operated facilities located at:**

   Cooinda Community Centre
   Glandore Community Centre
   Mitchell Park Neighbourhood Cente
   Trott Park Neighbourhood Centre
   Cove Civic Centre (CCC)
   Living Kaurna Cultural Centre (LKCC)
   Marion Cultural Centre (MCC) - Domain Theatre and adjacent rooms

Perry Barr Farm - Castrol Shed

4. **Notes that a review of the Fees and Charges at these facilities will take place in January 2020 for inclusion in the Annual Business Plan & Budget Process (ABP&BP) of 2020/2021.**

5. **Notes that Fees and Charges for all Council operated facilities will be reviewed and any alterations to the charges proposed on a 2 yearly basis commencing from 2020/2021.**

6. **Notes that Administration will:**

   a) review each site's Terms and Conditions of Hire for consistency, taking into account the individual requirements for all Council operated facilities;

   b) develop a Facility Hire Policy.

GENERAL ANALYSIS

The City of Marion has 20 individual hireable spaces across 8 locations.

The 8 sites include:

- Cooinda Community Centre
- Glandore Community Centre
- Mitchell Park Neighbourhood Centre
- Trott Park Neighbourhood Centre
- Cove Civic Centre (CCC)
- Living Kaurna Cultural Centre (LKCC)
- Marion Cultural Centre (MCC) - Domain Theatre and adjacent rooms
- Perry Barr Farm - Castrol Shed

Each of these spaces are unique in their service offering, age of the buildings, technology infrastructure, staff support on site, as well as their purpose for existence.

In order to appropriately review each facility across Council the hire rates are presented as per one hour rates (Attachment 1). Some of our facilitites offer rates (with discounts) for half day and whole day hire.

The review compared like facilities in neighbouring Councils - the Cities of Holdfast Bay, Mitcham and Onkaparinga (Attachment 2).

All figures are based on actuals (useage, hire rates, revenue, etc) from 2017/2018 financial year.

The review highlighted a number of opportunities to improve the consistency between each site, and a number of recommendations have been made.

Engaged:	We will ensure our community is well informed about the services we provide.
Liveable:	We will make our services, facilities and open spaces more accessible. We will create more opportunities for residents to enjoy recreation and social interaction in our neighbourhood centres, sports facilities and other Council facilities.
Connected:	We will provide a variety of options for social interaction.
Opportunities:	Council's Donations and Sponsorship Policy allows for 'in-kind' venue hire support, at a maximum of $500, once per year. In 2017/2018 there was only one approved application for venue hire support via the donations

and sponsorship progam. There is an opportunity to further promote this avenue of Council support to the community.

Risk Management:

Currently there is no Council operated facility that offers 'free' hire usage with the exception of a long standing arrangement at the Perry Barr Farm site.

There is a $10 per hour fee which is an administration fee that offsets the additional purchase of the public liability insurance for those community groups who wish to use our facilities and don't already have public liability insurance.

This arrangement of $10 per hour (administration fee) can be accessed by community groups up to two times per annum.

Current Budget Allocation: Estimated income from these facilities may not be realised if fees are reduced and may have an impact on the 2018/2019 budget.

DISCUSSION

A review of the hire charges for council operated facilities was undertaken in July/August 2018. Each of the 8 Council locations are distinctive in their service offering and technology infrastructure, as well as their purpose for existence. Hire rates are presented as per hour charges.

Neighbourhood Centres

The City of Marion has four dedicated neighbourhood/community centres at Cooinda, Glandore, Mitchell Park and Trott Park. These centres are locally based multifunctional services that rely on a small core of paid staff and many volunteers. They function as a focal point for the local community, providing a meeting place and offer a range of activities, programs and events to assist individuals in community education, volunteering, health and wellbeing, social inclusion and life-skills.

Neighbourhood/community centres are heavily reliant on external funding, which is provided for the specific benefit for the community through funding agreements. Each agreement is different, however there are requirements to deliver specific key deliverables in each centre. As such, community centres are heavily used for program delivery for the community and not so much for ad-hoc hirers or for independent hirer groups.

The Glandore Community Centre has a number of leased buildings which are managed through the Land and Property business unit.

Hire charges for Neighbourhood Centres are based on one standard rate for all hirers, and is consistent with a lower community rate at the other facilities, as per the table below.

Neighbourhood Centres	Person Capacity	Community Rate p/h
Cooinda - Hall Hire	160	$ 65.00
Mitchell Park - Hall Hire	100	$ 30.00
Trott Park - Hall Hire	100	$ 30.00
Trott Park - Play Room and Seminar Room	30	$ 30.00
Glandore - Clark Function Centre	160	$ 65.00
Glandore - Opal Space	30	$ 35.00
Glandore - Slade Training Room	15	$ 30.00

Glandore - Rugby Building	50	$ 35.00

The next table shows the utilisation rates of each room, including corporate, community and internal usage. The utilisation % is based on the total hours the space has been booked, in relation to the total hours the space is available for use in the year.
All internal bookings reflected in the utilisation are for the purposes of program delivery. Other 'internal' City of Marion usage is not captured in the utilisation rates, and is mostly on an ad-hoc basis.

Community utilisation reflects both individuals and/or groups in the community who have hired the spaces privately. The Glandore Community Centre, and its variety of spaces, experiences the largest number of hirers compared to the other neighbourhood centre spaces.

Neighbourhood Centres	Community	Internal	Total
Cooinda - Hall Hire	5%	83%	88%
Mitchell Park - Hall Hire	0%	76%	76%
Trott Park - Hall Hire	0%	84%	84%
Trott Park - Play Room and Seminar Room	0%	42%	42%
Glandore - Clark Function Centre	19%	27%	46%
Glandore - Opal Space	8%	21%	29%
Glandore - Slade Training Room	22%	42%	64%
Glandore - Rugby Building	54%	10%	64%

Neighbourhood Centres offer a core function for the community, providing for a diverse range of needs in the community. Although these are council operated facilities, their focus is different to that of the Marion Cultural Centre or Cove Civic Centre.

The age of each of the neighbourhood centres varies and are older than the other Council operated facilities, and as such the availability of technology infrastructure and standard expectations like Wi-Fi is not always available. This limits the appeal of these spaces to some hirers, as well as their multifunctional capability.

Both Glandore and Cooinda Community Centres are open on Saturday mornings and this is possible due to external funding received. The Glandore Community Centre has only been a Council operated facility since March 2009. Prior to that it was operated by a Board of Management and as part of the transition to Council there was a requirement to maintain usage of the space for weddings, birthday parties etc.

Online surveys to hirers are not sent, but each program is evaluated for its ability to meet the needs of the community. These evaluations focus on service provision and program content rather than building requirements.

Any revenue generated at neighbourhood/community centre locations is returned to the Land and Property budget to offset the costs of building maintenance across the Council.

The City of Marion neighbourhood/community centres are well used spaces, and an important part in the lives of many residents.

Glandore Community Centre is currently the site for the online booking system pilot project.

Cove Civic Centre (CCC)

The Cove Civic Centre is high end facility with access to up to date technology and equipment, and near new furniture and facilities. The building was designed to allow for independent after hours usage with no requirement for staff to be on site. The facility exists to provide a space that may be used by small business operators, library customers, community groups, and larger organisations. There are 6 flexible spaces available for hire, ranging from a small meeting room which caters for 6 people, up to the hall which can accommodate 200 people.

There is also an IT Training suite that can seat 16 people and 1 tutor. The training suite includes access to Wi-Fi and lap tops, a projector and lectern. All meetings rooms have access to Wi-Fi and a TV screen that can be connected to a laptop or other device, as well as comfortable modern furniture. The main hall has 2 x TV screens, 2 x projectors, PA system, Wi-Fi, with tables and chairs that can be set up in a multitude of configurations.

Cove Civic Centre also has a dedicated staff member responsible for venue management, room set up and pack down, room bookings and invoicing and is the first point of contact for all hirers. This is a valuable offering and is recognised in the feedback received from the online surveys (Attachment 4). The Cove Civic Centre uses the Venues online booking management system for invoicing and the management of bookings and hirer information.

CCC has both a corporate and community rate for hire charges as per the table below.

Cove Civic Centre	Person Capacity	Community Rate p/h	Corporate Rate p/h
Hall Hire - Full Room	200	$ 70.00	$ 105.00
Hall Hire – 1/2 Room	100	$ 30.00	$ 60.00
Hall Hire – 1/4 Room	50	$ 25.00	$ 50.00
Larger Meeting Rooms x2	10	$ 20.00	$ 20.00
Small Meeting Rooms x2	6	$ 10.00	$ 10.00
IT Training Suite	17	$ 75.00	$ 75.00

There are no comparable facilities to Cove Civic Centre in either the City of Marion, or surrounding councils and as such it is difficult to compare the hire charges of this site with others.

Cove Civic Centre has been in operation now for 3 years, and as such is still building reputation. The hire charges have remained the same since the opening of the facility. There is a Libraries Marketing and Communications Plan in place which may increase the current utilisation of spaces. In the 2017/18 financial year, all of the spaces combined were utilised 19% of the time available.
The utilisation was from a range of hirers. High end users of the hall include the Department of Premier and Cabinet, Coles, Flight Centre and Workskill. Other smaller groups include the Cove knitting group, small business operators, robotics clubs and after school activities delivered by both CoM other hirers. There has been a steady increase in the utilisation of the spaces, however there is opportunity to increase the overall utilisation into the future.

The below table shows the utilisation rates of each room, including corporate, community and internal usage. The utilisation % is based on the total hours the space has been booked, in relation to the total hours the space is available for booking in the year. All of the spaces at Cove are available 6 days a week (8.30am to 10.00pm) and Sundays (1.00pm to 9.00pm).

Cove Civic Centre	Community	Corporate	Internal	Total
Hall Hire - Full Room	4%	0.2%	5%	9%
Hall Hire – 1/2 Room	2%	2%	10%	14%

Hall Hire – 1/4 Room	5%	4%	21%	30%
Larger Meeting Room x 2	4%	2%	14%	20%
Small Meeting Room x 2	3%	6%	9%	18%
IT Training Suite	1%	9%	10%	20%

The internal % includes City of Marion programs (library specific and other business units) that are run for the community. There are some instances of council staff using these rooms for internal meetings, interviews etc., however this only makes up 1% (197 hours) of the utilisation.
Revenue generated at this site is returned to the Libraries budget and is utilised to offset the operational costs of the Library Service.

Online surveys are sent to all hirers after their event via Survey Monkey. Feedback has been constructive and positive. The main theme of the positive feedback is based on the excellent service by staff, and the facility itself. The most constructive feedback received was focused on the technology and the need for operating manuals due to the complexity of the equipment, or on occasions the technology not working as intended (Attachment 4)

Overall the Cove Civic Centre is a space that is growing in reputation with further opportunity to improve the utilisation.

Marion Cultural Centre (MCC)

The MCC houses a premier performing arts space being the Domain Theatre, as well as a Green Room and separate meeting room, Library, Gallery and Café. While there is a strong community focus in the building, there is also an intention to be financially stable and competitive in its offerings for the Theatre.

For the purposes of this review, only the Domain Theatre, Green Room and Sturt Room were included. The other functions of the building do not include hireable spaces for the public.

The Domain Theatre is a high end performance space, which includes the necessary technical equipment and resources to accommodate a range of uses. These range from concert style performances, author talks and forums, as well as corporate meetings and training.

Domain Theatre also comprise a number of staff to support its operations. This includes a Box Office Officer for ticket sales, event enquiries and bookings, as well as qualified technicians to support the audio visual needs and set up requirements in the theatre.

MCC has both corporate and community rate for hire charges as per the table below.

Marion Cultural Centre	Person Capacity	Community Rate p/h	Corporate Rate p/h	Internal Rate p/h
Domain Theatre	280	$ 120.00	$ 150.00	$136.00
Domain Room*	280	$ 70.00	$ 100.00	$ 90.91
Sturt Room	50	$ 32.00	$ 45.00	$ 45.00
Green Room	25	$ 18.00	$ 25.00	$ 23.00

* Domain Room is when the theatre space is utilised for meetings etc and does not use the technical components and specialist staff of the performance theatre.

As with the Cove Civic Centre, there is no comparable facility in either the City of Marion or surrounding Councils and as such it is difficult to compare the hire charges of this site with others.The below table shows

the utilisation rates of each room, including corporate, community and internal usage. The utilisation % is based on the total hours the space has been booked, in relation to the total hours the space is available for booking in the year. All of these spaces have a minimum booking time of 3 hours due to the nature of the set up of the space and bump in and bump out requirements of the use of the space. As such, multiple bookings on the same date are not often possible. When viewing the utilisation of this space, it is important to factor this in.

Marion Cultural Centre	Community	Corporate	Internal	Total
Domain Theatre	32%	2.0%	20%	54%
Domain Room	2%	1%	9%	12%
Sturt Room	8%	3%	22%	33%
Green Room	33%	4%	22%	59%

Due to the diversity in usage of the theatre, the adjacent Green Room and Sturt Room may be booked by staff as internal bookings while a performance is taking place. Also as with Cove Civic Centre, there are a number of programs run for the community by staff and this is also reflected as internal bookings. City of Marion usage of the space, such as the General Staff Meeting, or council wide trainings only make up 1% of the total usage of the space.

Revenue generated by MCC is utilised to offset the costs of the facility and is retained by the MCC budget holder.

The Venues system is also utilised for the management of bookings, invoices and hire requests.

Online surveys are sent to all hirers after their event via Survey Monkey. This has only been a recent initiative over the last 12 months, and feedback to date has been extremely positive. Of those who responded to the survey, 100% of people indicated they would both hire the venue again and recommend it to others (Attachment 5).

Living Kaurna Cultural Centre (LKCC)

The LKCC is a spiritual and learning place for the Kaurna people, to remember and renew Kaurna cultural and spiritual practices. It also serves as a place where respect and recognition of Kaurna culture is nurtured, and where the wider community are welcome to learn about Kaurna and other Aboriginal cultures, the history of the site (both Kaurna and early settlement) is celebrated and community ties between Aboriginal and non-Aboriginal people are strengthened through sharing cultural differences and similarities.

An important function of LKCC is to develop business opportunities and skills (for both commercial and social/cultural outcomes) for Kaurna and other Aboriginal people. This is achieved through cultural tours, arts and cultural workshops, art gallery, retail shop, venue hire bookings, tourism, education and other programs and events.

The LKCC comprises the LKCC building itself and the adjacent Fairford House. While both of these spaces are open to the general public to hire, there is consideration given to the types of events and usage that relate to the cultural significance of the site.

Living Kaurna Cultural Centre and Fairford House offer spaces for hire amongst the unique setting of Warriparinga. The main function room at LKCC can seat up to 30 people and is ideal for meetings and workshops. The adjacent Fairford House offers a meeting room that can comfortably seat 14 in boardroom style as well as an art room available for use during art workshops.

As with other council operated facilities, LKCC has a corporate and community rate dependant on the hirer as per the table below.

Living Kaurna Cultural Centre	Person Capacity	Community Rate p/h	Corporate Rate p/h
LKCC Building	30	$ 69.50	$ 117.50
Fairford House	14	$ 51.00	$ 82.00

As with other sites operated by Council, a direct comparison is difficult due to the unique offerings of not only the buildings, but also the natural settings they are surrounded by and the cultural significance of the site.

Utilisation is from a diverse range of hirers. Small to medium hirers have used the spaces for meetings and training, as well as other community groups using the spaces for cultural workshops, education and other community events and programs. LKCC is also a destination for schools to bring classes for education in local Aboriginal history.

The grounds of LKCC have also been hired for events in the past , such as Dub in the Park and Marion Celebrates, and these bookings are managed by the Special Event Permit process.
Below is a table of the utilisation at LKCC and Fairford House.

Living Kaurna Cultural Centre	Community	Corporate	Internal	Total
LKCC Building	14%	16%	7%	37%
Fairford House	4%	9%	2%	15%

Similar to other council operated facilities, internal usage generally relates to programs and events run for the public by staff at the location. Internal usage is not reflective of City of Marion staff members using the spaces for internal meetings.
While there are opportunities to increase the utilisation of LKCC, it is not possible to measure the cultural significance as a place of importance for the Kaurna and wider community.

Hire revenue generated for the LKCC is retained by the LKCC budget officer to offset operation costs of the centre and hire income from Fairford House is returned to the Land and Property budget.

There is no current online survey for hirers of LKCC, and anecdotal feedback is very positive, with many repeat hirers. Surveys have been undertaken in the past that are program specific.

Perry Barr Farm - Castrol Shed

Perry Barr Farm comprises of several buildings, some of which are individually leased to the Hallett Cove Lions Club and Scouts group. The Castrol Shed is one of the buildings located on the property and is managed by Council. This review has taken into account the hiring of Castrol Shed only.

The Castrol Shed is a smaller building, however there are support poles in the main function room which does limit the space's usage. At present, there are two regular hirers of the space. There is a dance group that use the space for rehearsals during school terms, and a Senior Citizens Group that meet on Saturdays.

Due to the long term agreements with the dance group, and a historical relationship with the Senior Citizens group, their charge rates are lower than the standard rate. The Senior Citizens group is not charged for their usage of the hall based on a historical agreement. There is a flat rate of hire for the hall to all others.

Below is a table of the hire charges for Castrol Shed.

Perry Barr Farm - Castrol Shed	Person Capacity	Rate p/h
Dance Group	100	$ 18.00
Senior Citizens Group	100	$ -

General hire rate	100	$ 25.50

Council has only recently commenced making this space available for hire.

Due to the limitation of the space and the age of the building, utilisation is lower than that of other council operated facilities. It has been recognised as an area of opportunity for the future, and the Land and Property team are looking at opportunities to restore the historic nature of the site, as well as incorporating renewal, repairs and maintenance into the Asset Management Program.

This site does not have normal operating hours as all other sites do, and therefore an utilisation % is not possible. At this stage, the Dance group are using the hall 10 hours per week during school terms, and the Senior Citizens Group use the hall for 6.5 hours per week on Saturdays.

As discussed above, there are opportunities to improve the utilisation of this facility. It is considered to be in average condition, and therefore improvements may need to be made in order to meet any increase in the community's needs.

FINDINGS

In reviewing all of Council operated facilities and their hire charges, there were a number of findings. Not all facilities are managed in the same way in relation to terms and conditions of use, fees and charges, feedback mechanisms and overall service offerings. An organisational Facility Hire Policy across all council operated facilities with standard terms and conditions (wherever possible) would help to deliver a consistent expectation with members of the community and hirer groups.

It should also be noted that while fees and charges are comparable with those of our neighbouring councils, each of these Council's manage their spaces in different ways. For example, the Cities of Holdfast Bay and Onkaparinga both operate their neighbourhood centres under a Memorandum of Understanding with an independent management committee. These committees operate the facilities, and the activities/programs offered by them, and also have the ability to set and charge their own rates. This model does have some limitations, and Onkaparinga are in the process of moving away from this model in the future. The City of Mitcham have opted for a uniform approach, where all of their spaces are priced exactly the same.

All of CoM Council sites operate under a slightly different philosophy. The LKCC is a cultural centre, focussed on providing the Kaurna community a facility to celebrate, educate and promote their history. The Marion Cultural Centre operates on a business model that promotes the venue to generate income, as well as providing a high end facility to the performing arts community. Three sites, LKCC, MCC and CCC, recognise the difference between corporate hirers and community hirers, and wherever possible will accommodate the nuances of community hirers.

Each of the facilities operate under slightly different span of hours, and vary in size, capacity, functionality and service offering. This provides the community and corporate hirers a great deal of choice when looking to the City of Marion facilities to meet their needs.

Only Cove Civic Centre and Marion Cultural Centre are currently engaging with hirers to get feedback via an online survey. A standard approach to gaining feedback would be valuable from hirers, and would allow for better future planning to take community needs into consideration.

Council does have a Donations and Sponsorship Policy, which states:

"In-kind support that the City of Marion might provide at reduced rates or free of charge e.g. venue hire; publicity in Council's magazine (City Limits); staff support; use of Council's logo. In-kind support will be provided at a maximum of $500 in relation to venue hire. All other in-kind support will be decided at the discretion of management."

It is recognised that some groups in the community may not be able to afford even the lower community rate to hire a space. This particular policy gives individuals, groups, not-for-profits and organisations the ability to apply for in-kind venue hire to support their needs.

In 2017/2018 only one in-kind venue hire was approved under this program. With appropriate promotion this may be accessed more by the community.

Conclusion

In conclusion, the City of Marion offers a wide range of facilities for the community to access wherever required. These facilities can cater to almost all needs, from large professional corporate forums, seminars and training, to large performances and concerts, to small community groups who come together to share in a combined passion.

All facilities are managed and maintained well, and in comparison to neighbouring facilities are financially competitive. They are reasonably priced, and in conjunction with the Donations and Sponsorship Policy allow everyone in the community access to these facilities.

A number of options have been developed for future venue hire fees and these are included in Attachment 3.

Attachment

#	Attachment	Type
1	Attachment 1 - CoM Hire Rates 2017_2018	PDF File
2	Attachment 2 - Comparison Room Hire Rates	PDF File
3	Attachment 3 - Proposed Options for Room Hire Charges	PDF File
4	Attachment 4 - Survey feedback - Cove Civic Centre	PDF File
5	Attachment 5 - Survey feedback - Marion Cultural Centre	PDF File

Attachment 1 - City of Marion – Revenue from External Room Hirers 2017-2018

Room No	Facility	Corporate Rate 2017/2018	Community Rate 2017/2018	Centre Revenue 2017/2018	Fees and Charges Schedule 2018/2019	
					Corporate	Community
1	CCC - Hall	$105.00	$70.00	$35,305	$105.00	$70.00
1a	CCC - Hall (Half)	$60.00	$30.00		$60.00	$30.00
1b	CCC - Hall (Quarter)	$50.00	$25.00		$50.00	$25.00
2	CCC - Meeting Room	$20.00	$20.00		$20.00	$20.00
3	CCC - Meeting Room	$20.00	$20.00		$20.00	$20.00
4	CCC - Meeting Room	$10.00	$10.00		$10.00	$10.00
5	CCC - Meeting Room	$10.00	$10.00		$10.00	$10.00
6	CCC - Training Room	$75.00	$75.00		$75.00	$75.00
7	LKCC - Meeting Room	$117.50	$69.50	$19,607	$119.80	$70.80
8	LKCC - Fairford House	$82.00	$51.00		$83.60	$52.00
9	Perry Barr Farm - Shed	$25.25	$25.25		$25.50	$25.50
10	NC - Cooinda Hall		$60.00	$17,437.00		$65.00
11	NC- Mitchell Park Hall		$30.00	$7,441.00		$30.00
12	NC - Trott Park Hall		$30.00	$11,791.00		$30.00
13	NC- Trott Park - Play/Seminar Room		$30.00			$30.00
14	NC - Glandore - Clark		$65.00	$46,114.00		$65.00
15	NC - Glandore - Opal		$35.00			$35.00
16	NC - Glandore - Slade		$30.00			$30.00
17	NC - Glandore - Rugby		$35.00			$35.00
18	MCC - Domain Theatre Style	$150.00	$120.00	$60,461	$158.00	$127.00
18a	MCC - Domain	$100.00	$70.00		$105.00	$74.00
19	MCC - Sturt Room	$45.00	$32.00		$47.00	$34.00
20	MCC - Green Room	$25.00	$18.00		$28.00	$20.00
	Total Revenue for External Hirers			**$198,156**		

ATTACHMENT 2 - Venue Hire for City of Holdfast Bay - Council Managed Facilities 2018/2019

	Corporate/Private Rate Per Hour	Community Rate Per Hour
Glenelg Community Centre Monday to Friday after 3.30pm	$35.00	$75.00
Glenelg Community Centre Saturday after 3.30pm and Sundays	$55.00	$100.00
Partridge House		
Partridge Room / Kitchen or Courtyard Room/Kitchen - Mon -Thurs	$110-$160	$70- $150 for up to 3 hours
Partridge Room / Kitchen or Courtyard Room/Kitchen - Fri/Sat/Sun	$165 - $215	n/a
Library Room or Meeting Room Mon - Thurs	$50-70	$40-$90 for up to 3 hours
Library Room or Meeting Room Fri/Sat/Sun	$60 - $100	n/a
Mayoresses Parlour	$95-$150	$60 - $150
Garden Room inc Kitchen Mon - Thurs	$95-$150	$60-$150 for up to 3 hours
Garden Room inc Kitchen Fri/Sat/Sun	$100 - $160	n/a
Partridge Room, Courtyard Room, Library and Kitchen Mon - Thurs	$210-$360	$170 - $320 for up to 3 hours
Partridge Room, Courtyard Room, Library and Kitchen Fri/Sat/Sun	$270- $320	n/a
Kauri Parade		
Function Room Mon - Thurs	$220 - $320	$110 - $160 for up to 3 hours
Function Room Fri/Sat/Sun	$320 - $420	n/a
Meeting Room Mon - Thurs	$50 - $70	$40 - $90
Meeting Room Fri/Sat/Sun	$60 - $100	n/a

Note: Fees taken from 2018/2019 Fees and Charges Schedule

Most of City of Holdfast owned properties are leased to incorporated bodies including Neighbourhood Centres

Venue Hire for City of Mitcham - Council Managed Facilities 2018/2019

	Non Resident Rate Per Hour	Local Business and Resident Rate Per Hour	Community Group Rate Per Hour
Blackwood Community Centre			
Hewitt Hall A	$51.20	$25.60	$15.00
Waite Hall B	$51.20	$25.60	$15.00
Cumberland Park Community Centre			
Cumberland Park Hall	$51.20	$25.60	$15.00
Cumberland Supper Room	$30.70	$15.30	$10.00
Cumberland Rooms 1,2 & 3	$30.70	$15.30	$10.00
Westbourne Memorial Hall - South Hall	$51.20	$25.60	$15.00
Hawthorn Community Centre			
Hawthorn Hall	$51.20	$25.60	$15.00
Mitcham Cultural Village			
Cultural Village Institute Hall	$51.20	$25.60	$15.00
Cultural Village East Wing	$30.70	$15.30	$10.00
Community Shed	$32.70	$17.40	$12.00
Community Shed Mezzanine	$30.70	$15.30	$10.00
Heritage Centre Exhibition Meeting Room	$30.70	$15.30	$10.00
Heritage Centre Exhibition Supper Room	$30.70	$15.30	$10.00
Mitcham Community Centre			
Old School Hall	$51.20	$25.60	$15.00
Rooms 2,3,6 or 7 (each hired separately)	$30.70	$15.30	$10.00
Other Halls			
Colonel Light Gardens Hall A	$51.20	$25.60	$15.00
Colonel Light Gardens Hall B	$51.20	$25.60	$15.00
Penang Hall	$51.20	$25.60	$15.00
Richmond Road	$40.90	$20.50	$15.00

Note: Fees taken from 2018/2019 Fees and Charges Schedule

Venue Hire for City of Onkaparinga - Council Managed Facilities 2018/2019

	Commercial and Private Groups Per Hour	Community / Not for profit and New Local Initiatives by Individuals Per Hour
Positive Ageing Centres		
Craft Room	$28.50	
Dining Room	$28.50	$16.30
Events/Meetings etc use of full facility	$52.00	$29.50
Lounge	$28.50	$16.30
Main Hall	$28.50	$16.30
Kitchen	$28.50	$16.30
Community Hall Hire		
Byards Hall Annex	$16.30	$7.60
Byards Hall	$21.40	$10.70
Annex and Hall	$35.60	$16.30
Morphettvale Community Hall	$16.30	$16.00
Morphettvale Community Hall and Supper Room	$26.50 or $37 after 6pm	$25.50
Morphettvale Community Hall Supper Room	$12.20	$12.00
Willunga Hub Meeting Room	$31.00	$16.00
Library Meeting Rooms (no staff required)	$39.00	$13.50
Library Training Room (no trainer provided)	$95.00	$95.00
Youth Centres		
Aldinga Main Room	$37 - $51	$20 - $31
Aldinga Small Meeting Room	$25.00	$12.00
Aldinga Counselling Room	$25.00	$12.00
Christie Downs Hall	$63.00	$32.00
Christie Downs Board Room	$43.00	$21.00
Christie Downs Shark Tank Meeting Room	$43.00	$21.00
Christie Downs Counselling Room	$31.00	$15.00
Reynella Hall	$51.00	$25.00
Reynella Training Room	$41.00	$20.00

Note: Fees taken from 2018/2019 Fees and Charges Schedule

Neighbourhood Centres in the City of Onkaparinga are managed by Management Committees / Boards of Management

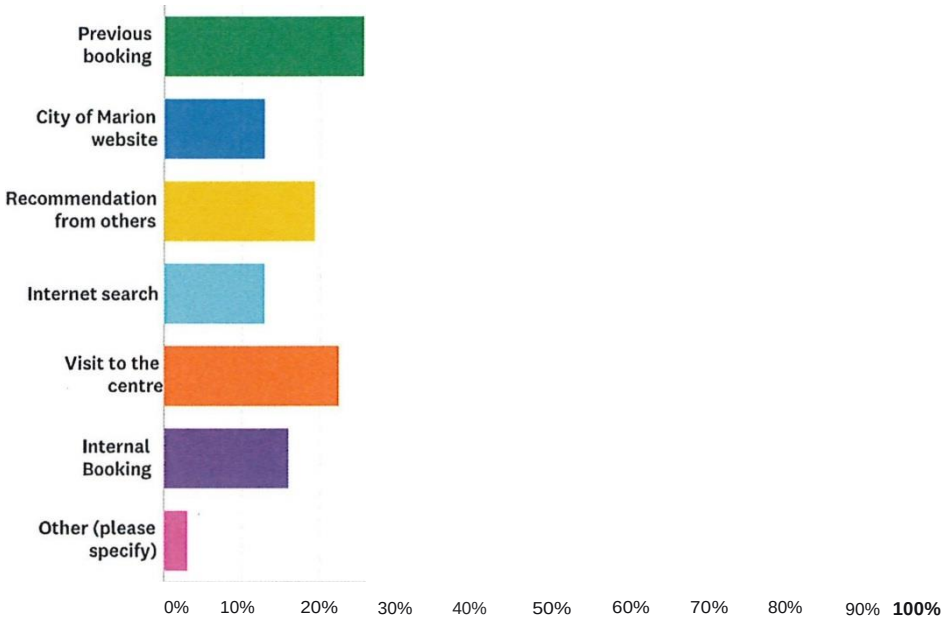
ATTACHMENT 3 - Proposed Options for City of Marion - Room Hire

Rm #	Rooms	Option 1: Status Quo Fees & Charges 2018/2019		Option 2: Rounding & consistency		Option 3: 75% of 18/19 fees		Option 4: 50% of 18/19 fees		Option 5: One rate for all hirers	Option 6: Rounding plus 100% for corporate & 75% for community		Option 7: Rounding plus 100% for corporate & 50% for community	
		Corporate	Community	Corporate	Community	Corporate	Community	Corporate	Community		Corporate	Community	Corporate	Community
1	CCC - Hall	$105.00	$70.00	$100.00	$70.00	$75.00	$50.00	$50.00	$35.00	$100.00	$100.00	$50.00	$100.00	$35.00
1a	CCC - Hall (Half)	$60.00	$30.00	$75.00	$40.00	$55.00	$30.00	$40.00	$20.00	$50.00	$75.00	$30.00	$75.00	$20.00
1b	CCC - Hall (Quarter)	$50.00	$25.00	$50.00	$25.00	$40.00	$20.00	$25.00	$15.00	$25.00	$50.00	$20.00	$50.00	$15.00
2	CCC - Meeting Room	$20.00	$20.00	$20.00	$20.00	$15.00	$15.00	$10.00	$10.00	$20.00	$20.00	$15.00	$20.00	$10.00
3	CCC - Meeting Room	$20.00	$20.00	$20.00	$20.00	$15.00	$15.00	$10.00	$10.00	$20.00	$20.00	$15.00	$20.00	$10.00
4	CCC - Meeting Room	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
5	CCC - Meeting Room	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
6	CCC - Training Room	$75.00	$75.00	$75.00	$50.00	$55.00	$40.00	$40.00	$25.00	$75.00	$75.00	$40.00	$75.00	$25.00
7	LKCC - Meeting Room	$119.80	$70.80	$100.00	$70.00	$75.00	$50.00	$50.00	$35.00	$75.00	$100.00	$50.00	$100.00	$35.00
8	LKCC - Fairford House	$83.60	$52.00	$50.00	$25.00	$40.00	$20.00	$25.00	$15.00	$50.00	$50.00	$20.00	$50.00	$15.00
9	Perry Barr Farm - Shed	$25.50	$25.50	$20.00	$20.00	$15.00	$15.00	$10.00	$10.00	$25.00	$20.00	$15.00	$20.00	$10.00
10	NC - Cooinda Hall		$65.00		$65.00		$50.00		$40.00	$50.00		$50.00		$40.00
11	NC- Mitchell Park Hall		$30.00		$30.00		$25.00		$15.00	$30.00		$25.00		$15.00
12	NC - Trott Park Hall		$30.00		$30.00		$25.00		$15.00	$30.00		$25.00		$15.00
13	NC- Trott Park - Play/Seminar Room		$30.00		$30.00		$25.00		$15.00	$30.00		$25.00		$15.00
14	NC - Glandore - Clark		$65.00		$65.00		$50.00		$35.00	$50.00		$50.00		$35.00
15	NC - Glandore - Opal		$35.00		$35.00		$30.00		$20.00	$30.00		$30.00		$20.00
16	NC - Glandore - Slade		$30.00		$30.00		$25.00		$15.00	$30.00		$25.00		$15.00
17	NC - Glandore - Rugby		$35.00		$35.00		$30.00		$20.00	$30.00		$30.00		$20.00
18	MCC - Domain Theatre Style	$158.00	$127.00	$150.00	$100.00	$115.00	$75.00	$75.00	$50.00	$125.00	$150.00	$75.00	$150.00	$50.00
18a	MCC - Domain	$105.00	$74.00	$100.00	$70.00	$75.00	$50.00	$50.00	$35.00	$75.00	$100.00	$50.00	$100.00	$35.00
19	MCC - Sturt Room	$47.00	$34.00	$50.00	$25.00	$40.00	$20.00	$25.00	$15.00	$50.00	$50.00	$20.00	$50.00	$15.00
20	MCC - Green Room	$28.00	$20.00	$25.00	$20.00	$20.00	$15.00	$25.00	$10.00	$25.00	$25.00	$15.00	$25.00	$10.00
	Estimated revenue based on 17/18 usage		$198,000		$185,000		$135,000		$90,000	$155,000		$150,000		$115,000

Cove Civic Centre Venue Hire Survey

01 How did you find out about Cove Civic Centre's facilities?

Answered: 31 Skipped: 0

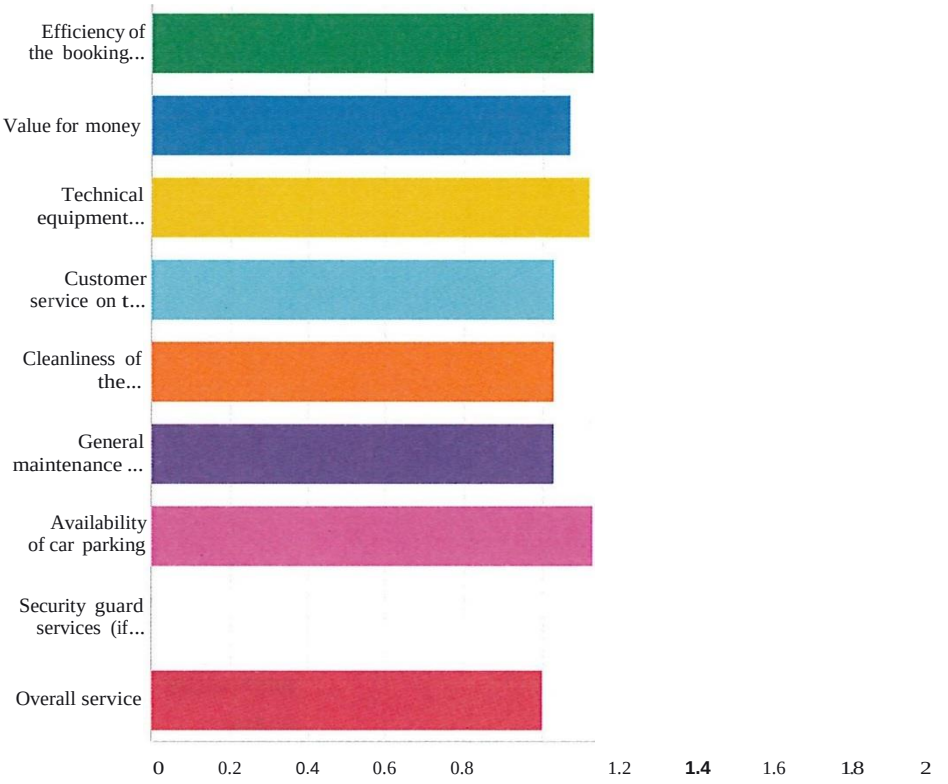


ANSWER CHOICES	RESPONSES	
Previous booking	25.81%	8
City of Marion website	12.90%	4
Recommendation from others	19.35%	6
Internet search	12.90%	4
Visit to the centre	22.58%	7
Internal Booking	16.13%	5
Other (please specify)	3.23%	

Total Respondents: 31

02 How satisfied are you with the following aspects of your booking?

Answered: 31 Skipped: 0



	VERY SATISFACTORY	SATISFACTORY	UNSATISFACTORY	VERY UNSATISFACTORY	N/A	TOTAL	WEIGHTE AVERAG
Efficiency of the booking procedure	87.10% 27	12.90% 4	0.00% 0	0.00% 0	0.00% 0	31	1.
Value for money	87.10% 27	6.45% 2	0.00% 0	0.00% 0	6.45% 2	31	1.
Technical equipment provided	74.19% 23	9.68% 3	0.00% 0	0.00% 0	16.13% 5	31	1.
Customer service on the day of the booking	93.55% 29	3.23% 1	0.00% 0	0.00% 0	3.23% 1	31	1.
Cleanliness of the venue/bathrooms	90.32% 28	3.23% 1	0.00% 0	0.00% 0	6.45% 2	31	1.
General maintenance of the building	93.55% 29	3.23% 1	0.00% 0	0.00% 0	3.23% 1	31	1.
Availability of car parking	83.87% 26	12.90% 4	0.00% 0	0.00% 0	3.23% 1	31	1.
Security guard services (if applicable)	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0	0.
Overall service	100.00% 31	0.00% 0	0.00% 0	0.00% 0	0.00% 0	31	1.

Q3 Do you have suggestions for how this service could be improved to better meet your needs?

Answered: 35 Skipped: 20

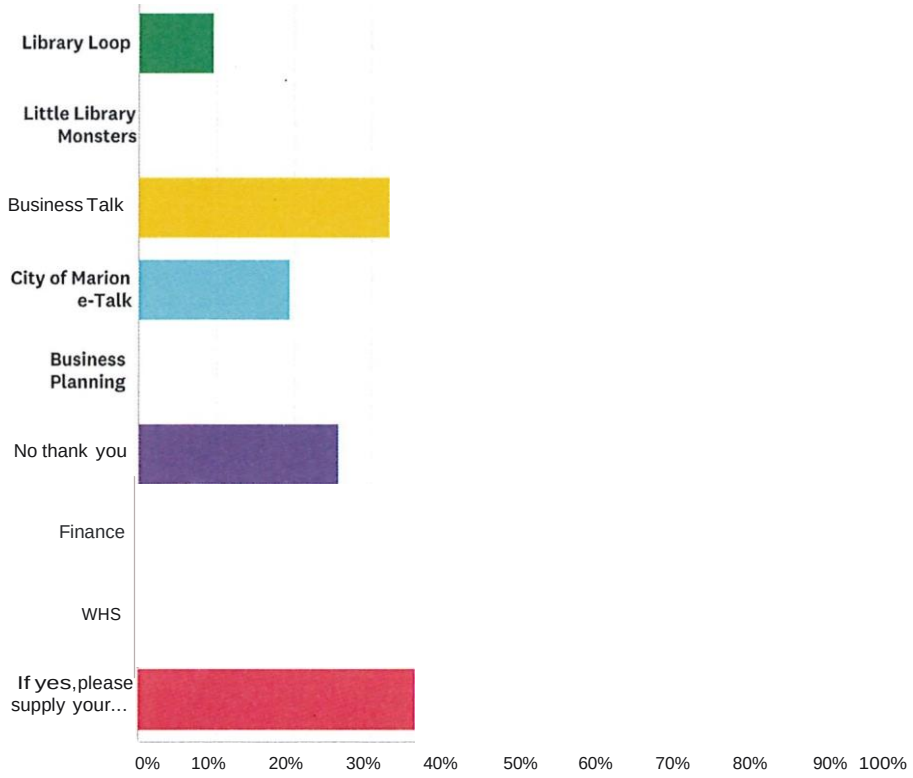
#	RESPONSES	DATE
1	The A/C in the Main Room was cold. Although staff were willing to adjust, it seemed to be a constant issue and participants often froze.	7/30/2018 4:31 PM
2	no	7/18/2018 9:23 PM
3	It was amazing working with Sue for our Event	6/19/2018 11:38 AM
4	Outstanding venue and service - air conditiong was variable in the afternoon however I will ask about adjusting this next time I use the venue.	6/18/2018 10:02 AM
5	The addition of storage space for Inspiring Health equipment was an added benefit in 2018, thank you. The only hiccup was when participants were waiting to enter before the library opened although this was managed by student workforce in 2018.	6/7/2018 1:56 PM
6	Sue always provides a high level of service - my customer experience is fabulous	6/5/2018 11:54 AM
7	No improvement suggestions.	5/31/2018 12:35 PM
8	no - fantastic venue + service, everything ran smoothly/no issues	5/30/2018 12:18 PM
9	I think the documentation could be tightened with the confirmation of booking form and invoice being included on the same document.	5/22/2018 8:56 PM
10	It is great as it is!	5/21/2018 8:34 AM
11	After hours access for guests is difficult as someone has to hover by the door toilet them in	5/18/2018 11:50 PM
12	Not at this stage.	5/18/2018 1:45 PM
13	Excellent service (in regards to the booking process and orientation).	5/18/2018 1:43 PM
14	As a regular user, it would be great if I didn't have to fill out and return conditions of use each month. And if all rooms, big and little had air conditioning. Using ent room 5 over summer was not comfortable	5/18/2018 1:35 PM
15	I would be good when enquiring about the venue for a list of what is included in what package. ie. not-for-profit discounted rates includes/excludes etc (like setup of room) and what other options are available for an additional cost	5/18/2018 11:29 AM
16	No, everything was fantastic. The only potential limiting factor for us if that the kitchen is external to the actual hire and needs to go out to the main library.	5/17/2018 10:51 AM
17	Perhaps access to a staff member after the library closes to help with any issues that might arise. I try not to plan events when I know there will be no staff in the building to assist.	5/16/2018 1:50 PM
18	My Mac didn't work in 2 separate rooms.	5/15/2018 5:01 PM
19	There were some issues with sound equipment on the night, which may need to be investigated	5/2/2018 12:57 PM
20	Lock up procedure can be difficult at times as fob does not always alarm the building but apart from that all good	5/2/2018 11:32 AM
21	NO	5/1/2018 11:41 AM
22	N/A	4/23/2018 9:19 AM
23	Had some issues with Wifi however the library staff were able to help provide an alternative and were prompt and helpful.	3/15/2016 1:58 PM
24	No - I was delighted by the friendly and helpful service from Kerri and her team, and by the terrific facilities.	3/8/2016 3:03 PM
25	No	3/8/2016 2:45 PM

26	Perhaps more instruction on how to use the sound connected with the TV screen (see comment below)	2/19/2016 1:48 PM
27	A project screen (or space to project on to) in the room would be handy =)	1/20/2016 10:39 AM

28	Online booking service	12/18/2015 1:13 PM
29	No	12/16/2015 3:33 PM
30	The Skye camera attached to the large T.V was not working for our interstate meeting, but was not a big issue on the day and the staff present were very helpful.	12/16/2015 12:35 PM
32	Speed limit signs in the car park would be great. Drivers go too fast out there.	11/18/2015 7:57 AM
33	Have option for coffee/tea supplies in the cost of hire and have instructions on how to operate the boiling water on the wall. Instructions on the wall for using technology and contact number to ring for assistance. Have a list of local caterers that deliver to the centre.	
34	We were not able to use the video conference facilities - not sure if this was a technical issue for the other organisation or for Cove Civic Centre	
35	Only with the air-conditioning (not a criticism) Not having internal control meant we had to contact Kerri after hours to alter.	

