

# Notice of Council Meeting

**NOTICE IS HEREBY GIVEN** in accordance with Sections 83 and 87 of the  
*Local Government Act 1999*, that a meeting of the

## **COUNCIL**

of the

## **CITY OF BURNSIDE**

will be held in the Council Chamber  
401 Greenhill Road, Tusmore

on

**Tuesday 12 September 2017**  
**at 7.00 pm**

A handwritten signature in black ink, appearing to read 'Paul Deb'.

**Paul Deb**  
Chief Executive Officer



## **Council Meeting Agenda**

**12 September 2017 at 7.00 pm  
Council Chamber  
401 Greenhill Road, Tasmore**

**Members:** Mayor David Parkin  
Councillors Bagster, Bills, Cornish, Davey, Davis, Ford, Lemon, Lord,  
Monceaux, Osterstock, Piggott and Wilkins

- 1. Opening Prayer**
- 2. Acknowledgement of those who gave their life for this Country and  
acknowledgement of Traditional Owners**
- 3. Apologies**
- 4. Leave of Absence**
  - 4.1 Request – Councillor Bagster (As per Resolution C11347) p17
- 5. Confirmation of Minutes**

**Recommendation**

That the Minutes of the meeting of Council held on 22 August 2017 and the Minutes of the Special Meeting of Council held 30 August 2017 be taken as read and confirmed.
- 6. Mayor's Report** **p19**
- 7. Reports of Members, Delegates and Working Parties**
- 8. Deputations**

Nil

## 9. Petitions

9.1 Nil

## 10. Questions on Notice

### 10.1 Comments attributed to Councillor Ford, Eastern Courier, Wednesday 30 August 2017, page 6, "We have people facing inordinate delays about heritage issues for instance, and we as Councillors are not informed about how these are going to be resolved."

Councillor Osterstock asked the following questions on notice:

1. Is Council Administration aware of any resident or residents facing "inordinate delays" in relation to matters raised by the said resident or residents concerning "heritage issues"?
2. Has as Council Administration ever received, in the last 12 months, a request or requests from Councillor Ford advocating on behalf of a resident or residents concerning heritage issues?
3. Is the Council Administration able to provide any evidence to substantiate the claim attributed to Cr Ford, "Councillors are not informed about how these are going to be resolved", in the context of the aforementioned propositions?
4. Put simply, do the comments attributed to Cr Ford have, from an organisational perspective, any credibility whatsoever?

### 10.2 Internal and Interim External Audit

Councillor Ford asked the following question on notice:

1. What is the reason for failure of Administration to comply in each of the following items in 2016-17:

Page 62-63

In the Contracts Register, of 429 contracts about half were improperly recorded with insufficient details such as the contractors name, estimated value, and expiry date.

Page 108

Backlog of 3000 Elected Member emails require registering and sentencing

Page 110

No contract for temporary storage of documents with ongoing fees exceeding \$20000 per annum for an unknown period

Page 112

In a sample by the auditor of 10 contracts, two contracts exceeding \$300000 were not recorded in the register, two had actual expenditure

exceeding the limit in the register, and three instances had no recorded estimates

Page 129

A sample test of procured goods and services with a value under \$30000 identified that 54% of invoices processed for payment were done with a Purchase Order created after the date recorded on the invoice, contrary to the Council procurement principles

Page 130

Inadequate controls to prevent procuring officers from financially committing Council without undertaking the correct procurement procedures as required

Page 141

Minimal controls on contract variations

Page 144

No independent review of contracts and contractor performance

Page 145

Misused credit card limits since 2008 with transaction limits exceeding delegated authority, and two staff exceeding their limit by 150%

Page 147

Inadequate monitoring of committed costs

Page 161

No update on the Register of Allowances and Benefits since 2014

2. Will there be forensic review of the failed items to exclude any chance of misappropriation?
3. Will external consultants again be required to ensure external auditing satisfaction for 2017-18?

### **10.3 Audit Committee Matters and the Hines Report**

Councillor Bagster asked the following questions on notice:

1. With reference to the meeting of the Audit Committee of 21 Aug 17 and the associated external audit report, what are the reasons for failure of BCC Administration to comply with: proper recording requirement; the registering of a huge backlog of EM emails; the registering and recording requirements and detailing of hundreds of thousands of dollars' worth of contracts?
2. With respect to the same audit report, what are the reasons for failure of BCC Administration to comply with: the processes of purchases where most Purchase Orders were made after the date recorded on the invoice?
3. What controls does BCC have in place to prevent procuring officers from financially committing Council without undertaking the correct procurement procedures and in the last 5 years, and how many incidents have there been where this had occurred?

4. What independent reviews does BCC make of contracts and contractor performance?
5. In the last 10 years; how many occasions has BCC misused credit card limits; how many occasions have transaction limits exceeding delegated authority, and by how much?
6. Can you please provide Elected members with a copy of an updated Register of BCC, Salaries, Allowances and Benefits?
7. Regarding the Theresa Hines Report: who provided briefings and directions to Ms Hines? Who provided Ms Hines with the documents that made up the attachments and annexes of her Report, when and why? When was she formerly engaged to 'mediate' by the BCC? Who (which individuals) authorised Ms Hines payment for her unique services, when, why and how much did it cost the people of Burnside (in dollars and BCC staff effort) for her services

#### **10.4 Miscellaneous – Staffing Matters and Excessive Delays**

Councillor Davis asked the following questions on notice:

1. Has the council faced a "high degree of absenteeism" and turnover of senior staff?
2. Of senior staff that have left the organization, what roles do they now fulfill?
3. How many residents have expressed concern over excessive / extreme delays in the past 12 months?
4. How many community groups have expressed significant "frustration" to the Administration regarding delays over the last six months?
5. Have there been "large backlogs of works" over the past 12 months

#### **10.5 Security Matters**

Councillor Bills asked the following question on notice:

1. What is the cost to council for now having security guards posted at the entrance to the chamber for the meeting of the 22nd August, 2017 and Monday, 4th September, 2017?
2. At the Audit meeting on Monday, 4th September, a member of the public was barred from entering a public meeting which had not been in confidence and to which the security guards denied entry to one of our residents, to the public chamber? Who sanctioned this behaviour and on what grounds?
3. Now with two instances identified, to which this chamber was not aware until attending the meetings, are there any direct threats to personal safety to any member, and I mean something more concrete than lengthy

emails. Where is the threat to our safety and to whom does it relate and proof of the issue which requires security guards to be posted in the public area?

4. If the issue of real and direct threats is present why have we not been informed of such?
5. Is this to be something which we will have to endure?

## 10.6 ERA Water – Holdich Report

Councillor Monceaux asked the following questions on notice:

1. In the Report Recommendations at page 23 clause 4.5, the Holdich Report states “The Councils should increase the borrowing limit from \$12 million to - - \$12.624 million.” But there is no justification or Business Plan supplied or discussed anywhere in the document that sets out why the additional money is needed. At the Special Audit Committee meeting in 4 September 2017 this recommendation was increased to \$1 million with no justification and no questions about accountability for this either.
  - a) Where are the Business Plans to justify this additional borrowing of \$624,000 by Holdich, and also the increase to \$1 million by the Audit Committee?
  - b) What specifically is this additional \$624,000 or \$1 million to be spent on?
  - c) How will this additional debt achieve increased value for ratepayers?
  - d) What is the Plan for how the interest will be paid, and how the additional \$1million of principal will be repaid?
2. At page14 clause 3.2.2 it says “The construction is 90% complete and the project will be delivered for less than the project budget,” so it seems that the \$624,000 is not required for Capital Works. It appears that the money is needed to cover operating costs and operating losses. This raises several questions:
  - a) Is it allowed in the LGA, by the LG Finance Authority, in Burnside policies and in sound prudential management for a council to guarantee a loan for a subsidiary to borrow such large sums of money in order to finance operating losses (rather than capital expenditure) that will be ongoing for a number of years?
  - b) In the existing specific ERA Water debt facility for the \$12million that is one third share guaranteed by Burnside Council, is covering operational losses mentioned or allowed?
  - c) Is it not appropriate, mandated or good prudential management to fund operating losses with a cash injection rather than a loan?
3. I believe that questions such as those mentioned in 1) and 2) should have been asked about the soundness of this additional loan facility before

recommending to Council that this additional loan of \$624,000 and it be increased from \$624,000 to \$1million. One third of this debt will be a debt to Burnside Council and its ratepayers without any Business Plan or justification for this additional expenditure.

Did the Audit Committee fail in carrying out its duties prudently and rigorously by not seeking due and proper justification for this loan?

4. At Clauses 3.6.4.1, 3.6.4.2 and 3.6.4.4b on page 21 and 22 of the Holdich Report it says that the Board has had discussions about the lack of alignment between the equitable interest and contribution being made by each council in their commitment to purchase specified volumes of water. If this were to occur, is it true that there would be significant impact on potential losses, debt and interest repayments for the City of Burnside. On the current loan of \$12 million (without the increase by \$1million as recommended by the Audit Committee), it would alter our current debt from \$4million to \$6.4 million, NPSP would remain at \$4million and Walkerville would reduce to \$1.6million.
  - a) Does this mean that the Board is considering changing the liability to align with water use, so Walkerville liability is reduced from 33% to 13%, NPSP remains at 33% and Burnside is increases from 33% to 53%?
  - b) How is this to the advantage of Burnside Ratepayers?

**11. Motions on Notice**

**11.1 Amendment of Council Minutes of 27 June 2017 (Operational) –  
Councillor Mark Osterstock** p21

**11.2 Recouping Costs for Code of Conduct Complaints (Operational) –  
Councillor Henry Davis** p23

**12. Questions without Notice**

**13. Motions without Notice**

**14. Reports of Officers*****Office of the Chief Executive Officer***

- 14.1 Chief Executive Officer Report – August 2017 (Operational) p25**  
Attachment A  
Attachment B  
Attachment C
- 14.2 Minutes of CEO Recruitment, Performance, Appraisal and Remuneration Review Committee – 14 August 2017 adjourned to 28 August 2017 (Operational) p39**  
Attachment A

***Corporate Services***

- 14.3 Eastern Region Alliance Water (Operational) p45**  
Attachment A
- 14.4 Minutes of the Special Audit Committee Meeting – 4 September 2017 (Operational) p79**  
Attachment A
- 14.5 Remake of Confidentiality Order on Topic 50.2 Burnside War Memorial Hospital Lease (Operational) p83**  
Confidential Information Document
- 14.6 Delegations under the Environment Protection Act 1993 (Operational) p87**  
Attachment A
- 14.7 Burnside Retirement Services Inc. – Recruitment of Independent Board Member and Establishment of a Burnside Retirement Services Incorporated Independent Board Member Selection Panel (Operational) p91**  
Attachment A  
Attachment B

***Urban Services***

- 14.8 Miller Reserve, Linden Park – Overhanging Vegetation Update (Operational) p121**
- 14.9 Water Sensitive Urban Design Policy – Review (Operational) p125**  
Attachment A  
Attachment B

- 14.10 Open Space Policy – Review (Operational)** p137  
Attachment A  
Attachment B

***Community and Development Services***

- 14.11 Community Grants Program 2017/18 – Round 1 Recipients (Operational)**  
Attachment A p157  
Attachment B

- 14.12 Appointment of Council Assessment Panel Independent Members (Operational)** p179  
Attachment A  
Attachment B  
Attachment C

**15. Subsidiaries, Regional Subsidiaries and other Organisations/Entities****15.1 Eastern Waste Management Authority**

Nil

**15.2 Eastern Health Authority****p195**

15.2.1 Eastern Health Authority Audit Committee Minutes – Meeting 16 August 2017

Recommendation

That the Eastern Health Authority Audit Committee Minutes – Meeting 16 August 2017 be received.

15.2.2 Eastern Health Authority Board of Management Meeting Report – 30 August 2017

Recommendation

That the Eastern Health Authority Board of Management Meeting Report – 30 August 2017 be received.

**15.3 Highbury Landfill Authority**

Nil

**15.4 ERA Water**

Refer 14.3

**15.5 Eastern Region Alliance**

Nil

**16. Council Correspondence****p387**

16.1 Correspondence from the Department of Planning, Transport and Infrastructure regarding Greenhill Road, Hazelwood Park – Pedestrian Crossing

Recommendation

That the correspondence from the Department of Planning, Transport and Infrastructure regarding Greenhill Road, Hazelwood Park – Pedestrian Crossing be received.

**17. Other Business**

## 18. Confidential Items

### 18.1 Chief Executive Officer Performance Appraisal Report 2016/2017 and Chief Executive Officer Remuneration Advice (Operational)

Attachment A

Attachment B

Pursuant to section 90(2) and (3) of the *Local Government Act 1999*, the Council orders that all members of the public be excluded, with the exception of the Elected Members of the City of Burnside; the Chief Executive Officer; and in the Executive Boardroom, the General Manager Urban Services; the General Manager Corporate Services; the Executive Officer and the Group Manager People and Innovation, on the basis that it will receive and consider Item 18.1 'Chief Executive Officer Performance Appraisal Report 2016/2017 and Chief Executive Officer Remuneration Advice (Operational)'.

The Council is satisfied, pursuant to section 90(3)(a) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is information that would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead). The information concerns the remuneration and recent performance review of the Chief Executive Officer and their personal attributes and the release of such information is unreasonable.

Further, the principle that the meeting should be conducted in a place open to the public has been outweighed in the circumstances because of the public interest in maintaining the confidentiality of the personal affairs of these persons.

#### Confidentiality Recommendation:

1. That, having considered the matter of Chief Executive Officer Performance Appraisal Report 2016/2017 and Chief Executive Officer Remuneration Advice (Operational) in confidence, pursuant to section 91(7) and (9) of the *Local Government Act 1999*, the Council orders that:
  - 1.1 the report and attachments relating to this agenda item remain confidential on the basis that the disclosure of this information would be an unreasonable disclosure of the personal affairs of a person pursuant to Section 90(3)(a) of the Act, as the report contains information concerning the remuneration and performance review of the Chief Executive Officer and their personal attributes and the release of such information is unreasonable; and
  - 1.2 the report and attachments relating to this item will not be available for public inspection for the period of 12 months at which time this order will be revoked / reviewed by the Council/Chief Executive Officer (CEO); and
  - 1.3 this confidentiality order will be reviewed by the Council/CEO at least once every 12 months.
2. That for the item named in clause 1 and associated sub clauses, unless:

- 2.1 the period in respect of any order made under Section 91(7) of the *Local Government Act 1999* lapses; or
- 2.2 Council resolves to revoke an order made under Section 91(7) of the *Local Government Act 1999*; or
- 2.3 the CEO determines pursuant to delegated authority that the order be revoked;

any discussions of Council on the matter and any recording of those discussions are to be treated as confidential.