04 Would you be interested in receiving information on any of the following topics? (Select all that apply)

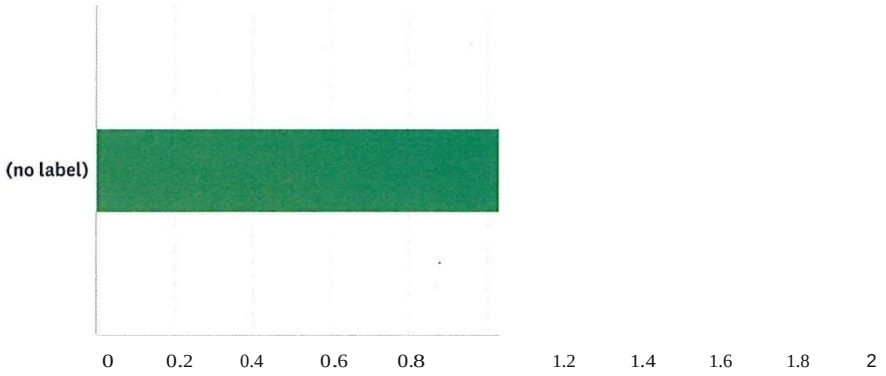
Answered: 31 Skipped: 0



ANSWER CHOICES	RESPONSES	
Library Loop	9.68%	3
Little Library Monsters	0.00%	0
Business Talk	32.26%	10
City of Marion e-Talk	19.35%	6
Business Planning	0.00%	0
No thank you	25.81%	8
Finance	0.00%	0
WHS	0.00%	0
If yes, please supply your email address:	35.48%	11
Total Respondents: 31		

05 How likely are you to recommend this service to others?

Answered: 31 Skipped: 0



	VERY LIKELY	LIKELY	SLIGHTLY LIKELY	NOT LIKELY	DON'T KNOW/NOT SURE	TOTAL	WEIGHTED AVERAGE
(no label)	96.77% 30	3.23% 1	0.00% 0	0.00% 0	0.00% 0	31	1.03

Q6 Do you have any other comments you would like to provide?

Answered: 40 Skipped: 15

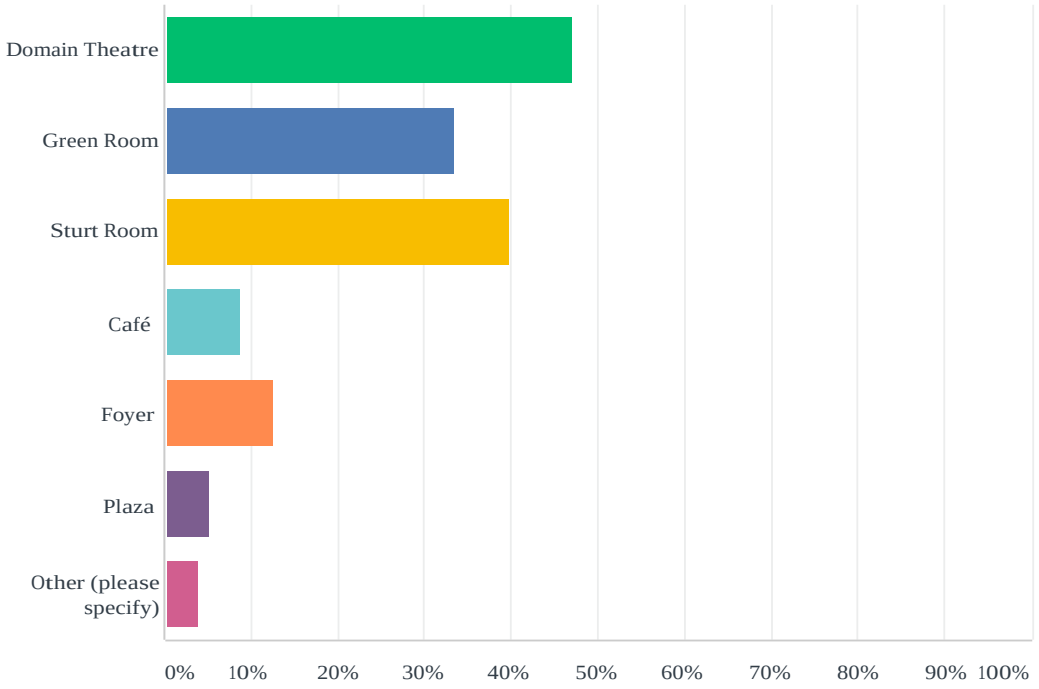
#	RESPONSES	DATE
1	Sue Tilling was super helpful in making the booking and accommodating to our requests. Sue did a marvellous job!!	7/30/2018 4:31 PM
2	The staff have been incredibly helpful, warm and welcoming. Thank you	7/19/2018 12:50 PM
3	Very helpful, friendly, efficient - couldn't be better.	7/18/2018 9:23 PM
4	The CCC is a fresh, bright and wonderful place which the attendees at our event loved. For those with hearing aids or difficulties there was some trouble with the acoustics. Mark Liebich, Community bus Coordinator for CoM may be able to explain this to you if you want to know more. Thank you for a fantastic space and your great support staff!	6/19/2018 11:38 AM
5	Thank you Sue and team - outstanding service. I am new to City of Marion however I have used venues nationally as a Corporate Trainer and Learning & Development professional over the last 15 years and the Cove Civic Centre rates among the best I have experienced.	6/18/2018 10:02 AM
6	It is a great venue with excellent staff. Thank you.	6/8/2018 12:43 AM
7	Welcoming staff, wonderful facilities, great experience. Thank you.	6/7/2018 1:56 PM
8	Keep up the great work. Great venue and great service. It is always a pleasure to rock up to the CCC knowing full well that Sue has everything in hand.	6/5/2018 11:54 AM
9	Great venue and customer service!	5/31/2018 1:51 PM
10	The staff at the CCC are always so helpful with a can do approach, which is highly valued. It is a pleasure to attend the CCC, Customer Experience champions, thank you :-)	5/31/2018 12:35 PM
11	appreciated the run-through of the venue prior to booking, the ease of access + return of FOB, having the room set-up for us prior (especially eay to use computer/projector). lots of positive feedback from attendees. very reasonable price for the quality we got. Thanks again!	5/30/2018 12:18 PM
12	Excellent service and venue. will definitely book future meetings here - also the tea and coffee supplies were a surprise, I expected to have to provide my own and very much appreciated.	5/23/2018 9:46 AM
13	The team there are outstanding. Sue looks after us extremely well. Even the cleaners are friendly and courteous - often leaving us a note to wish us well.	5/18/2018 11:50 PM
14	The staff were very friendly and helpful on the day and responsive to our needs. Would definitely consider using again as a venue in the south.	5/18/2018 1:45 PM
15	Compliments to friendly (welcoming) staff - comfortable venue and up-to-date equipment. Thank you.	5/18/2018 1:43 PM
16	this facility has catered many of our events and will continue to be our venue of choice in the future	5/18/2018 11:29 AM
17	Thank you.	5/17/2018 10:51 AM
18	Staff are always so helpful and make it so simple and smooth for us to run events. We run many events at different locations throughout southern Adelaide and this is by far the best venue.	5/17/2018 9:28 AM
19	A lovely venue. Thank you	5/16/2018 1:50 PM
20	Friendly staff and excellent facilities. Very happy with an ongoing relationship with the Civic Centre and our training room bookings.	5/15/2018 5:01 PM
21	Sue, did an incredible job to support our fundraiser. She was a wealth of information and gave me everything I needed to make our night a success. Thank you so much Sue	5/2/2018 12:57 PM
22	The after-hours system (with disarming and re-alarming the premises) and depositing the swipe	card in the

	returns shute, worked really well.	5/1/2018 12:25 PM
23	Very happy with the service. Thankyou	5/1/2018 11:41 AM
24	Sue does a fabulous job putting together the medical education workshops that we hold. She makes the evenings run professionally and efficiently and is fabulous to work with.	4/23/2018 9:19 AM

25	Thank you for a lovely place to run the NEIS program from. All our participants love your location and we at Holmesglen are proud to be using your facilities.	
26	No tea towels/oven mitts provided when using kitchen facilities. Could these be provided or otherwise made clear that the hirer must bring their own. Really happy with venue hire and easy to set up and lock up at end of night. No issues with IT but roving mics would be a good addition. Great space, we will definitely look to use it again for future events.	
		4/15/2016 2:10 PM
27	Provision of tea towels and larger rubbish bins.	3/23/2016 8:11 AM
28	Kellie (and I cannot remember the name of the person whom I met first) were outstanding. Venue very appropriate for our purposes. New, clean, and functional.	
		3/15/2016 7:51 PM
29	A special thank you to Kerri-Ann Wiliams who handled all the booking arrangements. She was extremely helpful and provided valuable info re room layout and facilities. She also was avaialble on the day to meet the two presenters and answer any questions. Fabulous customer service.	
		3/15/2016 1:58 PM
30	Thank for the I.T. support, it was invaluable when needed. I would have been good to be able to use the built-in sound system rather than just the laptop speakers which were too quiet for the size of the room.	
		3/8/2016 3:45 PM
31	A minor inconvenience was my having to wait by the front door to enable participants in our workshop to get in before 9.30. Don't know if anything can be done about that without disrupting the Centre's normal routine; and it presented no real problem.	
		3/8/2016 3:03 PM
32	A very big thank you for the tech support in accessing the Wi-Fi to view a video. Unfortunately the sound system wasn't explained so the volume was too quiet for people to hear the video, as it was only coming through the computer speakers.	
		2/19/2016 1:48 PM
33	The other people in the meeting were very impressed. Some of them hadn't been up to Hallett Cove Library before and they thought it was a great place for a meeting.	
		2/18/2016 2:22 PM
34	Beautiful venue with a variety of rooms for different purposes.	2/18/2016 12:26 PM
35	Great space	12/18/2015 1:13 PM
36	Booking the venue was easy and at a good price. The staff were very helpful and nice to deal with.	
		12/16/2015 1:28 PM
37	Great venue and friendly staff. We will be back	11/18/2015 7:57 AM
38	Great recovery response - we switched to teleconference relatively easily. Staff were very helpful.	
39	Beautiful venue and great service provided by the Kerri and the library staff.	10/28/2015 11:48 AM
40	I'll be back, thank you.	10/23/2015 3:32 PM

Q4 Spaces Hired:

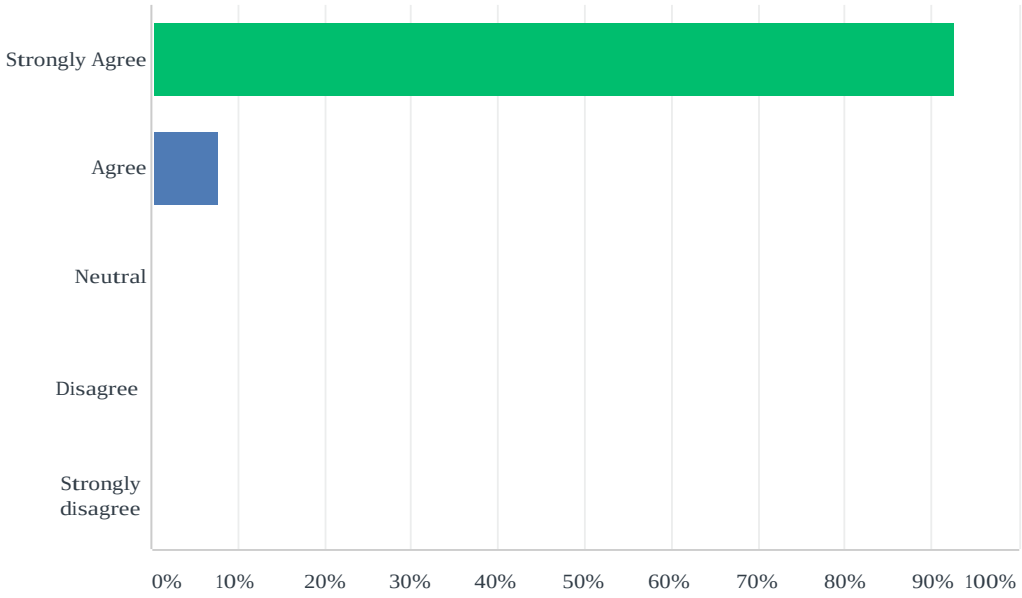
Answered: 81 Skipped: 0



ANSWER CHOICES	RESPONSES	
Domain Theatre	46.91%	38
Green Room	33.33%	27
Sturt Room	39.51%	32
Café	8.64%	7
Foyer	12.35%	10
Plaza	4.94%	4
Other (please specify)	3.70%	3
Total Respondents: 81		

Q6 Initial room hire enquiry with MCC was professional:

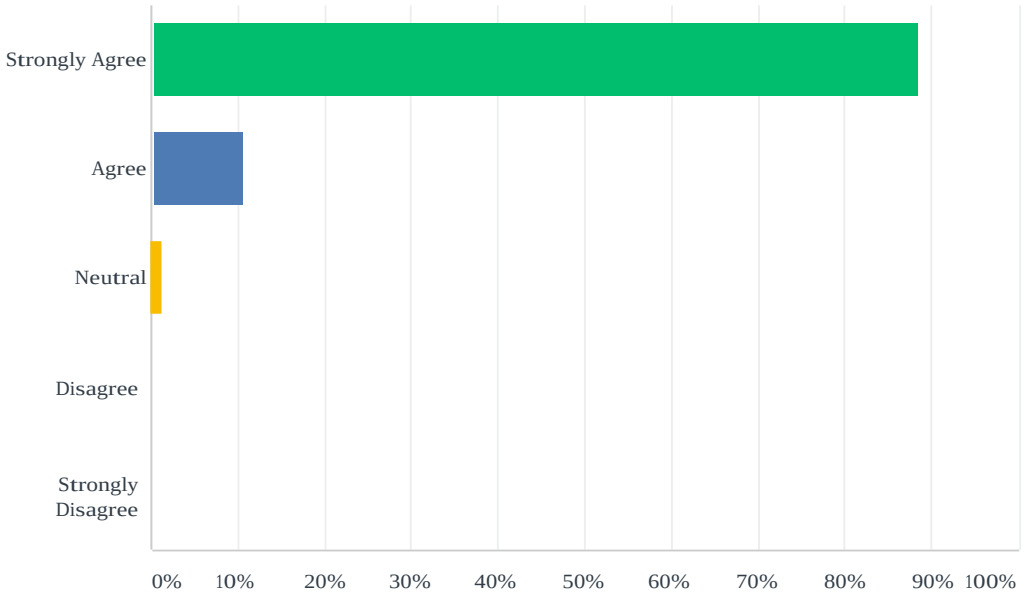
Answered: 80 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly Agree	92.50%	74
Agree	7.50%	6
Neutral	0.00%	0
Disagree	0.00%	0
Strongly disagree	0.00%	0
TOTAL		80

Q7 Hire Agreement and Invoicing was received in an appropriate time frame:

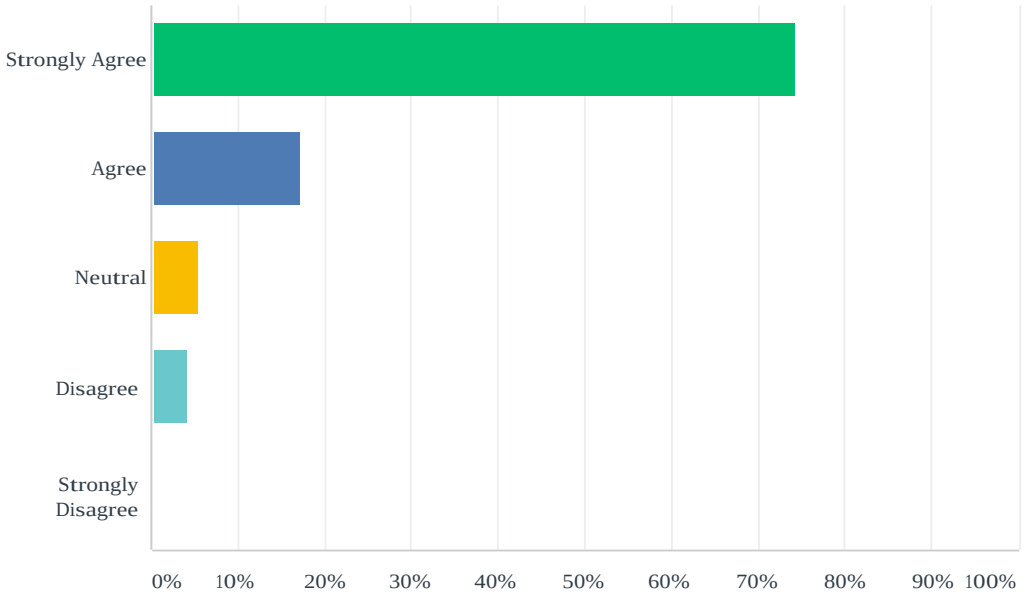
Answered: 77 Skipped: 4



ANSWER CHOICES	RESPONSES	
Strongly Agree	88.31%	68
Agree	10.39%	8
Neutral	1.30%	1
Disagree	0.00%	0
Strongly Disagree	0.00%	0
TOTAL		77

Q8 The conditions of the Hire Agreement are relevant and met our needs:

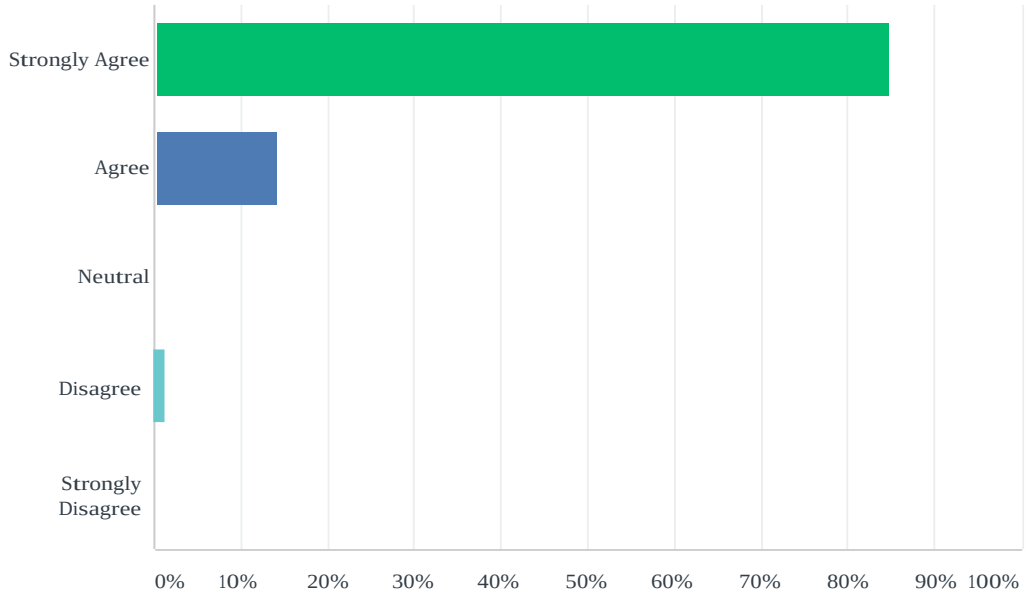
Answered: 77 Skipped: 4



ANSWER CHOICES	RESPONSES	
Strongly Agree	74.03%	57
Agree	16.88%	13
Neutral	5.19%	4
Disagree	3.90%	3
Strongly Disagree	0.00%	0
TOTAL		77

Q9 Room setup and equipment supplied were met our needs:

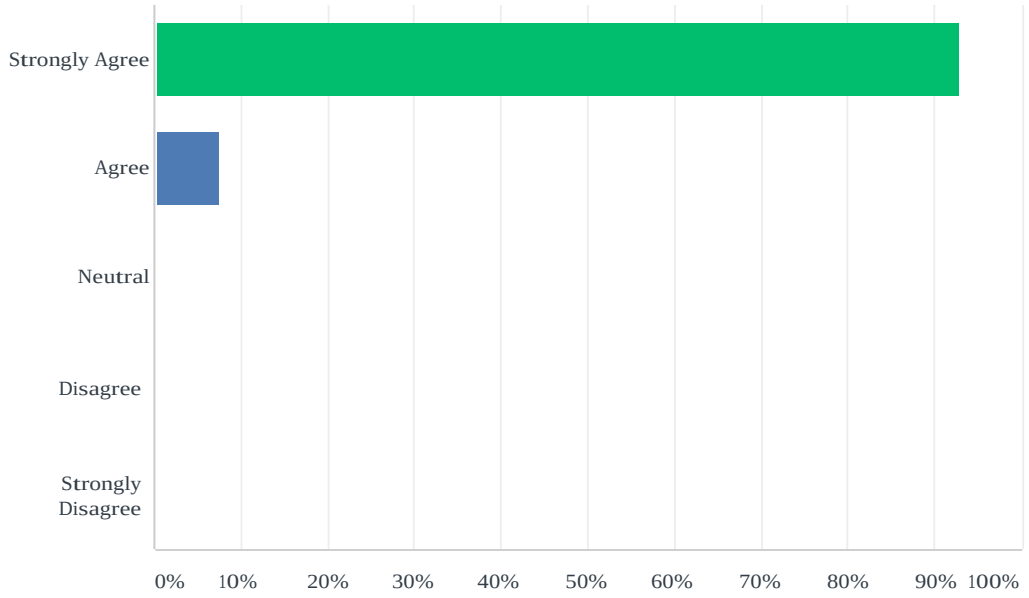
Answered: 78 Skipped: 3



ANSWER CHOICES	RESPONSES	
Strongly Agree	84.62%	66
Agree	14.10%	11
Neutral	0.00%	0
Disagree	1.28%	1
Strongly Disagree	0.00%	0
TOTAL		78

Q10 MCC Staff were helpful:

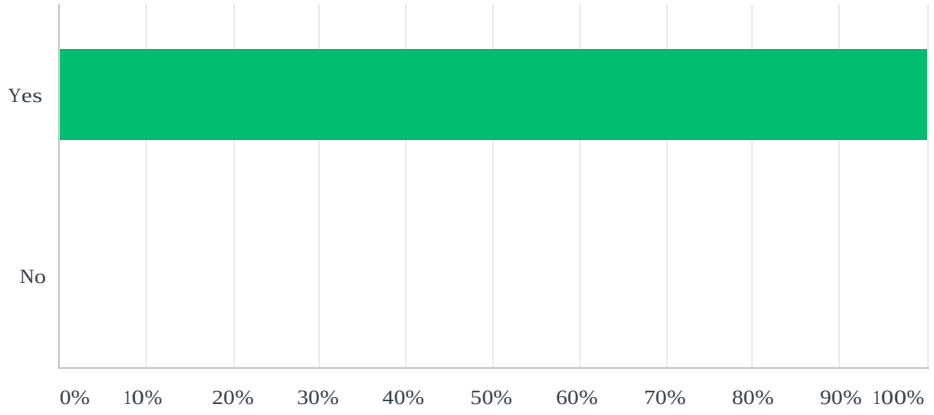
Answered: 81 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly Agree	92.59%	75
Agree	7.41%	6
Neutral	0.00%	0
Disagree	0.00%	0
Strongly Disagree	0.00%	0
TOTAL		81

Q11 Would you hire and/or recommend the MCC facilities in the future?:

Answered: 80 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	100.00%	80
No	0.00%	0
TOTAL		8

0

Q12 Please list any further suggestions to improve our service:

Answered: 34 Skipped: 47

#	RESPONSES	DATE
1	Adelaide Artists need this Theatre!	8/13/2018 10:20 AM
2	Adelaide Artists need this Theatre!	8/13/2018 9:12 AM
3	We would suggest some improvement regarding the catering. Signage for specific vegan/gluten-free/vegetarian foods could be improved. There was not enough cutlery and crockery at times. We had expected staff would clear plates and cups from tables. All of the above was rectified when we spoke to kitchen staff and they were helpful when prompted.	7/30/2018 11:57 AM
4	Supply video equipment	7/28/2018 11:21 PM
5	Your online booking site layout could be better. I had people ask whether there were tickets left when the bottom table section filled up and they were not aware there were more seats in the top section. Also recommend you charge less for comp tickets in line with other venues who only charge $1. Recommend you look into regular listings with local papers etc to help drive ticket sales for venue events as part of your support to shows. A lot of people don't know the venue is there.	7/24/2018 2:58 PM
6	unfortunately I am unable to book any rooms as I do not have money in my budget to pay for rooms	7/12/2018 4:46 PM
7	Catering was good but did leave some masking tape lables on the platters for GF and Vego that looked a little out of place.	6/19/2018 3:32 PM
8	The cost per hour for hire (domain theatre room) on a Sunday was a bit much (opinion based). That is all.	6/18/2018 1:49 PM
9	Once we all moved into the theatre we needed security to make sure general public did not come in and help themselves to drinks which did happen. Next time we will have to organise volunteers to man the doors or pay for this.	6/15/2018 4:06 PM
10	catering needs improving. served cold water in an urn, without any signage. I need to brief the caterers better but the presentation wasn't great.	6/4/2018 1:55 PM
11	HDMI compatability for the big screen would have been good, but otherwise a great hiring experience!	6/2/2018 8:48 AM
12	Everyone was so welcoming and helpful. We will certainly recommend the venue to others. Thanks.	4/25/2018 7:36 PM
13	As above. Include a clause of cancellation under extreme circumstances. Otherwise it was all wonderful. Thank you :)	4/17/2018 6:37 PM
14	Friendly, helpful, committed and passionate staff in a Cultural Centre that buzzes with community activity and a spirit of goodwill and service to patrons.	4/16/2018 6:06 AM
15	None, you are great!	4/13/2018 3:00 PM
16	Wonderful. thank you for making the venue hire process an easy, enjoyable experience. The event was better than expected thanks to all your help.	3/21/2018 10:29 AM
17	N/A	3/2/2018 7:18 AM
18	In the hire agreement we identified drinks until 7pm but the café continued to service drinks until 7.20pm	12/20/2017 11:36 AM

19	As our event was a night event, the plaza area could do with more lighting. Whilst we had additional lights, it's an extra cost that we will always need to factor into future events at the location.	12/18/2017 7:42 PM
20	This was such a successful event. Marion council should promote more events for young people. There are very few venues which are all ages venues therefore local young bands are unable to showcase their talent and their young fans dont get the opportunity to enjoy their music. Such a great venue.	12/15/2017 4:08 PM

21	Thank you again.	12/14/2017 10:13 AM
22	None - It was a joy to be there.	12/13/2017 5:34 AM
23	This is more about the caterers, but I would like you to know the standard of food has dropped quite significantly this year. There was an equal amount of food ordered per person as previous years but there seemed to not be as much food. The bruschetta was very tough, the hot food very limited and just not as nice or as good in quality as previous years. I will follow up with an email specific to address the catering.	12/12/2017 12:24 PM
24	Signatures Cafe is slow to serve, and espresso coffee is the main culprit. We recommend that in future for our shows that the cafe offer filtered coffee as well. (For many years when Galleon ran its own canteen, we served instant coffee and patrons were happy with that. It was quick to serve, especially when the interval is so short.)	11/13/2017 5:36 PM
25	The air con was a little cool but I wasn't sure what to do about it. Also, I know hard to fix, but if renovations occur in the sturt room in the future, it would be worth planning for split lighting. The light on the screen is a little bright so we had to turn the lights off to see the screen adequately. But this did not at all detract from the success of the day - just an FYI for the future.	11/13/2017 11:31 AM
26	You can't improve something that's already perfect. The MCC is incredible in every possible way.	10/18/2017 2:07 PM
27	Doing a great job! Keep it up :-)	10/10/2017 12:33 PM
28	Signatures cafe owners attitude and actions before and on the day of our performance was unsatisfactory and disrespectful	9/28/2017 11:16 AM
29	There were a few communication issues with catering staff. I would have appreciated a discussion with the manager as I felt my volunteer parent helpers and teaching staff were unfairly confronted.	9/22/2017 8:55 AM
30	You guys are amazing, you couldn't get any better at what you do, and the venue spaces you provide are fantastic.	9/19/2017 9:16 AM
31	Nothing needs improving - staff were wonderful to deal with and nothing was too much trouble	9/15/2017 3:56 PM
32	Catering needs improving to deal with such a large number of people and also quality. Would hire facility again with different catering.	8/29/2017 7:35 PM
33	Larger Mirror Ball	8/1/2017 12:21 PM
34	online & social media :0	6/9/2017 3:40 PM

Draft Coastal Climate Change Adaptation Plan

Originating Officer	Senior Environmental Planner - Rebecca Neumann
Corporate Manager	Manager Innovation and Strategy - Fiona Harvey
General Manager	General Manager City Development - Abby Dickson
Report Reference	GC181009R09

REPORT OBJECTIVE

To provide the Council with an update on the draft *Coastal Climate Change Adaptation Plan* and seek approval to progress with targeted consultation as part of Stage 3 of the project.

EXECUTIVE SUMMARY

The *City of Marion Business Plan 2016-2019*, identifies a priority to "*Plan and deliver a Regional Coastal Management Plan to support effective coastal management"* by 2018/2019.

Preliminary scoping identified that coastal climate change is a priority coastal issue and with advice from a coastal planning consultant (Mark Western, Integrated Coasts), an approach was developed to form the coastal climate change adaptation plan. This approach consists of three key stages:

- Stage 1: Collection of existing data and historical analysis (complete)
- Stage 2: Collection of new data, sea level rise modelling and risk assessments (complete)
- Stage 3: Ongoing monitoring and action planning (commenced July 2018 - see Attachment 2).

The Infrastructure and Strategy Committee have received two updates on the progress of this plan:

- A preliminary update at the 3 April 2018 meeting (ISC030418R10.1) where the Stage 1 study and scope of were supported.
- An update at the 7 August 2018 meeting (ISC180707R01) where the completed Stage 1 and Stage 2 studies were supported and a plan for Stage 3 was supported.

This report presents:

- A summary of the progress in the development of the draft *Coastal Climate Change Adaptation Plan* (Attachment 1),
- The proposal for Stage 3 - the final ongoing stage of the project (Attachment 2)
- A summary of key risks and actions (Attachment 3)
- The draft *Coastal Climate Change Adaptation Plan* (Attachment 4, distributed separately) seeking endorsement for targeted stakeholder engagement as per the Stage 3 plan above.

Please note that whilst it is Council's responsibility to consider climate change adaptation for our community and public assets (see *City of Marion Climate Change Policy 2016* GC270916R16), it is not necessarily the responsibility of the City of Marion to deliver the actions and priorities in this plan. Further consideration of responsibility for delivery of actions will occur as part of Stage 3 of the project being delivered during 2018/19 and will be contained in the report coming back to Council in early 2019.

RECOMMENDATION

That Council:

1. **Endorses the draft *Coastal Climate Change Adaptation Plan* (Attachment 4 distributed separately) for targeted consultation.**

2. **Receives a report summarising the results of targeted consultation (Stage 3) including further information on the role of the City of Marion in delivering actions (in early 2019).**

Valuing Nature:	This project is a key priority of the 2016-2019 Business Plan as part of the goal for "a healthy and climate resilient urban environment" Council will "develop and deliver a Regional Coastal Management Plan to support effective coastal management" by end 2018/2019
Risk Management:	This project has been included in Council's Corporate Risk Register as one of the controls to manage climate change related risks.
Timeline	This project commenced in 2017. A summary of progress has been included in Attachment 2 and key time frames for completion of the final stage (Stage 3) are included in Attachment 3.
Current Budget Allocation	Stage 3 is budgeted in 18/19 ($30,000). Erosion control investigations at River Parade are budgeted in 18/19 ($30,000). Funding for Heron Way Reserve protection is being sought externally - design is also being considered in Hallett Cove Sea Pool (18/19)
Proposed Future Budget Allocation:	Future coastal climate change monitoring and protection will required. These priorities will be identified as part of the on ongoing monitoring and adaptation program developed in the Stage 3 coastal climate change planning.
Other Funding Sources:	Funding will be regularly sought from the Department for Environment and Water (Coast Protection), to support monitoring work and support funding for on-ground protective works.

DISCUSSION

The draft *Coastal Climate Change Adaptation Plan* (Attachment 4, distributed separately) presents a detailed scoping of coastal climate change risk along the Marion coastline to provide City of Marion with an overall assessment of climate risk hazards and recommendations for future action. The data collected in this project provide a vital baseline for comparison of future change and adaptation planning.

The draft *Coastal Climate Change Adaptation Plan* includes detailed assessments of the whole Marion coastline. These assessments are broken up into five distinct zones (Marino Cliffs, Hallett Cliffs, Hallett Beach, Field River and Southern Cliffs). The assessments include:

- A detailed historical analysis of erosion rates and shoreline movement along the Hallett Cove and Marino coastline. The analysis focuses on shoreline movement and does not include descriptions of sand movement at Hallett Cove Beach. The Hallett Cove Beach Coastal Study 2012 addresses sand movement in this area (see GC260612R02).
- High tide modelling based on: current conditions; predictions for 2050; predictions for 2100.
- Storm surge modelling for storms with an "average recurrence interval" (ARI) of 1 in 100 years based on: current conditions; predictions for 2050; predictions for 2100.
- An extreme weather event analysis based on the 9 May 2016 storm event. Photographs of this storm event were collected from local residents to highlight the accuracy of the model and help to

show the effects of “wave run-up”.
- An analysis of coastal geology to establish vulnerability of the coastline to erosion.

When considered in a global context where many coastal locations are under considerable threat from inundation or erosion, City of Marion generally has a positive outlook for coastal climate change. Within the next 100 years, inundation and major erosion are unlikely to be major issues for City of Marion if early action and planning is made. In this regard, there are several “hot spots” that will need ongoing monitoring and re-assessment and are likely to require onground action in the short to medium term.

Following from a request from the Infrastructure and Strategy Committee, a summary of key risks and actions that were identified in the draft *Coastal Climate Change Adaptation Plan* has been made in Attachment 3. It should be noted that these are priority actions for the Council area, however delivery of these actions is not necessarily the responsibility of Council. Areas of particular note include:

- The low-lying areas of Marino along The Esplanade that experienced minor “overtopping” of waves during past storm events. This area is likely to become more vulnerable with increased sea levels.
- The Marino cliffs where softer more easily eroded landforms exist. These cliff areas are likely to erode, may become unstable and vulnerable to slumping and should be monitored over time. Areas where infrastructure is close to cliff edges will be of particular concern, e.g. Marino Rocks Café carpark and coastal access points along the coastal walking trail.
- The Heron Way embankment in Hallett Cove will experience further erosion and protection needs to be designed into future upgrades (this reinforces the existing data collected in the Hallett Cove Coastal Study - GC260612R02 and is already a planned priority)
- The Field River Mouth and sand dunes to the north and south are vulnerable with private and public infrastructure likely to come under threat. Close monitoring against the coastal baseline will allow quantitative assessments of the severity of this issue to be made (further investigation of this area is already a planned for 2018/2019).
- The impact on coastal ecology is also an area that may require further consideration (in collaboration of other partners). The biggest risks are to shoreline ecology including shorebirds such as hooded plovers and the intertidal and subtidal marine environments. These systems will have limited capacity to adapt to the rates of change projected to occur and are likely to be threatened.

The next stage of this project focuses on targeted engagement with key stakeholders (including State Government) to assist with identification of roles and responsibilities and guide future action planning in the coastal zone. Attachment 2 outlines key timeframes for monitoring and action planning (Stage 3). Key stakeholders to be engaged include:

State Government - particularly coast protection branch, parks management and the natural resource management branches.
- Local interest groups - particularly environmental 'friends groups' and interested residents groups
- Local residents with special interest in the project.

Key outcomes from Stage 3 and the ongoing future coastal monitoring and adaptation planning program will include:

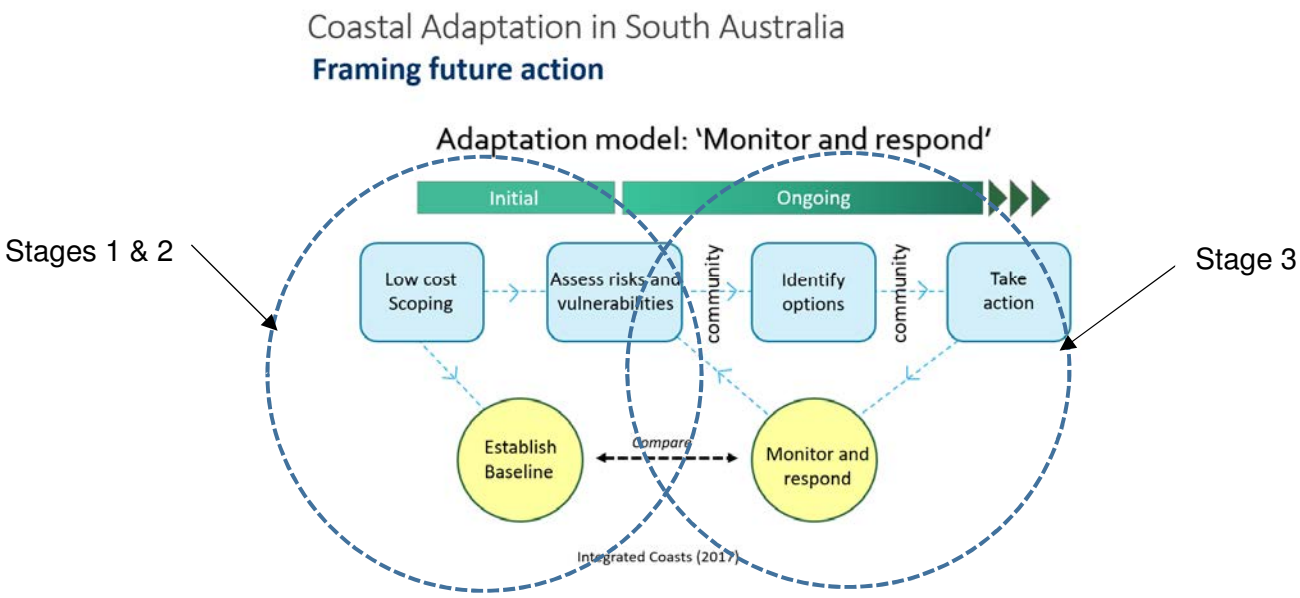
- Ongoing review of coastal climate risk profiles with stakeholders
- Recapturing digital imagery of the coastline and overlaying comparisons to detect change - particularly highlighting slumping or erosion issues. These comparisons should focus on hotspots and storm events.
- Monitoring storm water flows in cliff environments, starting with those cliff top locations identified in the geological review as “friable”.
- Encouraging the community to get involved with photo monitoring - particularly during extreme weather events.
- Working with stakeholders in identifying future tipping points for action and identifying pathways for adaptation with a focus on roles and responsibilities.

Attachment

#	Attachment	Type
1	Attachment 1 - Coastal Adaptation Model and Progress Summary	PDF File
2	Attachment 2 - Stage 3 Plan	PDF File
3	Attachment 3 - Risk and action summary	PDF File

ATTACHMENT 1

Marion Coastal Management Plan - Coastal Adaptation Model.



Project plan outlining the three stages of the Marion Coastal Management Plan (updated from ISC030418R10.1 and WAP reporting)

Phase	Step	Deliverable	Start	Status
Initiation	Define scope	Desktop coastal priority assessment Coastal management research Identification of preferred approach	Oct 2016 - Feb 2017	Complete
Detailed Planning	Engage consultant	Consultant brief and project plan	Apr - Aug 2017	Complete
Delivery	**Stage 1**: Initial scoping and desktop studies of existing information.	- Coastal context description - Agreement on planning approach - First draft of scoping report.	Aug - Nov 2017	Complete
	Stage 2: Data collection and modelling	Coastal Plan report including Stage 1 above and: - Digital elevation model (3D imagery) - Extreme event models - Inundation models - Geological analysis - Hotspot analysis.	Dec 2017 - June 2018	Complete
Closure and monitoring	**Stage 3**: Monitoring and adaptation	Detailed monitoring and response plan.	July 2018 - June 2019	Commenced

ATTACHMENT 2

Coastal Climate Change Planning: Stage 3 - monitoring and adaptation

Key steps	Purpose	Indicative dates

Targeted feedback	• Meet with key stakeholder groups to share information from Stage 1 and 2 and seek input to future and adaptation options.
	  ○ Department for Environment and Water (Coast Protection)
	  ○ Department for Environment and Water (Parks)
	  ○ Friends groups and resident groups
		Aug- Dec

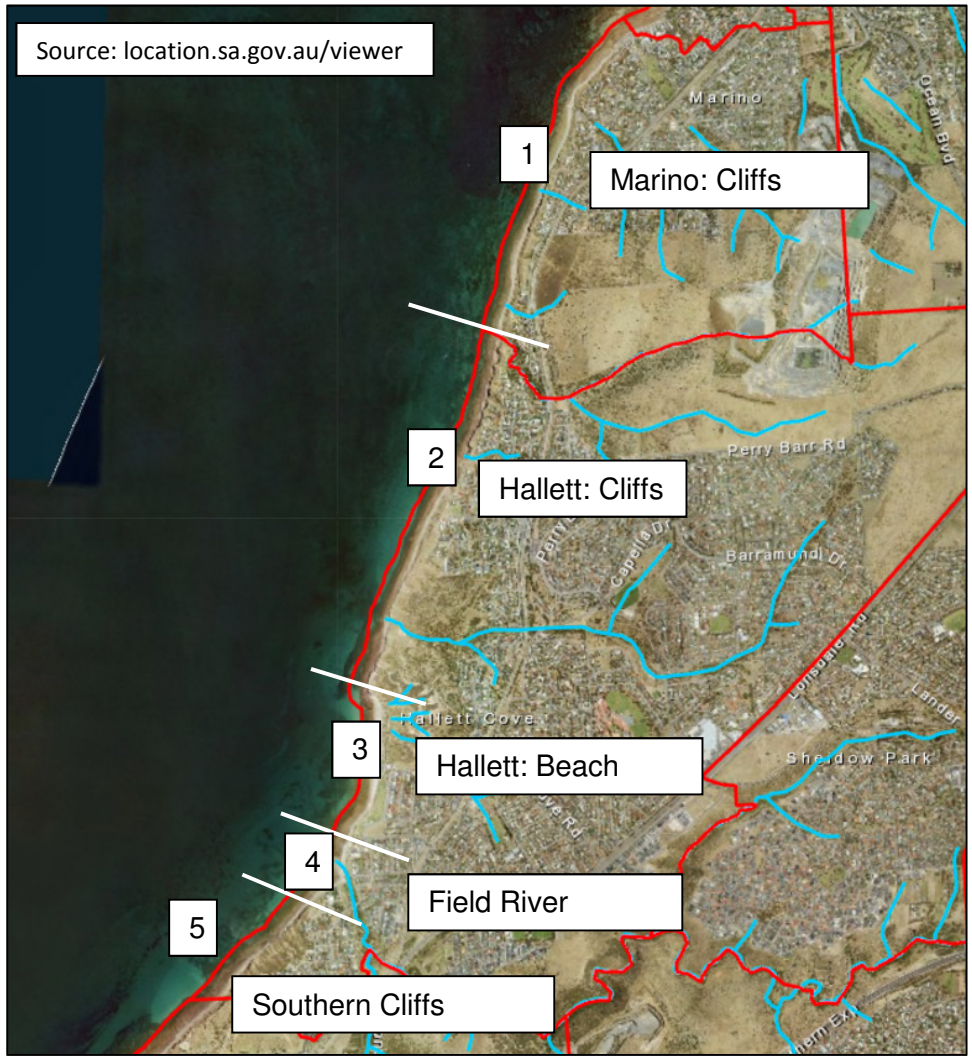
Open Community Consultation	Present Council with: • Draft model / policy that guides future decision making in the coastal zone. • Draft adaptation plans for hot spots. Seek feedback through Making Marion	January - March 2019
Final endorsement	• Summary of community engagement back to Council • Identification of key future adaptation and monitoring actions and funding requirements. • Adoption of model / policy that guides future decision making in the coastal zone.	June 2019
Ongoing review	• Ongoing monitoring and review of the coastline with special attention on any new policy, data or projects in vulnerable coastal areas.	2019+

Attachment 3 – Marion Coastal Climate Change Adaptation Plan - risk and action summary

This table presents a summary of medium, high and extreme risk ratings that were made during the draft *Marion Coastal Climate Change Adaptation Plan*.

Note that all short-term actions are being addressed in Stage 3 of the coastal climate change adaptation study and include further assessing the role of Council in monitoring and protection. Stage 3 is funded in the 2018/19 Business Plan. Funding priorities for the next 5 years will be identified as part of the Stage 3 assessments.

The first row of the table highlights actions that will be needed across the whole coastline. Higher priority sections have been highlighted in orange.



Location	Risk summary	ACTIONS Note: Stage 3 of this project includes further consideration of timing and responsibility for delivery of these actions. Some of these actions may not be the responsibility of City of Marion.		
		Short term actions (1-2 years)	**Medium term action (3-5 years)**	**Longer term actions (5+years)**
Whole Coastline	See analysis in each section below.	• Regular auditing of stormwater outlets and cliff top erosion (including photographs) • Monitor winter tidal regimes and their impact along the coast • Regular inspection of the effect of storm surge at cliff bases.	• Recapture digital 3D image and compare to baseline to provide a detailed assessment of erosion.	Ongoing comparison of digital model to detect change (every 3-5 years)
Marino Cliffs 1:1 – the Esplanade	Several areas are vulnerable due to soft geology along the cliffs. High risk areas include the Esplanade where houses and public infrastructure may be threatened by storm surge on short term increases in sea level.	• Detailed re-assessment of protection options (e.g. rock revetment).	• Likely need for construction of protective structures.	Ongoing review of protection options. Post 2050 retreat options may need to be considered for 2100 scenarios.
Marino Cliffs 1:2 – Marino Rocks Carpark	The base of the cliff at Marino Rocks carpark is highly vulnerable to erosion and undercutting is beginning to occur making the car park at risk.	• Detailed assessment of protection options (e.g. rock revetment).	• Likely need for construction of protective structures.	The future location of the carpark may need to be consider based on the outcomes of medium-term monitoring.

Location	Risk summary	ACTIONS Note: Stage 3 of this project includes further consideration of timing and responsibility for delivery of these actions. Some of these actions may not be the responsibility of City of Marion.		
		Short term actions (1-2 years)	**Medium term action (3-5 years)**	**Longer term actions (5+years)**
Marino Cliffs 1:3 – Marine Parade	Whilst the geology is more resistant to erosion that 1:1 and 1:2, infrastructure at Marine Parade between Emma St and Alan St are closer to the cliff edges and need monitoring.			The base of the cliff will come under high direct impact post 2050 and protection is likely to be needed in the longer term.
Marino Cliffs 1:4	This section contains highly resistant geology and is less vulnerable to the effects of sea level rise. The impact of increased stormwater runoff due to climate change along stairs and access points may loosen rocks the present a hazard.			
Hallett Cove Cliffs 2:1	This section contains mostly resistant geology however there are some sections that have been identified that are more vulnerable to erosion. In some sections infrastructure is situated closer to the cliff edges and needs to be monitored more closely.		• Monitoring should focus on areas where infrastructure is closer to cliffs and underlying geology is friable.	
Hallett Cove Cliffs 2:2	Geology at the cliff based is highly resistant to erosion, however cliff tops are friable and more vulnerable to erosion from stormwater.		• Monitoring should focus on areas where infrastructure is closer to cliffs and underlying geology is friable.	

Location	Risk summary	ACTIONS Note: Stage 3 of this project includes further consideration of timing and responsibility for delivery of these actions. Some of these actions may not be the responsibility of City of Marion.		
		Short term actions (1-2 years)	**Medium term action (3-5 years)**	**Longer term actions (5+years)**
Hallett Cove Cliffs 2:3	Although the cliff geology is likely to be resistant in this area, there is evidence of past rock falls and the cliffs are already under direct wave interaction. Most infrastructure is situated a long way back from the cliffs which lowers the risk ratings.		• Monitoring should focus on areas where infrastructure is closer to cliffs and underlying geology is friable.	
Hallett Cove Cliffs 2:4 The Esplanade and Clifftop Cres	This section as with 2:3 is under existing regular wave attack. Although the geology of the cliff bases is likely resistant, the cliff tops are more friable. Risk levels are elevated due to the proximity of infrastructure to the cliff edges.	• Further geological review of the cliffs in this area given the proximity of infrastructure to cliff edges.	• Monitoring should focus on areas where infrastructure is closer to cliffs and underlying geology is friable.	
Hallett Cove Cliffs 2:5 The Esplanade and Clifftop Cres	This section is likely to be vulnerable to erosion, particularly from stormwater erosion along the cliff tops. There is infrastructure along the cliff tops that is close to the cliff edges and may be at risk in the future.	• Monitoring and further control of stormwater on cliff tops.	• Monitoring should focus on areas where infrastructure is closer to cliffs and underlying geology is friable.	
Hallett Cove Cliffs 2:6 The Esplanade	As with 2:4 and 2:5, this section has a friable cliff top and is likely vulnerable to erosion from stormwater. Risk ratings are high because the proximity of infrastructure to cliff edges.	• Monitoring and further control of stormwater on cliff tops.	• Monitoring should focus on areas where infrastructure is closer to cliffs and underlying geology is friable.	

Location	Risk summary	ACTIONS Note: Stage 3 of this project includes further consideration of timing and responsibility for delivery of these actions. Some of these actions may not be the responsibility of City of Marion.		
		Short term actions (1-2 years)	**Medium term action (3-5 years)**	**Longer term actions (5+years)**
Hallett Cove Beach 3:1,2 Hallett Cove Conservation Park	The sand dunes in this section have previously been assessed as low risk (Lord 2012), however recent stormwater-based erosion of dunes has increased their vulnerability and likely of erosion during storm surge.	• Consult with managers of Hallett Cove Conservation Park highlighting the recent changes in risk for the dunes along the beach • Quantify more accurately the nature of routine storm surge impact on the dunes (note: this is not necessarily a Council responsibility since stormwater may be collecting from within the conservation park)	•	This area will come under increasing threat and the need for retreat of the dune system needs to be considered.
Hallett Cove Beach 3:1,2 Heron Way Embankment	As has been highlighted in previously (Lord 2012), the Heron Way embankment is already under threat from storm surge and will need protection.	• Undertake scenario modelling and detailed study to plan and design for protection of the Heron Way embankment.	• Construction of Heron Way embankment protection.	

Location	Risk summary	ACTIONS Note: Stage 3 of this project includes further consideration of timing and responsibility for delivery of these actions. Some of these actions may not be the responsibility of City of Marion.		
		Short term actions (1-2 years)	**Medium term action (3-5 years)**	**Longer term actions (5+years)**
Field River 4:1,2	With current elevations, the projected risk for inundation in this area is low even when considered with the confluence of stormwater. The erosion risks for infrastructure along the shore high and will change the inundation risks in the future if the shoreline is not protected. The site is an existing hooded plover nesting site. Future erosion and inundation may threaten this site and adaptation measures may be needed to protect this species in this location.	• Investigate options for the protection of assets along River Parade and the dune system south of the River	• Construction of protective options will be needed within the medium term to protect infrastructure and potentially nesting of hooded plovers (note: this is not necessarily a Council responsibility).	
Southern Cliffs 5:1,2,3	Infrastructure is located well away from cliff edges in this location and the cliffs are resistant to the effects of erosion.			

City of Marion Christmas Trading Hours 2018

Originating Officer	Unit Manager Governance and Records - Jaimie Thwaites
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R10

REPORT OBJECTIVE

To seek Council endorsement to close early the City of Marion's principal office, being the Administration building, on Friday 21 December 2018.

RECOMMENDATION

That Council:

1. **Endorses the closure of the City of Marion's principal office, being the Administration building at 245 Sturt Road, Sturt on Friday 21 December 2018 at 12.30 pm.**

DISCUSSION

Section 45 of *the Local Government Act 1999* requires Council to nominate its principal office and determine the hours during which the office is to be open for the transaction of business.

The Administration building located at 245 Sturt Road, Sturt is Council's nominated principal office. The normal operating hours during which the office is to be open for business is 8.30am - 5.00pm Monday to Friday.

In previous years, Council has determined to alter the normal hours during which the office is open to allow Elected Members, Management and Staff to take the opportunity to celebrate the festive season.

For the 2018 Christmas period, it is proposed that the Administration building close at 12.30pm on Friday 21 December 2018.

When considering changes to normal business hours, the needs of our customers are the primary focus. Customer demand for council services is significantly reduced during the festive season, but to ensure services are provided to the community, the Council will continue to operate during the holiday period, excluding public holidays.

The emergency after-hours services will continue to operate outside Council's business hours during the Christmas and New Year period.

Appropriate advertising and notification will be displayed to ensure customers are fully aware of the changes to our normal business hours.

Note that the opening hours of Council's other sites will be determined, based on operational/customer needs and do not require a resolution of Council.

Election for Representative Members of the LGFA Board of Trustees

Originating Officer	Elected Member Support Officer - Nakita Van Rooijen
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R11

REPORT OBJECTIVE

The purpose of this report is to notify Council that a ballot has been called by the Local Government Association (LGA) for the election of two representative board members of the Local Government Finance Authority (LGFA).

Nominations have been received from:

- Mr Colin Davis (Chief Executive Officer, Flinders Ranges Council)
- Mr Paul Duka (Deputy CEO / Director Corporate Services, Wattle Range Council)
- Councillor Peter Field (City of Tea Tree Gully)
- Councillor Karen Hockley (City of Mitcham)
- Mr Tony Lines (General Manager City Services, City of Marion)
- Ms Annette Martin (Manager Financial Services, City of Charles Sturt)
- Mr Steve Mathewson (Director Services, City of Adelaide)
- Councillor John Sanderson (City of Mitcham)
- Mr Michael Sedgman (Chief Executive Officer, Rural City of Murray Bridge)

Accordingly, an election is necessary to determine the appointment of two candidates. The election will be conducted by postal vote and strict guidelines must be adhered to when competing and returning the ballot paper.

Council needs to determine which two candidates it wishes to elect.

RECOMMENDATION

That Council votes for the appointment of;

1. .....

2. .....

to the Local Government Finance Authority Representative Board.

GENERAL ANALYSIS

The LGFA Annual General Meeting will be held on Friday 26 October 2018 at the Adelaide Entertainment Centre, 98 Port Road, Hindmarsh.

In their circular of 3 July 2018 the LGFA invited Councils to submit nominations for two representative board member positions. The current members are Ms Annette Martin and Councillor John W Frogley.

The LGFA has received nine candidate nominations for two positions and as such an election will be conducted in accordance with the provisions of the Local Government Finance Authority Act 1983.

Ballot papers have now been received along with information on the nine candidates (refer to Appendix 1). Correspondence has also been received from Councillor Karen Hockley (City of Mitcham) seeking support for her nomination (refer Appendix 2) and Mayor Angela Evans (City of Charles Sturt) seeking support for Annette Martin's nomination (refer Appendix 3).

At its meeting of 8 September 2015 (GC080915R05), Council resolved to adopt preferential voting as the method to apply when conducting ballots for positions selected by Council. The process for meeting ballot as adopted is included as Appendix 4.

DISCUSSION

Each Council is entitled to vote. Council needs to determine which two candidates it wishes to elect.

Council's delegate to the LGFA Annual General Meeting (Mayor Kris Hanna) will then be required to complete the ballot paper in accordance with Council's resolution and submit Council's vote to the LFGA Returning Officer by 5pm on Friday 12 October 2018.

The successful candidates will be announced at the LGFA Annual General Meeting.

The LGFA is a statutory authority established for the benefit of council and other prescribed local government bodies within South Australia. Every South Australian council is a member of the Authority.

Participating in the governance of the Authority is an important role of member Councils. Accordingly voting on the election of Board members is highly recommended.

Attachment

#	Attachment	Type
1	Correspondence from Mayor Angela Evans (City of Charles Sturt)	PDF File
2	Correspondence from Councillor Karen Hockley (City of Mitcham)	PDF File
3	Ballot Papers and Candidate Details	PDF File
4	Process for meeting ballot	PDF File

72 Woodville Road, Woodville
South Australia 5011
PO Box 1, Woodville SA 5011

T 08 8408 1111
F 08 8408 1122
charlessturt.sa.gov.au

Office of the Mayor

11 September 2018

Dear Mayors and Councillors

As you will be aware the Local Government Finance Authority of South Australia (LGFA) serves our Councils and other Local Government Bodies (our subsidiaries and the like) with financial services. It manages a sizeable investment portfolio that it leverages to be able to provide us with loan capability at significantly lower rates than retail banks can match. The Authority is constituted under the Local Government Finance Authority 1983.

The LGFA is administered by a Board of Trustees and works for the benefit of Councils. Its board is small but highly skilled. Annette Martin who has been the Finance Manager here at the City of Charles Sturt for almost 18 years is a current LGFA Board and Audit Committee Member and is seeking reappointment.

A short bio of Annette's is attached for your information; she is a qualified CPA and Company Director.

I strongly endorse her as a practical, professional and passionate supporter of our sector who brings to this board the skills to ensure it continues as a viable and relevant authority, servicing our needs.

When your Council considers who to support for the LGFA board I encourage your Council to consider Annette Martin.

Yours sincerely

Angela Evans
Mayor

Cc: CEO's

Enclosure

Currently Manager of Financial Services at City of Charles Sturt

- 18 years' experience as Manager Financial Services at City of Charles Sturt with strong understanding of local government finance from an operational and strategic level
- As a Finance Manager and user of LGFA services understands customer expectations for borrowing and investment
- Current Board member and audit committee member of LGFA
- Has had pivotal roles in improving financial management practices across the local government sector through Executive roles, including President (2010 to 2014) on the South Australian Local Government Financial Management Group (SALGFMG) in developing long term financial plans, key industry ratios for sustainability, harmonization of statutory reporting and development of an industry framework to mitigate financial risk.

Formal qualifications:

- B.A. Accountancy,
- Certified Practising Accountant (CPA),
- Graduate of the Australian Institute of Company Directors (GAICD)

Board/Committee Experience:

- Board member of LGFA and audit committee member
- Since 1999 Executive Member of South Australian Local Government Financial Management Group (SALGFMG)
- Chair of SALGFMG internal financial controls working party which led the development of a legislated industry wide financial internal controls framework
- Member of current SALGFMG working parties on fees and charges, financial management and asset management for SALGFMG;
- Life member SALGFMG for services to industry since 2015
- President SALGFMG 2010 - 2014
- Past member as SALGFMG nominee on working parties for Grants Commission 2012/13 and CPA Guide Valuation and Depreciation for public and Not for profit sectors under AASB accounting standards 2015/16

Key Expertise:

- Extensive commercial experience and knowledge of contemporary Human Resources, Asset Management , Treasury and Financial Management practises
- Sound knowledge of internal control, risk management, audit committees and corporate governance
- Thorough knowledge of local government legislation including LGFA Act 1983, accounting standards and importance of transparency and accountability to the community
- Demonstrated ability to think strategically in developing solutions to complex problems

Awards

- 2017 Leadership Excellence award in Strategic Financial Management for Local Government Professionals for development of budget bid and project reporting
- 2017 Digital Transformation initiative from LGITSA for Budget Bid tool
- 2016 Leadership Excellence awards from Local Government Managers Association (LGMA) for development of a financial internal control framework for the local government sector
- 2012 Leadership Excellence awards for LGMA for development of a financial modelling tool to assess strategic projects (Bowden Urban Village)

From: Cr Karen Hockley [mailto:khockley@mitchamcouncil.sa.gov.au]
Sent: Thursday, 13 September 2018 11:45 AM
To: Electronic Mail <ElectronicMail@marion.sa.gov.au>
Subject: Local Government Finance Authority Vacancy

Dear Kris,

I write to you regarding the two board vacancies on the Local Government Finance Authority. My council, Mitcham Council, has nominated me to fill one of these vacancies and I would like to provide you with some background information to assist your decision making.

I was elected to Mitcham Council in 2014 and I have been an active contributor, serving on various boards and committees, including:

- Council's Audit Committee
- Council's Development Assessment Panel
- Council's Community Development Grants Committee
- Council's Strategic Management and Development Committee
- Eastern Waste Management Authority Board (East Waste)
- East Waste's General Manager Recruitment Committee
- East Waste's General Manager Performance Management Committee
- East Waste's Recycling Review Technical Review Working Committee (Chair)

My professional background is in finance and accounting, including a very successful career with Westpac. I held roles throughout the retail and commercial bank, including specialist commercial lending roles with responsibility for assessing commercial lending proposals for risk and credit worthiness. I later worked with the Department of Trade and Economic Development where I had responsibility for prudential arrangements for state government loans to private industry.

I've also served on boards and committees outside of local government, including as Chair for Softball SA, the peak body for the sport in South Australia. In that role I implemented a governance structure, the first for that organisation, and Softball SA was recognised as having the best governance in the national softball community. I currently sit on the board of Hills Community Options, a specialist disability service provider.

My academic background includes a bachelor degree in Accounting and I've completed the post graduate CPA program and am a member of CPA Australia. In 2013 I completed a Masters of Business Administration.

I hope this information is helpful and that you will support me to serve on the Board of the Local Government Finance Authority. If you would like any more information or if you would like to discuss the contributions that I can make, please give me a call on 0423 919 080.

Regards,
Karen.

Karen Hockley

Councillor for Mitcham

p: 0423 919 080

e: KHockley@mitchamcouncil.sa.gov.au

Your community voice

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For more information please visit http://www.symanteccloud.com

LOCAL GOVERNMENT FINANCE AUTHORITY OF SOUTH AUSTRALIA

BALLOT PAPER

REPRESENTATIVE BOARD MEMBER

Two (2) Required:-

Place "X" next to two names you wish to vote for.

DAVIES, C.	☐
DUKA, P.	☐
FIELD, P.	☐
HOCKLEY, K.	☐
LINES, T.	☐
MARTIN, A.	☐
MATHEWSON, S.	☐
SANDERSON, J.	☐
SEDGMAN, M.	☐

CLOSING DATE: 5.00 PM at the office of the LGFA, Friday 12 October 2018

NAME: COLIN DAVIES

OCCUPATION: Chief Executive Officer

QUALIFICATIONS & AWARDS:
Justice of Peace in SA 25540
Fellow Institute of Public Accountants
Fellow Institute of Financial Accountants (UK)
Fellow Local Government Professionals

CURRENT POSITION IN LOCAL GOVERNMENT:
Chief Executive Officer
The Flinders Ranges Council

PERIOD IN LOCAL GOVERNMENT 17 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Pichi Richi Railway Preservation Society - Treasurer

Rotary International District 9500 Inc - District Treasurer

Many community and sporting committees as Treasurer

Present:

Regional Development Australia Far North - Deputy Chair

Local Government Systems Inc - Deputy Chair

Quorn Men's Shed - President

Local Government Professionals - Fellow

SA Local Government Financial Managers Group - Member

Institute of Public Administration Australia - Member

Revenue Professionals SA - Member

Zone Emergency Management Committee Far North - Member

Bushfire Management Committee - Yorke, Mid North & Flinders - Member

Local Government Information Technology SA - Member

Various Council Committees

NAME:	PAUL DUKA
OCCUPATION:	Deputy CEO / Director Corporate Services
QUALIFICATIONS & AWARDS:	CPA (Certified Practising Accountant) Bachelor of Business (Accounting)
CURRENT POSITION IN LOCAL GOVERNMENT:	Deputy CEO/Director Corporate Services Wattle Range Council
PERIOD IN LOCAL GOVERNMENT	13 Years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Kangaroo Island Regional Development Board – Board Member

Present:

SA Local Government Finance Managers Group - Member

NAME:	PETER FIELD
OCCUPATION:	Elected Member
QUALIFICATIONS & AWARDS:	Bachelor of Economics Masters of Business Administration
CURRENT POSITION IN LOCAL GOVERNMENT:	Councillor, Water Gully Ward City of Tea Tree Gully
PERIOD IN LOCAL GOVERNMENT	1 year, 9 months

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Present:

City of Tea Tree Gully, Councillor

- Audit Committee – Presiding Member
- Governance and Policy Committee - Member
- Transport Management Safety Committee - Member

NAME: KAREN HOCKLEY

OCCUPATION: Management Accountant

QUALIFICATIONS & AWARDS:
Masters of Business Administration
Bachelor of Commerce (Accounting)
CPA Australia Professional Program
Associate Diploma in Accounting

CURRENT POSITION IN LOCAL GOVERNMENT: Elected Member, City of Mitcham

PERIOD IN LOCAL GOVERNMENT 4 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

City of Mitcham
- Development Assessment Panel

Eastern Waste Management Authority
- Recycling Review Technical Working Committee – Chair
- General Manager Recruitment Committee

Present:

City of Mitcham
- Audit Committee
- Strategic Planning and Development Policy Committee
- Murray Darling Basin Authority Member

Eastern Waste Management Authority
- Board Member
- Audit and Risk Committee
- General Manager Performance Review Committee

NAME: TONY LINES

OCCUPATION: General Manager City Services

QUALIFICATIONS & AWARDS:
Bachelor of Engineering in Civil Engineering
Master of Infrastructure Management
Diploma in Project Management
Graduate Australian Institute of Company Directors
Fellow of the Institute of Engineers Australia
Chartered Professional Engineer Australia

CURRENT POSITION IN LOCAL GOVERNMENT:
General Manager City Services
City of Marion

PERIOD IN LOCAL GOVERNMENT 2.5 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Present:
Southern Adelaide Zone Emergency Management Committee - Chair

City of Marion and Kaurna
Steering Group for the joint management of a Cultural Centre - Chair

NAME: ANNETTE MARTIN

OCCUPATION: Manager Financial Services

QUALIFICATIONS & AWARDS:
B.A. Accountancy
Certified Practising Accountant (CPA)
Graduate Australian Institute of Company Directors

Local government excellence awards for leadership in financial management for development of an industry wide internal controls framework and financial modelling for Bowden Urban Village

SALGFMG Life Member

CURRENT POSITION IN LOCAL GOVERNMENT:
Manager Financial Services
City of Charles Sturt

PERIOD IN LOCAL GOVERNMENT 18 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Present:

Local Government Finance Authority of South Australia
- Board Member
- Audit Committee Member

SALGFMG
- Executive for 18 years including President from 2010 to 2014
- Chair and/or active member of numerous SALGFMG working parties

NAME:	STEVE MATHEWSON
OCCUPATION:	Director Services
QUALIFICATIONS & AWARDS:	Diploma in Accounting
CURRENT POSITION IN LOCAL GOVERNMENT:	Director Services City of Adelaide
PERIOD IN LOCAL GOVERNMENT	20 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

City of Noarlunga/City of Onkaparinga (1988 – 1998)

Innovision – Consulting to Local Government (1998 – 2007)

City of Onkaparinga (2007 – 2016)
CFO & Director Finance & Commercial

Local Government Financial Management Group

G6 Procurement (Council Solutions)

Present:

LG Professionals

NAME: JOHN SANDERSON

OCCUPATION: Retired Finance Consultant

QUALIFICATIONS & AWARDS: Land Managers Certificate
Banking and Finance - 47 years

CURRENT POSITION IN LOCAL GOVERNMENT: Councillor, City of Mitcham

PERIOD IN LOCAL GOVERNMENT 29 Years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Local Government Finance Authority of South Australia
Board Member and Deputy Trustee - 25 years
Audit Committee Member

Ashford Community Hospital Inc
Deputy Treasurer and Board Member

Local Government Purchasing Co-operative
Board Member

Present:

City of Mitcham
Audit Committee
CEO Performance Review Committee
Strategic Planning and Development Policy Committee
Community Development Grants Committee

NAME: MICHAEL SEDGMAN

OCCUPATION: Chief Executive Officer

QUALIFICATIONS & AWARDS:
Master of Commercial Law
Master of Business Administration
Bachelor of Commerce
Fellow of CPA Australia
Fellow of Governance Institute of Australia
Fellow of Chartered Institute of Secretaries

CURRENT POSITION IN LOCAL GOVERNMENT:
Chief Executive Officer
Rural City of Murray Bridge

PERIOD IN LOCAL GOVERNMENT 20 years

OTHER COMMITTEES/ BODIES OF LOCAL GOVERNMENT INVOLVEMENT:

Past:

Local Government Association Workers Compensation Scheme (2011 - 2015)

Local Government Association Mutual Liability Scheme (2019 - 2015)

Waste Care SA (2010 - 2013)

South Australian Local Government Consulting (2006 - 2009)

Yarra-Melbourne Regional Library Corporation (1999 - 2004, 2006)

Inner Northern Group Training Limited (2000 - 2004)

Present:

Murray River Lakes & Coorong Tourism Alliance (2016 - Present)

Overview Committees of: (2017 - Present)
- LGA Asset Mutual Fund
- LG Income Protection Fund

Process for meeting ballot

At its meeting of 8 September 2015 (GC080915R05), Council resolved to adopt preferential voting as the method to apply when conducting ballots for positions selected by Council.

The process to apply will be as follows:

- Nominations will be sought.
- If more nominations than positions are received, a secret ballot will be held.
- Council members will be provided with ballot papers and requested to indicate their first preference by placing the name of the candidate next to number one of the ballot paper.
- Council members may place the name of the second preference next to number two and continue this process until all candidates are named on the ballot paper.
- As a minimum, Council members must vote for candidates equal to the number of positions. For example, the DAP has three positions. If there are six candidates, members must vote for at least three. If members fail to vote for the minimum number, the vote will be declared invalid.

Counting

- The first candidate to reach quota will be elected.
- The quota is calculated as follows:

$$\frac{\text{Total number of formal ballots papers}}{\text{Number of vacancies} + 1} + 1$$

If a fraction occurs, it will be rounded up. This formula is the same applied to the calculations of quotas within Local Government Elections.

- The ballot papers will be sorted by first preference votes.
- The candidate with the least votes is excluded.
- The excluded candidate's votes are distributed to the next candidate on the ballot paper.
- In the case where there are equal votes at the conclusion of re-distribution of votes, they will both be excluded.
- This process will continue until there is a clear winner.
- In the event that there is a tie at the conclusion of the process, Council will be requested to vote again for one of the two final candidates.

Once a nominee is identified, this will then be voted upon as a formal council resolution under the Local Government (Procedures) Regulations at meetings.

Election of LGA President

Originating Officer	Elected Member Support Officer - Nakita Van Rooijen
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R12

REPORT OBJECTIVE

The purpose of this report is to notify Council that a ballot has been called by the Local Government Association (LGA) for the election of a LGA President.

Nominations have been received from:

- Mayor Samuel Joel Telfer (District Council of Tumby Bay)
- Mayor David James Burgess (Mid Murray Council)
- Mayor Erika Vickery OAM (Naracoorte Lucindale Council)
- Mayor Ann Shirley Ferguson OAM (Mount Barker District Council)
- Mayor Keith Parkes (Alexandrina Council)

Accordingly, an election is necessary to determine the appointment of a LGA President. The election will be conducted by postal vote and strict guidelines must be adhered to when completing and returning the ballot paper.

Council needs to determine which candidate it wishes to elect.

RECOMMENDATION

That Council votes for the appointment of;

1. .....

to the position of Local Government Association president.

GENERAL ANALYSIS

The LGA Annual General Meeting will be held on Friday 26 October 2018, at the Adelaide Entertainment Centre, Port Road, Hindmarsh.

In their correspondence dated 26 July 2018, the LGA called for nominations for the position of LGA president.

The LGA received five candidate nominations and as such an election will be conducted in accordance with Clause 29.4 of the LGA Constitution.

Ballot papers have now been received along with information on the seven candidates (refer Appendix 1). Correspondence has also been received from Mayor Samuel Telfer (refer Appendix 2), Mayor David Burgess (refer Appendix 3), Mayor Erika Vickery OAM (refer Appendix 4), Mayor Ann Ferguson OAM (refer Appendix 5) and Mayor Keith Parks (refer Appendix 6) seeking support for their nominations.

At its meeting of 8 September 2015 (GC080915R05), Council resolved to adopt preferential voting as the method to apply when conducting ballots for positions selected by Council. The process for meeting ballot as

adopted is included as Appendix 7.

DISCUSSION

Each Council is entitled to vote. Council needs to determine which candidate it wishes to elect.

Council's delegate to the LGA Annual General Meeting (Mayor Kris Hanna) will then be required to complete the ballot paper in accordance with Council's resolution and submit Councils vote to the LGA Returning Officer by 5pm Thursday 18 October 2018.

The Counting of the votes will take place at Local Government House on Friday 19 October 2018 commending at 9am. The successful candidate will take office from the conclusion of the LGA's 2018 Annual General meeting for a term ending at the conclusion of the 2020 LGA Annual General Meeting.

Attachment

#	Attachment	Type
1	Ballot Papers and Candidate Details	PDF File
2	Correspondence from Mayor Sam Telfer (District Council of Tumby Bay)	PDF File
3	Correspondence from Mayor Dave Burgess (Mid Murray Council)	PDF File
4	Correspondence from Mayor Erika Vickery (Naracoorte Lucindale Council)	PDF File
5	Correspondence from Mayor Ann Ferguson OAM (Mount Barker District Council)	PDF File
6	Correspondence from Mayor Keith Parkes (Alexandrina Council)	PDF File
7	Process for meeting ballot	PDF File

Ballot Paper

Election for President 2018-2020

1 Person Required

Ballot closes 5:00pm Thursday 18 October 2018

Important Note: **In accordance with Clause 29.5.4 of the LGA Constitution, the Delegate of a Member Council (or in the Delegate's absence, the chair of the meeting for that Member Council) shall mark the ballot paper with an "X" next to the candidate that the Member Council wishes elected, then seal the ballot paper in the envelope marked "Ballot Paper" and place it inside the envelope marked "Returning Officer". The envelope should then be sealed and delivered to the Returning Officer.**

☐	**TELFER, Samuel (Sam)**	Mayor
☐	**BURGESS, David (Dave)**	Mayor
☐	**VICKERY, Erika OAM**	Mayor
☐	**FERGUSON, Ann OAM**	Mayor
☐	**PARKES, Keith**	Mayor

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

LGA President

(word limit is strictly 1,000 words)

Name:	*Mayor Sam Telfer*
Council:	*District Council of Tumby Bay*
Local Government Experience & Knowledge	• *Mayor – District Council of Tumby Bay* • *President – Eyre Peninsula Local Government Association (EPLGA)* • *Board Member – LGA Board* • *Member – SAROC Board*
Local Government Policy Views & Interests	• *I believe that...* • *The LGA needs to be proactive in areas of potential reform, such as financial management and audit standardisation, Code of Conduct reform, and enabling greater council collaborations and efficiencies.* • *The LGA needs to continually focus on the needs of its member Councils, with greater transparency and accountability.* • *The LGA needs to have collaborative and constructive relationships with the other two levels of government, to maximise opportunities for efficiencies, and to work together to remove restrictive 'red-tape' and regulation which continues to cost councils time and money.*
Other information	• Bachelor of Government & Public Management – Flinders University • *Advanced Diploma in Rural Business Management* • *Chair – EPLGA Rural Health Working Group* • *LGA Subscriptions Review advisory group* • *RDAWEP Agricultural Advisory Group member* • *4th generation family farming business*

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

LGA President

(word limit is strictly 1,000 words)

Name:	David (Dave) James Burgess
Council:	Mid Murray Council
Local Government Experience & Knowledge	• Immediate Past President of the Local Government Association. • Commissioner of the SA Local Government Grants Commission since May 2017. • Member of the Local Government Association Board for 6½ years • Member of the Local Government Association Executive for 6½ years • Member of SAROC for 7 years • Chair of the LGA Workers Compensation Scheme Board for 2½ years • Member of the LGA Mutual Liability Scheme Board for 2½ years • Director to represent LGA on Board of the Australian Local Government Association for 3½ years • President of Murraylands & Riverland Local Government Association for 6 years and Member nominated by Mid Murray Council for 11½ years • Currently Deputy Chairman of Regional Development Australia Murraylands and Riverland Board and Board Member for 8 years • Member of Murray River Lakes and Coorong Tourism Alliance (previously Murraylands Tourism Partnership) for 9 years • Mayor of the Mid Murray Council (MMC) in eighth year, 2nd term as Mayor. • Deputy Mayor for four years and Councillor for a further 3½ years. • Ex-officio Member of 11 Committees of Mid Murray Council (including Audit and Strategic Planning and Development Policy Committees) **Achievements/Advocacy** • $2.5 Billion of development completed, underway or Development Applications lodged. • Strongly lobbied for the Cadell ferry to remain open. • Advocated through the Mid Murray Council, Murray and Mallee Local Government Association and met with the then State Minister for Transport, Tom Koutsantonis, for funding for replacement ferries in the State Budget. • Worked with the Department of Planning, Transport and Infrastructure to ensure a road swap with Mid Murray Council and will be receiving $1.0 Million over five years. • Received the 2012 National Award for Local Government for the 'Youth Engagement and Participation' category for the Council's innovative Fun for YOUth program.

	• In 2013 & 2015 won Heart Foundation's National Healthy Communities Award. • In 2012 received the State Medibank Community Healthy Participation Award for Council's commitment to community wellbeing and was also a State Finalist in the Rural Doctors Workforce Agency Rural Community Health and Wellbeing Award.
Local Government Policy Views & Interests	• No political affiliations with any party. • Previous experience in advocating and working with the last State Government for funding, services and projects for the Sector. • Have five State Members of Parliament that cover the Mid Murray Council area – Tim Whetstone, Minister for Primary Industries and Regional Development, Dan van Holst Pellekaan, Minister for Energy and Mining, Stephan Knoll, Minister for Transport, Infrastructure and Local Government and Minister for Planning, John Gardner, Minister for Education and Adrian Pederick. Have good working relationship with all five MP's/Ministers. • Strongly committed to progressing and achieving the three key initiatives for the Sector:- Leadership and Advocacy, Capacity Building and Sustainability and Best Practice and Continuous Improvement. • I strongly believe in greater influence for Councils in matters affecting local communities. • Strong track record of working with Federal and State Governments and private enterprise to progress robust partnerships. This would include securing Supplementary Road Funding for South Australia as a recurrent item in future Federal Budgets, ensuring a better distribution of funds generated from the Waste Levy (including the $100 million presently retained for the Green Industry Fund) and supporting Councils to build healthy and resilient communities. • Regular meetings with the Premier and State Ministers given the plans for reform and their policies from the last State Elections. This would include ensuring better infrastructure planning and provision in South Australia, traineeships for Local Government, which will assist in creating 20,000 new places in the Vocational Training Education and system, advocating, assisting and facilitating business growth and employment for all South Australia with assistance from the Regional Development Australia Boards, recognising the importance of our volunteers in the Sector and the Liberal Government's policy to abolish all fees payable by volunteers for screenings by the Department of Communities and Social Inclusion and partnering with the State Government for more and better sport and recreational facilities and greater participation by children. • I would also advocate in supporting industry and jobs growth with peak industry bodies, better health and medical services, particularly in regional and country hospitals and partnering with the Government and their Fund established to address mobile blackspots across South Australia. • Actively working with the State Government for the 'Royalties For Regions'-for dedicated regional roads and infrastructure funding in the State as well as the Regional Growth Fund. • Reviewing existing structures with the State Government to streamline and accelerate projects and developments across the State. • Reviewing compliance costs from the State Government to ensure such costs are decreased for Local Government.

	• Ensuring that the State Local Government Relations Agreement meetings are robust to progress projects and matters of importance to Councils and the State Government. • Put in place mechanisms to make resource sharing and regional collaboration happen (recognising the existing reform of Natural Resources Management) with Regional Development Australia to create Councils own future. This may involve a greater role for Regional Local Government Associations. I believe this is one of the most important initiatives that must be progressed for the sector. • Continuation of the review of the Local Government Association Schemes and the Association's governance arrangements and implementation of recommendations. • Ensure more public awareness promoting the extent and value of Council services to our communities. • To implement further initiatives including more and better coordinated procurement across the State to ensure more savings for Councils. • To increase the number and quality of services offered to Member Councils. • Strong advocacy on behalf of the Sector to ensure continuity/increase in funding for projects and services. • I would attend Regional Local Government Associations meetings and Metropolitan Local Government Group meetings twice per year, so that I can hear first hand the issues of Councils to advocate on their behalf.
Other information	• I have the passion, commitment and time to consult with Councils, Regional Local Government Associations, MLGG, SAROC, professional bodies, State and Federal Ministers and Chief Executives of Departments, so that your identified needs are strongly lobbied for. • Small business owner for over 30 years and operated a Bed and Breakfast. • Married to Lyn with 2 adult sons.

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

LGA President

(word limit is strictly 1,000 words)

Name:	Mayor Erika Vickery OAM
Council:	Naracoorte Lucindale Council
Local Government Experience & Knowledge	**Local Government Sector - Current** • Mayor NLC since 2010 • Elected Member NLC since 2000; • Limestone Coast Local Government Association (LCLGA) President (2014-current) • SAROC Chairperson (2015 – current) • LGASA Vice-president and Board Member • Australian Migrant Resource Centre Board member (current) • RDA Limestone Coast Board Member and Secretary (2010 – current) • Limestone Coast Economic Development Group Chairman (2014-current) • LC LGA Representative on Limestone Coast Community Service Round Table (Health) (2015 – current) **Community - Current** • Naracoorte Tri-committee member (Health – hospital, doctors, council) (2013 – current) • Naracoorte Lucindale Community Care Network Chairperson (community well-being) (2014 – current) • Naracoorte Mental Health Roundtable member(current) • Naracoorte, Lucindale and Districts Suicide Prevention Network member (current) **Past Experience & Involvement** • Naracoorte Lucindale Road Safety Group Chairperson • LC LGA Representative on SA Regional Tourism Chairs Forum • Kowree Naracoorte Tatiara Netball Association President and Life Member • Executive positions Naracoorte Netball Club • Naracoorte High School Council Chairperson (late 1980s) • SE Regional TAFE Board
Local Government Policy Views & Interests	I strongly support the LGA values & behaviours outlined in the LGA Strategic Plan 2016-2020 I highly value key initiatives of • Clear and open communication with member councils • Strong and positive advocacy for local government across all levels of government

Local Government Association of South Australia

The voice of local government.