**19. Closure**



**Item No:** 4.1  
**To:** Council  
**Date:** 12 September 2017  
**Submitted by:** Paul Deb – Chief Executive Officer  
**Subject:** LEAVE OF ABSENCE – COUNCILLOR BAGSTER (DEFERRED ITEM)  
**Attachments:** A. Request for Leave of Absence – Councillor Bagster

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In relation to Cr Bagster's Leave of Absence request, Council at the meeting held on 22 August 2017, resolved (C11347):

1. *That the application be deferred to the meeting of 12 September 2017 for consideration.*

The original report and application is below and attached for Council to consider noting that an alternative recommendation will need to be made in order for the request to have validity and take effect.

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In accordance with section 9 of the Leave of Absence Policy, Cr Bagster has requested leave of absence for a three month period from 22 August 2017 inclusive (Attachment A).

The request for Leave of Absence is consistent with the Leave of Absence Policy as Cr Bagster has specified the time frame and the reason.

### **Recommendation**

That Cr Bagster's Leave of Absence request be granted for a three month period commencing 22 August 2017.

**From:** Lance Bagster [mailto:lance.bagster@gmail.com]  
**Sent:** Thursday, 10 August 2017 3:58 AM  
**To:** David Parkin  
**Cc:** Theresa Hines  
**Subject:** Request for Leave of Absence

Dear Mr David Parkin,

I hereby apply to Council (via you as Presiding Member) for a leave of absence of 3 months from Council from 22 Aug 17. The leave is required to address health issues.

With any due respect,

Cr Lance Bagster

**Item No:** 6  
**To:** Council  
**Date:** 12 September 2017  
**Submitted by:** Mayor David Parkin  
**Subject:** MAYOR'S REPORT  
**Attachments:** Nil

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## **MAYORAL ACTIVITIES 17/8/17 – 6/9/17**

### 17 August

- ) Attended a Special Meeting of the Local Government Association (LGA) Audit Committee relating to Schemes and Governance Review Updates.

### 19 August

- ) Presided over the unveiling of the Malt Factory Plaque at Tusmore organised by the City of Burnside and the Burnside Historical Society.

### 21 August

- ) Participated in a Special Meeting of the LGA Executive Committee relating to Public Lighting.
- ) Attended the City of Burnside Audit Committee meeting.

### 25 August

- ) Participated as a panel member in the Community Grants Selection Panel for Council.

### 28 August

- ) Chaired an adjourned meeting of the CEO Recruitment, Performance Appraisal & Remuneration Review Committee.

### 30 August

- ) Chaired the Special Meeting of Council.

### 4 September

- ) Met with the CEO and President of the LGA.
- ) Attended the City of Burnside Special Audit Committee meeting.

### 6 September

- ) Met with Vincent Tarzia MP, Member for Hartley as per a recent Council resolution relating to the Hines report.
- ) Attended the Eastern Region Alliance Mayors and CEO meeting.



**Item No:** 11.1  
**To:** Council  
**Date:** 12 September 2017  
**Submitted by:** Councillor Osterstock  
**Subject:** AMENDMENT OF COUNCIL MINUTES OF 27 JUNE 2017  
(OPERATIONAL)  
**Attachments:** Nil

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### **Motion of Which Notice has been Given**

*Pursuant to Regulation 12 of the Local Government (Procedures at Meetings) Regulations, 2013, the following Motion on Notice has been submitted by Councillor Osterstock*

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### **Motion**

I, Councillor Mark Osterstock, do hereby give notice of my intention to move the following motion, at the next ordinary meeting of Council for the City of Burnside.

1. That the Council note that the Members Report attributed of Councillor Bagster and entered into the Minutes of 27 June 2017 is factually incorrect.
2. The Council agrees that the CEO has not breached his employment agreement with the Council.
3. The suggestion that the CEO has breached his agreement with Council is offensive and insulting.
4. That the Council further notes the statements attributed to Councillor Bagster in this report are a prima facie breach of the Code of Conduct for Council Members.
5. That the report of Councillor Bagster entered into the Minutes of 27 June 2017 be amended to read "Council Bagster met with Mr Barry Cant on 20 June 2017 and the Hon. John Darley MLC on 23 June 2017."

### **Policy:**

*Code of Conduct for Council Members*

*Code of Practice – Meetings and Documents – Access and Procedures*

### **Risk:**

Inherent reputational risk to the Council and the CEO.

Potential for materialisation of risks to Council given endorsed HR procedures and practices are established for the process of reviewing CEO performance.

### **Legal:**

There is a legal requirement on Council that Elected Members are fully informed before any debate and decisions at Council on the performance of the CEO.

**Financial:**

Nil

**Item No:** 11.2  
**To:** Council  
**Date:** 12 September 2017  
**Submitted by:** Councillor Davis  
**Subject:** RECOUPING COSTS FOR CODE OF CONDUCT COMPLAINTS  
(OPERATIONAL)  
**Attachments:** Nil

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### **Motion of Which Notice has been Given**

*Pursuant to Regulation 12 of the Local Government (Procedures at Meetings) Regulations, 2013, the following Motion on Notice has been submitted by Councillor Davis*

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### **Motion**

I, Councillor Henry Davis, do hereby give notice of my intention to move the following motion, at the next ordinary meeting of Council for the City of Burnside.

1. That the Council will consider whether, on any finding that a complaint made by an elected member under the Code of Conduct for Council Members ("the Code") is trivial, frivolous or vexatious, whether the Complainant elected member, has him or herself breached any relevant provision of the Code, in making their complaint.
2. On any finding that an Elected Member has breached the Code in making a trivial, frivolous or vexatious complaint, in addition to any other sanction, the Council will consider the appropriateness of resolving to request that the Member repay monies to the Council, being the costs incurred in the preliminary investigation of the trivial, frivolous or vexatious Complaint.

### **Policy:**

*Code of Conduct for Council Members*

### **Risk:**

Reputational risks to individuals resulting from trivial, frivolous or vexatious Complaints.

Abuse of legislative provisions for managing Elected Member conduct.

Potential risk of a negative financial and budgetary impact for Council.

### **Legal:**

Nil

### **Financial:**

In this term of Council \$15,975 has been incurred for Code of Conduct claims found to be trivial and / or vexatious as per the Preliminary Assessment Report authored by a Conduct Reviewer. The claimant in all cases was Councillor Bagster.



**Item No:** 14.1  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Paul Deb – Chief Executive Officer  
**Contact:** 8366 4205  
**Subject:** CHIEF EXECUTIVE OFFICER REPORT – AUGUST 2017  
(OPERATIONAL)  
**Attachments:** A. Monthly Financial Report – August 2017  
B. Reports Outstanding List – August 2017  
C. Organisation Chart – August 2017  
**Prev. Resolution:** C7319, 16/9/08

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### **Officer's Recommendation**

That the Report be received.

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### **Purpose**

1. To provide Council with a monthly report of key activities and issues, aligned to Council's Strategic Plan '*Be the Future of Burnside 2025*', undertaken by the Chief Executive Officer (CEO) in August 2017.
2. To provide Council with a monthly report on the financial position of the organisation.
3. To provide Council with a list of reports which have been requested by Elected Members and the status of those reports.
4. To provide Council with a top-tier organisation chart as at 31 August 2017.

### **Strategic Plan**

5. The following Strategic Community Plan provisions are relevant:

*"Delivery of good governance in Council business"*

*"A financially sound Council that is accountable, responsible and sustainable"*

*"An empowered Council and Administration that is visionary and innovative in meeting community needs"*

### **Communications / Consultation**

6. Communication has been undertaken with internal and with external organisations as described in the body of the report.

**Statutory**

7. The following legislation is relevant in this instance:

*Local Government Act 1999*

**Policy**

8. There are no policy implications with the recommendation.

**Risk Assessment**

9. There are no risks associated with the recommendation.

**CEO Performance Indicators**

10. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

**Finance**

11. The August 2017 Finance Report is provided as Attachment A. This report provides a comparison of actual year to date performance to the Adopted Budget. There are no material variances to report in the year to date analysis as the Administration has recently undertaken the Budget Phasing process, where Actuals were aligned to the Budget and timings were determined for the remainder of the year.

**Procurement**

12. The Procurement Governance Framework (Framework) requires that Council approaches at least three companies for any tender amounting to over \$100k (cumulative), requiring disclosure of any procurement dispensation approvals above \$100k.
13. However, with regard to the Weed and Pest Control service, only two companies are currently being used; the rationale being that these two companies have been servicing Council for a number of years and had an agreement with Council for an extension for this financial year which was not renewed.
14. Council will go to market once the outcome from the Verge Maintenance Program Service Level Review has been determined.
15. Approving a dispensation from the Policy is thus considered appropriate for the short term in this instance.

**Discussion***Monthly Activity*

16. During the month of August the General Manager, Corporate Services acted in the position of Chief Executive Officer from 14 August 2017 to 1 September 2017.

17. The following meetings were attended in August 2017:
- 17.1. The CEO met with Matt Flowers to discuss an upcoming Council Informal Gathering relating to the Nursery Service Review.
  - 17.2. The CEO met with John O'Brien and Nathan Silby to facilitate a meet and greet with Geoff Vogt as the newly appointed independent member on the ERA Water Board.
  - 17.3. The A/CEO attended a meeting regarding the Magill Village Project which included representatives from the City of Campbelltown and Moto Projects.
  - 17.4. The A/CEO attended a meeting of the Eastside Business Enterprise Centre relating to Budget Review.
  - 17.5. The A/CEO attended a meeting of the City of Burnside Audit Committee.
  - 17.6. The A/CEO attended a further meeting regarding the Magill Village Project which included representatives from the City of Campbelltown and Moto Projects.
  - 17.7. The CEO and A/CEO attended the August Council meetings and workshops.

#### *Reports Outstanding List*

18. The Reports Outstanding List is contained in Attachment A.
19. As at the conclusion of the Council meeting held on 22 August 2017, there are 25 reports to be presented to Council. Of the 25 reports, 13 are anticipated to be presented in September 2017. The balance will be presented as soon as information becomes available or as scheduled.

#### *Human Resources*

20. As at 1 September 2017, the current Full Time Equivalent (FTE) staff count is 160.9 FTE with 4.0 FTE of these positions being vacant/available.
21. The positions vacant/available and their current statuses are as follows:

<b>Position</b>	<b>Status</b>
General Manager Community & Development Services	Recruitment for this position is on hold.
Senior Arborist	Recruitment for this position is on hold.
Procurement & Finance Support Officer	Position currently being recruited.
Team Member Civil Maintenance	Position to be recruited.

*Work Health and Safety (WHS)*

22. The Administration has concentrated on resolving the few remaining 2016 Work Health and Safety (WHS) KPI Audit actions. At this stage, it is anticipated that the Administration should be able to achieve 100 per cent completion of the scheduled actions.
23. Additionally, work is also being undertaken to close out the actions arising from the Internal Audit WHS Health Check.
24. Management responses in relation to the recently completed Local Government Association Workers Compensation Scheme (LGAWCS) First Aid Procedure validation are being finalised prior to incorporation into the Work Health and Safety (WHS) and Return to Work (RTW) plan for future action and monitoring.

*Notifiable Incidents (as defined by WHS Act)*

25. Nil to report.

*Insurance Issues*

26. Nil to report.

*Risk Management Issues*

27. The Administration is continuing to work with Local Government Risk Services in finalising the review of its business continuity plan in preparation for an exercise in November/December.

**CITY OF BURNSIDE**  
**MONTHLY FINANCE REPORT**  
AS AT 26 August 2017  
FOR THE YEAR ENDING 30 JUNE 2018

	2017/18 Year to Date			2017/18 Full Year		
	Adopted Budget \$'000	Actual Result \$'000	Variance \$'000	Adopted Budget \$'000	Q1 Review Proposed Variations \$'000	Forecast \$'000
<b>OPERATING ACTIVITIES:</b>			<b>Note</b>			
Operating Income						
Rates Income	37,753	37,753	-	37,700	-	37,700
Grants Incomes	897	897	-	3,959	-	3,959
Other Operating Income	609	609	-	3,582	-	3,582
	<b>39,259</b>	<b>39,258</b>	<b>-</b>	<b>45,241</b>	<b>-</b>	<b>45,241</b>
Less:						
Operating Expenses						
Employee Costs	2,123	2,123	-	15,955	-	15,955
Materials and Contracts Expenses	2,803	2,804	-	18,397	-	18,397
Other Expenses	1,681	1,681	-	9,877	-	9,877
	<b>6,607</b>	<b>6,608</b>	<b>-</b>	<b>44,229</b>	<b>-</b>	<b>44,229</b>
<b>Operating Surplus / (Deficit)</b>	<b>A</b>	<b>32,651</b>	<b>32,651</b>	<b>-</b>	<b>1,012</b>	<b>-</b>
<b>CAPITAL ACTIVITIES:</b>						
<b>Net Outlays on Existing Assets</b>						
Capital Expenditure on Renewal and Replacement of Existing Assets	711	695	(15)	9,894	-	9,895
Less: Depreciation, Amortisation & Impairment	1,587	1,587	-	9,340	-	9,340
Less: Proceeds from Sale of Replaced Assets	B	-	-	-	-	-
<b>Net Outlays on Existing Assets</b>		<b>(877)</b>	<b>(892)</b>	<b>(15)</b>	<b>554</b>	<b>-</b>
<b>Net Outlays on New and Upgraded Assets</b>						
Capital Expenditure on New and Upgraded Assets	14	21	7	4,096	-	4,096
Less: Amounts Received Specifically for New and Upgraded Assets	C	-	-	30	-	30
Less: Physical resources received free of charge	D	-	-	150	-	150
Less: Proceeds from Sale of Surplus Assets	-	-	-	200	-	200
<b>Net Outlays on New and Upgraded Assets</b>		<b>14</b>	<b>21</b>	<b>7</b>	<b>3,716</b>	<b>-</b>
<b>Statement of Comprehensive Income</b>						
- Net Operating Surplus/(Deficit) (A)+(B)+(C)+(D)		<b>32,651</b>	<b>32,651</b>	<b>-</b>	<b>1,392</b>	<b>-</b>

**Notes**

**Year to Date Analysis**

- As can be noted above, there are no material variances in the Year To Date Budgets vs Actuals section. This is primarily because the Budget phasing has recently been undertaken where Actuals were matched to Budgets for August month end and the timings determined for the rest of the year.