	• Partnering with State Government to progress local government reform agenda • Development of capacity building to ensure future sustainability for local government • Increasing LGA commercial enterprise capacity to reduce member costs • Ongoing accountability and transparency through pursuit of best practice and continuous improvement
Other information	• Awarded OAM in 2017 for services to Local Government and the community • Recipient - LGA John Legoe Encouragement Award • Australia Day Citizen of Year Award 1991 • Committee member Limestone Coast Opera • Patron Limestone Coast Symphony Orchestra • Musical director and Life Member of Naracoorte Singers • Attended ALGA and LGA General Meetings and AGMs, LGA training and residential sessions including: DAP, Audit, Mayor residential, elected member training, conferences, forums, seminars over the past 18 years • Participated in SA Trade delegations to Shandong, China in 2015 and 2016 and reciprocated hosting several delegations in Naracoorte 2015 - 2017

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

LGA President

(word limit is strictly 1,000 words)

Name:	*Mayor Ann Ferguson OAM*
Council:	*Mount Barker District Council*
Local Government Experience & Knowledge	*I have been an elected member of council since 1992 and Mayor since 2006. I was a member of SAROC for 4 years, State Executive for 2 years, Chair of the SHLGA for 4 years and a member of the LGA Board for 6 years.* *Mount Barker has been determined to be a major regional growth centre for South Australia. Government policy failed to take due account of the aspirations and needs of our community and infrastructure requirements and good regional planning into consideration. Our council took a strong but constructive decision to ensure our best outcomes for the region. While we did not get everything we desired, we achieved a good outcome for current and future generations. As a result of this process the Government understood that we needed to change the way regional planning decisions were made.*
Local Government Policy Views & Interests	*As president of the LGA it will be necessary to represent the needs and aspirations of communities when negotiating with Government to determine policy directions. This relationship with Local Government and State Government is crucial and while there will always be creative tension between these two parties every effort must be made to ensure we have constructive outcomes.* *Relationships with the Federal Government are also key as they determine how much infrastructure is funded. We need to ensure that we have close working relationships with the local members and ministers in our attempts to influence policy.* *The development of policy at a Local Government level must be seen to be professional and consultative and ensuring that what we're asking for is reasonable, practical and achievable. It is crucial that we're seen to be an efficient and well-run Government sector. Being closest to the people is both an asset in that we have close association with our community but maybe sometimes difficult to capture the right emphasis.* *There is no doubt that climate change will have a considerable impact on how we live and work in our communities. Climate adaptation programs development in each region is crucial to ensure that we address changes as best we can. In addition to our own work in this area we need to ensure that State and Federal Government policies take due account of how they will impact on each of our areas.*

	There will be many challenges that we'll face but I believe that we have the right structures in place to achieve our outcomes.
Other information	*I was Chair of the Regional Development Australia Adelaide Hills, Fleurieu and Kangaroo Island Board for 9 years. I have been a member of the Royal Australian Nursing Federation and Nurses Board of South Australia, The Police Credit Union, Mount Barker DSM Hospital and other associations.* *I was awarded an OAM in 2014 for service to community and Local Government. These activities cover a wide range of the daily life of our community. I take great pleasure in being a part of these groups and engaging with so many hard-working individuals. My region is growing at a tremendous pace; by working with all these communities we can ensure that those new comers to our region not only fit in but make a contribution to the development of our community.* *Working in Local Government ensures that you get a grass roots view of what happens and what is important. It enables us to speak to other members of the Government with passion and authority. We need to balance this with the professionalism and economic certainty that will ensure the best mix for all of our communities.*

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

LGA President

(word limit is strictly 1,000 words)

Name:	*Keith Parkes*
Council:	*Alexandrina Council*
Local Government Experience & Knowledge	• *Mayor, Alexandrina Council, 2014 to present; intention to run for Mayor in 2018 Council Elections* • *LGA Board member since 2016; Deputy Board Member 2014-16* • *SAROC Board member since 2016; Deputy Board Member 2014-16* • *SHLGA President since 2016; Member since 2014* • *Elected Member, Goolwa-Hindmarsh Island Ward 2010-2014*
Local Government Policy Views & Interests	*I will be campaigning on four platforms:* 1. *My passion and work ethic. I will be dedicating time to a **strong community presence** across South Australia in tandem with local representatives.* 2. *Recognising we are partners in progress by fostering a commitment to **innovation,** as a collaboration between elected bodies and respective administrations.* 3. *Local government can't work alone. I will be working to harness the **collective energy** of all levels of government including exploring diversification of revenue sources and advocacy on financial assistance grants as well as building a strong, collaborative relationship with the SA State Government.* 4. *Local government issues aren't just about local government functions. I will be putting a **spotlight on contemporary issues** for South Australians such as water, energy, climate change and an ageing population. Being from a regional council with peri-urban characteristics, I also believe I have a strong understanding of issues facing SA councils and their communities.*
Other information	• Australian Institute of Company Directors, Directors course (2018) • Chair, Local Government Transport Advisory Panel (considers Special Local Roads funding) • SA representative on Australian Coastal Councils Association Committee • Chair, Goolwa-Wellington Local Action Planning Board • Various Alexandrina Council committees and advisory groups including Audit Committee and Economic Development Advisory Panel

This form must accompany the Nomination Form

Mayor Sam Telfer
LGA President Candidate

Dear Mayor Hanna and elected colleagues at the City of Marion,

I am writing to ask for your support for my nomination for the position of LGA President.
I am the Mayor of the District Council of Tumby Bay and the President of the Eyre Peninsula Local Government Association. Through those roles I have been a member of both the LGA and SAROC Boards.
The LGA needs strong, consultative, and accountable leadership, and I believe that I am the best candidate to help deliver that outcome.
We need meaningful change, not more of the same.
Below are some of the areas which I will be focussing on if I am privileged enough to be elected as your LGA President.

REFORM

There are many areas of local government in which the LGA can drive true reform. Once the Parliament makes the decision on the future of ratecapping, the LGA President will need to provide strong leadership for the Board and the sector in making progress in some of these key areas. Financial responsibility can be strengthened through reform in strengthening accountability to Long Term Financial Plans and standardisation of the audit process across the sector. Code of Conduct reform can be driven to ensure greater transparency and ramifications for serious offences, as well as minimising reporting that is frivolous or purely personality clashes. The LGA can also help facilitate better collaboration between Councils to help drive efficiencies, as well as enabling Councils to have a strong vision on the structures of their organisations in future years.

REPRESENTATION

The LGA needs to continually be focussed on representing the needs of its member Councils. I have experience as both a Mayor and as an Elected Member, and I know the importance of sound communication with both. There needs to be a greater level of trust between the LGA and its members, with transparency and accountability around decision making. The LGA is a member organisation, and those members need to be the drivers of the future direction for the organisation. This means constructive communication at all times, not just at scheduled times of the year. We must be focussed on supporting the core business of Councils.

RELATIONSHIPS

A strong relationship between the LGA and the Federal and State Government is paramount for the future strength and longevity of Local Government. We need these relationships to be collaborative and constructive, not divisive and adversarial. I have good rapport with all sides of politics, and am always proactive to find solutions which advantage the communities we represent.
There are so many opportunities which we can maximise with strong relationships with other levels of government and their departments, especially in areas of 'red-tape' and regulation which continue to cost councils time and money.

Mayor Sam Telfer

TELEPHONE
0427 885607

EMAIL
stelfer@
tumbybay.sa.
gov.au

Mayor Sam Telfer
LGA President Candidate

The next two years are going to see much opportunity and need for change, and we need strong leadership throughout that time.
During my time in Local Government, I have been able to recognise such opportunities to be an innovative and forward-thinking leader for my council and region. As well as this, during this term as Mayor I have completed a *Bachelor of Government and Public Management* through Flinders Uni, which has added to my skills and knowledge in developing a representative organisation such as the LGA to be run to its full potential.

As President of the LGA, I will provide strong, accountable and energetic leadership, driving the opportunities for change while balancing the strengths which we already have as an organisation.
I would appreciate your support in my bid to do so.

I welcome anyone who would like to talk to me further, and once again ask for your vote for my candidacy for this important role in our sector.

Yours respectfully,

Mayor Sam Telfer

Mayor Sam Telfer

TELEPHONE
0427 885607

EMAIL
stelfer@
tumbybay.sa.
gov.au

Mayor Dave Burgess - Nominating for LGA SA President

Local Government has been my passion for over 16 years. My dedication to the Local Government sector has resulted in significant changes and efficiencies.

Your support will help me to build on the respect Local Council deserves within our Government sector without political bias.

Naracoorte Lucindale Council
Better by Nature

3 September 2018

Dear Mayor and Elected Members

I am writing to seek your support for my nomination for the position of LGA SA President.

I have been an elected member of the Naracoorte Lucindale Council since 2000 and Mayor for 8 years. I am a Country Zone Vice-President of LGASA, member of the LGASA Executive and LGASA board, Chairman of SAROC and President of Limestone Coast LGA.

As President, I will focus on continuing to build relationships with all member councils, government sectors and other key stakeholders

I am a passionate supporter of local government and have the leadership qualities and experience to positively improve the profile of local Government. During my leadership of the Limestone Coast LGA this organisation continues to perform as one of the strongest regional LGAs, with the seven member councils working collaboratively, employing an Executive Officer and six staff to deliver regional projects for the benefit of the member councils and region.

The LGASA has undergone significant improvements and reform and I strongly support the continued efforts to achieve the best outcomes for the member councils. The LGA's Key Initiatives of Leadership & Advocacy; Capacity Building & Sustainability; and Best Practice & Continuous Improvement are highly valued by me through:

- **Clear and open communication with member councils**

The Association's strength is in its membership of all 68 councils and clear and open communication with all members is vital. Value for membership, services available, events, training and development need to be communicated well and I am committed to improving on the LGA listening to and representing its members.

- **Increasing LGA commercial enterprise capacity to reduce member costs**

The recent refresh of the sector's mutual liability and workers compensation schemes will deliver $40 million in savings to Councils and ratepayers over the next decade.

I strongly support the continued development of procurement services and commercial initiatives to increase services offered to member councils. Recently established LGASA Commercial Solutions will assist to improve efficiencies and save costs. It's a great example of the local government sector coming together for the benefit of our communities.

DeGaris Place (PO Box 555) Naracoorte SA 5271
Telephone (08) 8760 1100
Email council@nlc.sa.gov.au
www.naracoortelucindale.sa.gov.au

Naracoorte Lucindale Council
Better by Nature

- **Strong and positive advocacy for local government across all levels of government**

I have the experience and constructive connections with state and federal government members across all parties to advocate for local government issues that are important to our sector and communities. Cost shifting to councils needs to be addressed, with State Government decisions, such as increasing the Solid Waste Levy by 15 percent and increasing the NRM Levy by up to 9 percent, adding millions of dollars to rate notices every year.

My positions on boards and committees such as the RDA Limestone Coast Board have given me the platform and experience to strongly communicate on local government matters.

- **Partnering with State Government to progress local government reform agenda**

I am committed to working with all Members of Parliament to deliver local government reforms that will result in sustainable benefits for communities.

The LGA needs to partner with councils, the Government and Parliament for workable, evidence-based changes that will deliver real and lasting benefits. Benchmarking for councils, standardising council audits, a better code of conduct approach that makes us more accountable to our communities and allowing opportunities to diversify local government revenue are all potential reforms that have been identified by the sector.

Other Information

- I am an active board member of RDA Limestone Coast, and Australian Migrant Resource Centre
- Awarded OAM in 2017 for services to Local Government and the community
- Recipient - LGA John Legoe Encouragement Award

Your consideration and vote to be your next LGASA President to represent the Local Government sector would be appreciated.

Yours sincerely

Erika Vickery OAM
Mayor

Mobile: 0427 622 133
Email: erika.vickery@nlc.sa.gov.au

SCANNED

OFFICE OF THE MAYOR

MOUNT BARKER
DISTRICT COUNCIL

17 August 2018

Dear ~~Mayor~~ Kris and Elected Members

RE: Nomination for President of Local Government Association SA

I write seeking your support for my nomination for LGA SA President.

Local Government Experience & Knowledge

I have been an elected member of council since 1992 and Mayor since 2006. I was a member of SAROC for 4 years, State Executive for 2 years, Chair of the SHLGA for 4 years and a member of the LGA Board for 6 years.

Mount Barker has been determined to be a major regional growth centre for South Australia. Government policy failed to take due account of the aspirations and needs of our community and infrastructure requirements and good regional planning into consideration. Our council took a strong but constructive decision to ensure our best outcomes for the region. While we did not get everything we desired, we achieved a good outcome for current and future generations. As a result of this process the Government understood that we needed to change the way regional planning decisions were made.

Local Government Policy Views & Interests

As president of the LGA it will be necessary to represent the needs and aspirations of communities when negotiating with Government to determine policy directions. This relationship with Local Government and State Government is crucial and while there will always be creative tension between these two parties every effort must be made to ensure we have constructive outcomes.

Relationships with the Federal Government are also key as they determine how much infrastructure is funded. We need to ensure that we have close working relationships with the local members and ministers in our attempts to influence policy.

The development of policy at a Local Government level must be seen to be professional and consultative and ensuring that what we're asking for is reasonable, practical and achievable. It is crucial that we're seen to be an efficient and well-run Government sector. Being closest to the people is both an asset in that we have close association with our community but maybe sometimes difficult to capture the right emphasis.

There is no doubt that climate change will have a considerable impact on how we live and work in our communities. Climate adaptation programs development in each region is crucial to ensure that we address changes as best we can. In addition to our own work in this area we need to ensure that State and Federal Government policies take due account of how they will impact on each of our areas. There will be many challenges that we'll face but I believe that we have the right structures in place to achieve our outcomes.

T 08 8391 7200 | 6 Dutton Road (PO Box 54) Mount Barker, South Australia 5251 | E council@mountbarker.sa.gov.au | www.mountbarker.sa.gov.au

ABN 54 250 395 713

Other information

I was Chair of the Regional Development Australia Adelaide Hills, Fleurieu and Kangaroo Island Board for 9 years. I have been a member of the Royal Australian Nursing Federation and Nurses Board of South Australia, The Police Credit Union, Mount Barker DSM Hospital and other associations.

I was awarded an OAM in 2014 for service to community and Local Government. These activities cover a wide range of the daily life of our community. I take great pleasure in being a part of these groups and engaging with so many hard-working individuals.

My region is growing at a tremendous pace; by working with all these communities we can ensure that those new comers to our region not only fit in but make a contribution to the development of our community.

Working in Local Government ensures that you get a grass roots view of what happens and what is important. It enables us to speak to other members of the Government with passion and authority. We need to balance this with the professionalism and economic certainty that will ensure the best mix for all of our communities.

Thank you for taking the time to consider me for this important role representing our sector.

Yours faithfully

Ann Ferguson

Ann Ferguson OAM, FAICD, JP
MAYOR

Dear Kris,

I would appreciate your support in the forthcoming election

Regards

Ann

ALEXANDRINA COUNCIL
OFFICE OF THE MAYOR

File: 10.14.010
Doc: kp; al

16 August 2018

Dear Elected Member

Re: Nomination for role of President of the Local Government Association of South Australia

I am writing to you as a nominee for the position of President of the Local Government Association of South Australia and seek your Council's support for my nomination.

By way of background, I have been Mayor of Alexandrina Council since November 2014 and a Councillor of the Goolwa-Hindmarsh Island Ward from 2010-2014, motivated to join local government to improve support for our drought-stricken community. Prior to that, I have been a small business owner in both metro and regional settings.

As Mayor of Alexandrina Council, I represent almost 27,000 residents and 1,800 square kilometres of some of the most picturesque and productive land in the State. Being from a regional council with both agricultural and peri-urban characteristics, I also believe I have a strong understanding of the diversity of issues facing SA councils and their communities. I have served on several Boards and Committees in that time, which currently include, the LGA SA Board, SAROC and President of Southern and Hills Local Government Association. I am known for my passion for local government, strong work ethic and very close engagement with my community. I am proud of the achievements of our Council in my time as Mayor such as the joint venture for the Fleurieu Aquatic Centre, the lowest rate increase since amalgamation, and numerous awards for excellence.

I intend to focus on four themes if elected as President of LGA SA. I want South Australian Councils to stand for:

11 Cadell Street (PO Box 21) Goolwa SA 5214
www.alexandrina.sa.gov.au
T 08 8555 7000 F 08 8555 3603 E alex@alexandrina.sa.gov.au ABN 20 785 405 351

Dedicating time to a strong *community* presence
As the closest level of government to the community, I believe it is essential that we, as leaders, are amongst our community continually – observing, listening, analysing and communicating. As LGA President, I would like to dedicate time, in tandem with you, to a presence in each of your communities. I am keen to meet your local elected members, but also tour your suburbs, townships and rural areas, and talk with those who elect all of us. As Mayor of Alexandrina Council, I dedicate much of my time to getting out into my district and hearing from our residents. I want to bring this perspective of leadership to the LGA and strengthen its claim as the 'voice' of community.

Fostering a *commitment* to local government innovation
Being involved in local government for eight years, I have seen much excellence, but also many areas in which we could improve. Sectors that don't innovate, don't survive. I want to encourage local government innovation to be easier, more accessible and more accepted by all our stakeholders – elected bodies, administrations and community. If the LGA can work to build innovation across Councils big and small, metro or regional, whether that is at the macro level of policy development, or the micro level of processing a resident enquiry, we all benefit. At Alexandrina Council, I have continually led by example seeking a better way to do what we do and working in partnership with our administration to stretch ourselves to achieve it.

Harnessing the *collective* energy of all levels of government
Local government can't work alone. Too often, we focus on why local government isn't heard. Perhaps we should ask the question – are we listening? Are we attuned to what our nation or our state needs of us as the third tier of government? Are we working towards scenarios that are win-win, rather than criticising that which often becomes our responsibility by default? I have championed the cause of financial assistance grants while Mayor of Alexandrina because I see it as a mechanism for all levels of government to work towards a common good of distributing scarce revenue where it can be most equitable and effective. As President of LGA, I will be asking these questions of all of us and working towards a solution-focused style of representation.

Putting a spotlight on *contemporary* issues for South Australians
Local government issues aren't just about local government functions. Our community's issues are our issues. We all firmly believe in our State. It may not receive the national attention we think it should sometimes, but that shouldn't hamper us. A State our size, with our characteristics, can be a leader in navigating national issues – such as our ageing population or climate change. Alexandrina Council doesn't have the largest populations or benefit from large scale industry, but we have just reached a $1 billion economy on the back of small and micro businesses. We know what it is like to punch above our weight and I believe I can represent South Australian Councils to lead on even the most complex of issues.

It would be a privilege to represent you over the next two years and I look forward to your consideration. I welcome the opportunity to address any point that may interest you regarding my nomination, experience, or what the future of LGA SA might hold. I can be contacted at the details below.

Yours sincerely

Keith Parkes
Mayor

Mobile: 0408 818 663
Email: keith.parkes@alexandrina.sa.gov.au

Process for meeting ballot

At its meeting of 8 September 2015 (GC080915R05), Council resolved to adopt preferential voting as the method to apply when conducting ballots for positions selected by Council.

The process to apply will be as follows:

- Nominations will be sought.
- If more nominations than positions are received, a secret ballot will be held.
- Council members will be provided with ballot papers and requested to indicate their first preference by placing the name of the candidate next to number one of the ballot paper.
- Council members may place the name of the second preference next to number two and continue this process until all candidates are named on the ballot paper.
- As a minimum, Council members must vote for candidates equal to the number of positions. For example, the DAP has three positions. If there are six candidates, members must vote for at least three. If members fail to vote for the minimum number, the vote will be declared invalid.

Counting

- The first candidate to reach quota will be elected.
- The quota is calculated as follows:

$$\frac{\text{Total number of formal ballots papers}}{\text{Number of vacancies} + 1} + 1$$

If a fraction occurs, it will be rounded up. This formula is the same applied to the calculations of quotas within Local Government Elections.

- The ballot papers will be sorted by first preference votes.
- The candidate with the least votes is excluded.
- The excluded candidate's votes are distributed to the next candidate on the ballot paper.
- In the case where there are equal votes at the conclusion of re-distribution of votes, they will both be excluded.
- This process will continue until there is a clear winner.
- In the event that there is a tie at the conclusion of the process, Council will be requested to vote again for one of the two final candidates.

Once a nominee is identified, this will then be voted upon as a formal council resolution under the Local Government (Procedures) Regulations at meetings.

Election of GAROC Representatives

Originating Officer	Elected Member Support Officer - Nakita Van Rooijen
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R13

REPORT OBJECTIVE

The purpose of this report is to notify Council that a ballot has been called by the Local Government Association (LGA) for the election of eight positions on the Greater Adelaide Regional Organisation of Councils (GAROC).

Nominations have been received from;

Cr Christel Mex (City of Norwood, Payneham and St Peters)
Cr Grant Piggott (City of Burnside)
Mayor Gillian Aldridge (City of Salisbury)
Mayor Kevin Knight (City of Tea Tree Gully)
Cr Rosaline Marie (Mikki) Bouchee (City of Holdfast Bay)
Deputy Mayor Janet Byram (City of Marion)
Mayor Karen Redman (Town of Gawler)
Mayor John Trainer OAM (City of West Torrens)
Deputy Mayor Jan-Claire Wisdom (Adelaide Hills Council)
Councillor Neville Grigg (Campbelltown City Council)
Mayor David O'Loughlin (City of Prospect)
Councillor Don Palmer (City of Unley)
Councillor Arthur Mangos (City of West Torrens)

Accordingly, an election is necessary to determine the appointment of eight candidates. The election will be conducted by postal vote and strict guidelines must be adhered to when completing and returning the ballot paper.

Council needs to determine which eight candidates it wishes to elect.

RECOMMENDATION

That Council votes for the appointment of;

1. .....

2. .....

3. .....

4. .....

5. .....

6. .....

7. .....

8. .....

to the Greater Adelaide Regional Organisation of Councils.

GENERAL ANALYSIS

In their correspondence dated 26 July 2018 the LGA invited Councils to submit nominations for the eight positions on the Greater Adelaide Regional Organisational of Councils (GAROC).

The LGA has received thirteen candidate nominations for eight positions and as such an election will be conducted in accordance with the provisions of Clause 4.4.4 of the GAROC Terms of Reference.

Ballot papers have now been received along with information on the thirteen candidates (refer Appendix 1). Correspondence has also been received from Councillor Neville Grigg seeking support for his nomination (refer Appendix 2).

At its meeting of 8 September 2015 (GC080915R05), Council resolved to adopt preferential voting as the method to apply when conducting ballots for positions selected by Council. The process for meeting ballot as adopted is included as Appendix 3.

DISCUSSION

Each Council is entitled to vote. Council needs to determine which eight candidates it wishes to elect.

Council's delegate to the LGA Annual General Meeting (Mayor Kris Hanna) will then be required to complete the ballot paper in accordance with Council's resolution and submit Council's vote to the LGA Returning Officer by 5pm Thursday 18 October 2018.

The Counting of the votes will take place at Local Government House on Friday 19 October 2018, commending at 9am. The successful candidates will take office from the conclusion of the LGA's 2018 Annual General Meeting for a term ending at the conclusion of the 2020 LGA Annual General Meeting.

Attachment

#	Attachment	Type
1	Ballot Papers and Candidate Details	PDF File
2	Correspondence from Councillor Neville Grigg (Campbelltown City Council)	PDF File
3	Process for meeting ballot	PDF File

Local Government Association of South Australia

The voice of local government.

Ballot Paper

Election for GAROC 2018-2020

8 Persons Required

Ballot closes 5:00pm Thursday 18 October 2018

Important Note: **In accordance with Clause 4.4.5(d) of the GAROC Terms of Reference, the chair of the meeting for that Member Council shall mark the ballot paper with an "X" next to the eight (8) candidates that the Member Council wishes elected, then seal the ballot paper in the envelope marked "Ballot Paper" and place it inside the envelope marked "Returning Officer". The envelope should then be sealed and delivered to the Returning Officer.**

☐	**MEX,** Christel	Councillor	City of Norwood, Payneham & St Peters
☐	**PIGGOT,** Grant	Councillor	City of Burnside
☐	**ALDRIDGE,** Gillian	Mayor	City of Salisbury
☐	**KNIGHT,** Kevin	Mayor	City of Tea Tree Gully
☐	**BOUCHEE,** Rosalina Marie (Mikki)	Councillor	City of Holdfast Bay
☐	**BYRAM,** Janet	Deputy Mayor	City of Marion
☐	**REDMAN,** Karen	Mayor	Town of Gawler
☐	**TRAINER,** Hon John OAM	Mayor	City of West Torrens
☐	**WISDOM,** Jan-Claire	Deputy Mayor	Adelaide Hills Council
☐	**GRIGG,** Neville	Councillor	Campbelltown City Council
☐	**O'LOUGHLIN,** David	Mayor	City of Prospect
☐	**PALMER,** Don	Councillor	City of Unley
☐	**MANGOS,** Arthur	Councillor	City of West Torrens

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet
GAROC

Name:	*Cr Christel Lorraine Mex*	
Council:	*City of Norwood, Payneham & St Peters*	
Local Government Experience & Knowledge	Having just completed my first term as councillor for the Kensington and East Norwood Ward in NPSP, I am ready to serve our communities at a regional level as a member of GAROC. I started my working career in local government as a community development officer for the City of Elizabeth, where the local Rotary Club presented with me the Vocation Service Award for services to the city in 1988. Now 'retired', I have since gained 25 years' experience with the State Government in senior roles across various agencies including the Department of the Premier and Cabinet, NRM, the State Library, Adelaide Festival Centre and the Office for Volunteers where I was its first general manager. In all these roles, I had positive dealings with local government and partnered in many projects, particularly with the LGA in developing targets for South Australia's Strategic Plan. Through this experience, I have an essential understanding of the dynamics between the different tiers of Government which will be beneficial if I am given the opportunity to serve as a representative on GAROC.	
Local Government Policy Views & Interests	We are entering a tumultuous time in Local-State Government relations, particularly around planning and cost-shifting issues. It is important to me and our communities that we safeguard our local suburban character, historic conservation zones and built heritage. I am worried that many years of hard work and community investment in local planning will be lost with the new planning policies that drastically reduce community empowerment. The issue of cost-shifting from the State Government is getting worse, and we will see more of it with increasing levies and funding cuts to critical services such as public libraries. The public needs to be aware of these cost pressures, especially if rate capping goes ahead. Electoral reform is also of interest to me, and it will be an ongoing challenge to balance cost pressures, the need to have manageable-sized wards for effective community engagement, and keeping the influence of political parties at bay. GAROC plays a crucial role in sharing information, and I am very interested in increasing collaboration and sharing of resources across councils. We need to move away from competition and explore initiatives where we can reduce costs as well as increase innovation in service delivery. I am also interested in building the capacity of our local community groups, who do so much for the well-being of our residents. These volunteer-led grassroots associations include our community bands, environment groups, historical society, service clubs and sporting clubs to mention a few. I believe that local government can do more to work with other tiers of government to	

	increase support for these groups and encourage more members of our communities to get involved with them. More and more of our residents are living alone and are looking for ways to connect with their neighbours. Having a vibrant community sector provides an important pathway for our residents to become active in their communities.	
Other information	In August this year, I submitted a PhD thesis through Flinders University examining the issues facing volunteer leaders of community groups, which was supported by the Australian Research Council. My other qualifications include a Bachelor of Arts and Master of Business Administration. I have served on numerous boards for not-for-profit associations, professional associations, community groups and recently helped initiate South Australia's Volunteering Strategy. During my career, I was a finalist in the Telstra Business Women's Awards, received the National Marketing Award from the Australian Marketing Institute and the Outstanding Service Provider Award from the Adelaide Festival Centre Trust.	

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

Refer attached information.

(word limit is strictly 1,000 words)

Name:	*(insert title, first name and surname)*
Council:	*(insert council name)*
Local Government Experience & Knowledge	• *(insert)*
Local Government Policy Views & Interests	• *(insert)*
Other information	• *(insert details of leadership, board, corporate governance experience etc)*

This form must accompany the Nomination Form

Council	City of Burnside
Name	Grant Edward Piggott
LG Experience	Elected member, 2010- present Board member, Eastern Waste Authority, 2010- present Member, Development Assessment Panel, 2011-2015 Deputy Chair, 2012-2015 Member Audit Committee, 2013 Extensive knowledge of workings of local Government
LG policy Views	Particular interest in financial stability of Council - the need to balance the needs of the community with the need for financial sustainability. Active interest in the Annual Business Plan process, achieving sound investment in infrastructure and management of debt Passionate around delivery of the day-to day expectations of Council – infrastructure, waste, parks, aged care Major interest in Planning, borne out of my DAP experience and addressing with the issues of residents I work toward stability within the Council Chamber - it should be a robust but collegiate environment.
Other Information	Qualified Chartered Accountant 30 years in financial & commercial roles General Manager, Royal Agricultural & Horticultural Society of SA Inc. – responsible for the delivery of the commercial areas of the Society business. Performed a number of voluntary Committee roles for Not-For-profit organisations. Active observer of the Local government sector.

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	Mayor Gillian Aldridge
Council:	City of Salisbury
Local Government Experience & Knowledge	• Mayor of City of Salisbury since 2008 • Elected Member, City of Salisbury since 1988 • Voting Representative, Local Government Association Board • Member, MLGG – Executive Committee • Member, Metropolitan Local Government Group • Mawson Lakes Community Trust Fund • Gas Technical Advisory Committee • Morella Community Centre
Local Government Policy Views & Interests	Mayor Aldridge is a firm believer that Local Government has a role to play in delivering leadership to the community, and to ensuring the City is one which people feel proud to be a part of. The City of Salisbury is a rapidly developing residential area in northern Adelaide, with a strong commercial sector focussing in defence research, electronics and information technology, automotive industries, food and value added agriculture. Gillian is passionate about continuing the City's sustainability initiatives, developing housing opportunities which couple with retail and commercial opportunities, as a way of creating community prosperity and connectedness.
Other information	Mayor Aldridge is a member of the LGA Board and the MLGG – Executive Committee.

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	Mayor Kevin Knight
Council:	City of Tea Tree Gully
Local Government Experience & Knowledge	• First elected to position of Councillor 1993. Served on council continuously until 2006. Was Deputy Mayor for a year and served on many sub committees. The most predominant was chairman of CDAP until 2006. • Re-elected as a councillor in 2010 after 4 years off. Served on the Audit committee, Traffic Management subcommittee and CDAP. • Elected as Mayor in 2014. • Have been involved at the City of Tea Tree Gully for 18 years in total • Member of the LGA Board for the last two years.
Local Government Policy Views & Interests	• Prudent financial management has been a priority and one of my major interests has always been planning. • Strong believer in the word "Local" it is what separates us from the other tiers of government. • Good governance policies have been a strong interest as well as Traffic management and open space.
Other information	• Prior to retirement I held the position of State Manager for Simplex International in Adelaide and State manager for Micropay. I have an IT background along with Sales and management responsibility. I took a package at a reasonably young age and am now a self-funded retiree.

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	*Councillor Rosalina Marie (Mikki) Bouchee*
Council:	*City of Holdfast bay*
Local Government Experience & Knowledge	4 years Councillor City of Glenelg 4 years Alderman City of Glenelg 15 years Councillor City of Holdfast Bay Previously Deputy Mayor/member of Executive Committee/Chairman of Works Committee/Development Assessment Panel Member
Local Government Policy Views & Interests	*SALGA /GAROC to continue its efforts in getting more control over planning.* *Effects of Urban Consolidation on planning and infrastructure .* Negative budget impacts of State Government devolving responsibility/costs of legislation onto Local Government. Local Government (SALGA & ALGA) to be recognized in Australian Constitution. Research/initiatives into Waste Management/continue negotiating better deal with waste levy. For Local Government to be more pro active and lead the way….ahead of State Government. Strategic Planning
Other information	Board Member Southern Region Waste Management (6 years) Chair/Board Member Western Region Waste Management(8 years) Board Member NRM 2 years Deputy Member LGA 2 years

This form must accompany the Nomination Form

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	Deputy Mayor Janet Byram
Council:	*City of Marion*
Local Government Experience & Knowledge	LGA Adelaide Metropolitan Zone Deputy Member 2018 City of Marion Council Elected Member 2014-18, Deputy Mayor 2018
Local Government Policy Views & Interests	I believe in the importance of Local Government. I see the LGA as vital in representing that importance across our State. I would like to see the LGA become a positive body for improving Local Government outcomes across SA by strengthening collaboration and co-operation between councils and standing for the highest standards in accountability and transparency.
Other information	20 years' Service in Australian Defence Force, as an Ordinance Officer Over 40 years' service to Scouts Australia as a Leader. Work over 40 years with youth programs including Children's Ministry. Advocate and teaching work in aged care and disability fields. Board member of South Australian Women's Memorial Playing Fields Trust Inc. since 2017/18, and member of SAWMPF Fundraising Committee

Candidate Information Sheet

GAROC (word limit is strictly 1,000 words)

Name:	*Mayor Karen Redman*
Council:	*Town of Gawler*
Local Government Experience & Knowledge	Dear Mayors and Council Members I seek your support for my nomination to the Greater Adelaide Region of Councils (GAROC). • **Local Government Experience and Knowledge** As a Council Member for the Town of Gawler since 2010, Mayor of Gawler as of 2014, and Chair of the Metropolitan Local Government Group for the past two years, I believe I possess the experience, skills and knowledge required to be an effective GAROC member. In addition, my experience as an LGA Board member since 2016 and most recently, as a Vice President of the LGA, gives me important insight and experience of our most senior Board in Local Government here in South Australia.
Local Government Policy Views & Interests	• I have been a strong supporter of efficiency and effectiveness across our sector, the promotion of smart communities through innovation and sharing of ideas and cultural tourism. I understand the value of our cultural heritage, how it builds strong communities, and why it will drive economic development in our respective Council areas and accordingly, South Australia. In Gawler, I have tirelessly raised the profile of my community and have understood that to be successful, we need to work together with our state and federal colleagues and have clear priorities. • For GAROC, there is an opportunity to consider how the region functions and the potential for sub-regions to ensure all Councils have an effective voice at this strategic level. GAROC has the potential to be an important advocate on issues of importance to our metropolitan region.
Other information	• It is critical we build public confidence in Local Government, to ensure that our community voice is not only heard, but also respected, as we engage with State and Federal governments. This will benefit not just Local Government, but critically the communities we serve.

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	*Hon. John Trainer OAM, Mayor*
Council:	*City of West Torrens*
Local Government Experience & Knowledge	• *18 Years as Mayor, City of West Torrens. Elected in 2000. Four times re-elected unopposed. Member of National Executive of Australia Mayoral Aviation Council. Former LGA Vice President etc*
Local Government Policy Views & Interests	• *My main value at this crucial point in time would be through my strong advocacy against rate capping and forced amalgamations.*
Other information	• *14 years as a State MP, including 4 as Speaker*

This form must accompany the Nomination Form

Local Government Association of South Australia

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Candidate Information Sheet GAROC (266 words)

Name:	**Deputy Mayor Jan-Claire Wisdom**
Council:	**Adelaide Hills Council (AHC)**
Local Government Experience & Knowledge	• *Acting Mayor periodically during 2017 and 2018* • *Deputy Mayor elected 5 times during period 2012-2018* • *Councillor since 2010* • *Local Govt rep State Libraries Board (Ministerial appt) since 2012 including State Library Director Selection and Appointment Panel 2018* • *LGA Board since 2018* • *MLGG since 2017* • *SHLGA since 2017* • *AHC CEO Review Panel since 2012 (Chair 2 years)* • *AHC CEO Selection panel 2012* • *Member many AHC Committees, Advisory and Working Groups* • *Key knowledge/skills: Strategic Planning, Leadership, Collaboration and Partnerships, Advocacy, Public Speaking, Policy Development and Review, Communications, Community Development*
Local Government Policy Views & Interests	• *Support - opposition to Rates Oversight Bill 2018* • *Support - reform of CM Code of Behaviour* • *Support - structuring GAROC into council groupings/regions* • *Support - mix of representation & skills base for GAROC members* • *Support - benchmarking* • *Support - reviewing the representation review process* • *Support - opportunities to diversify local government revenue* • *Interest - local government leadership in waste & recycling sector* • *Interest - sustainable Public Library funding and reversion of cost shifting* • *Interest – building LG, uni and industry sector collaboration* • *Interest – greater role for LG in tourism development* • *Interest – developing improved community engagement processes*
Other information	• *Fellow of the Governor's Leadership Foundation (2015)* • *Excellence in Local Govt Leadership Award (2014)* • *Governor, Glenunga Intl High School (2009-13)* • *Qualifications: Degree in English and Philosophy, post-graduate degrees in Library and Information Studies, Journalism, Masters in Communications, and Doctor of Philosophy (PhD) in Policy Analysis* • *Currently an Adjunct Research Fellow in the Business School of UniSA* • *Currently developing a health services directory for six councils* • *Professionally qualified Librarian, Systems and Business Analyst, Journalist, Management Consultant, Small business owner/operator, and served 10 yrs as Defence Force (Army) reservist*
	CURRENT CANDIDATE FOR MAYOR OF ADELAIDE HILLS COUNCIL

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	Councillor Neville Grigg
Council:	Campbelltown City Council
Local Government Experience & Knowledge	Elected to Campbelltown Council in the General Elections of November 2006. During this time I have attended most LGA (Local Government Association) Annual General Meetings, several National AGM's and a number of Local Government focussed conferences and seminars. My experience has given me a good insight into the workings of Local Government I am very keen to become further involved with the LGA. Over the 12 Years I have served on the following Council Committees: • Development Assessment Panel (Before the name change) • Audit & Governance Advisory Committee • Service Clubs Advisory Committee (as Chairman) • CEO Performance Review Panel (as Chairman) • Economic Development Advisory Committee. Also served on the following external Committees: • Stradbroke School Governing Council • Magill Senior Citizens Hall Committee (as Chairman) • King George Hall Committee (as Chairman).
Local Government Policy Views & Interests	• Strong Supporter of Local Democracy. • Strongly against Rate Capping. • Keen to work with Finance Committees having worked in the Finance Industry for over 30 Years. • Very keen to work with the Councils and help them whenever I can. • Strong Supporter of Sporting and Community Clubs.
Other information	• As stated above I have been (and still are) Chairman of various Council Committees. • Member of Audit & Governance Advisory Committee. • Having been on Campbelltown Council for 12 Years I am keen to further my experience within Local Government. • I am a Self Employed Mortgage Broker and therefore have the flexibility to attend LGA meetings at any time as required within this role.

	• My experience in the Local Government will enable me to be an effective Board Member and to help out Councils across the State. • Completed a Diploma of Local Government (Elected Members) • I am a Justice of the Peace

This form must accompany the Nomination Form

Candidate Information Sheet
GAROC

(word limit is strictly 1,000 words)

Name:	*Mayor David O'Loughlin*
Council:	*City of Prospect*
Local Government Experience & Knowledge	Extensive experience across many roles from local ward councillor to LGA Board representative, LGASA President and now ALGA President. Locally I've driven a raft of economic development reforms, sector leading planning reforms and investment attraction strategies which have transformed our city. At a state level I've championed internal improvements to the LGASA, improved relationships with key stakeholders across State government, and driven key change processes such developing new legislation for Boundary Reform and advocating for the sector throughout the government's planning reform process. In the wake of China National Sword I have energized significant discussion and advocated locally and nationally for culture change in waste management, recycling and targeted government procurement strategies to improve the circular economy. In my role on the State Commission Assessment Panel I represent local government and am constantly reinforcing the need to assess projects, no matter how major, against the local development plan and strategies. Procurement has been a professional focus of June for decades through my construction background and I have been privileged to have been given the opportunity to apply these skills as chair of LGA's Procurement entity to derive exceptional value for Councils across the State. Previous and current roles include: LGA SA: Immediate Past President, 2015-2017; President, 2013-2015; State Executive Committee, 2006-2017; ALGA: Board Member, 2013-2017; ALGA President, 2017-current; Metropolitan Local Government Group Executive Committee, 2007-2014; Chair LGA Development Plan Reform Committee, 2012-2014; Chair of Metropolitan Local Government Group 2009, 2010, 2011; Founding Member, Eastern Region Alliance; Member, Capital City Committee 2011-2012 Ward Councillor, 2003-2006, including membership of several Section 41 committees; Presiding Member Development Assessment Panel 2005-2006; Chair Local Government Procurement Board, 2015-current; Commissioner Development Assessment Commission, 2015-2017 Member, State Commission Assessment Panel, 2017-current.

Candidate Information Sheet
GAROC

(word limit is strictly 1,000 words)

Local Government Policy Views & Interests	Local communities are the very foundation of our nation and local government is at the heart of them. The LGA has a pivotal role in representing the concerns and aspirations of local government and advocating for improvements across the sector, state and nation. By working collaboratively across council boundaries we present a stronger voice when negotiating with industry and other levels of Government. I am a strong advocate for us, as local government practitioners, being the masters of our own destiny because we are the experts in our field - provided that we can see and grasp the opportunities in front of us. I have always been motivated by the influential role Councils have in stimulating community growth, e.g. community arts and events, local economic development, changes in community behaviour such as waste recycling and energy sustainability measures. The LGA encourages Councils to look beyond their borders, share ideas and learn from each other for the benefit of our local communities - it is the primary reason I joined the Board and with to continue serving as a representative on GAROC.
Other Information	Over 35 years of community service in Adelaide and Whyalla, previously including: Lions Club, Knights of the Southern Cross, Young Christian Workers movement (Branch President, Diocesan President, Youth Worker, Chaplain), parish council, and Reconciliation SA. Currently serving the community via my local council and the following: Blackfriars Priory School Board (Chair), Prospect Kiwanis, Art Deco and Modernism Society SA (Convener), Diocesan Finance Council, and the UniSA Architecture Museum. I have also held a number of executive roles in the private and public construction industry for over 30 years.

Local Government Association of South Australia

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Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	*(insert title, first name and surname)* Cr Don PALMER
Council:	*(insert council name)* City of Unley
Local Government Experience & Knowledge	• *(insert)* Refer attached
Local Government Policy Views & Interests	• *(insert)*
Other information	• *(insert details of leadership, board, corporate governance experience etc)*

This form must accompany the Nomination Form

GAROC Nomination

Cr Don Palmer

City of Unley

Local Government Experience & Knowledge

I have been a member of the City of Unley since the 2010 periodic elections.

During this time I have participated in and held the following positions.

Deputy Mayor 2017

As Deputy Mayor (acting for our Mayor) I participated in the Metropolitan Local Government Group and the Eastern Regional Alliance.

Presiding Member

Development, Planning & Strategy Committee 2015-16. This committee managed the biggest development plan changes in the history of Unley.

Strategic Property Committee 2018.

Member

Development, Planning & Strategy Committee 2013-14.

Development Assessment Panel 2011-2014.

City Strategy Committee 2017-18.

Unley Business & Economic Development Committee 2012-2018.

CEO Performance Review Committee 2017-18.

Local Government Policy Views and Interests

Leadership

As I did in my business career I have always taken an interest in the industry in which I am participating, at this time the local government industry. I am a firm believer that the strength of an association is in the participation of its members.

I am also a firm believer in aiming to be part of the solution rather than the problem. To be someone who is seeking answers to issues rather than sitting back and criticising those taking the responsibility to seek the answers.