- Please note that on 25 August 2017, Council acquired Constable Hyde Memorial Gardens, Leabrook for ongoing use as community land and simultaneously sold JB Cleland Kindergarten and Rose Park Preschool. This has not yet been fully accounted for in the above figures due to the timings of the transactions. It will however appear in the September month end report.

**Full Year Analysis**

Administration is on target to achieve the 2017/18 Adopted Budget.

# 17/18 Capital Project Report

The 2017/18 Capital report compares the YTD Adopted Budget to the Actual YTD spend and highlights projects which are on track and those which have not progressed in line with the budgeted timings.

Project Name	Activity Description	Adopted Budget YTD Percentage Complete*	Actual YTD Percentage Complete**	Variance %
Replacement Furniture and Fittings for the Library	Replacement/Renewal	0%	10%	10%
Water Sensitive Urban Design	New/Upgrade	4%	7%	3%
Kerb Program	Replacement/Renewal	10%	10%	-1%
Swim Centre Patron Locker System	Replacement/Renewal	25%	24%	-1%
Traffic Calming Program - Renew	Replacement/Renewal	8%	7%	-1%
Asset and Infrastructure Emergency Program	Replacement/Renewal	0%	0%	0%
Brown Hill Keswick Creek Project	New/Upgrade	0%	0%	0%
Burnside Library Collection Renewal Program	Replacement/Renewal	3%	3%	0%
Bus Shelter Renewal Program	Replacement/Renewal	0%	0%	0%
Civic Centre Light Fleet Replacement	Replacement/Renewal	0%	0%	0%
Civic Centre Renewal Works	Replacement/Renewal	29%	29%	0%
Civic Centre upgrades	New/Upgrade	0%	0%	0%
Community Buildings Program	Replacement/Renewal	5%	5%	0%
Community Library Service Van Replacement	Replacement/Renewal	0%	0%	0%
Constable Hyde Redevelopment	New/Upgrade	0%	0%	0%
Conyngham Street Depot	New/Upgrade	0%	0%	0%
Creek Rehabilitation Works	New/Upgrade	0%	0%	0%
Disability Discrimination Act Compliance Project	New/Upgrade	0%	0%	0%
Drainage New Program	New/Upgrade	1%	1%	0%
Drainage Renewal Program	Replacement/Renewal	0%	0%	0%
Drinking Fountain Replacement	Replacement/Renewal	0%	0%	0%
Dulwich Avenue Pedestrian Facility	New/Upgrade	0%	0%	0%
Footpath New Construction Program	New/Upgrade	0%	0%	0%
Footpath Renewal Program	Replacement/Renewal	5%	5%	0%
Hazelwood Park	Replacement/Renewal	1%	1%	0%
Hazelwood Park M/Plan St. 1 - Wayfinding Signage	New/Upgrade	0%	0%	0%
Henry Martin Square Road Paving	Replacement/Renewal	0%	0%	0%
Hills Face Trails	New/Upgrade	0%	0%	0%
ICT Capital Program	New/Upgrade	0%	0%	0%
Irrigation RPZ Program	New/Upgrade	0%	0%	0%
Irrigation System Replacement	Replacement/Renewal	0%	0%	0%
Kensington Gardens Masterplan	Replacement/Renewal	0%	0%	0%
Kensington Gardens Works	Replacement/Renewal	0%	0%	0%
Local Nuisance and Litter Control Act - Property & Rating Upgrade	New/Upgrade	0%	0%	0%
Magill Village Redevelopment	New/Upgrade	0%	0%	0%
Minor Infrastructure Program Renewal	Replacement/Renewal	0%	0%	0%
Network Infrastructure Replacement	Replacement/Renewal	0%	0%	0%
New Playgrounds	New/Upgrade	0%	0%	0%
New Reserve Furniture	New/Upgrade	0%	0%	0%
New Sports Lighting	New/Upgrade	0%	0%	0%
Open Space Renewal	Replacement/Renewal	0%	0%	0%
Plant Replacement - Depot Based Major Plant	Replacement/Renewal	0%	0%	0%
Plant Replacement - Depot Based Minor Plant	Replacement/Renewal	2%	2%	0%
Playgrounds	Replacement/Renewal	0%	0%	0%
Pool Covers for Main and Learner Pools	Replacement/Renewal	0%	0%	0%
Public Lighting Renewal Program	Replacement/Renewal	0%	0%	0%
Public Seating Program	New/Upgrade	0%	0%	0%
Records Management Legislative Compliance Project	Replacement/Renewal	0%	0%	0%
Recreational Trails Strategy (Stage 3)	New/Upgrade	0%	0%	0%
Reserve Furniture Replacement	Replacement/Renewal	0%	0%	0%
Road Cracksealing program	Replacement/Renewal	0%	0%	0%
Road Resurfacing Program	Replacement/Renewal	12%	12%	0%
- As can be noted above, there are no material variances in the Year To Date Budgets vs Actuals section. This is primarily because the Budget phasing has recently been undertaken where Actuals were matched to Budgets for August month end and the timings were determined for the rest of the year.				0%
- Please note that on 25 August 2017, Council acquired Constable Hyde Memorial Gardens, Leabrook for ongoing use as community	Replacement/Renewal	13%	14%	
Sports Field Lighting Replacement	Replacement/Renewal	0%	0%	0%
Tennis Courts	Replacement/Renewal	0%	0%	0%
Traffic Calming Program - New	New/Upgrade	0%	0%	0%
Traffic Signals Light Emitting Diode (LED) Upgrade	Replacement/Renewal	18%	18%	0%
Urban Services Work Orders Project Stage 2	New/Upgrade	0%	0%	0%

\*Adopted Budget YTD Percentage Complete = YTD Budget Spend/ Full Year Budget Spend \*\*Actual YTD Percentage Complete = Actual YTD spend / Budget YTD Spend

## LEGEND:

Variance between Adopted Budget YTD % complete and Actual YTD % complete:

- more than +/- 50% variance
- +/- 10% - 50% variance
- +/- 10% variance

August YTD Budget	\$	724,516
August YTD Actual	\$	716,725
August YTD Variance	\$	7,791

# 17/18 Operating Project Report

The 2017/2018 Operating Project report compares the YTD Adopted Budget to the Actual YTD spend and provides commentary on Projects with more than a 50% variance.

Project Name	Adopted Budget YTD Percentage Complete*	Actual YTD Percentage Complete**	sorting	Variance %
Building Condition Assessment	0%	0%	0%	0%
Consolidation of Facebook presence of Burnside	0%	0%	0%	0%
Consultation - Activity Centres Development Plan Amendment (DPA)	0%	0%	0%	0%
Consultation for the Residential Development Plan Amendment (DPA)	0%	0%	0%	0%
Efficiency & Effectiveness Program	0%	0%	0%	0%
Future Aged Care Services - Community Consultation	0%	0%	0%	0%
George Bolton Swimming Centre Business Review	0%	0%	0%	0%
Michael Perry Botanic Reserve Conservation Plan	0%	0%	0%	0%
Office 365	0%	0%	0%	0%
Real-time Service Level Reporting	0%	0%	0%	0%
Short term employee under equity & diversity	16%	16%	0%	0%
Streetscape Guide Development	0%	0%	0%	0%
Local Artist Exhibition Support at Civic Centre	2%	2%	0%	0%
Regulated and Significant Tree Assistance Scheme	0%	0%	0%	0%
Silt Removal - Hazlewood Park & Michael Perry Reserve Ponds	0%	0%	0%	0%

\*Adopted Budget YTD Percentage Complete = YTD Budget Spend/ Full Year Budget Spend \*\*Actual YTD Percentage Complete = Actual YTD spend / Budget YTD Spend

## LEGEND:

Variance between Adopted Budget YTD % complete and Actual YTD % complete:

- more than +/- 50% variance
- +/- 10% - 50% variance
- +/- 10% variance

August YTD Budget	\$3,181
August YTD Actual	\$3,181
August YTD Variance	\$0

### Reports – Outstanding List (September 2017) (Attachment B)

NO	MTG DATE	SUBJECT	OFFICER	DUE DATE	TARGET DATE	STATUS
1.	10/5/16	<b>Eastern Region Alliance Strategic Plan (Strategic) (C10640)</b> – That the ERA Mayors and CEO Group provide 6 monthly reports to all ERA Councils on the activities of the Eastern Region Alliance in respect to resource sharing, regional collaboration and any other activities relevant to the ERA Strategic Plan.	CEO		Feb 2018	On track.
2.	28/6/16	<b>Hay Road, Linden Park Primary School) (Operational) (C10711)</b> – That Council, having considered the Petition, and having again reconsidered the need for additional traffic management infrastructure on Hay Road, adjacent to the Linden Park Primary School (and having specific regard to the School Crossing Review undertaken by GTA Consultants), resolves to monitor and evaluate traffic conditions at the site for a 12 month period at which time a further report will be presented to Council for consideration on the possible need for further traffic management initiatives.	GMCS	Jun 2017	Sep 2017	Report to be presented to Council in September 2017. Engagement with EMs occurring and holding report presented on 22 August 2017.
3.	23/8/16	<b>Eastern Regional Alliance Water – Report and Draft Annual Business Plan and Budget (Operational) (C10791)</b> – For the period to 31 August 2017 that the CEO provide a monthly report to the second meeting of Council each month providing timely information in respect to, but not limited to: <ul style="list-style-type: none"> <li>) Status of the Stage 2 Project in respect to timing and budget;</li> <li>) Any identified additional capital costs required beyond that contemplated in the Stage 2 concept;</li> <li>) Status of negotiations or confirmations of water sales to third parties; and</li> <li>) Any additional potential factors which may have a negative impact on the financial viability of the project.</li> </ul>	CEO	Monthly		Ongoing.
4.	25/10/16	<b>Proposal – Shipsters Road, Kensington Park Footbridge (Operational) (C10894)</b> – That a further detailed report be presented to Council for final approval.	GMCS		TBA	Timing of next report dependent on Pembroke School and consultants.

NO	MTG DATE	SUBJECT	OFFICER	DUE DATE	TARGET DATE	STATUS
5.	13/12/16	<b>Draft Burnside Community and Civic Hub Master Plan (Strategic) (C10974)</b> – That Council engage a consultant to complete a Business Case on the draft Master Plan which is to be presented for consideration at the 14 February 2017 Council meeting. That a detailed Community Engagement Plan be prepared and presented for consideration at the 14 February 2017 Council meeting.	GMUS	Feb 2017	Nov 2017	Elected Member Workshop scheduled for 10 October 2017 with Council Report to follow.
6.	28/2/17	<b>Public Lighting Update (Operational) (C11049)</b> – That a further report be presented to Council following provision of the information above for consideration.	GMUS		TBA	Report to be provided once further information is received.
7.	28/3/17	<b>Lane West of Matilda Street, Eastwood – Encroachments (Operational) (C11104)</b> – Following the consultation process with adjacent land owners a report to be presented to Council with a recommendation in relation to the proposed next steps.	GMUS		Sep 2017	On track.
8.	11/4/17	<b>Local Nuisance and Litter Control Act 2016 (Operational) (C11123)</b> – Council to request Eastern Health Authority to undertake compliance actions on behalf of Burnside and constituent Councils in respect to particular nuisance aspects of new legislation and EHA to report back to Council in regards to costings and cost implications.	GMCS		Sep 2017	Awaiting information from EHA and ERA CEO Group.
9.	27/4/17	<b>Cycle Lane Markings in the City of Burnside (Operational) (C11150)</b> – That a report be presented to Council following the September 2017 Cycling Elected Member workshop about opportunities and cost estimation to extend and enhance cycle lane markings and surfaces in the City of Burnside.	GMUS		Oct 2017	On track. Elected Member Workshop to be held on 26 September followed by Council Report in October 2017.
10.	27/4/17	<b>Draft Fees and Charges 2017/18 (Operational) (C11160)</b> – That the Administration review the Residential Parking Policy and present a report to Council at the second meeting in September 2017.	GMCS		Sep 2017	On track.
11.	9/5/17	<b>Green Army Project (Achievements and Future) (Strategic) (C11183)</b> – That the Administration present a report to Council in February 2018 outlining the results of grant applications and discussions held with potential industry partners to provide a 'Green Army' type program for the City of Burnside for 2018/19, ahead of the draft Annual Business Plan being finalised.	GMUS		Feb 2018	On track.