The LGA needs people willing to take on this responsibility. I stand ready to take on this role of leadership on your behalf.

As new blood I will also bring a fresh perspective to a fresh executive structure. This at a time when new blood will be positively received by our ratepayers.

Reform

As Unley's representative on the MLGG and ERA I have participated in the debate on the LGA's new structure. I back the new structure and look forward to advancing the reforms that the LGA executive have identified.

The local government industry needs to seek change and reform. We need to be the driver of change. This will require us to recognise where change is needed, and work with the Government to effect purposeful change. We need to be proactive to drive the reform and not be reactive to third parties.

Image

The local government industry needs also to work on changing the image of the industry to our ratepayers. It will not be enough to speak of the need for change. It is another to push the change and be the driver of change. We need mostly to be seen to be driving the change.

To achieve this we need to be seen as a sector responsive to our ratepayers needs. Once again this requires us being proactive, to undertake to understand what our ratepayers are seeking, and demonstrate that we do understand and that we are responsive.

Membership Participation

If the LGA is to be strong we need the LGA membership to be engaged.

GAROC will certainly need to provide the leadership to achieve the above aims. The general industry membership however needs to step up to the plate as well. As an association is only as strong as its membership we all need to participate in making.

We all need work toward bridging the gap that exists between some of us and the LGA.

I look forward to having the opportunity to provide a positive contribution to the local government industry to the betterment of the South Australian local government community.

Local Government Association of South Australia

The voice of local government.

Candidate Information Sheet

GAROC

(word limit is strictly 1,000 words)

Name:	*Cr Arthur Mangos*
Council:	*West Torrens City Council*
Local Government Experience & Knowledge	***Present*** • *Councillor for the City of West Torrens (Plympton Ward) - 27 years* • *Member of Local Government Association of South Australia Board (2016-2018)* • *Member of SA Public Health Council (2016-2018)* • *Chairperson of Strategy and Community Standing Committee (2014-2018)* • *Member of Corporate, Planning, Policy and Performance Committee* • *Chairperson Climate Adaptation Committee –Western Region (This comprises of the Cities of West Torrens, Port Adelaide and Charles Sturt Councils) (2014 - 2018)* • *Vice President of Region 7 Murray Darling Association {MDA} (2014-present).* • *Deputy Mayor for the City of West Torrens 2013 -2014, 2016-2017* • *Australian Mayoral Advisory Committee – Member since 2002 (Proxy to the Mayor 2016-2017)* • *Treasurer of Australia Day Committee South Australia Branch (2015-2016)* • *Chairperson of the Audit and Risk Committee (2010-2014)* • *Member of the Civic Committee for West Torrens Council (2010-2014)* • *Australia Day Committee Member South Australia Branch (2012 - 2014)* • *St Martins Advisory Board – Nursing Home Member for 17years and Chairperson for six years* •
Local Government Policy Views & Interests	• *Cr Mangos is concerned about the current economic climate and the effect of this, particularly with the possibility of rate capping, on businesses and the community.* • *Cr Mangos is passionate about the three levels of government working together for the benefit of the entire community to ensure fiscal responsibility and increased community capacity.*

	• *He is also passionate about environmental issues such as waste management and the impact of flooding.* • *Cr Mangos has a strong interest in asset management and infrastructure.*
Other information	• *Councillor for City of West Torrens for over 27 years has served as deputy Mayor and Chair* • *Board Member of Athletics South Australia (2009 - 2013)* • *Treasurer SA Athletics (2009 - 2013)* • *Treasurer of Australia Day Committee 2015 - 2016.* • *Board Member Athletics South Australia 2009-2013; Treasurer in 2013.* • *Member of Adelaide Airport Consultative Committee* • *Justice of the Peace serving the community for 25 years.* • *Committee Member of Greek Orthodox Community of SA Inc (1993-present)* • *Committee member of the St Michaels and Gabriel O'Taxiarchis Church and St Nicholas Church (1993- present)* • *Member of West Beach Surf Lifesaving Club*

This form must accompany the Nomination Form

SCANNED
CITY OF MARION
INFORMATION MANAGEMENT
20 SEP 2018
Original Fwd:
File No:
2 5 6 7 8 10 P

17 September 2018

Mayor Kris Hanna
City of Marion
PO Box 21
OAKLANDS PARK SA 5046

Dear Mayor Hanna

I have nominated for GAROC and seek your support in my endeavours.

I have been an Elected Member of Campbelltown Council for the last 12 years.

Having been a Banker and Finance Broker for some 30 years I have a good grasp of financial matters and I intend to bring this experience to the LGA. My own Council is debt free and a long term plan of rate rises of LGPI. If we can achieve similar Financial Management for the LGA then I believe we can achieve great outcomes. This will help reduce the impost on Councils and hence our communities.

During the last 12 years I have served on several committee positions including the Audit and Governance Advisory Committee, Council Assessment Panel, Economic Development Advisory Committee , Service Clubs Advisory Committee and CEO Performance and Remuneration Panel. Furthermore I have been Chairman or a Committee member of several clubs and Committees outside of Council.

I hold a Diploma of Local Government (Elected Members) LGA50712EM and am very keen to use this training to further assist in the operations of the Local Government Association. During my time on Council I have attended most of the Annual General Meetings, and General Meetings of the LGA and now wish to become further involved and offer my experience to the LGA

I believe that I can effectively communicate with Councils and will make sure that any messages are relayed to Member Councils or Councillors whenever it is required. If we all communicate together we can achieve great things for our communities.

Your vote will be very much appreciated and I pledge my support for all Member Councils.

Yours Sincerely

Cr Neville Grigg
Campbelltown Council
0400 376489
cr.grigg@campbelltown.sa.gov.au

cc: Mr Adrian Skull
Chief Executive Officer

Process for meeting ballot

At its meeting of 8 September 2015 (GC080915R05), Council resolved to adopt preferential voting as the method to apply when conducting ballots for positions selected by Council.

The process to apply will be as follows:

- Nominations will be sought.
- If more nominations than positions are received, a secret ballot will be held.
- Council members will be provided with ballot papers and requested to indicate their first preference by placing the name of the candidate next to number one of the ballot paper.
- Council members may place the name of the second preference next to number two and continue this process until all candidates are named on the ballot paper.
- As a minimum, Council members must vote for candidates equal to the number of positions. For example, the DAP has three positions. If there are six candidates, members must vote for at least three. If members fail to vote for the minimum number, the vote will be declared invalid.

Counting

- The first candidate to reach quota will be elected.
- The quota is calculated as follows:

$$\frac{\text{Total number of formal ballots papers}}{\text{Number of vacancies} + 1} + 1$$

If a fraction occurs, it will be rounded up. This formula is the same applied to the calculations of quotas within Local Government Elections.

- The ballot papers will be sorted by first preference votes.
- The candidate with the least votes is excluded.
- The excluded candidate's votes are distributed to the next candidate on the ballot paper.
- In the case where there are equal votes at the conclusion of re-distribution of votes, they will both be excluded.
- This process will continue until there is a clear winner.
- In the event that there is a tie at the conclusion of the process, Council will be requested to vote again for one of the two final candidates.

Once a nominee is identified, this will then be voted upon as a formal council resolution under the Local Government (Procedures) Regulations at meetings.

GAROC Terms of Reference

Originating Officer	Elected Member Support Officer - Nakita Van Rooijen
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R14

REPORT OBJECTIVE

To seek Council's support for a proposed amendment at the Local Government Association Annual General Meeting regarding the adoption of the Greater Adelaide Regional Organisation of Councils (GAROC) Terms of Reference.

EXECUTIVE SUMMARY

At the General Council meeting of 13 March 2018, Council reviewed and provided feedback on the Local Government Association (LGA) Constitution, rules and ancillary documentation inclusive of the GAROC Terms of Reference. At this time, it was noted that Regional Groupings would be applied within GAROC.

Following this, at the LGA Ordinary General Meeting held on Friday 13 April 2018, the membership adopted a new Constitution and transitional arrangement. A copy of this report is included as **Appendix 1**. The GAROC Terms of Reference form part of the ancillary documentation to be adopted at the LGA Annual General Meeting on the 26th October 2018. A copy of the report is attached at **Appendix 2**. It is noted that the GAROC Terms of Reference exclude the provision of regional groups, unlike the South Australian Regional Organisation of Council's (SAROC) that has regional groupings applied.

It is proposed that the GAROC Terms of Reference should have regional grouping applied to ensure that equal representation is elected from across the metropolitan councils.

RECOMMENDATION

That Council:

1. **Endorse the Mayor (or the voting delegate), to present the following amendment to the GAROC Terms of Reference at the Local Government Association Annual General Meeting on Friday 26 October 2018:**

   "That the Annual General Meeting adopts the Ancillary Documents (listed below) to the new LGA Constitution.....

   c. Terms of Reference for the Greater Adelaide Regional Organisation of Councils (GAROC), with the inclusion of a North, East, South and West Regional grouping applied in the schedule: list of regional groupings of Members"

GENERAL ANALYSIS

The role of GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the region(s).

The GAROC Regional Grouping consists of the below nineteen (19) listed members:

Adelaide
Adelaide Hills
Burnside
Campbelltown
Charles Sturt
Gawler
Holdfast Bay
Marion
Mitcham
Norwood / Payneham & St Peters
Onkaparinga
Playford
Port Adelaide Enfield
Prospect
Salisbury
Tea Tree Gully
Unley
Walkerville
West Torrens

Introducing four proposed region groupings of North (Gawler, Playford, Prospect, Salisbury, Walkerville) East (Adelaide Hills, Burnside, Campbelltown, Norwood / Payneham & St Peters, Tea Tree Gully), South (Marion, Mitcham, Onkaparinga, Unley), West (West Torrens, Port Adelaide, Charles Sturt, Holdfast Bay) can assure the provision of even and equitable representation across the region. As Adelaide Council is central, they could be applied to any regional grouping. If the LGA AMG supports this amendment, a new nomination and election will need to occur to ensure each regional grouping meets the representation requirements (two members from each region).

Attachment

#	Attachment	Type
1	LGA Annual AGM - 6.1 Ancullary Documentation - 13 April 2018	PDF File
2	LGA Annual AGM - 6.3 Ancullary Documentation - 26 October 2018	PDF File

6.1 LGA Governance Review / New Constitution

Report re-issued 5 April 2018

Discussion Reports from the LGA Board

From:	Kathy Jarrett, Executive Director Corporate & Member Services	
Key Initiative:	K.I 3 Best practice and continuous improvement	
Strategy:	3D Develop, review and improve LGA commercial enterprises	
Meeting	Ordinary General Meeting	13 April 2018
ECM:	659833	Attachments: 655609; 659255; 659261; 659260; 659259;659258; 659256

Recommendation

That the Ordinary General Meeting:

1. **adopts the new LGA Constitution for commencement on 27 October 2018**
2. **adopts the transitional arrangements inserted into the existing LGA Constitution**
3. **notes the consultation being undertaken on the Ancillary Documents (listed below) to the new LGA Constitution:**
    a. **Membership Proposition**
    b. **Terms of reference for the South Australian Regional Organisation of Councils (SAROC)**
    c. **Terms of reference for the Greater Adelaide Regional Organisation of Councils (GAROC)**
    d. **Terms of reference for the Audit Committee**
    e. **Terms of reference for the CEO Advisory Group**
    f. **Meeting procedures**

Discussion

Following extensive consultation with the local government sector, the new LGA Constitution is presented for adoption to the LGA Ordinary General Meeting in April 2018 together with relevant transitional provisions involving changes to the existing LGA Constitution.

The adoption of the new Constitution and the insertion of transitional provisions into the existing Constitution will only be effected by a resolution passed at the meeting, provided that 30 days' notice has been given and the resolution is passed by at least 75% of the votes cast by the Ordinary Members entitled to vote on the resolution.

There are a number of Ancillary Documents to the new Constitution that are not presented for endorsement at the Ordinary General meeting but rather are included with this report to highlight the various procedures that will operationalise the Constitution. The suite of documents are attached as follows:

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- New Constitution
- Transitional provisions to be inserted into the existing LGA Constitution
- Membership Proposition
- SAROC and GAROC Terms of Reference
- Audit Committee Terms of Reference
- CEO Advisory Committee
- Meeting procedures

The LGA Executive Committee referred these documents for broad sector feedback including workshops to the March 2018 Metropolitan Local Government Group (MLGG) and SA Regional Organisation of Councils (SAROC).

Since its release on 14 March via circular 11.8 and the holding of the above workshops, additional feedback has been received on the new LGA Constitution and ancillary documents and some changes have been endorsed by the LGA Executive Committee. These changes have now been incorporated to the new LGA Constitution to be presented for endorsement at the LGA Ordinary General Meeting. Note that the Ancillary Documents will be further consulted upon between now and the October Annual General Meeting.

The changes include:

- the new Constitution providing for SAROC and GAROC to independently determine the inclusion of CEO membership in their composition.
- the Membership Proposition is to be endorsed by Members (instead of approved by the Board) and the SAROC / GAROC Terms of Reference to be ratified by Members following the LGA Board's review
- the new Constitution prescribing an annual Ordinary General Meeting to ensure we hold at least two meetings of members a year like we have now with the AGM and OGM
- the Membership Proposition confirming a member's resignation can take effect after three months (instead of six months); and
- a dispute resolution clause included in the Constitution.

The updated documents are attached to this report.

Further feedback from member councils will be sought on the Ancillary Documents during the period April – November 2018.

LGA Structure and New Constitution - Background

Throughout 2016 – 2017, the LGA's structure was the topic of many sessions with Members. A first draft model LGA structure was presented during the consultation sessions. The model structure was further refined based on feedback, and then translated into a draft new LGA Constitution which in turn was presented to Members at the November 2017 Annual General Meeting. Following this, a series of workshops were held with the Board, the MLGG, SAROC, Regional LGA Executive Officers and the LGA Audit Committee seeking feedback on the draft Constitution. During these workshops, feedback was sought on:

- Simplified member structure, removal of the concept of associate member;
- No member, no service concept;
- The role and purpose of the proposed SAROC and GAROC structures;
- Processes for member participation including notices of motion at general meetings;
- Resourcing of SAROC and GAROC;
- LGA Board of Directors – purpose, function, composition, size;

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- President and Immediate Past President – eligibility, election;
- Commercial enterprise board; and
- CEO advisory group.

The feedback received has now been incorporated within the draft *'Local Government Association of South Australia Constitution and Rules'* (see attached). This draft Constitution:

- Establishes a contemporary corporate governance framework enabling the LGA's contribution to public value through the promotion and advancement of the interests of local government.
- Maintains Member participation and establishes a strong emphasis on collaborative councils, assisted by a strong LGA.
- Provides a focus on leadership and advocacy at all levels: state-wide, regional and individual members.
- Streamlines and integrates consistent engagement and resourcing across the system.
- Delivers a more efficient structure for LGA decision making with a smaller LGA Board of Directors (10 members), and regional structures with aligned strategic and annual planning processes and budgets.
- Ensures key expert advice to the LGA and the sector through a commercial enterprise board(s), CEO advisory group and LGA Audit Committee. These structures future proof the Association.
- Considers the latest feedback received from members.
- Has been reviewed by the LGA's legal adviser to ensure its structure contributes to good decision making, that there were no omissions and that all provisions are workable and do not cause unintended consequences or interpretation issues.

Following adoption of the new Constitution and transitional provisions by member councils at the Ordinary General Meeting, correspondence will be forwarded to the Minister for Local Government seeking approval to amend the existing Constitution by the addition of the transitional provisions, followed by the revocation of the existing Constitution as from 27 October 2018.

Financial and Resource Implications

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

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Local Government Association of South Australia

The voice of local government.

Local Government Association of South Australia

[SAROC/GAROC] Terms of Reference

[insert date of adoption]

1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (adopted [insert date]) (**Constitution**) there are 2 regional organisations of Members: the South Australian Region Organisation of Councils (**SAROC**) and the Greater Adelaide Region Organisation of Councils (**GAROC**).

2. Terms of Reference

2.1. These Terms of Reference set out the functions to be discharged by [SAROC/GAROC].

2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of [SAROC/GAROC] within 24 hours of the meeting of the Board of Directors at which the resolution was passed.

2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).

2.4. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

3. Status

[SAROC/GAROC] is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

4. SAROC/GAROC

4.1. Role

The role of [SAROC/GAROC] is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions.

4.2. Membership

4.2.1. Each Regional Grouping of Members listed in the schedule to these Terms of Reference ([SAROC/GAROC] Regional Grouping] will elect in accordance with clauses 4.3 and 4.5from the Members of the [SAROC/GAROC] Regional Grouping:

(a) 2 Council Members of Members in the [SAROC/GAROC] Regional Grouping; and

(b) subject to clause 19.7 of the Constitution, 1 chief executive officer of a Member in the [SAROC/GAROC] Regional Grouping (**Member CEO**),

to [SAROC/GAROC] provided that each person elected is from a different Member.

4.2.2. In addition to the members of GAROC elected in accordance with clause 4.2.1, the Lord Mayor of the City of Adelaide or his or her nominee (also being a Council Member of the City of Adelaide) will be a standing member of GAROC.

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4.3. Poll of Members

4.3.1. A poll of Members within the Regional Groupings of Members comprising [SAROC/GAROC] for the purposes of clause 19.7 of the Constitution will be conducted by the Chief Executive no later than 4 months prior to the Annual General Meeting to be held in the year in which the election of members to [SAROC/GAROC] will occur.

4.3.2. The Chief Executive will conduct the poll by writing to each Member and asking the Member to indicate in writing within 14 days (**Poll Closing Date**) whether or not chief executive officers should be members of [SAROC/GAROC] for the membership term commencing immediately after the Annual General Meeting.

4.3.3. The view expressed by the majority of members prior to the Poll Closing Date will determine whether or not chief executive officers can be elected under clause 19.6.2 of the Constitution to [SAROC/GAROC] for the membership term commencing immediately after the Annual General Meeting. If the vote is tied, then chief executive officers cannot be elected under clause 19.6.2 to [SAROC/GAROC] for the membership term commencing immediately after the Annual General Meeting.

4.4. Nominations for election to [SAROC/GAROC]

4.4.1. The members of [SAROC/GAROC] will be elected biennially.

4.4.2. In the year in which [SAROC/GAROC] members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all Members of [SAROC/GAROC] Regional Groupings calling for nominations for the membership of [SAROC/GAROC].

4.4.3. Every Member is entitled to nominate members of [SAROC/GAROC] in respect of the Regional Grouping of Members to which the Member is allocated in the schedule to these Terms of Reference.

4.4.4. A nomination of a person as a member of [SAROC/GAROC] must be by resolution of the Member received by the Chief Executive not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

4.5. Election to [SAROC/GAROC]

4.5.1. The Chief Executive shall be the returning officer for any election of members to [SAROC/GAROC].

4.5.2. After the Close of Nominations, the Chief Executive will notify Members of each [SAROC/GAROC] Regional Grouping of the candidates for membership of [SAROC/GAROC] nominated by the Regional Grouping of Members.

4.5.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described for either or both of clause 4.2.1(a) and, if relevant, clause 4.2.1(b) then the Chief Executive will declare those persons duly elected to those membership positions.

4.5.4. If the number of persons nominated by the Close of Nominations by the Regional Grouping of Members exceeds the number of membership positions described in either clause 4.2.1(a) or, if relevant, clause 4.2.1(b) then an election for the purpose of clause 4.2.1(a) or, if relevant, clause 4.2.1(b) or both clause 4.2.1(a) and clause 4.2.1(b) (as relevant) must be held in accordance with this clause.

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4.5.5. In the event of an election being required, the Chief Executive shall conduct the election as follows:

(a) at least six weeks before the Annual General Meeting, the Chief Executive shall deliver ballot papers to each Member of the Regional Grouping of Members;

(b) the ballot papers shall:

(i) list the candidate or candidates for election;

(ii) specify the day of closure of the election; and

(iii) be accompanied by an envelope marked "Ballot Paper" and a second envelope marked "Returning Officer";

(c) each Member shall determine by resolution the candidate or candidates (as relevant) it wishes to elect;

(d) the chair of the meeting for that Member shall mark the ballot paper with an "X" next to the candidate or candidates (as relevant) that the Member wishes elected and seal the ballot paper in the envelope marked "Ballot Paper" inside the envelope marked "Returning Officer". Before sealing the second envelope the chair must indicate the Member's name on the inside flap of the envelope. The envelope may then be sealed and delivered to the Returning Officer;

(e) on receipt of the envelopes the Chief Executive must:

(i) open the outer envelope addressed to the "Returning Officer" and record the name of the Member which appears on the inside flap of the envelope on the roll of Member's eligible to vote; and

(ii) place the envelope marked "Ballot Paper" unopened into the ballot box;

(f) the Chief Executive shall nominate the date, time and place for the counting of votes and shall invite each candidate and a person nominated as the candidate's scrutineer to be present;

(g) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;

(h) in respect of an election for the purposes of:

(i) clause 4.2.1(a), the 2 candidates with the most votes shall be deemed elected and the Chief Executive shall declare the candidates elected at the Annual General Meeting; and

(ii) clause 4.2.1(b) (if relevant), the candidate with the most votes shall be deemed elected,

and the Chief Executive shall declare the candidates elected at the Annual General Meeting; and

(i) in the case of candidates for membership positions described in either clause 4.2.1(a) or, if relevant, clause 4.2.1(b) receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.

4.5.6. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

4.6. Term of office

The term of office for members of [SAROC/GAROC] shall commence after the Annual General Meeting of the year in which the member is elected. Each member of

[SAROC/GAROC] will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.8.1 occurs.

4.7. Duties

4.7.1. Each member of [SAROC/GAROC] must:

(a) undertake his or her role as a [SAROC/GAROC] member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;

(b) not make improper use of information acquired by virtue of his or her position as a [SAROC/GAROC] member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;

(c) not make improper use of his or her position as a [SAROC/GAROC] member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and

(d) not act in any matter where the [SAROC/GAROC] member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of [SAROC/GAROC] will not be an interest giving rise to a conflict of interest).

4.8. Absences and casual vacancies

4.8.1. A leave of absence may be granted to a member of [SAROC/GAROC] by resolution of [SAROC/GAROC]. A replacement member of [SAROC/GAROC] will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the [SAROC/GAROC] Regional Grouping relevant to the person the subject of the leave of absence.

4.8.2. A casual vacancy will occur in the office of a member of [SAROC/GAROC] if the member of [SAROC/GAROC]:

(a) dies;

(b) resigns from [SAROC/GAROC];

(c) is dismissed by resolution of the Board of Directors from [SAROC/GAROC] for Misconduct; or

(d) ceases to be a Council Member or Member CEO (as relevant),

or an administrator is appointed to administer the affairs of the Member for which the member of [SAROC/GAROC] is a Council Member or Member CEO.

4.8.3. If there is a casual vacancy in the membership of [SAROC/GAROC] then the [SAROC/GAROC] Regional Grouping relevant to the [SAROC/GAROC] member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the [SAROC/GAROC] Regional Grouping another Council Member or Member CEO (as relevant) to serve as a member of [SAROC/GAROC] for the balance of the membership term.

5. Responsibilities

5.1. Board of Directors

5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.

5.1.2. The duties of the Board of Directors are to ensure that:

(a) the LGA acts in accordance with applicable laws and this Constitution;

(b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;

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(c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
(d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and
(e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.

5.1.3. The Board of Directors may from time to time refer matters to [SAROC/GAROC] for consideration.

5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by [SAROC/GAROC].

5.1.5. The Board of Directors will periodically review the performance of [SAROC/GAROC].

5.2. [SAROC/GAROC]

5.2.1. [SAROC/GAROC] will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.

5.2.2. [SAROC/GAROC] may, through the Chief Executive and at the LGA's expenses, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.

5.3. Chief Executive

5.3.1. The Chief Executive will make available to [SAROC/GAROC] information of the LGA which is relevant to the functions of [SAROC/GAROC].

5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to [SAROC/GAROC] as included in the [SAROC/GAROC] approved annual business plan and budget to enable [SAROC/GAROC] to discharge its obligations under these Terms of Reference.

5.3.3. Resources made available to [SAROC/GAROC] will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with [SAROC/GAROC].

6. Functions of [SAROC/GAROC]

6.1. LGA Object

6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:
(a) advocating to achieve greater influence for local government in matters affecting councils and communities;
(b) assisting member councils to build capacity and increase sustainability through integrated and coordinated local government; and
(c) advancing local government through best practice and continuous improvement.

6.1.2. [SAROC/GAROC] will assist in the achievement of the LGA's object by:
(a) supporting the activities of the LGA at a regional level;
(b) promoting communication between Members and between Members and the LGA;
(c) advocating in respect of matters which affect the [SAROC/GAROC] Regional Group;
(d) encouraging engagement of Members within the [SAROC/GAROC] Regional Group with [SAROC/GAROC] and the LGA; and
(e) participating in policy development and implementation.

6.2. Consideration and referral of Member items of business

6.2.1. Any Member of the [SAROC/GAROC] Regional Grouping may raise an item of business for the consideration of the Board of Directors or a General Meeting with [SAROC/GAROC]. The item of business must be clearly described in writing, including an indication as to whether the impact of the item is confined to the Member or has broader implications for the local government sector.

6.2.2. [SAROC/GAROC] will consider each item of business raised with [SAROC/GAROC] by a Member.

6.2.3. A Member may be invited by [SAROC/GAROC] to address a meeting of [SAROC/GAROC] in respect of the proposed item of business.

6.2.4. Where considered appropriate by [SAROC/GAROC] on the basis of the nature, scope and impact or potential impact of the item on the local government sector, [SAROC/GAROC] will refer the item to either the Board of Directors or a General Meeting.

6.2.5. [SAROC/GAROC] will inform the Member which has raised the item of business as to whether or not the item will be referred to the Board of Directors or a General Meeting.

6.2.6. Where an item of business is not referred to the Board of Directors or a General Meeting, [SAROC/GAROC] may provide assistance or guidance to the Member in respect of progressing the matter.

6.3. Proposals for policy development

6.3.1. [SAROC/GAROC] may develop proposals for policy positions for consideration at a General Meeting either in response to an issue raised by a Member within the [SAROC/GAROC] Regional Grouping or independently.

6.3.2. A policy position developed by [SAROC/GAROC] will be referred to the Board of Directors for consideration and determination as to whether or not the position should be put for consideration and adoption to a General Meeting.

6.4. Election to Board of Directors

6.4.1. [SAROC/GAROC] will elect 3 members of [SAROC/GAROC] (each of which must be a Council Member with relevant business and governance experience) to the Board of Directors.

6.4.2. In addition to Directors elected under clause 6.4.1, the chairperson of [SAROC/GAROC] will be a Director.

6.4.3. The term of office as a Director of the 3 persons elected to the Board of Directors by [SAROC/GAROC] and the chairperson of [SAROC/GAROC] will commence after the Annual General Meeting of the year in which the person is elected and shall be for 2 years or until a casual vacancy in that office occurs.

6.4.4. Persons elected under clause 6.4.1 are eligible for re-election for subsequent terms.

6.5. Strategic and annual business planning

6.5.1. [SAROC/GAROC] will develop, in consultation with the members within the [SAROC/GAROC] Regional Group, a 4 year strategic plan for regional advocacy, policy initiation and review, leadership, engagement and capacity building in the [SAROC/GAROC] region. The strategic plan will be reviewed and updated annually by [SAROC/GAROC] by [insert date] each year.

6.5.2. [SAROC/GAROC] will develop, in consultation with the members within the [SAROC/GAROC] Regional Group, an annual business plan for the next financial year by [insert date] each year.

6.5.3. The strategic plan and annual business plan for the next financial year will be presented to the Board of Directors for approval by [insert date] each year.

6.6. Other functions

[SAROC/GAROC] will undertake any other functions:

6.6.1. of [SAROC/GAROC] set out in the Constitution; or
6.6.2. delegated by the Board of Directors to [SAROC/GAROC].

7. Budget

7.1.1. [SAROC/GAROC] will by [date] each year develop and adopt a budget to cover anticipated expenses of activities under the strategic plan and annual business plan during the next financial year. After adoption by [SAROC/GAROC], the budget will be provided to the Board of Directors for consideration and approval.
7.1.2. [SAROC/GAROC] will provide a financial report to the Board of Directors no later than [insert date] providing a true and correct record of the expenditure of [SAROC/GAROC] against the annual budget.
7.1.3. The chairperson of [SAROC/GAROC] will meet with the Audit Committee of the LGA or the LGA's external auditor on request to discuss the [SAROC/GAROC] financial report.

8. Committees

[SAROC/GAROC] may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

9. Meetings of SAROC/GAROC

9.1. Resolution of the Board of Directors

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

9.2. Frequency of meetings and venue

9.2.1. [SAROC/GAROC] will meet at least once in each 2 month period at such times and places as shall be determined by the Chief Executive.
9.2.2. Any member of [SAROC/GAROC] or the Board of Directors may convene additional meetings of [SAROC/GAROC].
9.2.3. Notice of a meeting of [SAROC/GAROC] will be provided in writing to members of [SAROC/GAROC] by the Chief Executive no less than 7 days prior to the meeting providing the date, time and place of the meeting and the proposed business to be conducted at the meeting.

9.3. Chairperson

9.3.1. The chairperson of [SAROC/GAROC] will be a Council Member appointed by [SAROC/GAROC].
9.3.2. The chairperson will be the official spokesperson for [SAROC/GAROC].
9.3.3. If the chairperson of [SAROC/GAROC] is absent from a meeting of [SAROC/GAROC] then the members attending the [SAROC/GAROC] meeting will appoint a chairperson for the purposes of that meeting.

9.4. Decision making

9.4.1. All questions arising at a meeting of [SAROC/GAROC] shall be decided by a simple majority vote of the members of [SAROC/GAROC] present and voting on each question.

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9.4.2. The Chair of the meeting has a deliberative vote and, if there are equal numbers of votes on any question, a casting vote.

9.5. Meeting procedure

The meeting procedures determined by the Board of Directors from time to time will apply to meetings of [SAROC/GAROC].

9.6. Attendance

9.6.1. Meetings of [SAROC/GAROC] will be closed to the public.

9.6.2. [SAROC/GAROC] may invite any person to attend its meetings.

9.7. Minutes

9.7.1. Minutes will be kept of all [SAROC/GAROC] meetings including a record of the actions of [SAROC/GAROC].

9.7.2. Within 48 hours of a [SAROC/GAROC] meeting, the chairperson will review and confirm the draft minutes. The draft minutes will then be circulated to [SAROC/GAROC] members for comment and if necessary amendment before being certified as correct by the chairperson.

9.8. Quorum

The quorum for a meeting [SAROC/GAROC] is one half of the members of [SAROC/GAROC], plus 1 member of [SAROC/GAROC] (provided that at least 1 member elected by each [SAROC/GAROC] Regional Grouping must be present except for a [SAROC/GAROC] Regional Grouping with no representation on [SAROC/GAROC]).

9.9. Performance assessment

[SAROC/GAROC] will assess its performance against:

9.9.1. the strategic plan and annual business plan each quarter; and

9.9.2. these Terms of Reference annually.

9.10. Reporting

9.10.1. A Director elected by [SAROC/GAROC] will provide a verbal report to the Board of Directors on key matters being considered by [SAROC/GAROC] at each Board of Director's meeting at which the minutes of [SAROC/GAROC] are to be considered by the Board of Directors.

9.10.2. Any matter relevant to regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions considered to be of significance to the corporate governance, strategic direction and leadership of the LGA will be reported by [SAROC/GAROC] to the Board as soon as practicable after [SAROC/GAROC] has considered the matter.

9.10.3. [SAROC/GAROC] will provide an annual report to the Board of Directors by September each year summarising:

(a) the discharge of [SAROC/GAROC]'s responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;

(b) the activities of [SAROC/GAROC] during the financial year;

(c) items of business referred to the Board of Directors or a General Meeting during the financial year; and

(d) items being considered by [SAROC/GAROC] which have not been reported to the Board of Directors and the intended actions in respect of those matters.

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10. Access to information

10.1.1. [SAROC/GAROC] is entitled, acting though the Chief Executive, to access any information or discuss matters with staff of the LGA Office.

10.1.2. A copy of the agenda for a [SAROC/GAROC] meeting, reports to be considered by [SAROC/GAROC] and minutes of [SAROC/GAROC] meetings certified under clause 9.7.2 will be available to all Directors.

10.1.3. Subject to confidentiality requirements as determined by the Board of Directors or [SAROC/GAROC], a copy of the [SAROC/GAROC] agenda, reports and minutes certified under clause 9.7.2 will be published on the LGA website for review by Members.

11. Administration

11.1. Subject to clause 11.2, an administrator appointed to administer the affairs of the Member may exercise the rights and satisfy the obligations of the administered Member under these Terms of Reference.

11.2. An administrator is ineligible to be a member of [SAROC/GAROC].

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Schedule: List of Regional Groupings of Members

[SAROC/GAROC] Regional Grouping	Members
[insert name of Regional Grouping]	[insert Members]

6.3 Ancillary Documentation

Discussion Reports from the LGA Board

From:	Andrew Johnson, Corporate Projects	
Key Initiative:	K.I 3 Best practice and continuous improvement	
Strategy:	3C Improve LGA governance and operations with a focus on people, finances and our members	
Meeting	Annual General Meeting	26 October 2018
ECM:	665707	Attachments: 659261; 659260; 663114; 659259; 659258; 659256

Recommendation

That the Annual General Meeting adopts the Ancillary Documents (listed below) to the new LGA Constitution:

a. **Membership Proposition**

b. **Terms of reference for the South Australian Regional Organisation of Councils (SAROC)**

c. **Terms of reference for the Greater Adelaide Regional Organisation of Councils (GAROC)**

d. **Terms of reference for the Audit & Risk Committee**

e. **Terms of reference for the CEO Advisory Group**

f. **Meeting procedure**

Discussion

At the April 2018 Ordinary General Meeting, the LGA membership adopted a new Constitution and transitionary arrangement. At this meeting the LGA Membership also noted the consultation being undertaken on the Ancillary Documents, which together with the new constitution provide the foundation to the new LGA Governance structure.

The object of the new governance arrangements, incorporating the new constitution and ancillary documents is to:

- Establishes a contemporary corporate governance framework enabling the LGA's contribution to public value through the promotion and advancement of the interests of local government.
- Maintains Member participation and establishes a strong emphasis on collaborative councils, assisted by a strong LGA.
- Provides a focus on leadership and advocacy at all levels: state-wide, regional and individual members.
- Streamlines and integrates consistent engagement and resourcing across the system.

- Delivers a more efficient structure for LGA decision making with a smaller LGA Board of Directors (10 members), and regional structures with aligned strategic and annual planning processes and budgets.
- Ensures key expert advice to the LGA and the sector through the CEO advisory group and LGA Audit Committee. These structures future proof the Association.

The LGA has undertaken extensive consultation on the ancillary documents since the OGM. This has included placing the documents out for initial consultation (circular 21.9) and engaged URPS to hold a number of workshops around the state seeking feedback from Councils on the ancillary documents. The results of this feedback lead to a number of changes to these documents being endorsed by the LGA Board in July. Details of the Board's response to the URPS report and member feedback was communicated to members via Circular 32.3.

As a result of the feedback received, the Terms of Reference for SAROC and GAROC were amended and endorsed by the Board at its July 2018 meeting for the purposes of conducting the 2018 LGA elections. The new constitution and transitionary arrangements were also approved by the Minister in July.

Following the Board's consideration of the URPS report and the member feedback received, the resultant changes made to the ancillary documents were again put out to members for feedback (via Circular 32.3).

In addition, the LGA Audit Committee have reviewed their draft Terms of Reference on a number of occasions and have recommended several changes to this document, which have been incorporated in the attached Audit & Risk Committee Terms of Reference.

As reported in Circular 32.3, there are still a number of outstanding issues that will need to be addressed over the next six months. These include:

- Undertaking further consultation with GAROC members to confirm their desire to form regions within the metropolitan area and define what these regions should be.
- Undertaking further consultation with those councils which indicated that they may be interested in forming a peri-urban region.
- Working with SAROC, GAROC and the Board to determine how they should operate, their budget and their priorities.

The above issues relate to the implementation of the ancillary documents and/or refining their content and do not affect members from adopting all of the ancillary documents, as attached to this report.

It is now believed that the AGM should consider adopting the six ancillary documents to the new constitution, as attached to this report.

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Membership Proposition

[insert date of adoption]

1. Membership Proposition

1.1. The Local Government Association of South Australia (**LGA**) is constituted as a public authority under the *Local Government Act 1999* for the purpose of promoting and advancing the interests of local government.

1.2. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:

1.2.1. advocating to achieve greater influence for local government in matters affecting councils and communities;

1.2.2. assisting Members to build capacity and increase sustainability through integrated and coordinated local government; and

1.2.3. advancing local government through best practice and continuous improvement.

1.3. The LGA is a member-based organisation which fulfils its object through the active participation of its Members.

1.4. As contemplated by the *Local Government Association of South Australia Constitution and Rules* (adopted April 13, 2018) (**Constitution**) the Members have endorsed this document (**Membership Proposition**) providing for the relationship between the LGA and its Members.

1.5. The Membership Proposition may be altered only:

1.5.1 By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and

1.5.2 with approval of the Minister.

1.6. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

1.7. To the extent of any inconsistency between the Constitution and this Membership Proposition, the Constitution will prevail.

2. Membership applications

2.1. Entitlement to Membership

2.1.1. Each Council and Community Council which applies in writing to the LGA will be granted membership of the LGA (**Membership**) provided that the terms set out in this clause 2 are satisfied.

2.1.2. The Board of Directors may accept an application for Membership from an applicant who does not satisfy the criteria set out in clause 2.2.3.

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2.2. Criteria for Membership

2.2.1. The applicant must either be:

(a) a Council constituted under the Local Government Act (including a Council in administration under section 273 of that Act); or

(b) the governing entity for any of:

(i) the Anangu Pitjantjatjara Community;

(ii) the Maralinga Tjarutja Community;

(iii) the Yalata Community;

(iv) the Nepabunna Community;

(v) the Gerard Community; and

(vi) the Outback Communities Authority.

2.2.2. The applicant must have passed a resolution to comply with the Constitution.

2.2.3. The applicant must not be in default of an obligation to pay Fees to the LGA.

~~2.2.3.~~2.2.4. A Council or Community Council which is a Member at the end of the membership period specified in clause 3 may renew its membership for the next membership period by paying the applicable annual subscription fee. Clause 2.2.2 does not apply to the renewal of a Council or Community Council's membership.

2.3. Grounds for rejecting an application

Subject to clause 2.1.2, the Board of Directors must reject an application from an applicant which does not satisfy the criteria in clause 2.2.

3. Membership term

Membership is for a period of 12 months commencing on 1 July.

4. Membership benefits

4.1. Members will be a part of a unified and single voice for the discussion and resolution of issues facing the local government sector and its communities.

4.2. The LGA will provide:

4.2.1. advocacy and representation for Members with other spheres of government, the community and stakeholders;

4.2.2. frontline support and assistance to Members; and

4.2.3. specialist and commercial services for Members.

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4.3. Members are able to:

4.3.1. contribute to the development of policy positions and strategy with regard to issues which affect the local government sector and, thereby inform the advocacy undertaken by the LGA on behalf of the sector;

4.3.2. obtain the assistance of the LGA to build capacity and increase sustainability, including by coordination and knowledge sharing among Members facilitated by the LGA;

4.3.3. access services provided by the LGA;

4.3.4. be supported by the LGA to achieve best practice and a culture of continuous improvement through training programs and governance guidance developed and disseminated by the LGA; and

4.3.5. contribute to, and receive the benefit of, LGA activities and initiatives for key focus areas aligned to community needs.

4.4. Each year the LGA will publish:

4.4.1. a 'Value Proposition' which will outline and value the specific membership benefits provided to Members in the preceding financial year. The Value Proposition will be annexed to this Membership Proposition will be replaced each time the Value Proposition is updated; and

4.4.2. a pricing methodology for the services provided by the LGA to its Members.

5. Membership rights

5.1. Rights under the Constitution

Members have the rights provided under the Constitution to:

5.1.1. nominate candidates for, and elect, the LGA President;

5.1.2. participate in elections for members of the South Australian Region Organisation of Councils (**SAROC**) or the Greater Adelaide Region Organisation of Council (**GAROC**) (as relevant to the Member);

5.1.3. participate in General Meetings;

5.1.4. call a Special General Meeting in the circumstances provided in the Constitution; and

5.1.5. access the activities of SAROC and GAROC including to propose to SAROC or GAROC (as relevant) an item of business for:

(a) an Annual General Meeting or Ordinary General Meeting; or

(b) a meeting of the Board of Directors.

5.2. Participation in the development of policy and strategy

Members are able to participate in the development of policy and strategy on issues relevant to the local government sector by:

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5.2.1. raising a matter for consideration by SAROC or GAROC (as relevant);

5.2.2. proposing to SAROC or GAROC (as relevant) an item of business for consideration at an Annual General Meeting, Ordinary General Meeting or by the Board of Directors; and

5.2.3. contributing to forums, consultations, discussion papers and other strategies being implemented by the LGA.

5.3. Access to services

Members are able to access LGA services either for free or on a subsidised fee-for-service basis or through group purchasing arrangements.

5.4. Access to information

Subject to confidentiality requirements as determined by the Board of Directors or in accordance with terms of reference for a committee, each Member is entitled to access approved minutes of General Meetings, the Board of Directors and committees of the LGA.

6. Membership obligations

6.1. Conduct

6.1.1. A Member must comply with the Constitution.

6.1.2. A Member must provide to the LGA such information and support as the LGA reasonably requests to carry out the object of the LGA.

6.1.3. A Member will assist its council members and staff adopt leadership standards which will contribute to the strength of the local government sector.

6.2. Fees

6.2.1. A Member must pay Fees owing to the LGA by the due date for payment (or such later date as may be determined by the Board of Directors).

6.2.2. Where the Membership of a Member commences after 1 July in any year:

(a) that Member is liable for annual subscription and any annual special purpose levy for the period from the date on which the Membership commences to the next occurring 30 June on a *per diem* basis calculated from the first day of the month following the month in which their Membership commences; and

(b) payment of the annual subscription and any annual special purpose levy is due 1 calendar month after the date on which the Membership commences.

7. Revocation of Membership Automatic Revocation

Membership of the LGA will be automatically revoked for a Member who fails to pay an annual subscription or special purpose levy to the LGA by the due date for payment (or such later date as may be determined by the Board of Directors).