NO	MTG DATE	SUBJECT	OFFICER	DUE DATE	TARGET DATE	STATUS
12.	23/5/17	<b>Eastern Region Alliance Water – Draft 2017/18 Budget and Long Term Financial Plan (Operational) (C11214)</b> – That the Administration arrange for a report from BRM Holdich detailing the current management by ERA Water of the risks identified in the Prudential Report and the recommendation of immediate actions which should be taken to improve management of risks, in particular the sale of water to external parties.	GMUS		Aug 2017	To be presented to Council at 12 September meeting.
13.	13/06/17	<b>Assistance Program for Elected Members and Members of Council Committee and Subsidiaries (Operational) (C11233)</b> – That Council submit an agenda item for the next Local Government Association (LGA) (SA) meeting in 2017 requesting options to provide an assistance program (similar to what is provided to Council employees) for elected members of Council, and Members, elected or appointed of Council's legislated committees, section 41, 42 and 43 Committees and Subsidiaries.	CEO		Oct 2017	On track.
14.	13/06/17	<b>Magill Road Logo and Branding Partnership (Operational) (C11237)</b> – That the application of a differential rate on commercial properties across the City of Burnside be considered for the 2018/19 Budget and that a report be presented for Council consideration by April 2018.	GMCS		Apr 2018	On track.
15.	23/06/17	<b>Appointment of Development Assessment Panel Independent Members (Operational) (C11266)</b> – Based on the outcomes of the requested Elected Member Informal Gathering Session, the Administration present a report and draft General Operating Procedures for the CAP with particular attention to DAP Member selection, in respect to gender balance.	GMCS / CEO		Sep 2017	On track.
16.	11/07/17	<b>Magill Village Master Plan (Strategic) (C11281)</b> – That Administration, prior to 30 September 2017, provide a Report to Council addressing the likely impact on traffic on Magill Road and Council's strategy to identify grant funding for the project from Federal and State Government.	GMUS	Sep 2017		On track.
17.	11/07/17	<b>6 Conygham Street, Glenside (Council Depot) – Proposed Master Plan (Strategic) (C11284)</b> – That the Administration present a report to Council by December 2017 on the business case and detailed design.	GMUS	Dec 2017		On track.

NO	MTG DATE	SUBJECT	OFFICER	DUE DATE	TARGET DATE	STATUS
18.	11/07/17	<b>Dulwich Community Centre (Strategic) (C11285)</b> – That the Administration, following completion of this community consultation process, present a further report to Council with the results of the consultation and a recommendation in relation to proposed next steps.	GMUS		Nov 2017	On track.
19.	11/07/17	<b>Tree Islands and Tree Replacement on Glynburn Road, Kensington Park (Operational) (C11272)</b> – That the Administration present a further Report to Council in August 2017 with the results of the subsequent investigation into the feasibility of installing three additional Tree Islands.	GMUS	Sep 2017	Sep 2017	On track.
20.	25/07/17	<b>Amendment of Council Decision regarding Heatherbank Terrace, Stonyfell (Operational) (C11301)</b> – That a new report be presented to Council by 26 August 2017 or as soon as practical thereafter to provide Council with options for less stringent traffic calming measures (than the extant chicane) and a recommended protocol for wide consultation and agreement to the options by the broader Stonyfell community.	GMCS	Aug 2017	Sep 2017	On track.
21.	25/07/17	<b>Waterfall Gully Flood Mitigation (Operational) (C11309)</b> – That Administration staff liaise with the Department of Planning, Transport and Infrastructure (DPTI) regarding potential complementary works that could coincide with road resurfacing of Waterfall Gully Road and present a report to Council in September 2017 summarising options and recommendations thereafter.	GMUS	Sep 2017		On track.
22.	08/08/17	<b>Development Approvals for Property at Kensington Road Wattle Park (Operational) – Councillor Graham Bills (C11342)</b> – That council be supplied with a full detailed account of development approvals given for a property at 499 Kensington Road, Wattle Park since the occupation of the current owner coupled with a written report on action taken to deal with any detected or reported unapproved development activities or non-compliance with development approvals (including related conditions), for development at the above location through the current occupation.	GMCS	Sep 2017		On track

NO	MTG DATE	SUBJECT	OFFICER	DUE DATE	TARGET DATE	STATUS
23.	22/08/17	<b>Biodiversity Conservation Nursery Service Review (Strategic) (C11358)</b> – That Administration provide a report through Info Docs detailing the urban biodiversity sites throughout the City of Burnside, their area and if possible their estimated share of the \$160K cost of annual maintenance.	GMUS	Sep 2017		On track.
24.	22/08/17	<b>Footpath Policy Review (Strategic) (C11360)</b> – That the Administration provide a report detailing the process to assess the existing footpaths when establishing the plan for renewal	GMUS	Nov 2017		On track.
25.	22/08/17	<b>Miller Reserve Works (Operational) – Councillor Anne Monceaux (C11365)</b> – That the Administration present a report to Council by the 12 September 2017 meeting following a process of engagement regarding the Lilly Pilly tree in question.	GMUS	Sep 2017		On track.

**ORGANISATION CHART**

August 2017



**Paul Deb**  
Chief Executive Officer  
Office of the CEO



Robert Dabrowski  
**Executive Officer to CEO & Mayor**  
Support to CEO, Mayor and Elected Members



**Martin Cooper**  
General Manager  
Corporate Services

Vacant  
General Manager  
Community & Development Services



**Barry Cant**  
General Manager  
Urban Services



**Bernie Auricht**  
Strategic Community  
Engagement Officer  
Corporate Communication  
Community Engagement  
Media



**Karishma Reynolds**  
Group Manager Finance and Strategy  
Finance  
Rates  
Payroll  
Procurement and Contracts  
Corporate Strategy



**Matt Spearman**  
Group Manager People and Innovation  
Innovation and Technology  
Business Improvement  
Information Management  
People Experience



**Magnus Heinrich**  
Group Manager City Development & Safety  
Development Policy and Control  
Building Regulations  
Heritage Policy and Management  
Regulatory Services  
Public/Environmental Health  
Traffic Management



Rebecca McAulay  
Principal Governance Officer



Stephen Smith  
WHS & Risk Management Coordinator



Jo Biskup  
Executive Assistant GM Corporate Services



**Michelle Kennedy**  
Group Manager Assets and Infrastructure  
Asset Planning  
Civil Projects  
Property & Buildings  
Recreation & Environment



**Mario Catalano**  
Manager Operation Services  
Strategic Tree Management  
City Maintenance  
Depot Workshop  
City Safe  
City Clean/Quick Response  
Arboriculture  
Park Maintenance  
Conservation and Land Management  
Graffiti Program



**Leonie Scriven**  
Group Manager Community Connections  
Community Support and Wellbeing  
Community Learning  
Community Centres and Events  
George Bolton Swimming Centre



**Mary Harper**  
Manager Customer Experience  
Customer Service



Aaron Schroeder  
Strategic Projects Manager



Helen Bortaluzzi  
Executive Assistant GM Urban Services



**Item No:** 14.2  
**To:** Council  
**Date:** 12 September 2017  
**Author:** CEO Recruitment, Performance, Appraisal And Remuneration Review Committee  
**Subject:** MINUTES OF CEO RECRUITMENT, PERFORMANCE, APPRAISAL AND REMUNERATION REVIEW COMMITTEE – 14 AUGUST 2017 ADJOURNED TO 28 AUGUST 2017 (OPERATIONAL)  
**Attachments:** A. Committee Minutes  
**Prev. Resolution:** N/A

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### **Officer's Recommendation**

That the Minutes of the CEO Recruitment, Performance, Appraisal and Remuneration Review Committee of 14 August 2017 and adjourned to 28 August 2017 be received by Council.

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# CEO Recruitment, Performance Appraisal and Remuneration Review Committee

## Minutes

**Monday 14 August 2017 at 7.01pm  
Boardroom, Civic Centre, 401 Greenhill Road, Tusmore**

**Members:** Mayor David Parkin  
Councillors Lemon, Cornish and Davis

**In attendance:** Richard Altman (Consultant), Andrew Reed (Hender Consulting)

### Apologies

### Leave of Absence

Nil

### Confirmation of Minutes

### Recommendation:

CP0344

That the minutes of the CEO Recruitment, Performance Appraisal and Remuneration Review Committee meeting held on 24 July 2017 be taken as read and confirmed.

Moved Councillor Davis, Seconded Councillor Cornish

CARRIED

### Correspondence

Nil

### Business Arising from the Last Meeting

Nil

## **Reports of Officers**

### **Chief Executive Officer Performance Review and Remuneration Review 2016/2017 (6.1)**

CP0345

Pursuant to section 90(2) of the *Local Government Act 1999*, the Committee orders that all members of the public be excluded, with the exception of the Elected Members of the City of Burnside, Andrew Reed (Hender Consultant), Richard Altman (Consultant) and the Executive Officer, on the basis that it will receive and consider Item 6.1 "Chief Executive Officer Performance Review and Remuneration Review 2016/2017".

The Committee is satisfied, pursuant to section 90(3)(a) of the Act, that the information to be received, discussed or considered in relation to this Agenda Item is information that would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead). The information concerns the remuneration and performance review of the Chief Executive Officer and their personal attributes and the release of such information is unreasonable.

Further, the principle that the meeting should be conducted in a place open to the public has been outweighed in the circumstances because of the public interest in maintaining the confidentiality of the personal affairs of these persons.

Moved Councillor Cornish, Seconded Councillor Davis

CARRIED

### **Short Term Suspension**

Mayor Parkin, with the approval of 2/3 of the Members present, suspended the operation of the meeting at 7.10pm for 45 minutes until 7.55pm to discuss Item 6.1 CEO Performance Review and Remuneration Review 2016/2017.

Andrew Reed of Hender Consulting tabled two documents for discussion, namely the draft CEO Performance Appraisal and the draft CEO Remuneration Advice.

The Executive Officer left the Boardroom at 7.11pm and returned at 7.35pm.

The Short Term Suspension of proceedings was closed by the Mayor at 7.55pm.

### **Adjournment of meeting**

CP0346 That the Committee meeting be adjourned to a follow up meeting at 5.30 pm on 28 August 2017.

Moved Councillor Cornish, Seconded Councillor Lemon

CARRIED

The meeting was adjourned at 8.15pm.

The meeting recommenced on 28 August at 5.32pm.

**Members Present:** Mayor David Parkin  
Councillors Davis and Piggott

**In attendance:** Richard Altman (Consultant)

Councillor Lemon entered the Boardroom at 5.41pm.

### **Motion**

CP0347

1. That the Committee receive the Chief Executive Officer Performance Appraisal Report for 2016 – 2017, prepared by Hender Consulting.
2. That the Committee present the Chief Executive Officer Performance Appraisal Report for 2016 – 2017 to Council at its meeting on 12 September 2017.
3. The Committee note the comment in the Hender Report relating to a 360 degree appraisal.
4. The Committee request that Mr Richard Altman, Independent Consultant, conduct a 360 degree appraisal towards the end of the appraisal year.
5. That the Committee receive the Chief Executive Officer Remuneration Advice prepared by Hender Consulting.
6. That the Chief Executive Officer Remuneration Report, prepared by Hender Consulting, be presented to Council at its meeting on 12 September 2017.
7. That the Chairman discuss the Remuneration Advice report with the CEO with a view to achieving agreement on the remuneration increase.
8. Pursuant to the CEO's contract of employment the Committee recommend that Council approve a salary increase of 2.1 per cent, equal to the annual movement of CPI as at the end of the March 2017 quarter.

Moved Councillor Cornish , Seconded Councillor Lemon

CARRIED UNANIMOUSLY

### **Confidentiality Recommendation**

CP0348

1. That, having considered the matter in confidence, pursuant to section 91(7) and (9) of the *Local Government Act 1999*, the Committee orders that:
  - 1.1 the report and documents relating to this agenda item remain confidential on the basis that the disclosure of this information would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead) pursuant to Section 90(3)(a) of the Local Government Act 1999 as the information relates to the performance of the Chief Executive Officer and the specifics of their Total Remuneration Package.
  - 1.2 the report and documents will not be available for public inspection for the period of 12 months at which time this order will be revoked / reviewed by the Council/Chief Executive Officer (CEO); and





**Item No:** 14.3  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Karishma Reynolds – Group Manager, Finance and Strategy  
**General Manager and Division:** Martin Cooper – General Manager, Corporate Services  
**Subject:** EASTERN REGION ALLIANCE WATER (OPERATIONAL)  
**Attachments:** A. ERA Water Risk Management Report – BRM Holdich  
**Prev. Resolution:** C10782, 23/8/16  
C10791, 23/8/16  
C10961, 22/11/16  
C10981, 13/12/16  
C11214, 23/5/17  
A4085, 4/9/17

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### Officer's Recommendation

1. That the Report be received.
2. That Council endorses the recommendations in the BRM Holdich ERA Water Risk Management August 2017 Report as follows:
  - 2.1 The Constituent Councils should formally commit to take and pay for the volumes of water identified in the Financial Model assessed in the Prudential Report;
  - 2.2 To provide greater certainty to the City of Burnside regarding the potential for the sale of water, the ERA Water Board should seek to formalise the interests of potential high volume customers through 'Heads of Agreement' arrangements recognising that this will add a cost which is not presently budgeted;
  - 2.3 ERA Water should develop a Water Pricing policy that complies with ESCOSA regulatory requirements;
  - 2.4 ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based;
  - 2.5 The Constituent Councils should increase the Project maximum borrowing limitation of \$12 million to be consistent with the peak debt forecast in the Financial Model of \$12.624 million;
  - 2.6 The ERA Water Independent Chairperson and the Burnside ERA Water Board representative should be invited to brief Council on the progress of the Project at regular intervals; and
  - 2.7 The ERA Water Board should be encouraged to engage the necessary expertise to manage the regional subsidiary into the Operations Phase of the Project.
3. That Council endorses these recommendations and requests that Administration engage with the ERA Water Board to seek ERA Water acceptance and

- implementation of the recommendations or written explanation of reasons for not accepting the recommendations.
4. That Council requests that Administration engage with the ERA Water Board to clarify the role of Wallbridge Gilbert Aztec as Project Managers.
  5. That Council approves the increase of the borrowing limitation on ERA Water from \$12 million to a maximum of \$13m.
  6. That this BRM Holdich ERA Water Risk Management August 2017 report be distributed to the other constituent Councils and that the other Councils endorse its recommendations and in particular the recommendation to increase of the borrowing cap of ERA Water to \$13m.
  7. That the risk framework including risk matrix, likelihood and consequence tables be provided with the risk report for the ERA Water Board to review and agree a risk framework going forward.
  8. That the progress of the ERA Water Project becomes a standing agenda item for future Audit Committee meetings.
- 

### **Purpose**

1. To provide Council with a report on the overall risk environment of the ERA Water subsidiary.

### **Strategic Plan**

2. The following Strategic Community Plan provisions are relevant:

*“Delivery of good governance in Council business”*

*“A financially sound Council that is accountable, responsible and sustainable”*

*“An empowered Council and Administration that is visionary and innovative in meeting community needs”*

### **Communications / Consultation**

3. Communication has been undertaken between the Council Administration and BRM Holdich.
4. The BRM Holdich ERA Water Risk Management August 2017 report was tabled at the 4 September 2017 Audit Committee meeting.

### **Statutory**

5. The following legislation is relevant in this instance:

*Local Government Act 1999*

## Policy

6. There are no policy implications with the recommendation.

## Risk Assessment

7. This report highlights the current risk environment and its effectiveness for ERA Water.

## CEO Performance Indicators

8. The following Key Performance Indicator may be impacted as a result of the recommendation:
  - 8.1. Alert Council of any significant risks and issues which may impact on the delivery of the ERA Water program through the provision of a bi-monthly report to Council.

## Finance

9. There are no direct financial implications related to this recommendation.

## Discussion

10. Council, at its meeting on 23 May 2017, resolved (C11214):
  1. *That the Report be received.*
  2. *That Council approve the draft 2017/18 Eastern Region Alliance Water Budget and Long Term Financial Plan.*
  3. *The Administration arrange for a report from BRM Holdich detailing the following:*
    - 3.1 *Current management by ERA Water of the risks identified in the Prudential Report; and*
    - 3.2 *Recommendation of immediate actions which should be taken to improve management of risks, in particular the sale of water to external parties.*
11. BRM Holdich was subsequently engaged to undertake a review of and report on ERA Water's current risk environment compared to the risks identified in the Prudential Report and to make recommendations where appropriate to mitigate any risks.
12. The BRM Holdich Report (Attachment A) was tabled at the Audit Committee meeting on 4 September 2017 where it was resolved (A4085):
  1. *That the Report be received.*
  2. *That the Audit Committee endorses the recommendations in the BRM Holdich ERA Water Risk Management August 2017 Report as follows:*
    - 2.1 *The Constituent Councils should formally commit to take and pay for the volumes of water identified in the Financial Model assessed in the Prudential Report.*

- 2.2 *To provide greater certainty to the City of Burnside regarding the potential for the sale of water, the ERA Water Board should seek to formalise the interests of potential high volume customers through 'Heads of Agreement' arrangements recognising that this will add a cost which is not presently budgeted.*
- 2.3 *ERA Water should develop a Water Pricing policy that complies with ESCOSA regulatory requirements.*
- 2.4 *ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based.*
- 2.5 *The Constituent Councils should increase the Project maximum borrowing limitation of \$12 million to be consistent with the peak debt forecast in the Financial Model of \$12.624 million.*
- 2.6 *The ERA Water Independent Chairperson and the Burnside ERA Water Board representative should be invited to brief Council on the progress of the Project at regular intervals.*
- 2.7 *The ERA Water Board should be encouraged to engage the necessary expertise to manage the regional subsidiary into the Operations Phase of the Project.*
3. *That the Audit Committee recommends that Council endorse these recommendations and requests that Administration engage with the ERA Water Board to seek ERA Water acceptance and implementation of the recommendations or written explanation of reasons for not accepting the recommendations.*
4. *That the Audit Committee recommends that Council requests that Administration engage with the ERA Water Board to clarify the role of Wallbridge Gilbert Aztec as Project Managers.*
5. *That the Audit Committee recommends to Council that it approves the increase of the borrowing limitation on ERA Water from \$12 million to a maximum of \$13 million.*
6. *That the Audit committee recommends to Council that this BRM Holdich ERA Water Risk Management August 2017 report be distributed to the other constituent Councils and encourage the other Councils to endorse its recommendations and in particular the recommendation to increase of the borrowing cap of ERA Water to \$13 million.*
7. *That the risk framework including risk matrix, likelihood and consequence tables be provided with the risk report and for ERA Water Board to review and agree a risk framework going forward.*
8. *That the progress of the ERA Water Project becomes a standing agenda item for future Audit Committee meetings.'*
13. Attachment A to this report contains an assessment of current ERA Water risks and breaks the Project down into three Stages – the Construction Stage, Commissioning Stage and Operations Stage.

14. The report states that Wallbridge Gilbert Aztec (WGA) who are responsible for managing Project Risk and maintaining an up to date Project Risk Register, has an appropriate level of knowledge of the Project and expertise in managing risk including an understanding of ISO 31000:2009.
15. Consistent with good project management practices, additional risks have been identified, assessed and managed soundly. In the Project Risk Register, there are no current risks with a residual risk rating of 'Very High'; being the highest risk rating used for this Project.
16. The report suggests that there is currently an appropriate level of oversight of Risk Management issues. However, to further strengthen the management of risks and ensure best practice, the following immediate actions have been recommended:
  - 16.1. The Constituent Councils should formally commit to take and pay for the volumes of water identified in the Financial Model assessed in the Prudential Report;
  - 16.2. To provide greater certainty to the City of Burnside regarding the potential for the sale of water, the ERA Water Board should seek to formalise the interests of potential high volume customers through 'Heads of Agreement' arrangements recognising that this will add a cost which is not presently budgeted;
  - 16.3. ERA Water should develop a Water Pricing policy that complies with ESCOSA regulatory requirements;
  - 16.4. ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based;
  - 16.5. The Constituent Councils should increase the Project maximum borrowing limitation of \$12 million to be consistent with the peak debt forecast in the Financial Model of \$12.624m;
  - 16.6. The ERA Water Independent Chairperson and the now appointed Independent Burnside ERA Water Board representative should be invited to brief Council on the progress of the Project at regular intervals; and
  - 16.7. The ERA Water Board should be encouraged to engage the necessary expertise to manage the regional subsidiary into the Operations Phase of the Project.

### *Conclusion*

17. In accordance with Council's resolution C11214, BRM Holdich were engaged to undertake an independent assessment of ERA Water's current management of the risks identified in the Prudential Report and recommendation of immediate actions which should be taken to improve management of risks, in particular the sale of water to external parties.
18. The recommendations highlighted in the independent report (Attachment A) should be brought to the attention of the ERA Water Board for acceptance and implementation.

City of Burnside

# ERA Water Risk Management

August 2017





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## EXECUTIVE SUMMARY

Waterproofing Eastern Adelaide was conceived in 2008 by five Councils 'to reduce operational spending on local reserve irrigation as well as greening suburbs and enhancing the quality of water discharged into the gulf'. In 2009 specialist consultants were engaged to progress the initiative.

The resulting ERA Water Project is a \$22.850 million stormwater harvesting scheme with a yield of 494ML per annum and approximately 46km of distribution network across the council areas of Burnside, Norwood Payneham & St Peters and Walkerville and through part of the City of Campbelltown.

Since 2011 the Project has been financially supported by significant grant funding from the Australian Government's National Urban Water and Desalination Plan and later by the Adelaide and Mount Lofty Ranges Natural Resources Management Board.

Following consideration of an independent Prudential Report prepared in accordance with Section 48 of the Local Government Act, the City of Burnside resolved to form a regional subsidiary, ERA Water, with the City of Norwood Payneham & St Peters and the Town of Walkerville.

The Project has subsequently been progressed by ERA Water and the City of Burnside sought a view on the "*Current management by ERA Water of the risks identified in the Prudential Report; and recommendation of immediate actions which should be taken to improve management of risks, in particular the sale of water to external parties.*"

Wallbridge Gilbert Aztec (WGA) are now responsible for managing Project Risk and maintaining an up to date Project Risk Register. Staff at WGA have an appropriate level of knowledge of the Project and expertise in managing risk, including an understanding of ISO 31000:2009. Consistent with good project management practices additional risks have been identified, assessed and managed. In the Project Risk Register, there are no current risks with a residual risk rating of 'Very High' which is the highest risk rating used for this Project.

In our view, there is currently an appropriate level of oversight of Risk Management issues.

From a risk management perspective, the Project can be broken down into three Stages, the Construction Stage, Commissioning Stage and Operations Stage.

The Project infrastructure is currently 90% constructed and commissioning of the major components has commenced. The major financial risks associated with construction have been effectively mitigated with Australian Government grant funding having been received and the Project expected to be commissioned at a cost less than that identified in the Prudential Report. The remaining level of risk associated with Construction risk is assessed as Low.

The Commissioning Stage has two phases the first phase, Component Commissioning is 85% complete. The second phase, Systems Commissioning, has yet to commence. The Commissioning Stage has a lower risk rating for the Component Commissioning than when the Prudential Report was prepared. The risk rating for Systems Commissioning remains unchanged.

The Operations Stage has yet to commence and the level of risk remains unchanged.

The following immediate actions are recommended to improve the management of risks, including relating to the sale of water to external parties.

- The Constituent Councils should formally commit to take and pay for the volumes of water identified in the Financial Model assessed in the Prudential Report.
- To provide greater certainty to the City of Burnside regarding the potential for the sale of water, the ERA Water Board should seek to formalise the interests of potential high volume customers through 'Heads of Agreement' arrangements recognising that this will add a cost which is not presently budgeted.
- ERA Water should develop a Water Pricing policy that complies with ESCOSA regulatory requirements.
- ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based.
- The Constituent Councils should increase the Project maximum borrowing limitation of \$12 million to be consistent with the peak debt forecast in the Financial Model of \$12.624 million.
- The ERA Water independent Chairperson and the Burnside ERA Water Board representative should be invited to brief Council on the progress of the Project at regular intervals.
- The ERA Water Board should be encouraged to engage the necessary expertise to manage the regional subsidiary into the Operations Phase of the Project.

Based on the works undertaken to date there is no reason to suggest that the original social and environmental benefits sought from the Project will not be met i.e. improved water security and water quality, a reduction in the volumes of potable water used by the ERA Water Councils and potential customers of the scheme and reduced volumes of discharge downstream.

Subject to the successful commissioning of the scheme and the production and sale of the volumes of water the scheme is designed to capture, current Project progression continues to suggest that the price of water for the ERA Water Councils will be lower than the price of potable water supplied by SA Water over the life of the Project.

## 1. INTRODUCTION

### 1.1 Background

- 1.1.1 Waterproofing Eastern Adelaide was conceived in 2008 by five Councils 'to reduce operational spending on local reserve irrigation as well as greening suburbs and enhancing the quality of water discharged into the gulf'.
- 1.1.2 In 2009, the member Councils of the Eastern Regional Alliance (ERA) engaged specialist consultants (Wallbridge and Gilbert, and Australian Groundwater Technologies) to undertake a Stormwater Harvesting Opportunities Study with regard to the capture and storage of stormwater in the eastern Adelaide region. Between 2009 and the end of 2011, feasibility studies were undertaken by these consultants to further develop the concept, with John Comrie of JAC Comrie Pty Ltd providing independent financial analysis.
- 1.1.3 Since 2011 the Project has been financially supported by significant grant funding from the Australian Government's National Urban Water and Desalination Plan and later by the Adelaide and Mount Lofty Ranges Natural Resources Management Board.
- 1.1.4 As an outcome of the feasibility studies, five of the ERA Councils, being the City of Burnside (Burnside), the City of Campbelltown (Campbelltown), the City of Norwood, Payneham and St Peters (NPSP), the City of Tea Tree Gully (TTG) and the Corporation of the Town of Walkerville (Walkerville) considered and continued to modify and refine various scheme options in order to establish the viability of the opportunity.
- 1.1.5 In early 2015, each of the five ERA Councils received and considered a report prepared in accordance with the requirements of Section 48 of the Local Government Act (Act), to consider the prudential issues relating to the Eastern Region Stormwater Project ('Waterproofing Eastern Adelaide' or the 'Project').
- 1.1.6 In accordance with the Act, a report under Section 48 must not be prepared by a person who has an interest in the relevant project (but may be prepared by a person who is an employee of the council).
- 1.1.7 BRM Holdich having no interest in the Project prepared the reports for Burnside, Campbelltown, NPSP and Walkerville.
- 1.1.8 The issues which are identified in Section 48 of the Act to be considered in a prudential report are as follows.
- (a) *the relationship between the project and relevant strategic management plans;*
  - (b) *the objectives of the Development Plan in the area where the project is to occur;*
  - (c) *the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;*

- (d) *the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;*
- (e) *if the project is intended to produce revenue, revenue projections and potential financial risks;*
- (f) *the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;*
- (g) *the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;*
- (h) *any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);*
- (i) *the most appropriate mechanisms or arrangements for carrying out the project;”*
- (j) *if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994.”*

1.1.9 The Project as considered in the Prudential Review prepared for Burnside was a proposed stormwater harvesting scheme comprising two treatment sites with a harvest capacity of 660ML per annum, yielding 540ML of water for re-use and a 46km distribution network across the area of Burnside, NPSP and Walkerville and through part of the City of Campbelltown with a capital cost of \$22.850 million. The Project was forecast to sell 458ML of water (84.8% of forecast availability), of which 214.67ML was to be sold to Burnside, NPSP and Walkerville on a ‘take or pay’ basis, and an additional 243.3ML was forecast to be sold to other customers.

1.1.10 At a Special Meeting of Council on 31 March 2015 Council considered the Prudential Report and requested revision be made to take into consideration the withdrawal of the City of Campbelltown from the Project.

1.1.11 At a Special Meeting of Council on 12 May 2015, Council considered an updated Prudential Report and resolved as follows.