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7.2. Revocation of Membership by Board of Directors

The Board of Directors may revoke the Membership of any Member, if the Member:

7.2.1. fails to comply with an obligation under the Constitution or this Membership Proposition; or

7.2.2. in the reasonable opinion of the Board of Directors, the Member has brought the local government sector or the LGA into disrepute.

7.3. Consequences of revocation

7.3.1. Following a revocation of a Membership, the former Member:

(a) will have no rights under the Constitution (other than the right to apply for Membership under clause 8.1 of the Constitution); and

(b) has no entitlement to the services provided by the LGA to its Members.

7.3.2. Revocation of a Membership does not:

(a) relieve the former Member from any obligation to pay Fees to the LGA which accrued prior to the date of revocation; or

(b) entitle the former Member to a refund of any Fee previously paid to the LGA.

8. Resignation of a Member

8.1. A Member may resign its Membership by providing written notice to the Board of Directors.

8.2. The resignation of a Member will take effect 3 months from the date on which the notice of resignation is received by the Board of Directors or such later date as is specified in the notice, unless an earlier date is determined by the Board of Directors in consultation with the resigning Member.

8.3. Any Member who resigns its Membership during a financial year:

8.3.1. remains liable to pay:

(a) the full annual subscription and any annual special purpose levy for the financial year in which the resignation takes effect; and

(b) any service charges payable for a service provided by the LGA up until the date on which the service ceases; and

8.3.2. is not entitled to refund of any Fee previously paid to the LGA.

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SAROC Terms of Reference

[insert date of adoption]

1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (adopted April 13, 2018) (**Constitution**) there are 2 regional organisations of Members: the South Australian Region Organisation of Councils (**SAROC**) and the Greater Adelaide Region Organisation of Councils (**GAROC**).

2. Terms of Reference

2.1. These Terms of Reference set out the functions to be discharged by SAROC.

2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution with the exception of Clauses 4.2, 4.3 and 4.4. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of SAROC within 24 hours of the meeting of the Board of Directors at which the resolution was passed.

2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).

2.4. Clauses 4.2, 4.3 or 4.4 of this Terms of Reference may be altered only:

2.4.1. By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and

2.4.2. With approval of the Minister.

2.5. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

3. Status

SAROC is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

4. SAROC

4.1. Role

The role of SAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions.

4.2. Membership

4.2.1. Each SAROC Regional Grouping of Members listed in the schedule to these Terms of Reference will elect in accordance with clauses 4.3 and 4.4 from the Members of the SAROC Regional Grouping 2 Council Members of Members in the SAROC Regional Grouping to SAROC provided that each person elected is from a different Member.

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4.3. Nominations for election to SAROC

4.3.1. The members of SAROC will be elected biennially.

4.3.2. In the year in which SAROC members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all SAROC regions, as listed in the schedule, calling for nominations for the membership of SAROC.

4.3.3. A person nominating as a member of SAROC must be a representative of a member on the relevant SAROC Regional Grouping

4.3.4. Only a Council Member can be nominated to GAROC

4.3.5. A nomination of a person as a member of SAROC must be received by the Chief Executive Officer not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive

4.4. Election to SAROC

4.4.1. The Chief Executive shall be the returning officer for any election of members to SAROC.

4.4.2. After the Close of Nominations, the Chief Executive will notify Members of each SAROC Regional Grouping of the candidates for membership of SAROC nominated by the Regional Grouping of Members.

4.4.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described in clause 4 then the Chief Executive will declare those persons duly elected to those membership positions.

4.4.4. If the number of persons nominated by the Close of Nominations by the Regional Grouping of Members exceeds the number of membership positions described 4.2.1 then an election for the purpose of clause 4.2.1 must be held in accordance with this clause.

4.4.5. In the event of an election being required, the regional groupings in consultation with the Chief Executive shall conduct an election.

4.4.6. The Chief Executive, in consultation with the regional groupings shall nominate the date, time and place for the counting of votes and shall invite each candidate and a person nominated as the candidate's scrutineer to be present;

(a) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;

(b) in respect of an election for the purposes of clause 4.2.1, the 2 candidates with the most votes shall be deemed elected and the Chief Executive shall declare the candidates elected at the Annual General Meeting.

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(c) in the case of candidates for membership positions described in clause 4.2.1 receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.

4.4.7. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

4.4.8. The Chief Executive may, in his or her discretion, delegate any of his or her powers, functions or duties to regional LGA Executive Officers who shall act accordingly for the conduct of their respective regional LGA SAROC elections.

4.5. Term of office

The term of office for members of SAROC shall commence after the Annual General Meeting of the year in which the member is elected. Each member of SAROC will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.8.1 occurs.

4.6. Duties

4.6.1. Each member of SAROC must:

(a) undertake his or her role as a SAROC member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;

(b) not make improper use of information acquired by virtue of his or her position as a SAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;

(c) not make improper use of his or her position as a SAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and

(d) not act in any matter where the SAROC member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of SAROC will not be an interest giving rise to a conflict of interest).

4.7. Absences and casual vacancies

4.7.1. A leave of absence may be granted to a member of SAROC by resolution of SAROC. A replacement member of SAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the SAROC Regional Grouping relevant to the person the subject of the leave of absence.

4.7.2. A casual vacancy will occur in the office of a member of SAROC if the member of SAROC:

(a) dies;

(b) resigns from SAROC;

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(c) is dismissed by resolution of the Board of Directors from SAROC for Misconduct; or

(d) ceases to be a Council Member,

or an administrator is appointed to administer the affairs of the Member for which the member of SAROC is a Council Member.

4.7.3. If there is a casual vacancy in the membership of SAROC then the SAROC Regional Grouping relevant to the SAROC member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the SAROC Regional Grouping another Council Member to serve as a member of SAROC for the balance of the membership term.

5. Responsibilities

5.1. Board of Directors

5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.

5.1.2. The duties of the Board of Directors are to ensure that:

(a) the LGA acts in accordance with applicable laws and this Constitution;

(b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;

(c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;

(d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and

(e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.

5.1.3. The Board of Directors may from time to time refer matters to SAROC for consideration.

5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by SAROC.

5.1.5. The Board of Directors will periodically review the performance of SAROC.

5.2. SAROC

5.2.1. SAROC will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.

5.2.2. SAROC may, through the Chief Executive and at the LGA's expenses, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.

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5.3. Chief Executive

5.3.1. The Chief Executive will make available to SAROC information of the LGA which is relevant to the functions of SAROC.

5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to SAROC as included in the SAROC approved annual business plan and budget to enable SAROC to discharge its obligations under these Terms of Reference.

5.3.3. Resources made available to SAROC will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with SAROC.

6. Functions of SAROC

6.1. LGA Object

6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:

(a) advocating to achieve greater influence for local government in matters affecting councils and communities;

(b) assisting member councils to build capacity and increase sustainability through integrated and coordinated local government; and

(c) advancing local government through best practice and continuous improvement.

6.1.2. SAROC will assist in the achievement of the LGA's object by:

(a) supporting the activities of the LGA at a regional level;

(b) promoting communication between Members and between Members and the LGA;

(c) advocating in respect of matters which affect the SAROC Regional Group;

(d) encouraging engagement of Members within the SAROC Regional Group with SAROC and the LGA; and

(e) participating in policy development and implementation.

6.2. Consideration and referral of Member items of business

6.2.1. Any Member of the SAROC Regional Grouping may raise an item of business for the consideration of the Board of Directors or a General Meeting with SAROC. The item of business must be clearly described in writing, including an indication as to whether the impact of the item is confined to the Member or has broader implications for the local government sector.

6.2.2. SAROC will consider each item of business raised with SAROC by a Member.

6.2.3. A Member may be invited by SAROC to address a meeting of SAROC in respect of the proposed item of business.

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6.2.4. Where considered appropriate by SAROC on the basis of the nature, scope and impact or potential impact of the item on the local government sector, SAROC will refer the item to either the Board of Directors or a General Meeting.

6.2.5. SAROC will inform the Member which has raised the item of business as to whether or not the item will be referred to the Board of Directors or a General Meeting.

6.2.6. Where an item of business is not referred to the Board of Directors or a General Meeting, SAROC may provide assistance or guidance to the Member in respect of progressing the matter.

6.3. Proposals for policy development

6.3.1. SAROC may develop proposals for policy positions for consideration at a General Meeting either in response to an issue raised by a Member within the SAROC Regional Grouping or independently.

6.3.2. A policy position developed by SAROC will be referred to the Board of Directors for consideration and determination as to whether or not the position should be put for consideration and adoption to a General Meeting.

6.4. Election to Board of Directors

6.4.1. SAROC will elect 3 members of SAROC (each of which must be a Council Member with relevant business and governance experience) to the Board of Directors.

6.4.2. In addition to Directors elected under clause 6.4.1, the chairperson of SAROC will be a Director.

6.4.3. The term of office as a Director of the 3 persons elected to the Board of Directors by SAROC and the chairperson of SAROC will commence after the Annual General Meeting of the year in which the person is elected and shall be for 2 years or until a casual vacancy in that office occurs.

6.4.4. Persons elected under clause 6.4.1 are eligible for re-election for subsequent terms.

6.5. Strategic and annual business planning

6.5.1. SAROC will develop, in consultation with the members within the SAROC Regional Group, a 4 year strategic plan for regional advocacy, policy initiation and review, leadership, engagement and capacity building in the SAROC region. The strategic plan will be reviewed and updated annually by SAROC by June each year.

6.5.2. SAROC will develop, in consultation with the members within the SAROC Regional Group, an annual business plan for the next financial year by June each year.

6.5.3. The strategic plan and annual business plan for the next financial year will be presented to the Board of Directors for approval by June each year.

6.6. Other functions

SAROC will undertake any other functions:

6.6.1. of SAROC set out in the Constitution; or

6.6.2. delegated by the Board of Directors to SAROC.

7. Budget

7.1.1. SAROC will by June each year develop and adopt a budget to cover anticipated expenses of activities under the strategic plan and annual business plan during the next financial year. After adoption by SAROC, the budget will be provided to the Board of Directors for consideration and approval.

7.1.2. SAROC will provide a financial report to the Board of Directors no later than September providing a true and correct record of the expenditure of SAROC against the annual budget.

7.1.3. The chairperson of SAROC will meet with the Audit Committee of the LGA or the LGA's external auditor on request to discuss the SAROC financial report.

8. Committees

SAROC may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

9. Meetings of SAROC

9.1. Resolution of the Board of Directors

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

9.2. Frequency of meetings and venue

9.2.1. SAROC will meet at least once in each 2 month period at such times and places as shall be determined by the Chief Executive.

9.2.2. Any member of SAROC or the Board of Directors may convene additional meetings of SAROC.

9.2.3. Notice of a meeting of SAROC will be provided in writing to members of SAROC by the Chief Executive no less than 7 days prior to the meeting providing the date, time and place of the meeting and the proposed business to be conducted at the meeting.

9.3. Chairperson

9.3.1. The chairperson of SAROC will be a Council Member appointed by SAROC.

9.3.2. The chairperson will be the official spokesperson for SAROC.

9.3.3. If the chairperson of SAROC is absent from a meeting of SAROC then the members attending the SAROC meeting will appoint a chairperson for the purposes of that meeting.

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9.4. Decision making

9.4.1. All questions arising at a meeting of SAROC shall be decided by a simple majority vote of the members of SAROC present and voting on each question.

9.4.2. The Chair of the meeting has a deliberative vote and, if there are equal numbers of votes on any question, a casting vote.

9.5. Meeting procedure

The meeting procedures determined by the Board of Directors from time to time will apply to meetings of SAROC.

9.6. Attendance

9.6.1. Meetings of SAROC will be closed to the public.

9.6.2. SAROC may invite any person to attend its meetings.

9.7. Minutes

9.7.1. Minutes will be kept of all SAROC meetings including a record of the actions of SAROC.

9.7.2. Within 48 hours of a SAROC meeting, the chairperson will review and confirm the draft minutes. The draft minutes will then be circulated to SAROC members for comment and if necessary amendment before being certified as correct by the chairperson.

9.8. Quorum

The quorum for a meeting of SAROC is one half of the members of SAROC, plus 1 member of SAROC (provided that at least 1 member elected by each SAROC Regional Grouping must be present except for a SAROC Regional Grouping with no representation on SAROC).

9.9. Performance assessment

SAROC will assess its performance against:

9.9.1. the strategic plan and annual business plan each quarter; and

9.9.2. these Terms of Reference annually.

9.10. Reporting

9.10.1. A Director elected by SAROC will provide a verbal report to the Board of Directors on key matters being considered by SAROC at each Board of Director's meeting at which the minutes of SAROC are to be considered by the Board of Directors.

9.10.2. Any matter relevant to regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions considered to be of significance to the corporate governance, strategic direction and leadership of the LGA will be reported by SAROC to the Board as soon as practicable after SAROC has considered the matter.

9.10.3. SAROC will provide an annual report to the Board of Directors by September each year summarising:

Draft

(a) the discharge of SAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;

(b) the activities of SAROC during the financial year;

(c) items of business referred to the Board of Directors or a General Meeting during the financial year; and

(d) items being considered by SAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.

10. Access to information

10.1.1. SAROC is entitled, acting though the Chief Executive, to access any information or discuss matters with staff of the LGA Office.

10.1.2. A copy of the agenda for a SAROC meeting, reports to be considered by SAROC and minutes of SAROC meetings certified under clause 9.7.2 will be available to all Directors.

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11. Administration

11.1. Subject to clause 11.2, an administrator appointed to administer the affairs of the Member may exercise the rights and satisfy the obligations of the administered Member under these Terms of Reference.

11.2. An administrator is ineligible to be a member of SAROC.

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Schedule: List of Regional Groupings of Members

SAROC Regional Grouping	Members
Southern & Hills Councils	Alexandrina Mount Barker Victor Harbor Yankalilla Kangaroo Island
Legatus Councils	Adelaide Plains Barossa Barunga West Clare & Gilbert Valleys Copper Coast Goyder Light Mount Remarkable Northern Areas Orroroo/ Carrieton Peterborough Wakefield Yorke Peninsula Flinders Ranges
Eyre Peninsula	Ceduna Cleve Elliston Franklin Harbor Kimba Streaky Bay Tumby Bay Wudinna Lower Eyre Peninsula Port Lincoln
Limestone Coast	Grant Kingston Mount Gambier Naracoorte & Lucindale Robe Tatiara Wattle Range
Murraylands & Riverland	Loxton/ Waikerie Mid Murray Karoonda/ East Murray Coorong District Southern Mallee Berri/Barmera Renmark/Paringa Murray Bridge
Spencer Gulf Cities	Port Augusta Port Pirie Whyalla

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Local Government Association of South Australia

GAROC Terms of Reference

[insert date of adoption]

1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (adopted April 13, 2018) (**Constitution**) there are 2 regional organisations of Members: the South Australian Region Organisation of Councils (**SAROC**) and the Greater Adelaide Region Organisation of Councils (**GAROC**).

2. Terms of Reference

2.1. These Terms of Reference set out the functions to be discharged by GAROC.

2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution with the exception of Clauses 4.2, 4.3 and 4.4. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of GAROC within 24 hours of the meeting of the Board of Directors at which the resolution was passed.

2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).

2.4. Clauses 4.2, 4.3 or 4.4 of this Terms of Reference may be altered only:

2.4.1. By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and

2.4.2. With approval of the Minister.

2.5. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

3. Status

GAROC is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

4. GAROC

4.1. Role

The role of GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the region(s).

4.2. Membership

4.2.1. The GAROC Regional Grouping of Members listed in the schedule to these Terms of Reference will elect in accordance with clause 4.3 and 4.4 from the Members of the GAROC Regional Grouping eight (8) Council Members of Members in the GAROC Regional Grouping to GAROC provided that each person elected is from a different Member.

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4.2.2. In addition to the members of GAROC elected in accordance with clause 4.2.1, the Lord Mayor of the City of Adelaide ~~or his or her nominee (also being a Council Member of the City of Adelaide)~~ will be a standing member of GAROC.

4.3. Nominations for election to GAROC

4.3.1. The members of GAROC will be elected biennially.

4.3.2. In the year in which GAROC members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all Members of GAROC as listed in the schedule calling for nominations for the membership of GAROC.

~~4.3.2.~~4.3.3. Only a Council Member can be nominated to GAROC

~~4.3.3.~~4.3.4. A nomination of a person as a member of GAROC must be by resolution of the Member received by the Chief Executive not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

4.4. Election to GAROC

4.4.1. The Chief Executive shall be the returning officer for any election of members to GAROC.

4.4.2. After the Close of Nominations, the Chief Executive will notify Members of the GAROC Regional Grouping of the candidates for membership of GAROC nominated in the Regional Grouping of Members.

4.4.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described in clause 4.2.1 then the Chief Executive will declare those persons duly elected to those membership positions.

4.4.4. If the number of persons nominated by the Close of Nominations by the Regional Grouping of Members exceeds the number of membership positions described 4.2.1 then an election for the purpose of clause 4.2.1 must be held in accordance with this clause.

4.4.5. In the event of an election being required, the Chief Executive shall conduct the election as follows:

(a) at least six weeks before the Annual General Meeting, the Chief Executive shall deliver ballot papers to each Member of the Regional Grouping of Members;

(b) the ballot papers shall:

(i) list the candidate or candidates for election;

(ii) specify the day of closure of the election; and

(iii) be accompanied by an envelope marked "Ballot Paper" and a second envelope marked "Returning Officer";

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(c) each Member shall determine by resolution the candidate or candidates (as relevant) it wishes to elect;

(d) the chair of the meeting for that Member shall mark the ballot paper with an "X" next to the candidate or candidates (as relevant) that the Member wishes elected and seal the ballot paper in the envelope marked "Ballot Paper" inside the envelope marked "Returning Officer". Before sealing the second envelope the chair must indicate the Member's name on the inside flap of the envelope. The envelope may then be sealed and delivered to the Returning Officer;

(e) on receipt of the envelopes the Chief Executive must:

(i) open the outer envelope addressed to the "Returning Officer" and record the name of the Member which appears on the inside flap of the envelope on the roll of Member's eligible to vote; and

(ii) place the envelope marked "Ballot Paper" unopened into the ballot box;

(f) the Chief Executive shall nominate the date, time and place for the counting of votes and shall invite each candidate and a person nominated as the candidate's scrutineer to be present;

(g) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;

(h) in respect of an election for the purposes of clause 4.2.1, the 8 candidates with the most votes shall be deemed elected and the Chief Executive shall declare the candidates elected at the Annual General Meeting.

(i) in the case of candidates for membership positions described in clause 4.2.1 receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.

4.4.6. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

4.5. Term of office

The term of office for members of GAROC shall commence after the Annual General Meeting of the year in which the member is elected. Each member of GAROC will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.7.2 occurs.

4.6. Duties

4.6.1. Each member of GAROC must:

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(a) undertake his or her role as a GAROC member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;

(b) not make improper use of information acquired by virtue of his or her position as a GAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;

(c) not make improper use of his or her position as a GAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and

(d) not act in any matter where the GAROC member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of GAROC will not be an interest giving rise to a conflict of interest).

4.7. Absences and casual vacancies

4.7.1. A leave of absence may be granted to a member of GAROC by resolution of GAROC. A replacement member of GAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the GAROC Regional Grouping relevant to the person the subject of the leave of absence.

4.7.2. A casual vacancy will occur in the office of a member of GAROC if the member of GAROC:

(a) dies;

(b) resigns from GAROC;

(c) is dismissed by resolution of the Board of Directors from GAROC for Misconduct; or

(d) ceases to be a Council Member

~~(d)~~(e) the Member for which the member of GAROC is a Council Member is no longer a member of the Local Government ~~,~~ Association, or

~~(e)~~(f) ~~or~~ an administrator is appointed to administer the affairs of the Member for which the member of GAROC is a Council Member.

4.7.3. If there is a casual vacancy in the membership of GAROC then the GAROC Regional Grouping relevant to the GAROC member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the GAROC Regional Grouping another Council Member to serve as a member of GAROC for the balance of the membership term.

5. Responsibilities

5.1. Board of Directors

5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.

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5.1.2. The duties of the Board of Directors are to ensure that:

(a) the LGA acts in accordance with applicable laws and this Constitution;

(b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;

(c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;

(d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and

(e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.

5.1.3. The Board of Directors may from time to time refer matters to GAROC for consideration.

5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by GAROC.

5.1.5. The Board of Directors will periodically review the performance of GAROC.

5.2. GAROC

5.2.1. GAROC will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.

5.2.2. GAROC may, through the Chief Executive and at the LGA's expenses, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.

5.3. Chief Executive

5.3.1. The Chief Executive will make available to GAROC information of the LGA which is relevant to the functions of GAROC.

5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to GAROC as included in the GAROC approved annual business plan and budget to enable GAROC to discharge its obligations under these Terms of Reference.

5.3.3. Resources made available to GAROC will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with GAROC.

6. Functions of GAROC

6.1. LGA Object

6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:

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(a) supporting the activities of the LGA at a regional level;

(b) promoting communication between Members and between Members and the LGA;

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6.5.2. GAROC will develop, in consultation with the members within the GAROC Regional Group, an annual business plan for the next financial year by June each year.

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GAROC will undertake any other functions:

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GAROC may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

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9.1. Resolution of the Board of Directors

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

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9.2.1. GAROC will meet at least once in each 2 month period at such times and places as shall be determined by the Chief Executive.

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GAROC will assess its performance against:

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11.2. An administrator is ineligible to be a member of GAROC.

Local Government Association of South Australia

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Schedule: List of Regional Groupings of Members

GAROC Regional Grouping	Members
Metropolitan Region	Adelaide Adelaide Hills Burnside Campbelltown Charles Sturt Gawler Holdfast Bay Marion Mitcham Norwood/Payneham & St Peters Onkaparinga Playford Port Adelaide Enfield Prospect Salisbury Tea Tree Gully Unley Walkerville West Torrens

Commonwealth Games Bid

Originating Officer	Executive Assistant to CEO - Dana Bartlett
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	GC18100R15

REPORT OBJECTIVE

The purpose of this report is to provide council with the opportunity to respond to a request from the South Australian Sports Federation to support a South Australian bid for the 2026 or 2030 Commonwealth Games.

EXECUTIVE SUMMARY

The State Government is considering whether to submit a bid for the 2026 or 2030 Commonwealth Games. The South Australian Sports Federation has written to all Councils seeking support by writing to the Premier in a show of unity and collective action from our sporting community (Attachment 1).

RECOMMENDATION

That Council:

1. **Supports the 2026 or 2030 Commonwealth Games in South Australia bid.**

2. **Endorses the letter to the Premier (Attachment 2) of support for the 2026 or 2030 Commonwealth Games in South Australia to be signed by the Chief Executive Officer.**

or

1. **Declines the request to support the 2026 or 2030 Commonwealth Games South Australia bid and authorises that a letter by the Chief Executive Officer be sent advising the South Australian Sports Federation of the decision.**

GENERAL ANALYSIS

The 2018 Gold Coast Commonwealth Games was the largest event in Australia this decade. It brought 670,000 visitors, 6600 athletes and team officials competing in 18 different sports from 70 nations and territories. $1.8million was invested in youth and community sporting facilities to ensure an active, engaged and inclusive community.

The Commonwealth Games would provide an opportunity to showcase South Australia's international standard sporting facilities as well as utilise council facilities and assets. By supporting this bid and careful pre-planning, there could be the potential for funding opportunities to improve council infrastructure and assets as well as support our local businesses and sporting associations.

Liveable:	Showcasing to the world that South Australia is a livable and vibrant state.
Engaged:	Engaging with our community and promoting local businesses within the City of Marion.
Connected:	Connecting our Community to an iconic South Australian event.

Attachment

#	Attachment	Type
1	Commonwealth Games Bid	PDF File
2	Letter to Premier re Commonwealth Games Bid	PDF File

Dana Bartlett

From: Leah Cassidy <ceo@sportsa.org.au>
Sent: Friday, 28 September 2018 2:17 PM
Cc: Bronwyn Klei ; David Hutton 2; Jane Russo ; Jo Stevens; John Cranwell; Katrina Webb; Lisa Smith (lisaaway2004@yahoo.com) (lisaaway2004@yahoo.com); Mark Easton ; Michael Wright
Subject: Commonwealth Games bid
Attachments: Member letter to Premier Steven Marshall.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Colleagues,

As you may be aware the State Government is currently considering whether to submit a bid for the 2026 or 2030 Commonwealth Games. The Games delegation has recently been in South Australia. The Sport SA Hall of Fame Board of Governors and Sport SA Board have recently written to the Premier in support of such a bid.

Sport SA believes there is enormous benefit in hosting a Commonwealth Games, not just for those sports represented in the Games but sport more broadly and importantly, the community more broadly.

We are calling on our members to submit a letter of support to the Premier in a show of unity and collective action from our sporting community.

The attached draft letter can be adapted to suit your organisation and placed on your letterhead. Please forward it to:
premier@sa.gov.au
cc:
ministerwingard@sa.gov.au
ceo@sportsa.org.au

We understand decision making needs to occur imminently to allow for a submission before the end of the year; therefore we encourage you to submit this as soon as practicable.

With regards
Leah

Leah Cassidy
Chief Executive Officer
MSc (Sport and Recreation Management) BEd (Physical Education)
Diploma of Government (Project Management)

(S.A. Sports Federation Inc.)

P.O. Box 103, West Beach S.A. 5024
(Military Road, West Beach S.A. 5024)
Ph: 8353 7755 Fax: 8353 7822
Email: ceo@sportsa.org.au
www.sportsa.org.au

Sport SA is supported by:

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Date: XXX

Premier Steven Marshall

GPO Box 2343
ADELAIDE SA 5001

premier@sa.gov.au

PO Box 21, Oaklands Park
South Australia 5046

245 Sturt Road, Sturt
South Australia 5047

T (08) 8375 6600
F (08) 8375 6699
E council@marion.sa.gov.au

DRAFT

Dear Premier Marshall

The City of Marion write to you in support of a South Australian bid for the 2026 or 2030 Commonwealth Games.

The City of Marion see this as an opportunity to showcase South Australia to the world, bringing not just a sporting spectacle but an economic, tourism, infrastructure and capital investment opportunity like no other.

The City of Marion believes South Australia's current sporting infrastructure is already well placed to meet the international standards expected of hosting such a prestigious event. Multi-purpose venues such as the convention and exhibition centre may be utilised for indoor sports without the need for building new stand-alone facilities. Whilst some infrastructure would be required, this provides an opportunity to stimulate the economy and may attract co-investment from local government and the private sector.

Careful pre-planning of required infrastructure also provides an opportunity for an ongoing economic benefit to the community. Examples of this could include building an athletes village that can be sold off post games for housing, investment in sporting infrastructure with co-investment from our universities to boost university sport, building of multi-sport venues that can be maintained by local councils as community assets beyond the Games, building of venues that allow our state to bid for future International events such as the Women's World Cup and the University Games.

South Australia has a strong reputation nationally and internationally for our food, wine, beautiful landscapes and our cultural and arts festivals. The Commonwealth Games provides an opportunity for our state to build on this reputation and to demonstrate that we have what it

takes to deliver a world class international sporting event, a sporting event that can also showcase our above world class assets.

The Commonwealth Games would also provide an outstanding lasting legacy of the Marshall Liberal government and would contribute to delivering many of your government's 2036 commitments including; Strengthening Communities; Building our State and Embracing our Unique Culture.

The City of Marion compels you and your government to give serious consideration to a Commonwealth Games bid and we look forward to working with you to make these Games a reality for the multi-benefits we know it will bring to South Australia.

We seek written confirmation from you as to the intention of your government to enter a bid.

Signed for and on behalf of The City of Marion.

Sincerely

Adrian Skull

Chief Executive Officer

Cc: Hon. Corey Wingard MP, Minister for Sport and Recreation. ministerwingard@sa.gov.au

Leah Cassidy, CEO Sport SA ceo@sportsa.org.au

Christchurch Adelaide Sister City Committee funding request

Originating Officer	Executive Assistant to CEO - Dana Bartlett
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	Chief Executive Officer - Adrian Skull
Report Reference	GC181009R16

REPORT OBJECTIVE

The purpose of this report is to provide Council with the opportunity to respond to a request from the Christchurch Adelaide Sister City Committee which has recently written to the City of Marion (Attachment 1) regarding funding support for an artwork project.

EXECUTIVE SUMMARY

The Chair of the Christchurch Adelaide Sister City Committee, at the request of the Local Government Association of SA, has written to all Metropolitan Councils to consider a donation of $1,000 to assist with the replacement of the artwork for their Adelaide Garden in Christchurch.

In 2015, the original artwork of two bronzed seed pods, created by renowned Adelaide artist Karen Genoff, were stolen from the entrance of the Adelaide Garden in Christchurch. The Christchurch Adelaide Sister City Committee has engaged Karen Genoff, who is working closely with Kaurna Elder, Uncle Lewis O'Brien, to submit her concept of Kaurna Leaves for the replacement of the original artwork.

The total funding of this project is estimated to be approximately $36,500 and includes the artist fee, material and manufacture, transport and travel costs for Karen and the Kaurna Elder to Christchurch.
The Lord Mayor of Adelaide has provided $5,000 of funding towards the project (Attachment 2), however there is a shortfall of $13,100.

RECOMMENDATION

That Council

1. **Approves the request to support $1,000 to the Christchurch Adelaide Sister City Committee for the replacement artwork for the Adelaide Garden in Christchurch and authorises that a letter be sent by the Chief Executive Officer advising them of the decision.**

or

2. **Declines the request to support the Christchurch Adelaide Sister City Committee for the replacement of artwork for the Adelaide Garden in Christchurch and authorises that a letter be sent by the Chief Executive Officer advising them of the decision.**

Current Budget Allocation	The $1,000 in funding will be provided from within the existing approved budget.

Attachment

#	Attachment	Type
1	Adelaide Garden artwork fundraising Sep 2018 to City of Marion CEO from Peter Cottrell	PDF File
2	2018-08-13 CIR Adelaide Lord Mayor lette~ant towards replacement of the sculpture in Halswell Quarry Park 13 August 2018	PDF File

Mr Adrian Skull
Chief Executive Officer
City of Marion
PO Box 21, Oaklands Park
South Australia 5046

26 September 2018

Dear Mr Skull

Warm greetings from one of Adelaide's Sister Cities, Christchurch. We value the relationship between our cities, which has more than 45 years of history. Although the Sister City relationship is formerly with the City of Adelaide, I'm aware that all Adelaideans – I am one myself, moving to Christchurch for employment opportunities in the 1980s – regard Christchurch as their Sister City.

I am writing to you on behalf of the Christchurch Adelaide Sister City Committee. We are a volunteer committee of enthusiastic individuals who develop and lead projects to benefit both our cities, formally mandated and supported by the Mayor of Christchurch and the Christchurch City Council.

Our Sister City Committee has been working with Karen Genoff, a renowned Adelaide artist, on a concept design for a replacement artwork for the Adelaide Garden in Christchurch (each of our sister cities has its own dedicated garden). The original artwork of two bronze seed pods was also designed and made by Karen in the early 2000s. It sat at the entrance to the Adelaide Sister City Garden in Halswell Quarry Park but was sadly stolen in 2015. At that time our city was not insured for such assets. It took our Committee three years to fundraise for the original artwork, so naturally we were very distressed to learn of the theft.

Karen Genoff has submitted her concept design (enclosed). She has worked closely with Kaurna Elder, Uncle Lewis O'Brien, to incorporate some fantastic indigenous elements.

The Christchurch Adelaide Sister City Committee has thus far secured funding towards the replacement artwork of about $NZ25,500. The total cost of the project is estimated to be approximately $NZ40,000 (~$A36,500), so the current shortfall is about $NZ14,500 ($A13,100). This cost includes the artist's fee, material and manufacture and transportation of the Corten steel 'leaves' and embossed granite, and travel costs to Christchurch for Karen and the Kaurna Elder to dedicate the work with the local community, including the local indigenous Māori iwi, Ngai Tāhu.

On 13 August we received a letter from the Lord Mayor of the City of Adelaide generously offering $A5,000 towards this artwork. This amount is included in the funds secured to date. I enclose a copy of the Lord Mayor's letter as it recommends that we directly liaise with the Local Government Association of South Australia (LGASA). LGASA in turn recommended that we contact the individual Adelaide Metropolitan Councils to ask whether you would be willing to contribute.

A number of Adelaide Metropolitan Councils offering small sums of $A1,000 or less would enable our Committee to commence the fabrication phase of this important project.

We would greatly appreciate your consideration of our request for a small amount of financial assistance towards this artwork.

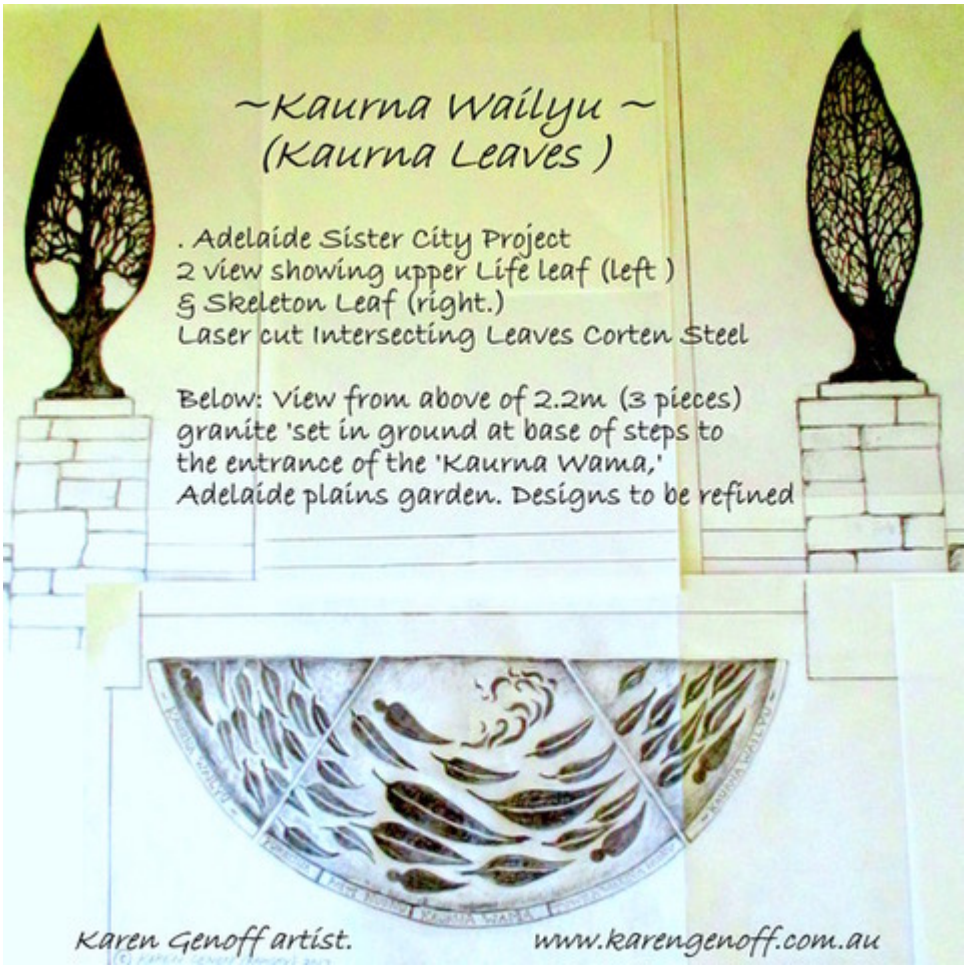
We look forward to hearing from you. I would be happy to discuss this further with you via email or phone.

Yours sincerely,

Professor Emeritus Peter Cottrell
Chair, Christchurch Adelaide Sister City Committee
60 Hinau Street, Riccarton, Christchurch, NEW ZEALAND 8041
E: peter.cottrell@canterbury.ac.nz; M: +64 (0)22 163 7958

CC: Her Worship the Mayor of Christchurch Hon Lianne Dalziel
Matthew Nichols, Manager of International Relations, Christchurch City Council

New artwork design by Karen Genoff



Pictures of stolen sculptures

OFFICE OF THE LORD MAYOR

Hon Lianne Dalziel
Mayor
Christchurch City Council
PO Box 73016
Christchurch 8154

Dear Mayor Dalziel

Thank you for your letter dated 26 June 2018 regarding the replacement of the missing sculptural orbs that were located in Halswell Quarry Park.

It is unfortunate that the original spheres went missing and I appreciate the decision of the Christchurch Adelaide Sister City Committee to commission a replacement sculpture by Adelaide artist, Ms Karen Genoff.

As a sign of the strong relationship between our cities, I am pleased to offer AUD 5,000 towards the procurement and installation of the replacement artwork. I have asked my administration to contact your staff to finalise this arrangement. I truly hope this contribution is of assistance.

Nonetheless, as I do not believe it appropriate to engage fundraising for this project beyond my Council boundaries, I recommend you liaise directly with the Local Government Association of South Australia should the you wish to pursue this effort.

Again, I am delighted to hear that the City of Christchurch will be featuring the City of Adelaide again in Halswell Quarry Park and I look forward to furthering our Sister City relationship.

Yours sincerely

Martin Haese
LORD MAYOR

13 August 2018

TOWN HALL, ADELAIDE, SOUTH AUSTRALIA 5000. TELEPHONE **(08) 8203 7252** EMAIL **lordmayor@adelaidecitycouncil.com**

Waste Management Project - Prudential Review

Originating Officer Manager Finance - Ray Barnwell

Corporate Manager Manager Finance - Ray Barnwell

General Manager General Manager Corporate Services - Vincent Mifsud

Report Reference GC181009R17

REPORT OBJECTIVE

The purpose of this report is to seek Council's endorsement to undertake the preparation of a prudential report as required pursuant to Section 48 of the Local Government Act 1999 for the collaborative Waste Management Services tender, being conducted by Council Solutions on behalf of four participating councils. The City of Marion's current waste management contract expires on 30 April 2020.

EXECUTIVE SUMMARY

The City of Marion joined with the Cities of Charles Sturt, Port Adelaide Enfield and Adelaide City Council (the Participating Councils) to progress a collaborative approach to the procurement of Waste Management Services, led by Council Solutions. This collaborative approach was endorsed by Council on 26 September 2017 (GC260917R09).

Significant work has been undertaken on the Waste Management Project with applications seeking authorisation submitted to the Australian Competition and Consumer Commission(ACCC) for three separate Waste Services Packages, being Kerbside Waste Collection, Waste Processing Services and Waste Ancillary Collection Services.The ACCC has now released positive draft determinations for all three waste service packages enabling the project to approach the market and progress to request for tenders for all three services through an open tender process.

Council is required to prepare a Prudential Report pursuant to Section 48 of the Local Government Act where the expected projected operating expenses for the project over the ensuing 5 years is likely to exceed 20% of its annual operating expenses over the previous 5 financial years. The tender for Waste Management Services will trigger this threshold and therefore a prudential report is required. It is recommended that Council endorses undertaking a prudential review for the proposed kerbside waste collection services tender.

RECOMMENDATION

That Council:

1. **Endorses the engagement of a suitably qualified person for the preparation of a prudential report as required pursuant to Section 48 of the Local Government Act 1999 for the collaborative Waste Management Services tender being conducted by Council Solutions.**

2. **Notes the cost is expected to be in the order of $5k - $7k which will be funded from within existing approved budget.**

Legal / Legislative / Policy: S.48 - Local Government Act 1999.

DISCUSSION

The City of Marion joined with the Cities of Charles Sturt, Port Adelaide Enfield and Adelaide City Council (the Participating Councils) to progress a collaborative approach to the procurement of Waste Management Services, which is being led by Council Solutions.

This project has now progressed to the point where the ACCC have released positive draft determinations for all three waste service packages enabling the project to approach the market and progress to request for tenders for all three services through an open tender process.

Section 48 of the Local Government Act stipulates a council must obtain and consider a prudential report where it engages in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body):

- where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements);or
- where the expected capital cost of the project over the ensuing five years is likely to exceed $4,000,000 (indexed); or
- where the council considers that it is necessary or appropriate.

Having considered the above requirements and given the expected operating costs of our waste management services over the coming 5 years are likely to exceed 20 per cent of the council's average annual operating expenses over the past five financial years, a prudential report will be required for this project.

Council's Prudential Management Policy requires the report to be prepared by a person whom the Council reasonably believes to be qualified to address the prudential issues outlined in s48(2) and must not be a person who has an interest in the relevant project as defined in s48(6a) – (6c).

Council is collaboratively working with the Cities of Charles Sturt and Port Adelaide Enfield to jointly engage a suitably qualified person with relevant experience and skills to undertake this work. A prudential report will be presented to Council for information and decision following caretaker period. The timing of this is anticipated to be early 2019.

Financial Implications

The cost of preparing this prudential management report is expected to be in the order of $5k to $7k and will be funded from within existing approved budget.

Conclusion

The engagement of a suitably qualified person for the preparation of a Section 48 prudential report for the proposed Kerbside Waste Collection Services tender will not only ensure Council meets its legislative responsibilities but will also enable the continued participation in the collaborative procurement approach with the other Participating Councils to seek the best value for money for our ratepayers via open and transparent competition for services ensuring optimal outcomes for our residents and fair and equitable treatment of our suppliers.

It is expected that the cost of participating in the collaborative procurement of Waste Management Services will be more than offset through the benefits achieved including lower costs, improved service delivery and greater environmental benefits from the increased diversification of waste from landfill.

Vietnam Veterans Federation - Request to name the new building

Originating Officer	Water Resources Coordinator - Glynn Ricketts
Corporate Manager	Manager Engineering and Field Services - Mathew Allen
General Manager	General Manager City Development - Abby Dickson
Report Reference	GC101009R18

REPORT OBJECTIVE

To obtain Council approval to officially name the new building, next to the RSL Club, 31-39 Norfolk Road, Marion.

EXECUTIVE SUMMARY

The Vietnam Veterans Committee, (the Vets) have requested approval from Council to officially name the newly built premises, located at 31-39 Norfolk Road, as the "The Yerbury Centre".

RECOMMENDATION

That Council:

1. **Notes the report.**

2. **Approves the proposed name of the new building located at 31-39 Norfolk Road, Marion as "The Yerbury Centre".**

GENERAL ANALYSIS

The Vietnam Veterans Committee (the Vets) have requested approval from Council to officially name the new building (refer to GC 120618R03), located at 31-39 Norfolk Road, Marion (next to the existing RSL Club). The Vets have requested the premises be called "The Yerbury Centre" after the late Captain Ian Michael Paul Yerbury (AKA "Impy") who passed away early in 1989. Captain Yerbury was an artillery officer in the Australian Army who did two tours of Vietnam in 1968/1969 and 1971.