Council Resolved C10165

*That the Report be received.*

*That Council receive and note the Prudential Review Report prepared by BRM Holdich dated May 2015 for the Waterproofing the East project (the Project), which is a joint project of the City of Burnside, the City of Norwood Payneham and St Peters and the Corporation of the Town of Walkerville (the Constituent Councils), that highlights financial impacts and the risks for the successful delivery of the Project and notes that the Project is financially viable in the medium to long term.*

*That subject to all the other Constituent Councils resolving in similar terms, Council:*

- *establishes the ERA Water Regional Subsidiary (ERA Water) with the other Constituent Councils pursuant to section 43 of the Local Government Act 1999 (the Act);*
- *Adopts the charter set out in Attachment D to this Report as the Charter for ERA Water if the following changes are made:*
  - *Reference to Campbelltown City Council is deleted*
  - *Membership of the Board on 3.4.1 to be an Independent Chairperson and one person appointed by each member Council, that person may or may not be the Chief Executive Officer of the member Council.*
  - *Clause 3.7.1 is deleted*
  - *Chairperson of the Board under 3.10.1 to be a suitably qualified person who is not an employee or an Elected Member of a Member Council*
  - *A quorum of Board members under 3.11.16 shall be three Board members in office*
- *applies together with the other Constituent Councils to the Minister for Local Government to establish ERA Water as a Regional Subsidiary.*

*That Council notes in accordance with clause 31 of Schedule 2 of the Act the liabilities incurred or assumed by ERA Water as a Regional Subsidiary.*

*That Council authorise ERA Water once it comes into existence, to borrow a maximum \$12M for the project from the Local Government Finance Authority on the condition that the Federal grant of \$9.5M and the Adelaide Mount Lofty Natural Resources Management Board have been confirmed.*

*That, noting that although some adjustments may be required between each component of work, Council authorises ERA Water, once it comes in to existence as set out in the Act, to incur up to approximately \$23M expenditure consisting of:*

- *approximately \$10M for pipe construction;*
- *approximately \$3.5M on Electrical and Mechanical infrastructure;*
- *approximately \$3.4M on wetland and civil engineering infrastructure; and*
- *approximately \$6M for design, preliminary studies and other non-specific costs.*

*That Council notes that ERA Water must, in accordance with its Charter, prepare and submit a draft budget to the Constituent Councils for the ensuing financial year (or part) before March of each year.*

*That following the commencement of the Regional Subsidiary consider any actions required to address:*

- *securing a long term commitment from Member Councils to purchase water from ERA Water;*
- *appropriateness of exit arrangements from the subsidiary;*
- *confirmation of parties contracting to purchase water.*

1.1.12 Burnside, NPSP and Walkerville subsequently resolved to establish a new Regional Subsidiary, ERA Water, under the provisions of Section 43 of the Local Government Act, specifically for the purpose of managing the Project.

1.1.13 ERA Water was formed on 21 July 2015 with an Independent Chairperson and Board representation from each of the Consentient Councils. ERA Water is responsible for managing the implementation of the Project and the associated Project risks.

## 1.2 **Scope**

1.2.1 On 23 May 2017, Burnside Council resolved that:

“The administration arrange a report from BRM Holdich detailing the following:

1. Current management by ERA Water of the risks identified in the Prudential Report; and
- 2 Recommendation of immediate actions which should be taken to improve management of risks, in particular the sale of water to external parties.”

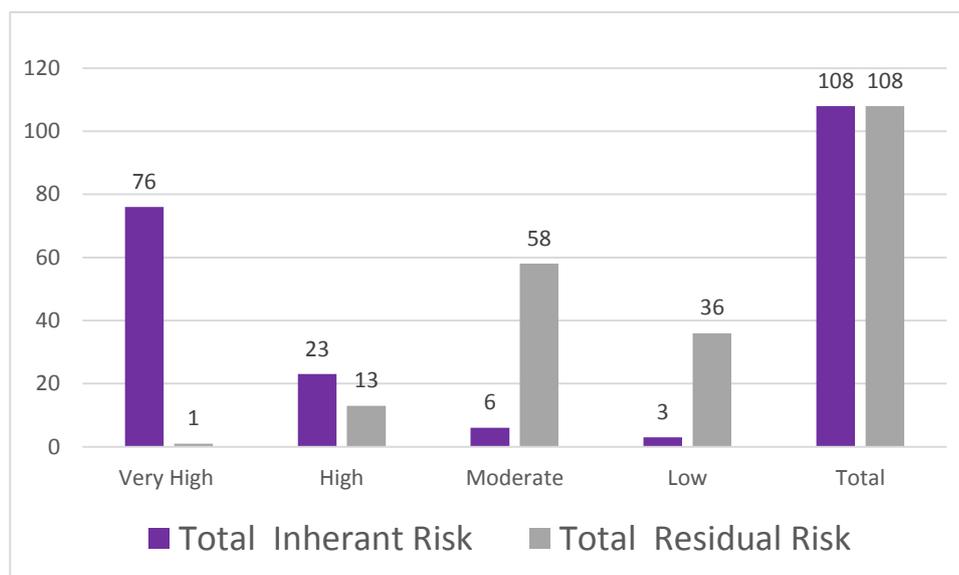
1.2.2 This report has been prepared to in response to the 23 May 2017 Council Resolution.

## 2. RISK MANAGEMENT

### 2.1 Prudential Report identified risks

- 2.1.1 The 2015 Prudential Report considered a Project Risk Assessment (reproduced in full at Attachment Six to the Prudential Report), that identified various risks relating to the Project.
- 2.1.2 The Project Risk Assessment was prepared by Wallbridge and Gilbert (now Wallbridge Gilbert Aztec (WGA)) and identified 108 risks.
- 2.1.3 The Project Risk Assessment was originally informed by a Risk Workshop held on 12 October 2011 which included the Project Steering Group, consultants engaged on the Project, and representatives from the Adelaide and Mount Lofty Ranges Natural Resource Management Board, South Australian Environment Protection Agency, Department of Water and CSIRO.
- 2.1.4 The inherent and residual risk ratings contained in the Prudential Report Risk Assessment are shown in Chart One.

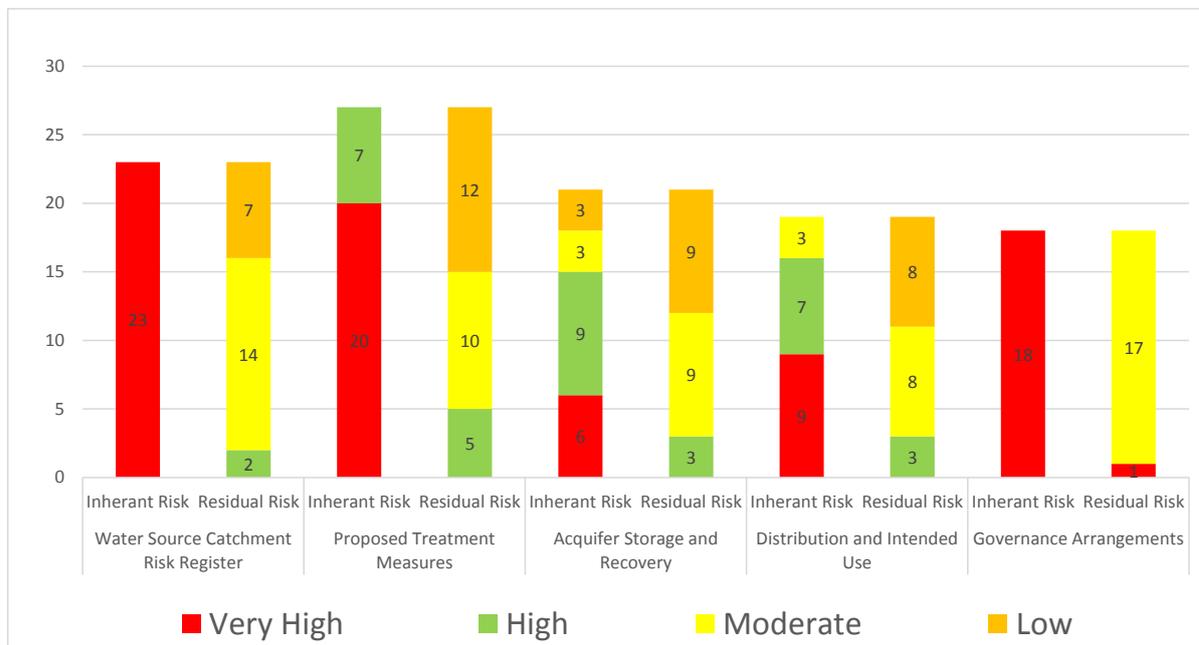
**Chart One: Original Project Risk Assessment by Risk Rating**



- 2.1.5 The risks were classified into the following five risk categories.
- 2.1.5.1 Water Source Catchment;
  - 2.1.5.2 Treatment Measures;
  - 2.1.5.3 Aquifer Storage and Recovery Risk Register;
  - 2.1.5.4 Distribution and Intended Use; and
  - 2.1.5.5 Governance.

2.1.6 The inherent and residual risks classified by risk category are shown in Chart Two.

**Chart Two: Original Project Risk Assessment by Risk Category**



2.1.7 Of the 108 Project risks identified in the original Project Risk Assessment 76 had an inherent risk rating of 'Very High', the highest risk rating used in the Project Risk Register, and 23 had an inherent rating of 'High'. Following the application of identified risk mitigation controls, one risk had a residual risk rating of 'Very High' and 13 risks had a residual risk rating of 'High'.

2.1.8 In addition to the risks identified in the original Project Risk Assessment, the Prudential Report identified a number of additional risks relating to the Project these are shown in Table One.

**Table One: Additional Risks Identified in Prudential Report**

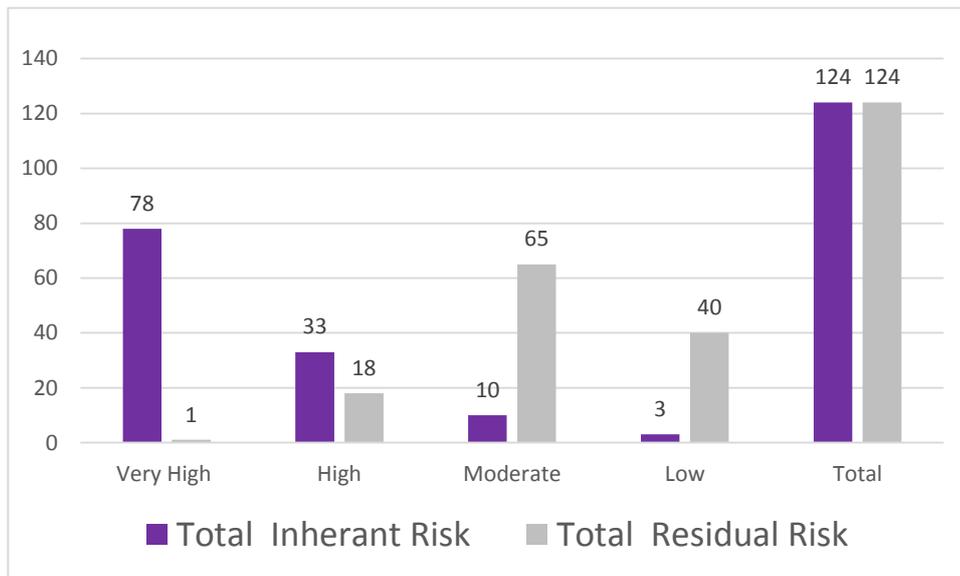
Risk Descriptor	Risk Category	Identified Mitigation in Prudential Report
1. Changes in the regulatory regime.	Financial	Not within the control of Council.
2. Ability to meet supply obligations to customers in the event of system failure or breakdown.	Financial	Ensure the network can be supplied by SA Water in the event of failure. We note that such an event could mean that ERA Water is obliged to provide water at a higher cost than the price it is receiving from customers. Ensure supply contracts contain a provision which ensures ERA Water is not compelled to provide a specified volume of water.

Risk Descriptor	Risk Category	Identified Mitigation in Prudential Report
3. ERA Water debt facilities are provided on a joint and several basis.	Financial	Addressed through ERA Water Charter.
4. Higher capital expenditure during the Construction Stage.	Financial	Obtain fixed price commitments and the use of competitive tender processes.
5. The Construction contingency of 20% may be inadequate.	Financial	Obtain fixed price tenders where possible.
6. The cost of connecting schools and other customers to the network acts a financial deterrent to them connecting to the scheme.	Financial	Work within the existing regulatory regime to ensure that water can be supplied at a lower cost than the comparable price of SA Water in order to provide sufficient incentive for customers to absorb the cost of connection.
7. Increases in the required amount of the debt facility, or an increase in interest rates, result in increased operating costs related to servicing the debt facility.	Financial	Secure long term fixed interest rates. Obtain fixed price tenders where possible to limit potential cost overruns, ensure effective project and cost management is in place.
8. Loss of income from lower demand or lower water volumes than forecast.	Financial	Consider 'take or pay' arrangements.
9. Delays in reaching full production resulting in higher operational costs.	Financial	Implement effective project management and ensure the appropriate technical expertise is engaged.
10. Ability to secure customers for the life of the Project.	Financial	Enter into long term contracts with potential customers.
11. Increases in Operating Costs	Financial	Securing contracts for the delivery of power and maintenance costs.
12. Increase in Fixed Operating Costs.	Financial	Securing a long term fixed price for the delivery of these services through a tender or outsourcing process, or by arrangement with an ERA Water constituent Council.
13. Risks associated with Climate Change	Other	Modelling to provide customer protection in case of 1:50 year drought.
14. Ability of the regional subsidiary model to stand the test of time.	Governance	Review proposed terms of ERA Water Charter.
15. Risk that pricing methodology proposed in the Financial Model as a percentage of SA Water Price is not compliant with the requirements of the regulator.	Governance	Keep costs within forecast to allow ERA Water to achieve full cost recovery at a level below SA Water Price.
16. Delays in bringing the Project to productive capacity.	Other	Modelling predicts sales at amounts less than scheme productive capacity providing a buffer.

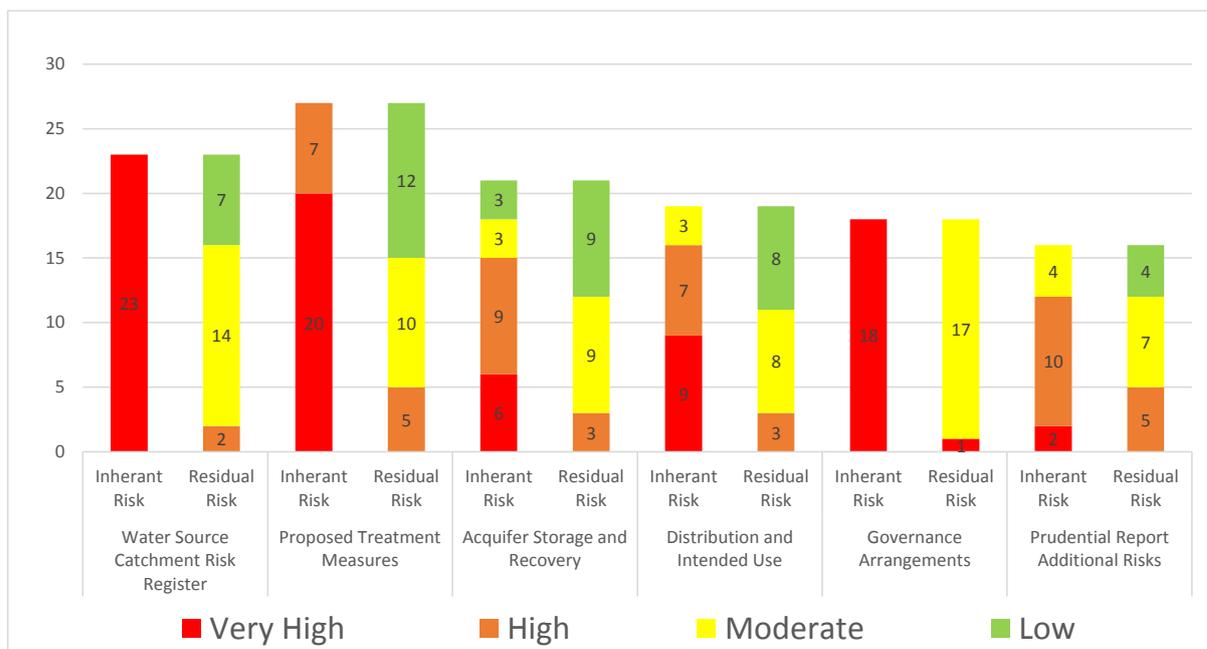
2.1.9 The Prudential Report recommended that these risks be considered and mitigated by the City of Burnside prior to the commencement of the Project. Similar recommendations were made to NPSP and Walkerville in their respective Prudential Reports.

2.1.10 Following the identification and rating of these additional 16 risks, the risk position at the time of the Prudential Report is shown in Chart Three and Chart Four.

**Chart Three: Project risk position at completion of Prudential Report**



**Chart Four: Project Risk Position at Completion of Prudential Report by Risk Category**



2.1.11 At completion of the Prudential Report, a total of 124 Project risks were identified and mitigation actions proposed.

## 2.2 Risk management post the Prudential Report

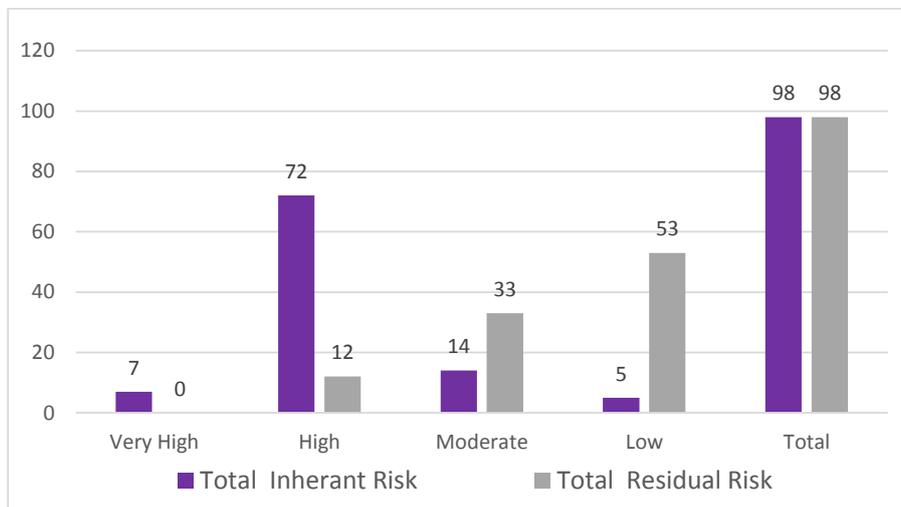
- 2.2.1 Following its establishment the regional subsidiary, ERA Water, became responsible for risk management and the Project Risk Register.
- 2.2.2 Between July 2015 and June 2017, the Project Risk Register was managed by the Acting General Manager of ERA Water. During this period, at ERA Water Board Meetings, the Board were asked to note a copy of the Project Risk Register at each Board Meeting. The Project Risk Register was a relatively static document throughout this period.
- 2.2.3 In December 2016, BRM Holdich were asked by Burnside to review the financial health of ERA Water and to make recommendations where appropriate to address any identified issues. In the resulting report, we noted that at the time of review, the Project Risk Register did 'not appear to have been updated, to reflect the commencement of Project delivery, since the Prudential Report was prepared.'
- 2.2.4 On 19 May 2017, the ERA Water Board were provided with a Risk Management Plan report which annexed an updated Project Risk Register.
- 2.2.4.1 The 19 May 2017 Project Risk Register included a status update on some 'Low' residual risks and all 'Medium', 'High' and 'Very High' rated residual risks.
- 2.2.4.2 The ERA Water Board were specifically asked to review those existing risks with an inherent risk rating of 'High' or 'Very High' and those which continue to retain a 'Medium', 'High' or 'Very High' residual risk rating.
- 2.2.4.3 The Risk Management Plan report was received and noted by the ERA Water Board.
- 2.2.5 Following the departure of the Acting General Manager, in June 2017, WGA were engaged to manage the Project through to December 2017. This included taking responsibility for risk management and the maintenance of the Project Risk Register.
- 2.2.6 WGA have subsequently performed a detailed review of the Project risks and updated the Project Risk Register accordingly.
- 2.2.7 A key update undertaken by WGA was to align the Risk Impact Matrix used in the Project Risk Register to the ISO 31000:2009 International Risk Management Standard.
- 2.2.7.1 Risk likelihood and risk consequence, under the ISO Standard, is assessed on a scale of 1 to 5.
- 2.2.7.2 It was noted by WGA that the Project Risk Register had previously used a 1 to 5 scale for 'Consequence' but only a 1 to 3 scale of 'Likelihood'.
- 2.2.7.3 WGA have updated the 'Likelihood' rating on each risk to be aligned with ISO 31000:2009.
- 2.2.7.4 Staff at WGA have demonstrated an appropriate level of understanding and expertise in recognising and managing Project risk.

### 2.3 Current Risk Register

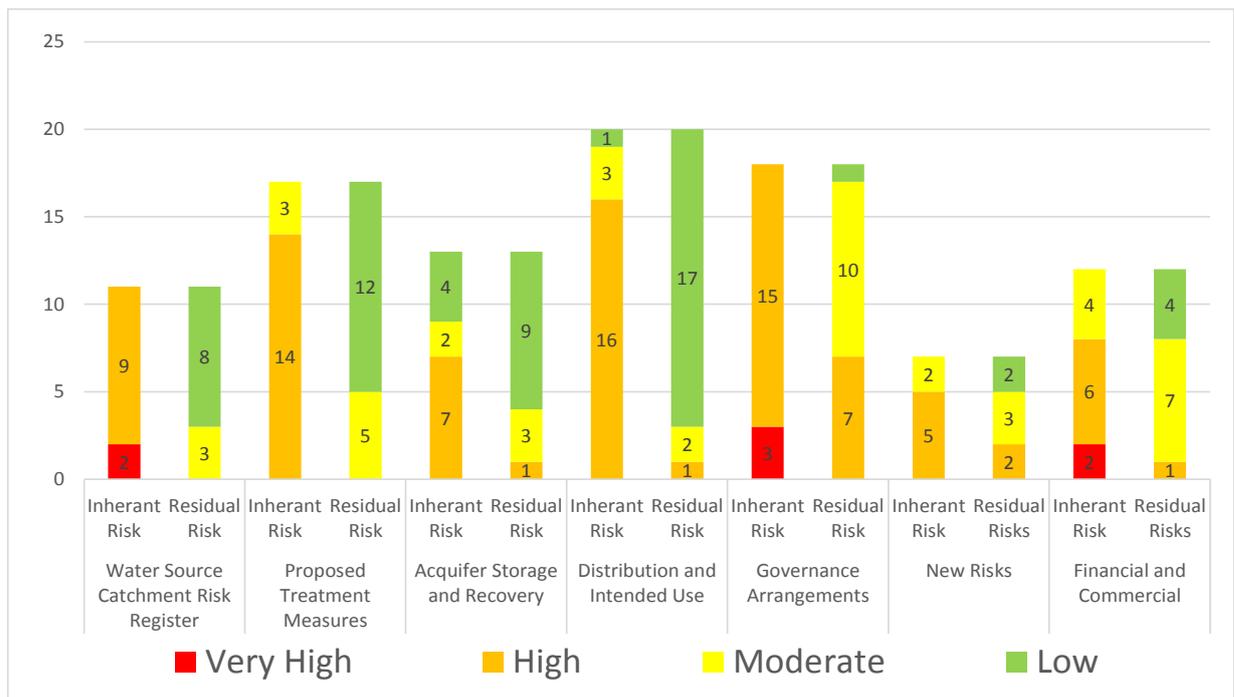
2.3.1 Risk Management is an iterative process. WGA provided an updated Project Risk Register dated 15 August 2017 (Current Risk Register) which supersedes the Project Risk Register last reviewed by the ERA Water Board on 19 May 2017. The Current Risk Register has been used as the basis for analysis.

2.3.2 The Current Risk Register includes all the original and current risks applicable to the Project. All original risks included in the Risk Register reviewed in the Prudential Report have been retained in the Current Risk Register but where relevant those risks that no longer apply have been closed. Chart Five and Chart Six provide a summary of the current Project risk ratings.

**Chart Five: Current Risk Assessment by Risk Rating**



**Chart Six: Current Risk Assessment by Risk Category**



## 2.4 Risk management progression

2.4.1 Table Two shows how the progression of the Project, and the risk management actions undertaken have influenced the risk ratings in the Current Project Risk Register relative to the risks that were identified at the time of the preparation of the Prudential Report.

**Table Two: Change between Prudential Report risks and the Current Risk Register**

Risk Rating	Prudential Report		Current	
	Inherent	Residual	Inherent	Residual
Very High	78	1	7	0
High	33	18	72	12
Moderate	10	65	14	33
Low	3	40	5	53
<b>Total risks</b>	<b>124</b>	<b>124</b>	<b>98</b>	<b>98</b>
<b>Closed risks</b>	<b>0</b>	<b>0</b>	<b>48</b>	<b>48</b>

2.4.2 Since the Prudential Report was considered by Burnside:

2.4.2.1 22 new Project risks have been identified bringing the total number of Project risks identified to 146; and

2.4.2.2 48 Project risks have been closed as they no longer present a risk to the Project reducing the total number of open risks to 98.

2.4.3 Table Three details the new risks identified for the Project risks since the completion of the Prudential Report. The term 'Ref' relates to the designation used in the Project Risk Register.

**Table Three: New Project risks since Prudential Report**

Ref	Risk Descriptor	Inherent Risk Rating	Residual Risk Rating	Status
1f	Changes to EPA Water Quality Policy.	M	M	Policy has changed and is now more understanding of ASR.
2f	Non-compliance/issues with procurement policy.	H	L	Procurement for all major contracts is complete. Risk reduced. Some minor procurements remain.
3f	Cost of mains water decreases to below ERA cost of water.	H	H	Cost now set by ESCOSA, likelihood reduced, but this did not change risk profile.
4f	Lack of integration of consultants, contractors, Council.	H	L	Team has been functioning for some time. Reduced risk.

Ref	Risk Descriptor	Inherent Risk Rating	Residual Risk Rating	Status
5f	Lack of subsidiary resources.	H	H	No change still to be addressed.
6f	Not meeting project milestones.	Closed	Closed	All Federal Funding Milestones met. Risk no longer exists.
7f	Councils missing out on infrastructure as construction costs increase.	M	M	Most costs now fixed.
8f	Meeting carbon emissions target	Closed	Closed	No change.
9f	Cost penalty for integrating construction contracts.	Closed	Closed	Procurement for all major contracts is complete.
10f	Commissioning period extending past Mech & Elec construction contract.	Closed	Closed	ERA has engaged GO for the first 12 months maintenance.
11f	Power not becoming available for commissioning.	Closed	Closed	Complete.
12f	SCADA system integration across Councils.	Closed	Closed	Run as ERA Water so no longer an issue.
13f	SCADA system operation.	H	M	
24a	Ongoing water quality issues	H	L	Design has accounted for water quality risks and allowance has been made to reduce residual risk where possible.
20d	Integration works from take-off points at reserves are a higher cost than anticipated.	H	L	This has now been assessed and costs accounted for.
21d	Public resistance to pipe routes.	Closed	Closed	Works complete.
22d	Adverse geotechnical conditions along pipe route.	H	M	Investigations undertaken, rock has been accounted for. Risk reduced. Pipeline contract near completion.
23d	Demand for water is less than supply.	Closed	Closed	Captured in Risk 10g.
24d	North East Road Pipeline.	H	H	
19e	Issues regarding land ownership, negotiation of easements, licences etc. Ongoing licence fees are unknown.	VH	M	No Change. Licence fees are beyond our control. Need to execute agreements so costs can be known and then managed.
20e	Lack of information transfer from outgoing AGM.	VH	M	
19g	Project Funding not available due to 'borrowing cap' initiated by Constituent Councils	VH	M	Constituent Councils to align borrowing cap with Prudential Report Financial Model

## 2.5 Current Risk Management and Mitigation

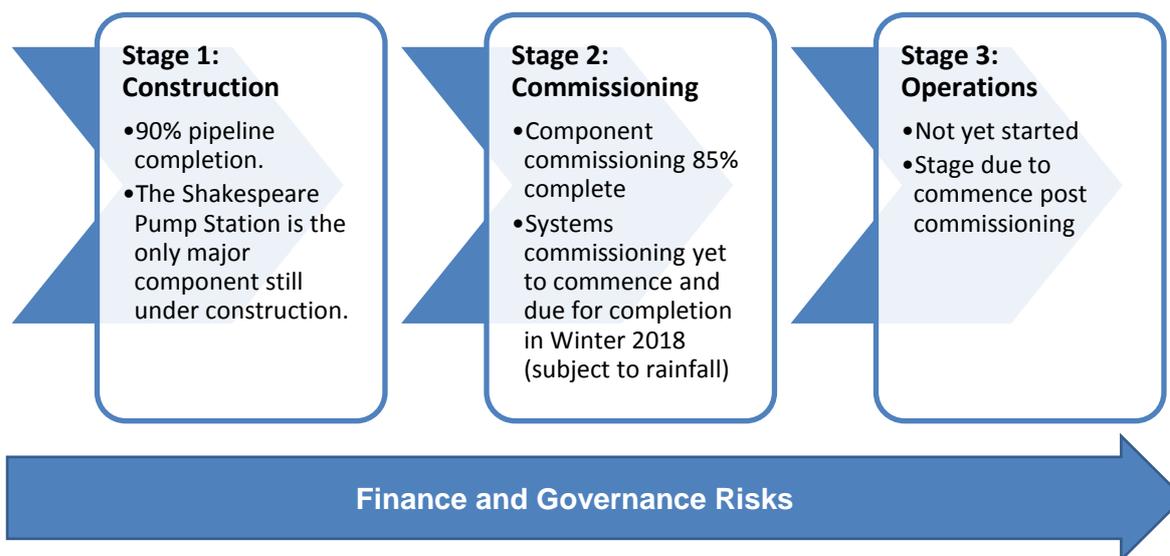
- 2.5.1 The Current Project Risk Register includes a summary page of all existing risks with a residual risk rating of 'High' or 'Very High'.
- 2.5.2 WGA has committed to providing the ERA Water Board with a summary of these risks for consideration at each ERA Water Board meeting.
- 2.5.3 As at 15 August 2017, there are 12 risks with a residual rating of 'High' and zero risks with a residual rating of 'Very High', these risk are shown in Annexure One.
- 2.5.4 Based on discussions with WGA, the existing identified mitigation strategies in place for the Project risks with a residual rating of 'High' are funded and are considered appropriate to manage the risks.
- 2.5.5 The current budget provides sufficient funding to manage the known Project risks.