"Impy" resigned from the Army in August 1974. He was born in the United Kingdom in 1944 and emigrated to Australia in 1950. After his discharge from the Army he lived in Campsie in New South Wales until his death in 1989. His parents lived in Adelaide and following the death of "Impy", Mrs Yerbury donated a sum of money to the Vets to "ensure their doors never closed". The Vets have advised that this money was placed into an investment account in case the Vets had to ever relocate from Warradale. Hence, the Vets support that the new building be called "The Yerbury Centre" and request Council approval to officially name the new build after "Impy".

Administration supports the proposed naming and recognises that this is great way to remember the benevolence of the Yerbury family to the Vietnam Veterans Federation of South Australia and Captain Yerbury's service to this country.

The proposed naming of the building is in line with Council's *Road and Public Place Names Policy* which states *Names will be selected so as to be appropriate to the physical, historical or cultural character of the area concerned.*

CORPORATE REPORTS FOR INFORMATION/NOTING

Finance Report - August 2018

Originating Officer	Junior Accountant - Melissa Virgin
Corporate Manager	Manager Finance - Ray Barnwell
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R19

REPORT OBJECTIVE

This report provides Council with information relating to the management of financial resources under its control as at August 2018.

EXECUTIVE SUMMARY

This report is one of a series of reports designed to assist Council in achieving and maintaining a financially sustainable position. Other reports assisting in this process include the Quarterly Budget Reviews and the Long Term Financial Plan.

It is considered appropriate that financial information regarding Major Projects be presented on a monthly basis in this report. The principles used for assessment of reportable projects are according to the following criteria:

- Council has agreed to proceed with the project and approved a Section 48 Prudential Report.
- The Whole-of-Life Cost is greater than $4 million dollars (including grant assisted projects).
- Has a project life of more than 12 months.

RECOMMENDATION

That Council:

1. **Receives the report "Finance Report – August 2018"**

GENERAL ANALYSIS

BACKGROUND

This report is presented on a monthly basis to provide Elected Members with key financial information to assist in monitoring Council's financial performance against budget.

DISCUSSION:

Appendix 1 contains a financial report to identify Council's performance against budget utilising a "Funding Statement". It provides a review against all of the elements contained within the Statement of Comprehensive Income and Statement of Financial Position that are adopted as part of the Annual Budgeting process.

The detailed Capital Works graphs provide a weighting of the projects against budget. As an example, a graph with a total budget of $100k spread over two projects, where Project A has a budget of $90k it now

accounts for 90% of the works when complete and project B with its budget of $10k now accounts for 10% of the works when complete.

APPENDICES

Appendix 1: Monthly Financial Reporting
Appendix 2: Capital Works Reporting including Major Projects
Appendix 3: Debtors Reports for Sundry Debtors & Rates Debtors

Attachment

#	Attachment	Type
1	Finance Report_August Appendix 1 Pt 1	PDF File
2	Finance Report_ August Appendix 1 pt 2	PDF File
3	Finance Report_August Appendix 1 Pt 3	PDF File
4	Finance Report_ August Appendix 1 pt 4	PDF File
5	Finance Report_ August Appendix 2 pt 1	PDF File
6	Finance Report_August Appendix 2 Pt 2	PDF File
7	Finance Report_ August Appendix 3 pt 1	PDF File
8	Finance Report_ August Appendix 3 pt 2	PDF File

Funding Statement – Actual versus Budget

The Funding Statement provides a view of Council's financial performance against the approved budget and is consistent with the information provided at budget reviews. It provides a review against all of the elements contained within the Statement of Comprehensive Income and the Statement of Financial Position that are adopted as part of the Annual Budget Report. It details Council's:

Statement of Comprehensive Income -

The operating result is recognised as one of Council's key financial indicators. The budget framework includes a commitment to its ongoing Financial Sustainability maintaining an Operating Surplus Ratio of between 0% and 5%, on average over each five-year period, which for 2018/19 means a targeted operating surplus of between $0 and $4.554m.

Comment: Council currently has a net operating surplus result of $4.350m before capital revenues, against a year to date forecast budget of $3.078m surplus. This position is detailed in the attached Funding Statement and variation notes.

Capital Budget - The Capital Budget is linked to Council's key financial indicator – "Asset Sustainability Ratio" and an actual to budget comparison reflects Council's progress in achieving its Capital program.

Comment: The actual to budget position reveals that 72.99% of the year to date Capital Renewal Budget has been spent.

The actual progress to date of Council's full Capital New and Renewal Expenditure program is detailed by asset class in the attached graphs (appendix 2).

Loans - The loans component of the Funding Statement identifies any new proposed loan receipts or principal payments. Council's borrowings are included in Council's key financial indicator – "Net Financial Liabilities" which reflects Council's total indebtedness.

Comment: No new borrowings are included in the 2018/19 budget and principal repayments of $1.100m mean that the overall loan liability balance is forecast to decrease by $1.100m to $6.805m at 30 June 2019.

Reserves & Cash - Various fund movements such as surplus budget review results, unspent grants and carryover projects at year end are reflected as transfers to reserves, whilst utilisation of reserve funds are recognised as transfers from reserves.

Cash may be utilised to fund expenditure within the context of Treasury Management to ensure loans are not drawn down where temporary cash holdings are available.

Comment: Councils Reserves are detailed in the below table. Transfer to Reserves of $0.359m and Transfers from Reserves of $12.061m are forecast to occur in 2018/19, and after accounting for amounts quarantined for specific projects or works, there is $6.161m available.

Reserves ($000s)	Asset Sustainability Reserve						Open Space Reserve	Grants & Carryover Reserve	TOTAL ALL RESERVES
	Major Infrastructure Failure	General	Other	Major New Projects	CFPP	TOTAL ASR			
Opening Balance	**2,000**	**7,406**	**647**	**5,394**	**6,672**	**21,657**	**1,218**	**1,426**	**24,301**
Budgeted transfers to reserve	0	0	320	0	19	**339**	20	0	**359**
Budgeted transfers from reserve	0	(3,937)	(40)	(5,369)	(1,290)	**(10,636)**	0	(1,425)	**(12,061)**
Current Budgeted Closing Balance	**2,000**	**3,469**	**927**	**25**	**5,401**	**11,822**	**1,238**	**0**	**13,061**
Quarantined Funds	(2,000)	(2,367)	0	0	(2,028)	**(6,395)**	(505)	0	**(6,900)**
Projected Available Balance	**0**	**1,102**	**927**	**25**	**3,373**	**5,427**	**733**	**0**	**6,161**

The 2018/19 budget forecasts a net cash surplus of $0.668m.

*CFPP: Community Facilities Partnership Program
*Other includes Walking & Cycling, Energy Efficiency and Oaklands Wetlands- Water Supply Opportunities

Funding Statement
as at 31 August 2018

Original Adopted Budget $'000	Carryovers $'000		YTD Actual $'000	YTD Budget $'000	YTD Variance $'000		Annual Budget $'000	Note
		Operating Revenue						
77,173		**Rates**	13,284	13,288	(4)	U	77,173	
2,121		**Statutory Charges**	278	408	(130)	U	2,121	**A**
2,175		**User Charges**	226	252	(26)	U	2,175	
8,658	(1,522)	**Operating Grants & Subsidies**	1,552	781	771	F	7,136	**B**
704		**Investment Income**	33	74	(41)	U	704	
540		**Reimbursements**	73	68	5	F	540	
878		**Other Revenues**	562	67	495	F	878	**C**
344		**Net gain - Equity Accounted Investments**	-	-	-	-	344	
92,593	**(1,522)**		**16,008**	**14,938**	**1,070**	**F**	**91,071**	
		Operating Expenses						
34,896		**Employee Costs**	4,649	5,032	383	F	34,896	**D**
20,518	1,643	**Contractual Services**	2,776	2,790	14	F	22,161	
4,533		**Materials**	671	430	(241)	U	4,533	**E**
467		**Finance Charges**	(19)	(21)	(2)	U	467	
17,106		**Depreciation**	2,866	2,851	(15)	U	17,106	
10,680		**Other Expenses**	715	778	63	F	10,680	
88,200	**1,643**		**11,658**	**11,860**	**202**	**F**	**89,843**	
4,393	**(3,165)**	**Operating Surplus/(Deficit) before Capital Revenues**	**4,350**	**3,078**	**1,272**	**F**	**1,228**	
		Capital Revenue						
-		**Capital Grants & Subsidies**	-	-	-	-		
		Contributed Assets	-	-	-	-		
-		**Gain/(Loss) on Asset Disposal**	-	-	-	-	-	
-			**-**	**-**	**-**	**-**	**-**	
4,393	**(3,165)**	**Net Surplus/(Deficit) resulting from operations**	**4,350**	**3,078**	**1,272**	**F**	**1,228**	
17,106		***add*** **Depreciation**	2,866	2,851	15		17,106	
(344)		***less*** **Share of Profit Equity Accounted Investments**	-	-	-		(344)	
21,155	**- 3,165**	**Funding available for Capital Investment**	**7,216**	**5,929**	**1,287**	**F**	**17,990**	
		Capital						
18,394	3,095	***less*** **Capital Expenditure - Renewal**	1,962	2,688	726	F	21,489	**F**
12,694	4,509	***less*** **Capital Expenditure - New**	1,047	1,161	114	F	17,203	**G**
		less **Capital - contributed assets**	-	-	-	-		
		add **Proceeds from Sale of Surplus Assets**			-	-		
(9,933)	**(10,769)**	**Net funding increase/(decrease)**	**4,207**	**2,080**	**2,127**	**F**	**(20,702)**	**H**

Original Adopted Budget $'000	Carryovers $'000		YTD Actual $'000	YTD Budget $'000	YTD Variance $'000		Annual Budget $'000	Note
		Funded by						
		Loans						
-		**Loan Principal Receipts (Net)**	-	-	-		-	
-		**Loan Receipts/(Payments) from Sporting Clubs (Net)**	-	-	-		-	
(1,100)		**Loan Principal Repayments**	-	-	-		(1,100)	
(1,100)		**Loan Funding (Net)**	**-**	**-**	**-**	**-**	**(1,100)**	
		Movement in level of cash, investments and accruals						
668	-	**Cash Surplus/(Deficit) funding requirements**	15,908	13,781	2,127		668	
(11,701)	(10,769)	**Reserves Net - Transfer to/(Transfer from)**	(11,701)	(11,701)	-		(22,470)	
(11,033)	**(10,769)**	**Cash/Investments/Accruals Funding**	**4,207**	**2,080**	**2,127**		**(21,802)**	
9,933	**10,769**	Funding Transactions	**(4,207)**	**(2,080)**	**(2,127)**	**F**	**20,702**	

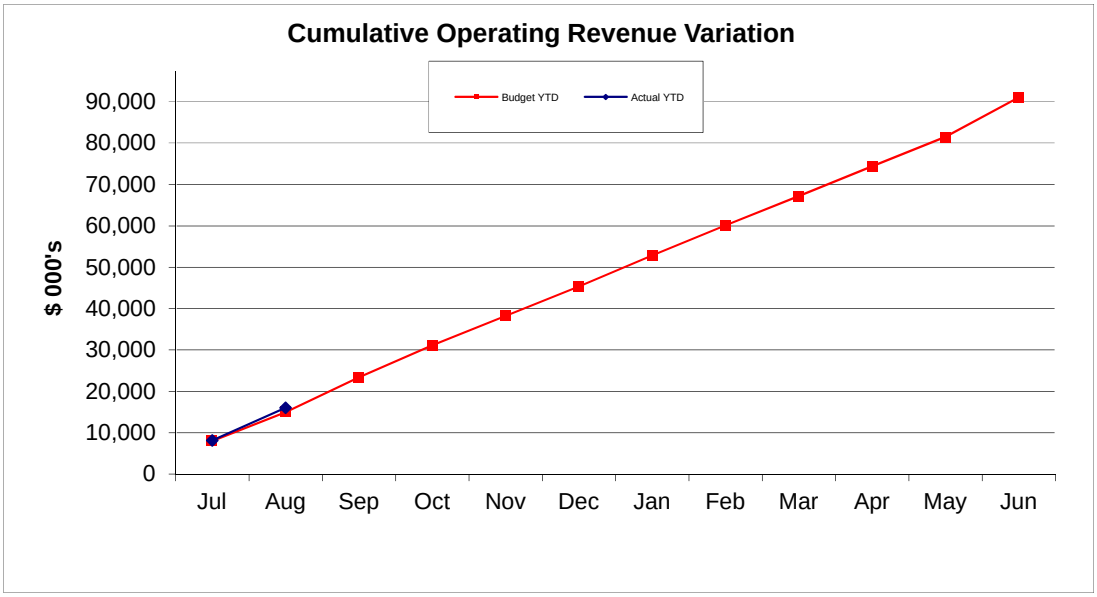
Variation Notes

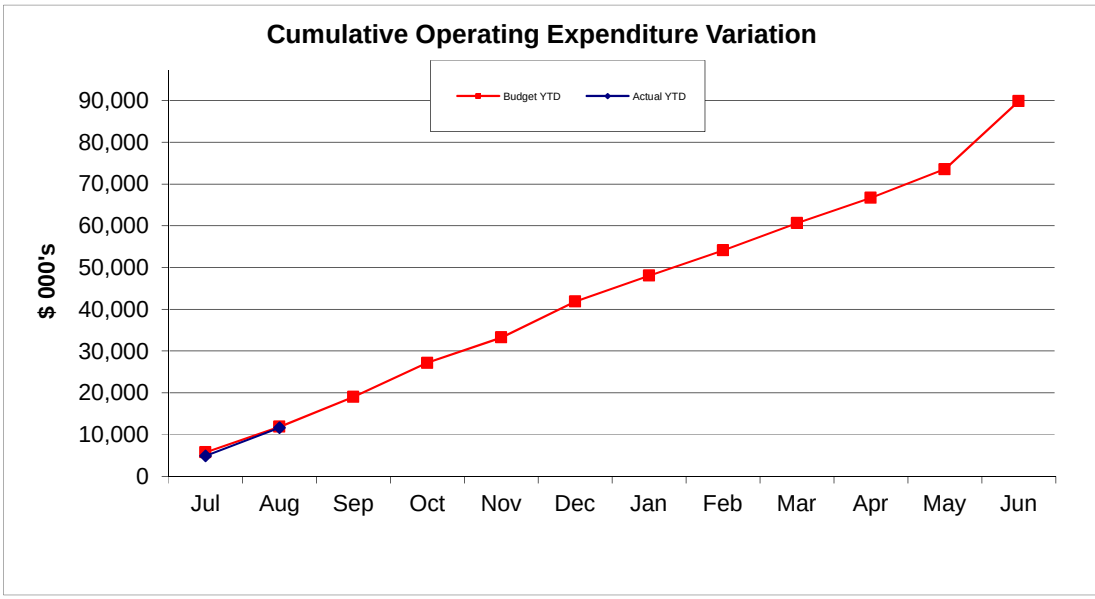
A	**Statutory Charges**	**Unfavourable $130k**	Reflects budget-timing variances with regards to the receipt of Dog Registration fees in relation to the transition to centralised registrations through DACO.
B	**Operating Grants & Subsidies**	**Favourable $771k**	Reflects budget-timing variations with regards to receipt of Commonwealth Grant for Edwardstown Oval Soldiers Memorial Recreation Ground.
C	**Other Revenues**	**Favourable $495k**	Predominantly relates to unbudgeted contributions from Vietnam Veterans' Federation ($400k) & Marion Sports and community club for irrigation renewal ($100k) for works being managed by Council, to be adjusted as part of the first budget review.
D	**Employee Costs**	**Favourable $383k**	Predominantly reflects budget-timing variations.
E	**Materials**	**Unfavourable $241k**	Reflects budget-timing variations with regards to the Rating Services 2018/19 Valuation Roll ($255k).
F	**Capital Expenditure (Renewal)**	**Favourable $726k**	Reflects budget-timing variations with regards the Edwardstown Oval Soldiers Memorial Recreation Ground.
G	**Capital Expenditure (New)**	**Favourable $114k**	Reflects budget-timing variations with regards to LED Lighting transition.
H	**Funding Transactions**	**Favourable $2,127k**	This variance is the sum total of all variances and reflects an increase against council's expected YTD cash position.

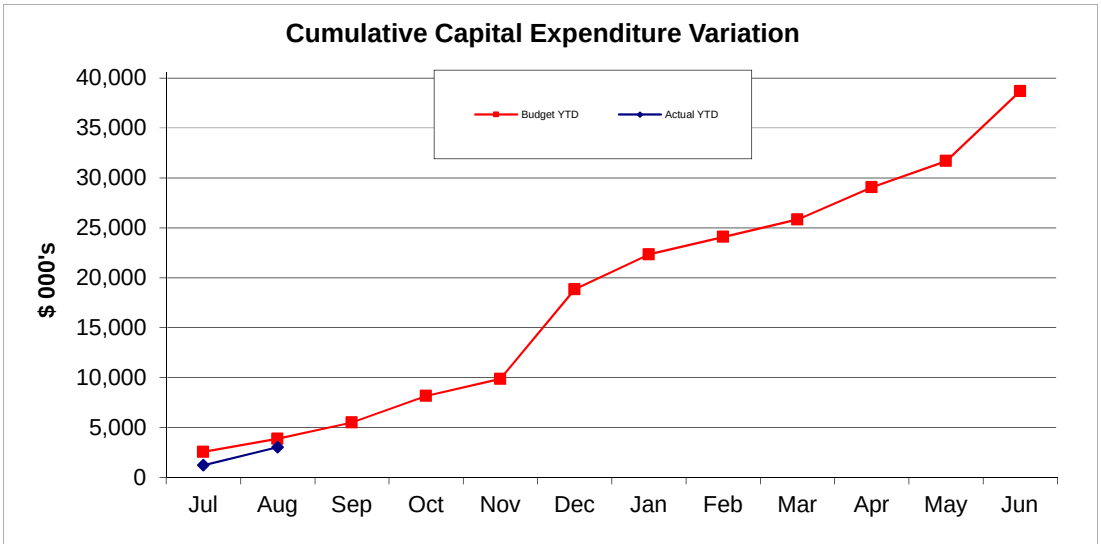
The above comments referring to budget timing variations are where some monthly budget estimates are not reflective of the actual expenditure patterns as at the reporting date.

Note: The progress to date of Capital Expenditure programs (New and Renewal) is detailed in the attached graphs, noting that where no budget exists in the initial months this is primarily due to certain types of capital works that cannot be carried out during periods of inclement weather.

Funding Statement Cumulative Position - 2018/19

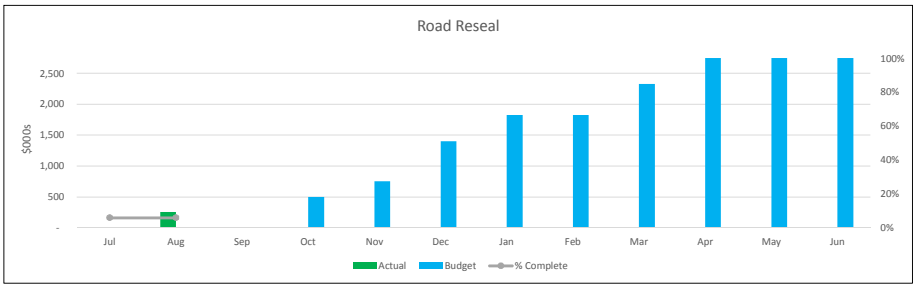




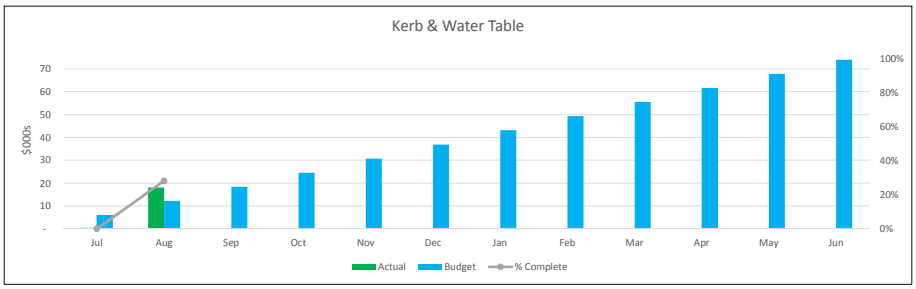


Further breakdown of Capital Expenditure progress for Major Capital Programs is attached.

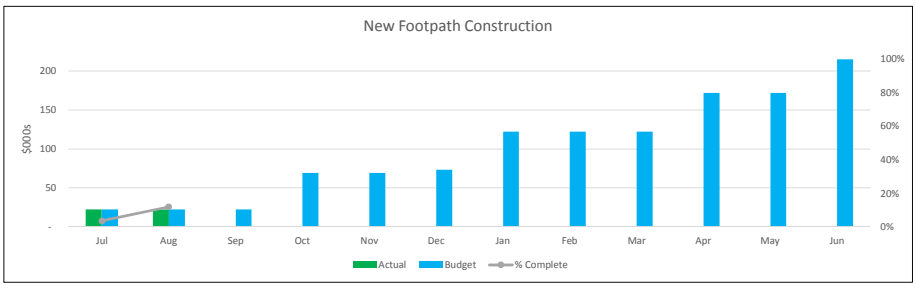
Capital Construction Progress - 2018/19



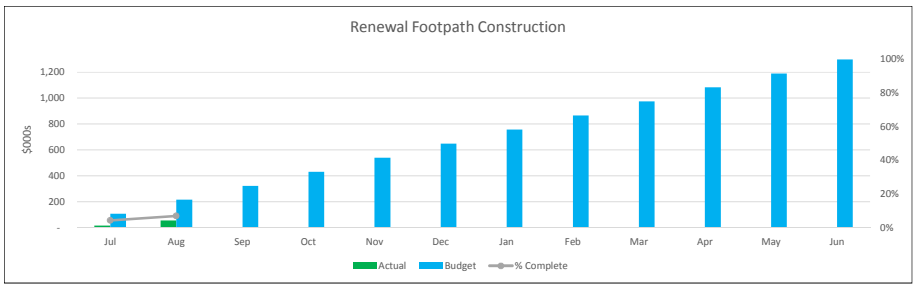
- Program commenced - 6% complete



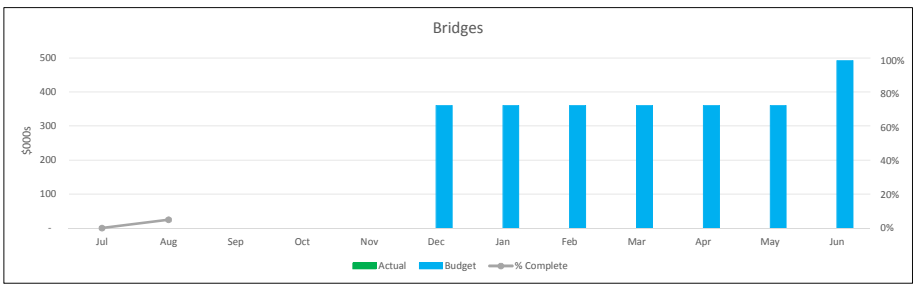
- Program commenced - 28% complete



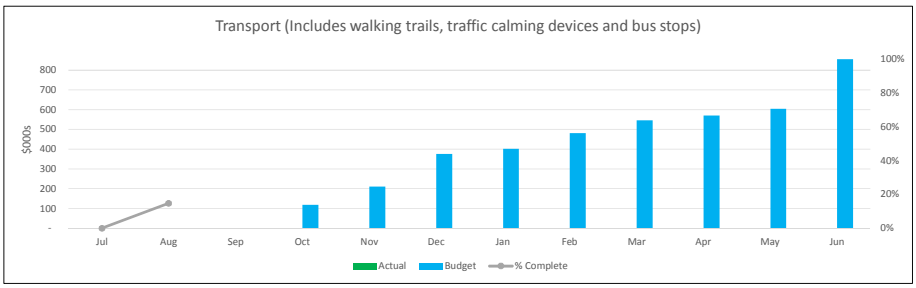
- Program commenced - 12% complete
- Dutchman Drive and Nottingham Terrace are complete.



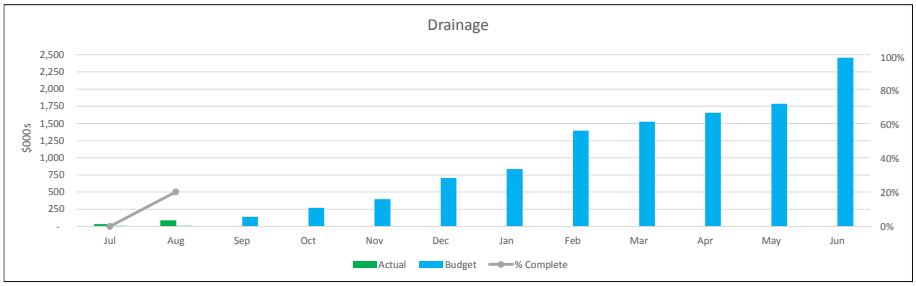
- Program commenced - 7% complete



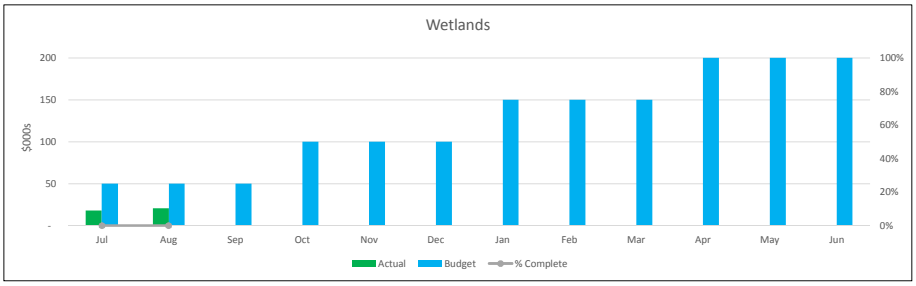
- Both bridges are currently out to tender for design and construct.



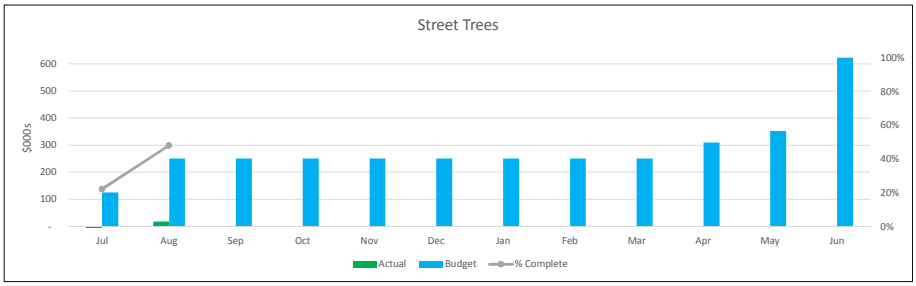
- Program is scheduled to commence in October after wet weather has reduced.
- Designs have been completed for Sturt River Linear Path, Livingston Filmer Roundabout and Kangaroo Thorn Parking Bay.



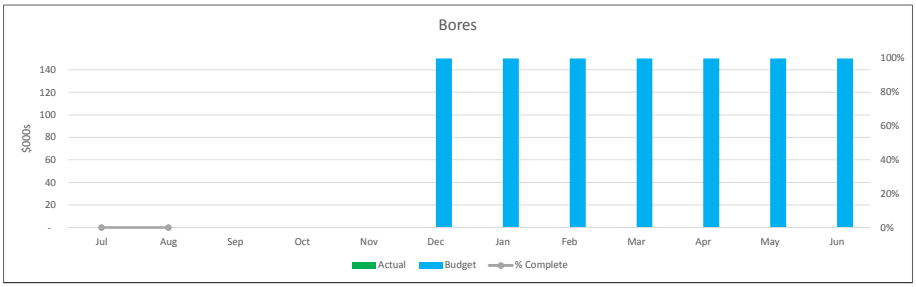
- Glamis Avenue/ Wilga Street Drain due to be complete in September.
- Designs have been completed for Forrest Avenue, John Street and Heron Way Drains.



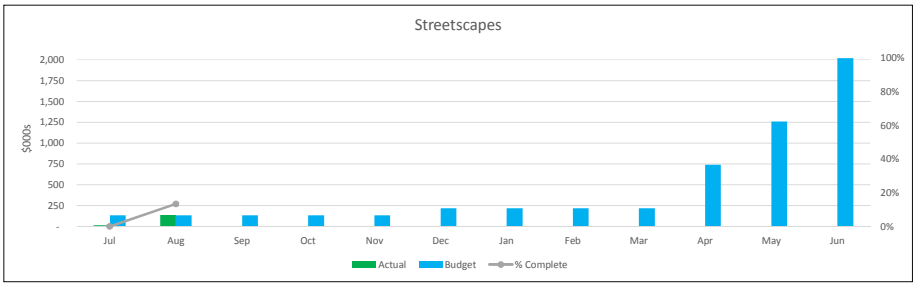
- Works are being scheduled for Glade Crescent Reserve Development.



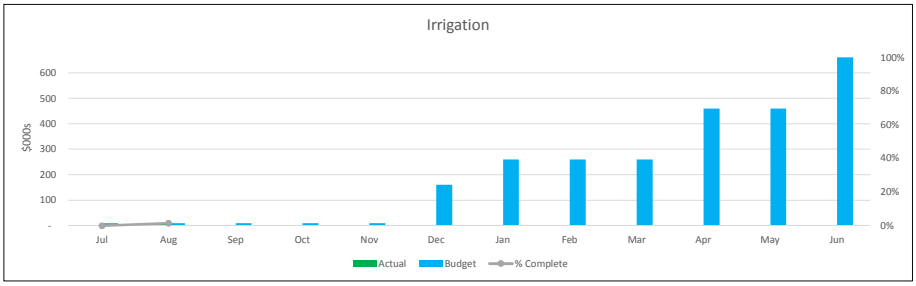
- Program in in progress with 846 street trees.



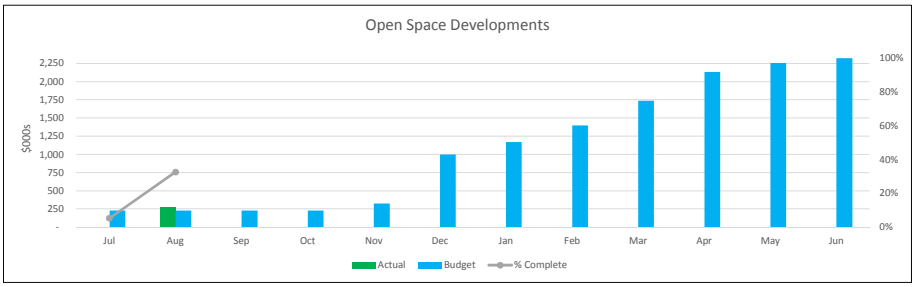
- Program is scheduled to commence in December 2018



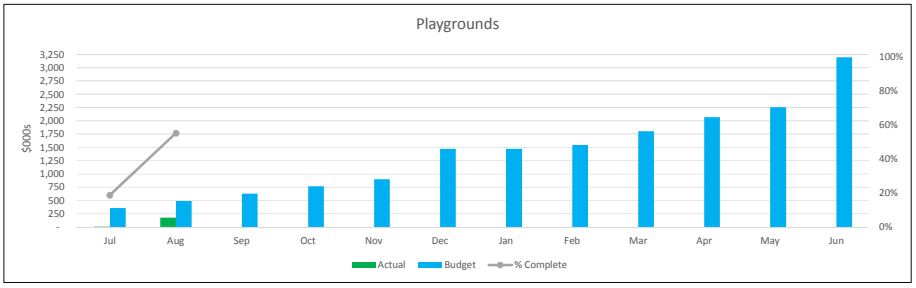
- Program commenced - 13% complete
- Finniss Street and Heron Way are complete.



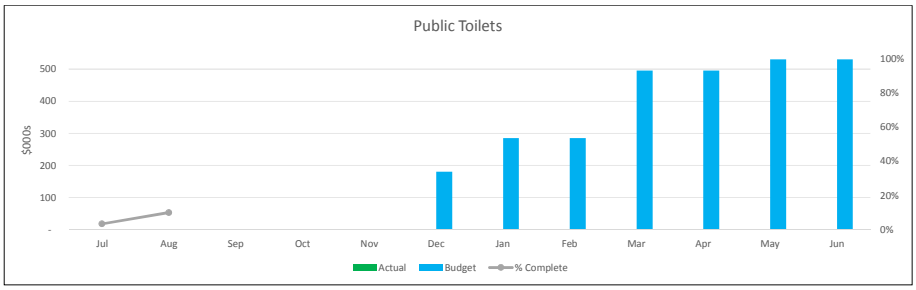
- Program has commenced with Cosgrove Hall and Parsons Trees complete



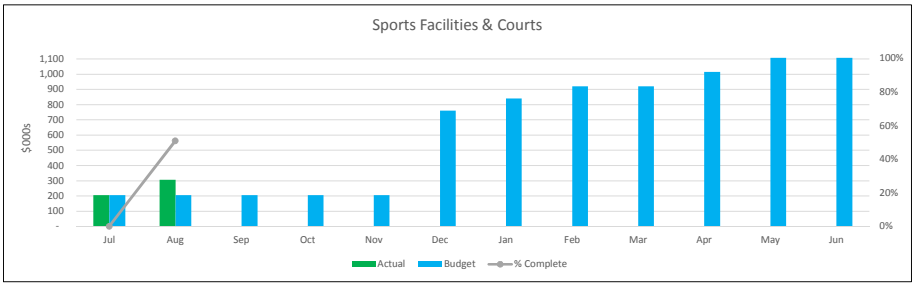
- Program commenced - 33% complete
- Youth Plaza Oaklands Wetlands stage 2 is in progress. Orders have been placed for Shade Solutions for Reserves.



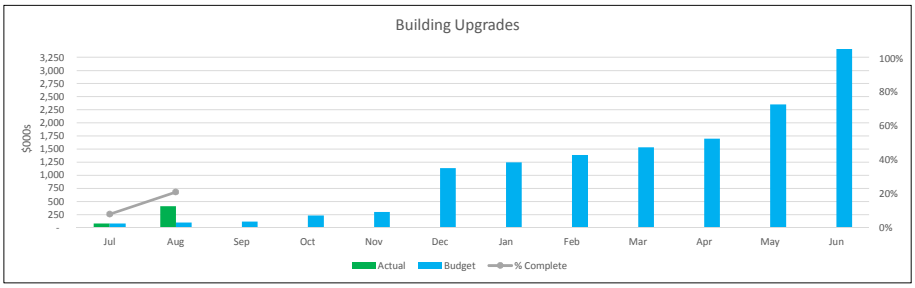
- Program commenced - 55% complete
- Construction is in progress on Heron Way Stage 4, this project was scheduled over both 2017/18 and 2018/19. Hendrie Street Inclusive Playground is complete with minor defects to be resolved.



- Program commenced - 10% complete



- Program commenced - 51% complete
- Solar Installation and Southern Carpark are complete for Marion Sports Club. Woodforde Reserve Courts Development are in progress.



- Program commenced - 21% complete

Completed
- Public Toilet Trott Park- Asbestos Removal
- Vietnam Veterans Marion RSL Sheds
- Electric BBQ -LKCC

In Progress
- Fitzjames Building DDA works
- Park Holme Windows
- Parkholme Library Toilets DDA works
- Marion Outdoor Pool Masterplan
- Cosgrove Hall Air Conditioner

In Progress (cont.)
- Warradale Kindy Asbestos Removal
- Woodforde Reserve DDA works
- Carpark - Marion Swim Centre
- Vietnam Veterans RSL Clubhouse
-Marion Outdoor Pool Masterplan Renewal Works
- Solar Options for Marion
- Coastal Walking Trail Renewal
- Car Park Renewal
- Admin Accommodation Refit
- Cover over Material Bays

Major Projects

Edwardstown Oval Soldiers Memorial Recreation Ground

	2018/19 Actual YTD 31/08/2018	2018/19 Budget	Project Cost At Completion
Income			
Federal Budget Grant Contribution	1,000,000	2,400,000	4,000,000
Total Income	**1,000,000**	**2,400,000**	**4,000,000**
Expenditure			
Operating	-	-	-
Capital Construction	(342,797)	(3,868,996)	(8,965,300)
Total Expenditure	**(342,797)**	**(3,868,996)**	**(8,965,300)**
Project Result Surplus/(Deficit)	**657,203**	**(1,468,996)**	**(4,965,300)**

The net deficit forecast will be funded in the following manner:

Funded By : (Over Project Life)	**$**
Reserve Transfer	4,965,300
- Asset Sustainability Reserve	
	4,965,300

The Edwardstown Oval Soldiers Memorial Recreation Ground project commenced construction in 2017/18 following the signing of a $4m funding agreement with the Federal Government. This project is forecast to be completed in the first quarter of 2019.

Sundry Debtors Report - Aging report as at 31 August 2018

Debtor	Total Balance	Current	30 Days	60 Days	90 Days	90+ Days	Percentage of total 90+ day balance	Comments for 90+ Day balances
General Total	**116,913.14**	**113,310.70**	**3,447.44**	**.00**	**.00**	**155.00**	0%	Made up of 1 out of 6 debtors.
Neighbourhood Centres Total	**21,496.25**	**2,885.00**	**13,869.75**	**2,060.00**	**725.00**	**1,956.50**	5%	Made up of 3 out of 13 debtors, with one account totalling $1,235.00.
Regulatory Services Land Clearing Total	**8,803.98**	**.00**	**4,953.30**	**.00**	**.00**	**3,850.68**	10%	Made up of 6 out of 7 debtors, with one account totalling $1,725.35.
City Property Facilities Total	**67,730.08**	**33,327.78**	**17,173.36**	**9,124.48**	**4,934.23**	**3,170.23**	8%	Made up of 3 out of 33 debtors. One account totalling $2,162.23 has subsequently been settled in September. Oneaccount totalling $450.00 is with the debt collectors due to payment plan not being met, a new payment plan has been agreed to. An instalment of $300.00 has subsequently been received in September.
Civil Services Private Works Total	**32,351.27**	**7,865.00**	**7,067.27**	**2,710.00**	**.00**	**14,709.00**	36%	Made up of 11 out of 28 debtors, with one account totalling $3,190.00. Three of these accounts totalling $6,945.00 relate to works not commenced, awaiting payment. Three other accounts totalling $3,040.00 are on a payment plans, with payments of $350.00 subsequently received in September. One account totalling $600.00 has also been settled in September.
Swim Centre Debtors Total	**2,817.60**	**.00**	**.00**	**2,626.00**	**.00**	**191.60**	0%	Made up of 1 out of 2 debtors.
Grants & Subsidies Total	**1,235,000.00**	**1,220,000.00**	**.00**	**.00**	**15,000.00**	**.00**	0%	
Environmental Health Inspections Total	**11,677.50**	**1,296.00**	**1,652.00**	**944.00**	**386.00**	**7,399.50**	18%	Made up of 53 out of 81 debtors in this category, with none individually significant. One account totalling $118.00 has subsequently been settled in September.
Regulatory Services Other Total	**7,906.00**	**67.00**	**603.00**	**469.00**	**.00**	**6,767.00**	17%	Made up of 74 out of 90 debtors in this category, with none individually significant. 69 accounts totalling $4,623.00 have subsequently been settled on September.
Supplier Refund Totals	**805.00**	**805.00**	**.00**	**.00**	**.00**	**.00**	0%	
Development Services Total	**1,279.00**	**.00**	**.00**	**.00**	**.00**	**1,279.00**	3%	Made up of 4 debtors, with none individually significant.
Living Kaurna Cultural Centre Total	**9,217.50**	**6,574.25**	**1,596.25**	**180.00**	**.00**	**867.00**	2%	Made up of 4 out of 25 debtors, with none individually significant.
Local Government Total	**2,130.35**	**2,130.35**	**.00**	**.00**	**.00**	**.00**	0%	
Economic Development Total	**16,842.50**	**700.00**	**14,520.00**	**1,622.50**	**.00**	**.00**	0%	
Marion Cultural Centre Total	**12,978.35**	**9,015.35**	**3,963.00**	**.00**	**.00**	**.00**	0%	
Total	**1,547,948.52**	**1,397,976.43**	**68,845.37**	**19,735.98**	**21,045.23**	**40,345.51**		
Total Aging Profile		**90%**	**4%**	**1%**	**1%**	**3%**		

Category	Description
Employees	Anything that relates to CoM employees.
General	Anything that does not fit into one of the below categories.
Neighbourhood Centres	For hire of rooms in Neighbourhood Centres, etc. - usually charged out at an hourly rate. Also includes cultural workshops and tours.
Regulatory Services Land Clearing	When council has had to clear land due to non-compliance of owner.
Sporting Clubs & Other Leases	Rent, electricity, water, maintenance, etc. charged out to lessees.
Civil Services Private Works	Repairs or modifications to infrastructure (footpaths, kerbs, driveway inverts). Can be at resident request.
Swim Centre Debtors	Outdoor Swimming Centre - used for lane hire, school visits, etc.
Grants & Subsidies	Government grants and subsidies.
Environmental Health Inspections	Food Inspection fees.
Regulatory Services Other	Vehicle Impoundment fees and other regulatory services.
Supplier Refunds	Where a supplier owes the City of Marion funds. This category is used to keep track to ensure we have received payment for credits.
Development Services	Includes contribution from residents and/or developers for the removal and/or replacement of Council Street Trees and significant trees.
Living Kaurna Cultural Centre	Relates to programs run through the LKCC.
Environmental Health Testing	Environmental testing fees.
Local Government	Transactions with other Local Government corporations.
Communications	Anything related to communications.
Economic Development	Events, etc. relating to economic development within the City of Marion.
Marion Cultural Centre	Hiring of the Marion Cultural Centre.

*any category that does not have any outstanding invoices will not be displayed.

Rates Report - Collection of Rates to 31 August 2018

ANALYSIS OF OUTSTANDING RATES AS AT 31 AUGUST 2018

	Note			% of Total Annual Rates
CURRENT	1	$	59,791,640	77.5%
OVERDUE	2	$	3,634	0.0%
ARREARS	3	$	2,174,829	2.8%
INTEREST	4	$	81,743	0.1%
POSTPONED	5	$	194,865	0.3%
LEGALS	6	$	23,317	0.0%
		$	**62,270,028**	80.7%
TOTAL ANNUAL RATES FOR 2018/19		**$**	**77,172,549**	

Note 1: Current
Current rates represent the total amount of rates levied in the current financial year that are not yet due for payment. For example at 1st January this represents Quarter 3 & Quarter 4 rates unpaid.

Note 2: Overdue
Overdue rates represent rates levied in the current financial year that remain unpaid past their due payment date. For example on 1st January, this represents rates from Quarter 1 and Quarter 2 that remain unpaid.

Note 3: Arrears
Rates in arrears represent rates and charges levied in previous financial years that remain unpaid .

Note 4: Interest
Interest represent the fines and interest applied to overdue rates and rates in arrears.

Note 5: Postponed
Postponed rates represent any rates amount due by seniors that have been granted a deferral, until the eventual sale of their property, as allowable under the Local Government Act. Interest is charged on these deferred rates and is recoverable when the property is sold.

Note 6: Legals
Legals represent any legal fees, court costs that have been incurred by Council in the collection of rates in the current financial year. These amounts represent costs that have been on-charged to the defaulting ratepayers and are currently outstanding.

Corporate and CEO KPI Report Quarter Four 2017/18

Originating Officer	Governance Officer - Victoria Moritz
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
	Chief Executive Officer - Adrian Skull
Report Reference	GC181009R20

REPORT OBJECTIVE

To provide the draft results of the 2017-18 Corporate and CEO Key Performance Indicators (KPI's) for the year to date as at 30 June 2018 (Appendix 1). Further details regarding each key performance indicator is provided in Appendix 2.

RECOMMENDATION

That Council:

1. **Notes this report; acknowledging that the final audited financial statements for KPI's one, four, seven and eight will be provided to Council in a separate report to align with the end of financial year independently audited statements (expected October 2018).**

Attachment

#	Attachment	Type
1	Appendix 1	PDF File
2	Appendix 2	PDF File

Corporate and CEO KPI Report Quarter Four 2017/18 – APPENDIX 1

KPI	Details	Target	Stretch Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4
1	Financial sustainability.	Council maintains a break even or positive cash funding position in delivering its annual budget	-	$26k	$165k	$1,218k	$3,064k
				Comment: Estimated unaudited result. Target has been achieved, including a $765k SRWRA cash contribution and once-off fleet savings of $790k.			
2	Delivery of agreed projects identified in the *Annual Business Plan* and the second year targets in the three-year plan.	Greater than or equal to 95%	-	Verbal update	Verbal Update	Verbal Update	98.6%
				Comment: Target has been achieved with 70 out of 71 projects completed. One project is on hold (L6 Morphettville Racecourse).			
3	Lost Time Injury Rate.	Greater than or equal to 25% reduction from the previous year's result	Greater than or equal to 30% reduction from the previous year's result	57%	42.5%	42.5%	50.0%
				Comment: Core and stretch targets have been surpassed.			
4	Total employee costs (inc agency).	Less than or equal to 3% increase in actual employee costs (including agency staff) against prior year's actual costs	Less than or equal to 2% increase in actual employee costs (including agency staff) against prior year's actual costs	4.4%	2.2%	1.5%	3.4%
				Comment: **Estimated unaudited result.** Target not achieved. This is predominantly due to a decrease of $272k in capitalised labour costs which have been charged to operating expenditure. $156k of this was due to delays in Kerb & Water Table works as a result of consultant delays in developing a 5 year road reseal program, as well as delays in the drainage program associated with delays in service relocations.			
5	Retention of key staff.	Greater than or equal to 80% key staff retained	Greater than or equal to 90% key staff retained	100%	95%	95%	95%
				Comment: 1 key staff member left in November 2017 resulting in a 95% retention rate. Core and stretch targets have been surpassed.			
6	Overall satisfaction with Council's performance.	Greater than or equal to 75% rated as satisfied or above	Greater than or equal to 85% rated as satisfied or above	N/A	N/A	N/A	90.3%
				Comment: This is an annual measure. Core and stretch targets have been surpassed.			
7	Asset sustainability.	Asset sustainability ratio greater than or equal to 80%	Asset sustainability ratio greater than or equal to 90%	102%	102%	102%	77.3%
				Comment: **Estimated unaudited result.** Target not achieved. However this is predominantly due to the positive outcomes achieved from the Fleet Optimisation Review project. This resulted in a $1,934k realignment of the fleet replacement program, reviewing utilisation rates and deferring $1,144k in the replacement of underutilised fleet and also achieving a once-off saving of $790k. A ratio of 88.6% and the core target would have been achieved if this realignment did not occur.			
8	Delivery of Council's capital works.	Greater than or equal to 80% of Council's planned capital works program (adjusted for extraordinary items)	Greater than or equal to 90% of Council's planned capital works program (adjusted for extraordinary items)	Verbal update	Verbal update	Verbal update	84.6%
				Comment: **Estimated unaudited result.** Core target has been achieved.			

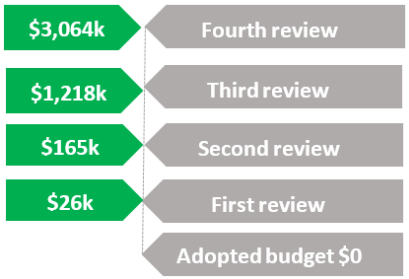
QUARTER FOUR: YTD JUNE '18 – APPENDIX 2

OVERALL RATING:

5 4 3 2 1

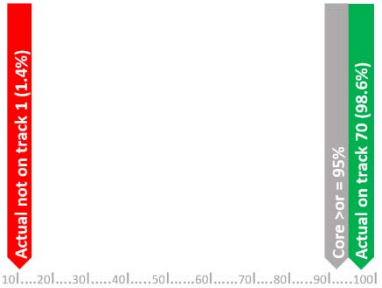
1 Financial sustainability

Target: Council maintains a break even or positive cash funding position.
Measure: This target compares funding cash position at the relevant budget review with the adopted budget figure.
Achieved: $3,064k - Estimated unaudited result. Target has been achieved, including a $765k SRWRA cash contribution and once-off fleet savings of $790k.



2 Delivery of agreed projects identified in ABP and 3 year Plan (71 projects)

Target: Greater than or equal to 95%.
Measure: Monthly data as at 30 June 2018.
Achieved: Target has been achieved with **70 out of 71** projects completed. One project is on hold (L6 Morphettville Racecourse).

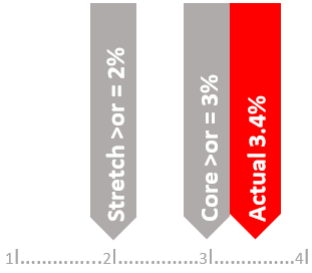


3 Lost Time Injury Frequency Rate.

Core target: Greater than or equal to 25% reduction from 2016/17 (9.3).
Stretch target: Greater than or equal to 30% reduction from 2016/17 (8.7).
Measure: The LTIFR for 2016/17 was 6.2.
Achieved: 50.0% – Core and stretch targets have been surpassed

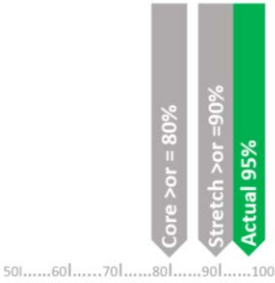
4 Total Employee Costs

Core target: less than or equal to 3% increase in actual employee costs.
Stretch target: less than or equal to 2%.
Measure: The 2016/17 Actual audited figure = $32,221k. The 2017/18 estimated unaudited result = $33,304k.
Achieved: **3.4% - Estimated unaudited result**. Target not achieved. For further details see attached.



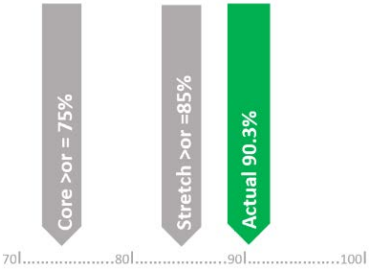
5 Retention of Key Staff

Core target: Greater than or equal to 80% of key staff retained.
Stretch target: Greater than or equal to 90% of key staff retained.
Measure: Twenty key staff have been identified as key retains for 2017/18.
Achieved: 95% - 1 key staff member left in November 2017. Core and stretch targets have been surpassed.



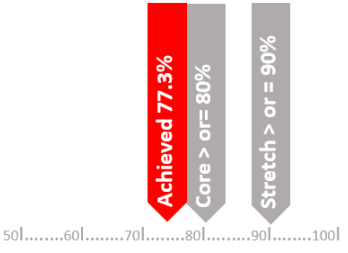
6 Overall Satisfaction with Council's performance

Core target: Greater than or equal to 75% rated as satisfied or above.
Stretch target: Greater than or equal to 85% rated as satisfied or above.
Measure: This target is an annual measure.
Achieved: 90.3% - Core and stretch targets have been surpassed.



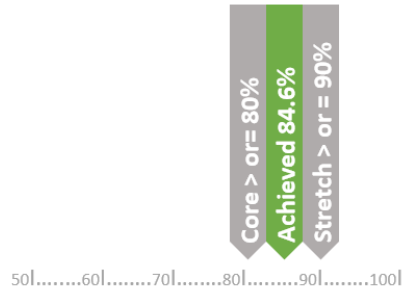
7 Asset Sustainability

Core target: Asset sustainability ratio greater than or equal to 80%.
Stretch target: Asset sustainability ratio greater than or equal to 90%.
Achieved: **77.3%** - **Estimated unaudited result**. Target not achieved. For further details see attached.



8 Delivery of Council's capital works program

Core target: Greater than or equal to 80% delivery of Council's planned capital works program (adjusted for extraordinary items).
Stretch target: Greater than or equal to 90% of Council's planned capital works program (adjusted for extraordinary items).
Achieved: **84.6%** - **Estimated unaudited result**. Core target has been achieved.



Investment Performance 2017-18

Originating Officer	Treasury Accountant - John Stewart
Corporate Manager	Manager Finance - Ray Barnwell
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R21

REPORT OBJECTIVE

Section 140 of the Local Government Act requires Council to review the performance of its investments on an annual basis. The Finance and Audit Committee reviewed and noted the 'Investment Performance' report at their meeting on Tuesday 2 October 2018, and were satisfied with the performance results.

A summary of the 2017/18 Investment Performance is provided at Appendix 1 for the Council's information, showing that Council recorded a favourable result against the benchmark indicator for the 11th consecutive year.

RECOMMENDATION

That Council:

1. **Notes the Investment Performance Report 2017/18.**

DISCUSSION

Decision making regarding investments are carried out under the guidance and limitations set within Council's Treasury Management Policy.

Compliance with Treasury Management Policy (Investments)

Council has complied with all elements of the Treasury Management Policy. Compliance has been achieved against the following major policy requirements;

Policy Requirement	Review
Council funds available for investment will be lodged 'at call' or having regard to differences in interest rates for fixed term investments of varying maturity dates, may be invested for a fixed term.	Investments in Fixed Term Deposits were made between a range of 30-300 days with an average maturity of 98 days and an average return of 2.50%. The average 'at call' rate of return was 1.70%. No Fixed Term Deposits were required to be broken during the year.

In the case of Fixed Term Investments, the term should not exceed a point in time where the funds could otherwise be applied to cost-effectively defer the need to raise a new borrowing or reduce the level of Council's variable interest rate borrowing facility.	The variable interest rate borrowing facility was not required to be accessed.
Council will select the investment type which delivers the best value, having regard to investment returns, transaction costs and other relevant and objectively quantifiable factors.	The Council supports the Local Government Finance Authority of South Australia (LGFA) for the placement of investment funds. The LGFA is a statutory authority established for the benefit of Councils in South Australia. Utilising the services of the LGFA provides an efficient means of investing surplus funds and a source of highly competitive interest rates. All deposits made with the LGFA are also guaranteed by the Treasurer of South Australia. To ensure Council continues to receive competitive rates for investments, quotations are regularly obtained from authorised institutions on investments of $1,000,000 or more where the period of investment exceeds 30 days. During 2017/18 all surplus funds were invested with the LGFA, who, on all occasions offered the most competitive interest rates.
Investments fixed for a period greater than 12 months to be approved by Council.	No Investments were placed for a period greater than 12 months.
The Policy indicates where surplus funds can be invested and that if they are invested in choices outside of the Policy, Council approval is required.	All surplus funds invested during the 2017/18 financial year were invested with the LGFA which is an allowable option under the Policy.
The Policy indicates investment activities that Council would not participate such as shares in private/public companies, listed or unlisted property trusts and derivatives.	No investments were placed in such options.

Performance against Benchmarks

Reserve Bank Cash Rate

Council earned $1,111,470 of interest on its investments in 2017/18 at an average rate of return of 2.37%, a favourable outcome compared to the benchmark indicator (average Reserve Bank cash rate) of 1.50%.

Bank Bill Swap Rate (BBSW)

The Finance and Audit Committee commented, when reviewing the 2014/15 Investment Report, that it would also be useful to benchmark against commercial rates being offered.

The BBSW is the rate at which banks will lend to each other. It is a short term swap rate, and reflects a compilation and average of market rates supplied by domestic banks regarding specific maturities of bank bills. The BBSW is published daily and therefore an annual average index can be readily calculated for comparative purposes.

The most common index applied is the 90 Day BBSW which also closely aligns with Council's average maturity of 98 days. For the 2017/18 financial year, the 90 Day BBSW was 1.82%. Council's annual rate of return of 2.37% is also favourable compared to the BBSW indicator, the third consecutive year that this has been achieved.

Interest on Investments Budget Performance

The performance of Interest on Investments is also monitored and managed against the Budgeted forecast. The actual value of investment interest of $1,111,470 was a slightly favourable variance against a final revised budget forecast of $1,108,150.

Attachment

#	Attachment	Type
1	Investment Performance 2017-18 Appendix 1	PDF File

Appendix 1

Investment Performance 2017/18

Interest on Investments

Interest on investments for 2017/18 was $1,111,470. Recent interest on investment history reveals the following:

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total Interest (including LGFA Bonus)	$1,144k	$793k	$888k	$696k	$929k	$1,111k
LGFA Bonus	$63k	$87k	$86k	$109k	$90k	$132k

The increase of interest on investments in 2017/18 can be mainly attributed to the increase in the average amount invested per day, increasing from $37.1m in 2016/17 to $46.8m in 2017/18. This would indicate that funds were able to be kept on deposit for longer periods in 2017/18, prior to being required to meet payment obligations for creditors, payroll and progress payments for major capital projects.

The breakdown by Institution of the above total interest of $1,111k for 2017/18 was as follows;

Term Deposits		
LGFA	$1,103k	Annual Average Rate of Return 2.43% which includes the annual LGFA bonus distribution. Best rate was 2.75% over 120 Days (includes LGFA bonus) – last experienced May 2017 (spanning Financial Years).
Other Institutions	$Nil	
Sub-Total	$1,103k	
Operating Account		
BankSA	$8k	Annual Average Rate of Return 0.64%
Total	**$1,111k**	

Competitive quotes were sourced during the financial year and all investments were placed with the LGFA who provided the best competitive rates in all instances.

Peak Value of Investments

Investments peaked in March 2018 at $52,587,207. The peak value of investments history reveals the following:

2012/13	*2013/14*	*2014/15*	*2015/16*	*2016/17*	*2017/18*
$33.4m	$30.9m	$34.9m	$30.1m	$47.1m	$52.6m
Dec 2012	Jun 2014	Sep 2014	Mar 2016	Jun 2017	Mar 2018

Traditionally investments reach their peak in the first half of the financial year due to a portion of ratepayers paying their rates in full rather than paying quarterly. Large grant revenue receipts and the timing of significant Capital Expenditure projects also have an impact on investment balances.

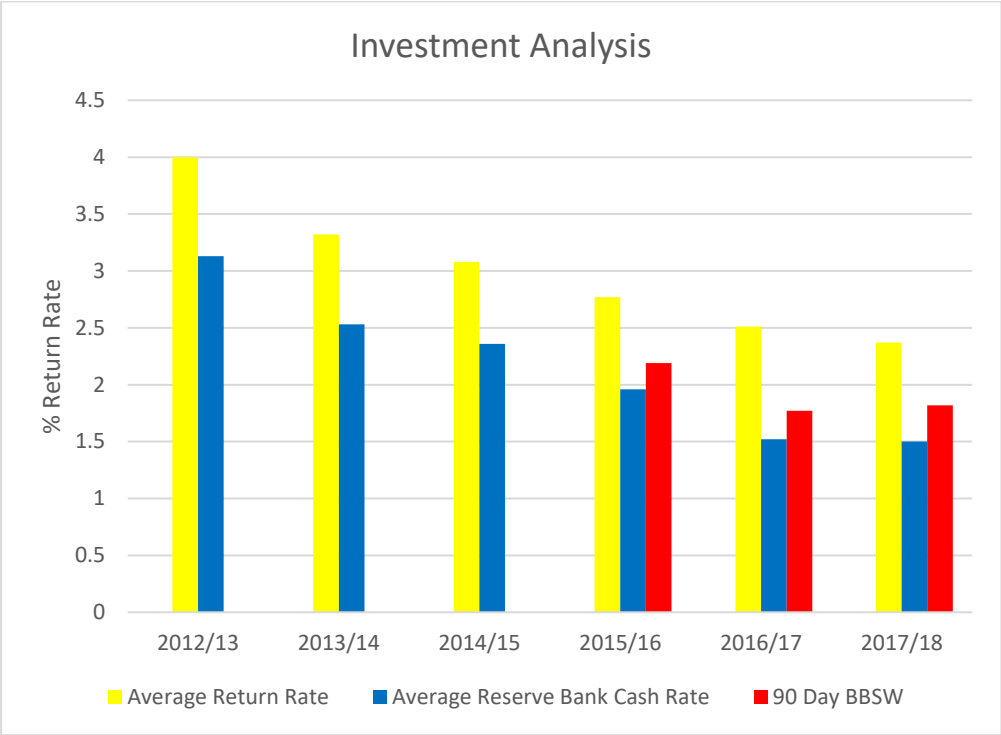
Annual Rate of Return on Investments

Council's Investment performance is measured against a recommended benchmark and submitted for consideration by Council on an annual basis. This is in accordance with guidelines contained in the "Investment Policy & Review of Investments" document published by the South Australian Local Government Financial Management Group.

The benchmark indicator referred to above that measures our investment performance, is the average annual Reserve Bank cash rate. The cash rate remained at 1.50% for the whole financial year.

The annual rate of return on investment for the City of Marion in 2017/18 was 2.37% compared to the annual average bench mark rate of 1.50%, providing reassurance that funds invested by City of Marion were well managed. The following table and graph summarises Council's history of annual rate of return on investments.

	2012/13	*2013/14*	*2014/15*	*2015/16*	*2016/17*	*2017/18*
Annual Rate of Return	4.00%	3.32%	3.08%	2.77%	2.51%	2.37%
Average Reserve Bank Cash Rate	3.13%	2.53%	2.36%	1.96%	1.52%	1.50%
Benchmark Variation	**+0.87%**	**+0.79%**	**+0.72%**	**+0.81%**	**+0.99%**	**+0.87%**



The Council's annual rate of return includes the annual bonus paid by Council's principal investment financial institution – LGFA. The bonus amount paid to Councils by LGFA is based on a combination of Council's investment and borrowing activity for the prior year.

The table indicates a positive variation in each financial year against the average Reserve Bank Cash Rate. The 2017/18 result is the eleventh consecutive year of a favourable outcome against this benchmark. In addition, the 2017/18 annual rate of return of 2.37% also marks the third consecutive year that Council's investments outperformed the BBSW indicator.

Council's General Bank Account earned an average rate of 0.64% in 2017/18, which is factored into the benchmark result. The inclusion of the General Bank Account earnings in the overall investment performance does make it more challenging to achieve a positive benchmark performance. As a result, it is important that the Treasury Management function monitors and minimises any potential negative impact.

Questions Taken on Notice Register

Originating Officer	Governance Officer - Karen Ferry
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R22

REPORT OBJECTIVE

To receive and note the information contained within the *Questions Taken on Notice Register* provided in Appendix 1.

EXECUTIVE SUMMARY

The 'Code of Practice – Procedures At Council Meetings 2017/18' states that:

4.7 Questions without Notice that were not answered at the same meeting will be entered into a register. This register will be tabled as an information report at the following meeting.

Under Regulation 9 of the Local Government (Procedures at Meetings) Regulations 2013 (the regulations):

(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 present at the meeting resolve that an entry should be made.

RECOMMENDATION

That Council:

1. **Notes the report "Questions Taken on Notice Register".**

Attachment

#	Attachment	Type
1	Appendix 1 - Questions Taken on Notice Register	PDF File

Questions Taken on Notice Register

Appendix 1

Report Reference	Meeting Date	Councillor	Responsible Officer	Question taken on notice during the meeting	Response
GC180828R16	28 August	Cr Telfer	Mathew Allen	In the report 'Railway Terrace Streetscape Project' what does 'Angled surface treatments' mean?	Angled surface treatments will be similar to the cobble stone treatments that have been installed on Railway Terrace between Daws Road and Sixth Avenue.
GC180828M01	28 August	Cr Westwood	Greg Salmon	Mitchell Park Sports and Community Centre Project - Can the safety benefits of indoor sports courts versus outdoor sports courts be provided?	**Pros of Indoor Facilities** • The temp is usually consistent and air conditioned – no weather issues to put a person at risk such as heat, hail, wind etc.. You can exercise regardless of the weather. • If you're injured there is usually a trained first aid person on duty at an indoor recreation centre and first aid rooms. • There's usually good quality amenities

Questions Taken on Notice Register

					• There are always water/drinks available • No animals - Can't get chased by a dog or swooped by a magpie! **Cons of Indoor Exercise** • Sprung floors can become slippery as the surface wears. Need to monitor the surface regularly. **Pros of Outdoor Exercise** • Fresh, clean air means less exposure to germs. • Exercise outdoors has been shown to boost your mood and self-esteem. • You get a free dose of vitamin D. Plexipave courts can last up to 10 years before the surface can become hazardous to player safety. **Cons of Outdoor Exercise** • More contact sports are played outdoors – contact sports are associated with higher risk of injury. • Turf quality of ovals vary substantially - increases risks to player safety. • Weather can have a large impact on players and game conditions, heat, rain, wind etc.

Work Health & Safety - Monthly Performance Report August 2018

Originating Officer	Unit Manager Risk - Sherie Walczak
Corporate Manager	Manager Corporate Governance - Kate McKenzie
General Manager	General Manager Corporate Services - Vincent Mifsud
Report Reference	GC181009R23

REPORT OBJECTIVE

The objective of this monthly report is to provide Council with assurance that the City of Marion as effective strategies in place to meet its legal obligations as outlined in the Work Health and Safety Act (SA) 2012 and to monitor Council's target of a 25% reduction of the Lost Time Injury Frequency Rate (LTIFR) from the previous year.

RECOMMENDATION

That Council:

1. Notes the report and statistical data contained therein.

DISCUSSION

Targets and performance indicators have been established in order to measure the continual improvement of the program. Performance against these targets are measured in two ways:

- positive performance indicators (PPI's); and
- lag performance indicators (LPI's) both of which are outlined in **Appendix 1.**

The current LTIFR is 0.0, although one LTI has been reported but has not yet been accepted by the LGAWCS as yet. This is equal to last years result at the same time and is below the industry comparison LTIFR rate of 2.2.

Key initiatives implemented which have contributed to the reduction in LTIFR include;

- The roll-out of the SkyTrust 'app' for mobile incident and hazard reporting.
- The ongoing implementation of SkyTrust for document management, hazard management and work area inspections.
- Widening of the Think Safe Live Well Safety Observation program with front-line staff being visited and observed by relevant people leaders.

CONCLUSION

The ongoing significant reduction in Lost Time Injuries being 75% over the 2016/17 and 2017-18 reporting periods has been a commendable achievement for the City of Marion as it continues in its commitment to place the community and safety at the forefront of everything we do in line with our corporate values. In the 2018-19 reporting period, we will consolidate and further build on the good work that has been implemented and aim to achieve Council's KPI of 10% or greater reduction in LTIFR compared to the end of 2017-18 reporting period.

Attachment

#	Attachment	Type
1	GC110918R - WHS Monthly Performance Report – Aug 2018	PDF File

APPENDIX 1 – WHS Monthly Performance Report - August 2018

The Think Safe Live Well program's vision is **'through our thoughts words and actions, we can all make a difference and reduce harm'.** It specifically focuses on further developing our leadership styles, organisational culture and WHS systems by:

- Developing our people to lead the change across the City of Marion
- Embedding a culture of safety and wellbeing as a part of normal business practice
- Continually improving our WHS Management System (WHSMS) to achieve best practice

POSITIVE PERFORMANCE INDICATORS

Hazard and Near Miss Reports

Historical statistics inform us that when there is a healthy culture of Hazard/Near Miss Reporting, there is a consequential reduction in injuries to Workers. Hazards and Near Misses are reported to date for this financial year and are outlined in Table 1 and can be compared against those reported last financial year which are outlined in Table 2.

Table 1: Hazard and Near Miss Reports - Financial Year 2018-19

Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
17	9											**26**

Table 2: Hazard and Near Miss Reports - Financial Year 2017-18

Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
21	14	11	9	8	3	5	11	10	16	10	14	**132**

Completion of actions against the LGA Action Plan

Periodically, the LGAWCS conducts an audit to test conformance of Council's WHS Management System against Return to Work SA's Performance Standards for Self Insurers. In response, Council sets an action plan which outlines the commitment to addressing non-conforming elements by October each year and the cumulative performance against this plan is outlined in Table 3.

Table 3: LGAWCS Action Plan – Calendar Year 2018

Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Total
3%	21%	28%	28%	40%	53%	70%	78%			**78%**

Good progress has been made towards completion of identified actions in the LGAWCS Action Plate with 31 (78%) of the 40 identified actions scheduled for completion, being completed to date. (Please note that no actions were scheduled for completion in April hence no movement reported).

LAG PERFORMANCE INDICATORS

Lost Time Injuries Reported

Lost Time Injuries (LTI's) are those injuries where a whole work day or more has been lost due to a workplace injury. LTI's reported to date for this financial year are outlined in Table 4 and can be compared against those reported last financial year which are outlined in Table 5.

Table 4: Number of LTI's per month - Financial Year 2018-19

Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
1	0											**1**

Table 5: Number of LTIs per month - Financial Year 2017-18

Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
0	1	0	0	1	0	1	0	1	0	0	0	**4**

Individual LTI's reported for 2018/19 are outlined in Table 6 below :

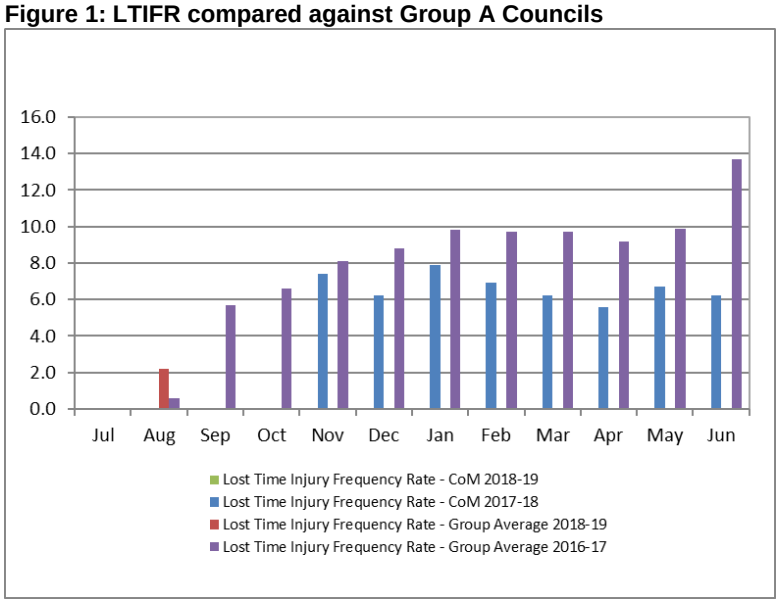
Table 6: Outline of LTI's reported - Financial Year 2018-19

No.	Description of Incident	Mechanism of Injury	Injury Description
1	Trip and fall down internal stair well	Fall on differing level	Bilateral shoulder sprain and left knee sprain injuries.

Lost Time Injury Frequency Rate

Lost Time Injury Frequency Rate (LTIFR), is an indstry standard tool for measuring LTI's within a given reporting period which enables comparison to other organisations. Council's LTIFR is outlined in Figure 1, from the LGA's Member Portal data once claims have been determined and can be measured and monitored against our industry counterparts being the Group A Councils ([1]GaC).

Figure 1: LTIFR compared against Group A Councils

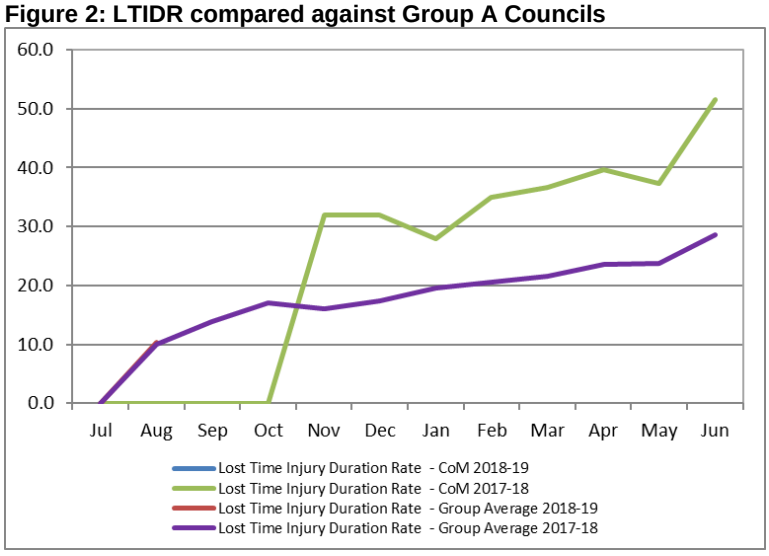


The current LTIFR for the City of Marion (which would be represented in green if any had been recorded) is 0.0 as, although one LTI has been reported, but it has not yet been accepted by the LGAWCS as yet. This is equal to last years result at the same time and is below the industry comparison LTIFR rate of 2.2.

Lost Time Injury Duration Rate

The Lost Time Injury Duration Rate (LTIDR), is an industry standard tool for measuring the average days lost from LTI's within a reporting period to enable comparison to other organisations. Council's LTIDR is outlined in Figure 2, data is sourced from the LGA's Member Portal once claims have been determined and can be measured and monitored against our industry counterparts being the GaC.

Figure 2: LTIDR compared against Group A Councils



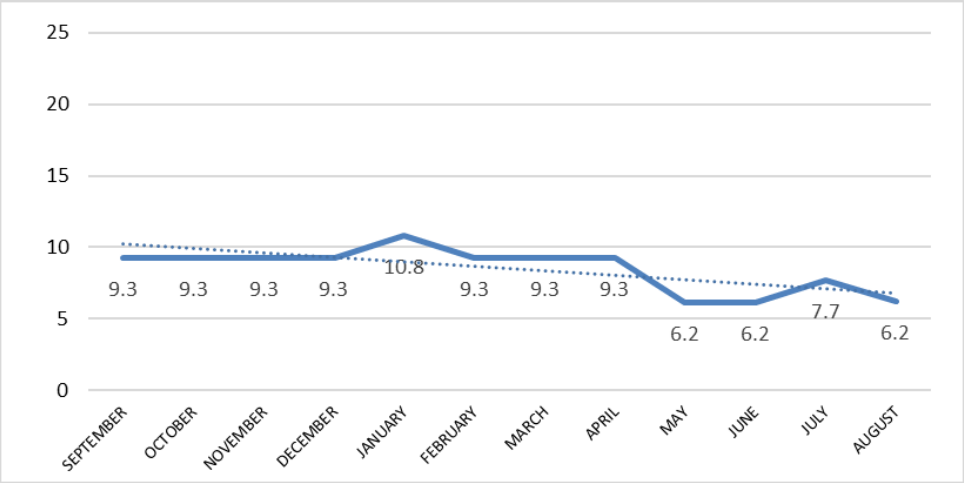
The current LTIDR for the City of Marion (which would be represented in blue if any time lost had been recorded) is 0.0 which is under the industry comparison LTIDR rate of 10.3. However this will be revised upon acceptance of the claim awaitance acceptance by the LGAWCS.

1 GaC are metropolitan councils with more than 300 staff (Marion, Adelaide, Charles Sturt, Onkaparinga, Playford, Port Adelaide Enfield, Salisbury and Tee Tree Gully).

Rolling Lost Time Injury Frequency Rate

Rolling LTIFR, outlined with a solid blue line in Figure 3 from internal incident report data, provides analysis of the average LTIFR over the last 12 months. The dotted blue 'median' line tracks the downward trend.

Figure 3: Rolling LTIFR

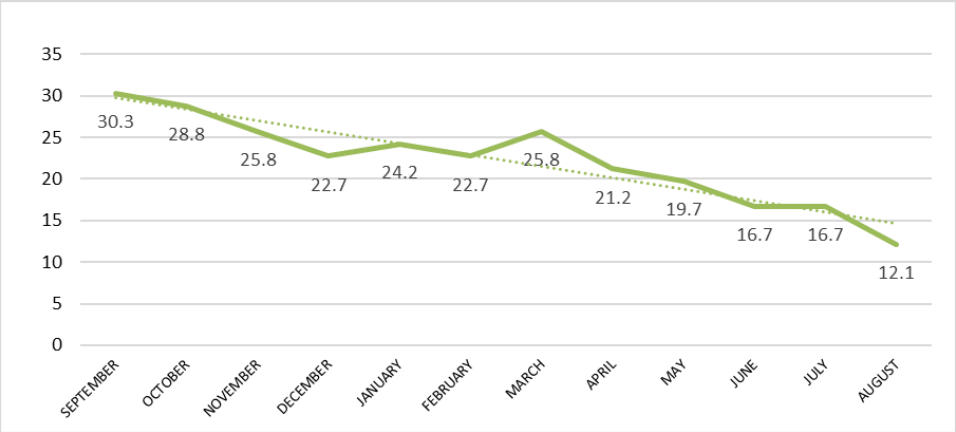


The current rolling LTIFR for the City of Marion is 6.2, which represents a 33.3% reduction over the previous 12 months.

Rolling Total Recordable Incident Frequency Rate

Total Recordable Incidents include fatalities, LTI's and incidents resulting in the employee receiving medical treatment and/or is certified as only fit to undertake suitable duties. The Rolling Total Recordable Incident Frequency Rate (TRIFR), outlined with a solid green line in Figure 4 from internal incident report data, provides analysis of the average TRIFR over the last 12 months. The dotted green 'median' line tracks the downward trend.

Figure 4: Rolling TRIFR



The current rolling TRIFR for the City of Marion is 12.1 which represents a 60% reduction over the previous 12 months.

Higher Density Dwelling Impacts on Adjacent Infrastructure and Local Parking Management

Originating Officer	Manager Engineering and Field Services - Mathew Allen
Corporate Manager	Manager Engineering and Field Services - Mathew Allen
General Manager	General Manager City Services - Tony Lines
Report Reference	GC181009R24

REPORT OBJECTIVE

The purpose of this report is to provide Council with information that outlines where Council has changed infrastructure to accommodate parking for higher density dwellings.

This report also identifies how Council can recoup the associated costs and in cases where this cannot be recovered, what rules/laws would need to change to allow the costs to be recovered.

RECOMMENDATION

That Council:

1. **Notes the Report.**

GENERAL ANALYSIS

At the General Council meeting held on the 18 July 2018, it was resolved that:

1. Council be provided a report on the types of instances where higher density dwelling have required council to change adjacent infrastructure and local parking management.

2. This report identify the way council can recoup the associated costs and in cases where this cannot be recovered, what rules/laws would need to change to allow the costs to be recovered.

DISCUSSION

The City of Marion receives numerous complaints in relation to on street parking adjacent high density developments. These complaints are assessed by undertaking investigations into the extent of the issue raised and identifying possible solutions to resolve or improve the on street parking.

In some instances, opportunities for innovative solutions can be developed by using existing infrastructure such as medians to create additional on street parking. These site are then added to the list of capital works traffic projects for consideration.

There has been a number instances where higher density developments have required changes to parking controls, such as:

- Line-marking to depict driveways to discourage motorists from parking over the driveway and restricting access.
- The installation of parking restrictions - either No Stopping zones or timed parking.
- The trial of a residential parking permit zone. This has occurred in Rosedale Avenue, Morphettville, where 2 allotments have been redeveloped resulting in 7 townhouses. This trial will conclude in December 2018.

In relation to the provision of infrastructure the only two instances where additional parking has been provided are as follows:

Parson Grove, Parkholme
The development of 4 townhouses on the western corner of Parsons Grove and Oaklands Road resulted in concerns being raised on the extent of parking and accessibility into Parsons Grove. To improve the situation car parking was provided within the wide median, with the main features of the design being:

- The provision of 14 sealed car parks within the median;
- The provision of a number of islands to accommodate landscaping;
- Removal of the haphazard vegetation in the median.

Trott Grove, Oaklands Park
As a result of the redevelopment of a 4 allotments within the cul-de-sac, concerns were raised in relation to parking and traffic movements. To improve the situation the wide median was utilised to accommodate parking. The main features of the design were:

- The provision of 13 sealed car parks within the median;
- The provision of a number of islands to accommodate landscaping.

The *Development Act 1993,* does not include a mechanism whereby the Council can obtain funds from developers to assist with financing upgrades to local road infrastructure.

The *Planning, Development and Infrastructure Act 2016*, through Part 13 – Infrastructure frameworks, provides a legislative process for the delivery of essential infrastructure within a "*designated area"* as determined by the Minister. An infrastructure scheme must be initiated by the Minister on their own initiative, or at the request of another interested person or body interested in the provision or delivery of infrastructure. Funding for the delivery of infrastructure is prescribed by the scheme that relates to the *designed area.* Funding may be provided by, but not limited to, State or Local government, developers and/or existing residents within the *designed area.* Until such time as the Regulations are drafted, it is uncertain as to how infrastructure schemes will work.

Council may wish to consider if it is worth recommending a motion to the LGA General Meeting on the matter. Motions are due to the LGA by 14 September 2018 for the October LGA annual general meeting.

Iconic Event

Originating Officer	Governance Officer - Karen Ferry
Corporate Manager	Manager Customer Experience - Karen Cocks
General Manager	General Manager City Services - Tony Lines
Report Reference	GC181009R25

REPORT OBJECTIVE

Report GC180911R07 - Iconic Event was not considered at the General Council meeting on 11 September 2018. This report provides an update on the status of the Iconic Event.

EXECUTIVE SUMMARY

A meeting with the Adelaide Symphony Orchestra (ASO) CEO Vincent Ciccarello, orchestra manager Karen Frost and technical production team members is scheduled to take place onsite at Warriparinga on Wednesday, 17 October 2018. The meeting will review the site's ability to host an alfresco performance and the production costs associated with the Warriparinga site.

The ASO will then prepare and send a detailed budget which includes the ASO performance fee and production fee.

RECOMMENDATION

That Council:

1. **Notes this report.**

2. **Receives a full report which includes a detailed budget containing the Adelaide Symphony Orchestra performance fee and production expenses and a run sheet at the General Council meeting on Tuesday, 11 December 2018.**

WORKSHOP / PRESENTATION ITEMS

MOTIONS WITH NOTICE

Public Access to Information

Elected Member Councillor Jerome Appleby

Report Reference: GC181009M01

Motion:

That Council:

1. **Requests the Administration develops an Administrative Release of Information Policy to provide staff with direction in relation to the release or disclosure of information, either pro-actively or as a response to a request, outside of a formal legislative process such as freedom of information (FOI) or other legislation.**

Supporting Information:

Nil

Response Received From: Jaimie Thwaites, Unit Manager Governance and Records

Staff Comments:

The risks of inappropriately releasing information outside of a formal legislative process can be greatly reduced if the Council has an established policy and/or procedure for the administrative release of information.

If Council supports this motion an 'Administrative Release of Information Policy' can be developed. The policy would be presented to the new Council for endorsement as Council can not endorse a new Council policy during the caretaker period which commences on 18 September 2018.

QUESTIONS WITH NOTICE

Council nursery

Elected Member Councillor Ian Crossland

Report Reference: GC181009Q01

Question:

In 2015 Council took the decision to close its Horticultural nursery.

1. **What was the 2013/2014 budget for the nursery and what was the value of the plants the nursery was able to supply?**

2. **Was there a shortfall in the number of plants required by Council and if there was a shortfall what was the additional cost to Council to meet that demand?**

3. **Since closing the nursery what have been the financial and supply benefits of only using external providers?**

4. **Considering all the costs, including capital expenditure (new nursery, depreciation, maintenance) what are the annual budget benefits savings, if any, as well as an indication of savings over the long term financial plan?**

Supporting Information:

Nil

Response Received From:

Manager Engineering and Field Services - Mathew Allen

Staff Comments:

1. What was the 2013/2014 budget for the nursery and what was the value of the plants the nursery was able to supply?

The total nursery Operating Budget for the 2013/2014 financial year was $177,748. The value of the plants that the nursery supplied (as determined from internal reimbursement costs) was $80,145.

2. Was there a shortfall in the number of plants required by Council and if there was a shortfall what was the additional cost to Council to meet that demand?

In the 2013/2014 financial year there was a shortfall in the number of plants that the nursery was able to supply. The total number of plants purchased from external suppliers was 369 trees ($14,760) and 1600 tube stock ($2,400) at a total cost to Council in the order of $17,160.

3. Since closing the nursery what have been the financial and supply benefits of only using external providers?

The current procurement of plants is delivered on time and the quality is guaranteed providing good value. There are multiple plant suppliers available to the City of Marion who are recognised by the Nursery Industry Accreditation Scheme.

Sampling was recently undertaken on 40% of the plantings that were supplied by Councils Nursery during the 2015/16 planting season. The results indicate that the nursery tree stock planted in 15/16 had a lower survival rate than the trees we have planted since. Survival rates have increased from 75% to 80%. This represents a saving in lost tree stock and planting costs of around $15,000 per annum. This is due to the quality of the tree stock that we have been able to source from external providers.

The financial savings since the closure of the nursery are estimated to be $391k, including once off saving on relocation of the nursery ($82k) and average operating savings per year ($103k).

4. Considering all the costs, including capital expenditure (new nursery, depreciation, maintenance) what are the annual budget benefits savings, if any, as well as an indication of savings over the long term financial plan?

Based on similar plant numbers to the 2013/14 financial year estimated budget savings per year are approximately $103k per annum. Total savings over the long term financial plan (10 years) would be approximately $1.03m based on current average operating savings per year.

MOTIONS WITHOUT NOTICE

QUESTIONS WITHOUT NOTICE

OTHER BUSINESS

MEETING CLOSURE

Council shall conclude on or before 9.30pm unless there is a specific motion adopted at the meeting to continue beyond that time.