### 3. CURRENT PROJECT STATUS

#### 3.1 Project Risk Stages

From a risk management perspective, the Project can be broken down into three stages with financial and governance risks present at each stage as shown in Figure One.

**Figure One: Project Risk Stages and Status**



#### 3.2 Construction Stage

3.2.1 The major risks identified during the Construction Stage were:

3.2.1.1 the ability to secure Federal government grant funding;

3.2.1.2 construction cost overruns; and

3.2.1.3 the ability to deliver the scope of works on time and on budget.

3.2.2 The Construction Stage is reported to be 90% complete and it appears highly likely that the Project will be delivered for less than the Project Budget of \$22.85 million.

3.2.3 All major construction funding milestones have been met.

3.2.4 Construction risks are well understood and have been appropriately identified and managed by the Risk Management Framework in place.

3.2.5 There are no significant risks relating to Construction Stage that remain unmitigated or are likely to result in a detrimental impact to the Project.

3.2.6 The residual risks relating to the Construction Stage are assessed as 'Low'.

### 3.3 Commissioning Stage

The Commissioning Stage for the Project consists of the following two phases; Component Commissioning and Systems Commissioning.

#### 3.3.1 Phase 1 – Component Commissioning

- 3.3.1.1 This work relates to testing of individual scheme components and equipment and is undertaken to ensure that the equipment provided under the construction contracts, functions and complies with the specification. Any failures identified as part of this Component Commissioning phase are covered under the construction contract defect process and will be rectified by the contractor.
- 3.3.1.2 Following the successful Component Commissioning, which is to be witnessed and certified by WGA, there is a 12 month defect liability period which covers component failure or defects with the components or equipment. Any defects identified in this period will be rectified by the contractor.
- 3.3.1.3 Testing undertaken includes pipe pressure testing, pipe flushing, pump operation, equipment testing and calibration (UV, turbidity, pressure, flow meters etc.).
- 3.3.1.4 The Project consists of the following key components:
  - (a) two Treatment Sites;
  - (b) three Bore Sites; and
  - (c) four Pump Stations.
- 3.3.1.5 Component Commissioning is reported to be 95% complete for the two Treatment Sites, three Bore Sites and three of the four Pump Stations.
- 3.3.1.6 The Component Commissioning undertaken by Guidera O'Connor and reported in April 2017 has included wet testing of the pipe network at the Hamilton Bore 1, Marden Bore 1 and 2 and at the Hamilton Reserve Booster Pump Station.
- 3.3.1.7 Wet testing included powering up of equipment in an orderly and controlled manner, filling and disinfection of pipe work in an orderly and controlled manner, instrument configuration and calibration, and network testing. Wet testing included testing of all field devices back to the PLC / SCADA and ensuring the software configuration of field devices matches the device setup, verifying all manual controls, and faults and alarms are operational.
- 3.3.1.8 All components tested were assessed by Guidera O'Connor as operational.
- 3.3.1.9 Component Commissioning has not commenced on the Shakespeare Pump Station as it is still under construction. If this component is included in the overall assessment of Component Commissioning then this phase would be considered to be 85% complete.

### 3.3.2 Phase 2 – System Commissioning

3.3.2.1 This System Commissioning phase is about the initial operation of the system. It involves operation of the scheme to ensure all componentry works as a complete system and allows for system optimisation and equipment control set point adjustment. It also includes establishment of the wetlands, flushing of the bio-filters, refinement of bore injection and extraction pump settings, tank level operational settings and establishment of the bore plumes.

3.3.2.2 The Systems Commissioning has not formally commenced.

3.3.2.3 Systems have been constructed to prevent low quality water entering the aquifer and recent water quality testing has been performed on the system which shows that water quality is at acceptable levels.

3.3.2.4 Bio-filters are currently under construction with plantings planned to occur in the coming months as the season is more favourable.

3.3.2.5 The wetlands are expected to be completed by the end of 2017, once this occurs System Commissioning can commence.

3.3.2.6 It must be noted that rainfall is required to charge the aquifer to complete the System Commissioning.

(a) The weather is not a controllable event.

(b) Summer rains in 2017/18 may help bring forward the System Commissioning but it is expected that winter rainfall will be required in 2018 to capture water volumes consistent with the Project model.

### 3.3.3 The key residual risks relating to the Commissioning Stage area as follows.

3.3.3.1 Water Quality Treatment.

3.3.3.2 Commissioning period extends beyond the mechanical and electrical construction contract.

3.3.3.3 Reliance on rainfall to complete the Systems Commissioning process.

3.3.4 Sufficient rainfall is required to enable the Commissioning Stage to be completed by the end of winter 2018. A lack of rainfall could have a short term detrimental impact on the projections of water available for use and subsequently for sale.

3.3.5 The risk ratings for these identified Commissioning Stage risks have not increased since the Prudential Report. There are no significant risks relating to the Commissioning Stage that are able to be mitigated that remain unmitigated.

3.3.6 The level of Component Commissioning Phase risk is reduced from the Prudential Report and is assessed as 'Low'.

3.3.7 The level of Systems Commissioning Phase risk remains unchanged from the Prudential Report.

### 3.4 Operations Stage

- 3.4.1 The Operations Stage involves the supply of water initially to the ERA Water Constituent Councils and later to external customers.
- 3.4.2 The Project Financial Model projected the following water volumes.
  - 3.4.2.1 Year One 0%.
  - 3.4.2.2 Year Two 5% (plume and treatment system establishment, yield of 27ML – no income forecast).
  - 3.4.2.3 Year Three 50% (further plume development, yield and sales of 270ML).
  - 3.4.2.4 Year Four 80% (yield and sales of 432ML).
  - 3.4.2.5 Year Five 100% (system fully operational, yield of 540ML sales of 458ML).
- 3.4.3 The Operations Stage of the Project has not yet commenced.
- 3.4.4 With a majority of the Construction Stage risks closed or mitigated to significantly reduce the level of risk, and the government grant funding for the Project received, the major risk that will impact the future viability of the Project are related to supply and demand.
- 3.4.5 Supply issues
  - 3.4.5.1 There are a number of risks which will remain until Systems Commissioning is completed, these relate to the quantity and accessibility of water and the quality of water in the scheme.
  - 3.4.5.2 These risks have been appropriately identified and rated in the Project Risk Register.
  - 3.4.5.3 It should be noted that if there is significant rainfall prior to the finalisation of the Commissioning Stage and prior to ERA Water contractually securing customers to purchase water, this rainfall supply can be used to charge the aquifer and would be available for sale in future years.
- 3.4.6 Demand issues
  - 3.4.6.1 It is proposed that water will be provided to the ERA Water Councils for use on public reserves and open space, and sold to third parties including the State Government for use on State owned school ovals and reserves, private schools, private commercial customers and other Councils.
  - 3.4.6.2 Before a commitment is made to supply a non ERA Water Council customer, it is intended that a business case will be prepared for the consideration of the ERA Water Board in order to determine the terms on which it is financially viable for ERA Water to proceed to supply the customer.

- 3.4.6.3 The Prudential Report identified potential non ERA Water Council consumption as approximately 300ML from the following sources.
- (a) DECS schools 73ML;
  - (b) Private Schools and the University of South Australia 82ML;
  - (c) Commercial customers 45ML; and
  - (d) Non-ERA metropolitan Council 100ML.
- 3.4.6.4 WGA has currently identified non-ERA Water Council demand in excess of 350ML.
- 3.4.6.5 Demand from ERA Water Councils
- (a) Demand was identified at 214.67ML in the Prudential Report.
  - (b) The demand estimates from the ERA Water Constituent Councils has not changed.
- 3.4.6.6 Demand from DECD Schools
- (a) Demand was identified at 73ML in the Prudential Report.
  - (b) A representative from the Department of Education and Child Development in an email dated August 2016, identified 15 schools in the ERA Water catchment area with demand of approximately 118ML.
- 3.4.6.7 Demand from Private Schools and the University of South Australia
- (a) Demand was identified at 82ML in the Prudential Report.
  - (b) ERA Water has consistently said that it will approach Private Schools and the University of South Australia when the scheme is successfully commissioned and it is confident in its ability to supply customers with the contracted volumes of water.
  - (c) WGA has identified potential demand of over 110ML from Private Schools and the University of South Australia.
- 3.4.6.8 Demand from Commercial customers
- (a) Demand was identified at 43ML in the Prudential Report.
  - (b) ERA Water has consistently said that it will approach Commercial customers when the scheme is successfully commissioned and it is confident in its ability to supply customers with the contracted volumes of water.
  - (c) However, it is noted that previous Acting General Manager was negotiating with the Azzurri Soccer Club to supply water to their ovals.

- (d) WGA has identified potential demand of 45ML from Commercial customers.
- (e) In addition, WGA has also been approached by Water Utilities Group (WUG) regarding the supply of water to the Lightsview development. It is understood that discussions are to be held with WUG before the end of August on a range of issues including price and potential volumes.

#### 3.4.6.9 Demand from non-ERA metropolitan Councils

- (a) Demand was identified at 100ML in the Prudential Report.
- (b) ERA Water has consistently said that it will approach non ERA metropolitan Councils when the scheme is successfully commissioned and it is confident in its ability to supply customers with the contracted volumes of water.
- (c) The City of Campbelltown has expressed interest in having water supplied to Daly Oval and Galloway Reserve. The estimated volume required for these areas is 17ML.
- (d) The City of Port Adelaide Enfield has previously expressed interest in having water supplied to a range of reserves and oval across the City. Most recently this has been extended to include the provision of water to Gaza Oval which has an estimated requirement of 25ML per annum. This opportunity is in addition to the previously expressed interest and has become available due to the recent purchase of the North East Road pipeline which extends the ERA Water network.

3.4.7 The residual risk relating to the Operations Stage is no higher than the level of residual risk at the time of preparing the Prudential Report. If anything, the risk level may have decreased as more certainty has been obtained around SA Water Pricing and there has been an increase in the identified level of potential demand from non-ERA Water Councils.

### 3.5 Financial and Commercial Risks

3.5.1 The Prudential Report identified a number of financial risks relevant to the Project that were not captured in their entirety in the Project Risk Register at the time. A new risk category has subsequently been created in the Project Risk Register for Financial and Commercial risks.

3.5.2 Specifically, the major Financial and Commercial risks that remain open in the current Project Risk Register are as follows.

3.5.2.1 Risk: No binding agreements within ERA Water Councils to commit to specified volumes of water.

This risk can be mitigated by the ERA Water Constituent Councils agreeing to take the volumes of water which were identified in the Financial Model assessed in the Prudential Report.

- 3.5.2.2 Risks: No contracts for sale of water and Securing customers or sale of volumes of water for the duration of the Project.

ERA Water has consistently said that it will approach non-ERA Water Council customers when the scheme is successfully commissioned and it is confident in its ability to supply the contracted volumes of water.

Notwithstanding the scheme is not intended to supply water to non ERA Council customers until the 2019/2020 irrigation season, if Burnside would prefer to see greater certainty regarding the potential for the sale of water, the ERA Water Board could be requested to seek to formalise the interests of potential high volume customers by entering into 'Heads of Agreement' arrangements. It should be recognised that this will add a cost which is not presently budgeted.

- 3.5.2.3 Risk: Lower SA Water prices.

This risk is not controllable by ERA Water.

The FY2018 SA Water price for Tier 2 connections for 1 July 2017 to 30 June 2018 is \$0.012 per kL lower than the price projected in the Project Financial Model. However, as the Financial Model for the sale of water to third parties was based on a price which was 80% of the forecast SA Water price sufficient margin remains to ensure the price to be charged by ERA Water will be commercially attractive.

- 3.5.2.4 Risk: Increases in Fixed Operating Costs (beyond those identified in the Prudential Report).

Actions must be taken to mitigate this risk by reducing costs.

We have previously recommended that the Constituent Councils give consideration to utilising existing members of staff to provide the administrative and project management expertise to manage the Project.

- 3.5.2.5 The risk of "Potential cost of supply in event of system failure" will only occur when the Project is in production and servicing customers, this risk will need to have appropriate mitigations identified at that time.

- 3.5.3 In addition, the most significant new financial risk that has arisen since the preparation of the Prudential Report relates to the \$12 million maximum borrowing limit imposed by the Constituent Councils in their resolution to proceed with the Project.

- 3.5.3.1 We are advised by the Walkerville CEO that in drafting a set of common resolutions for the proposed Constituent Councils to adopt to proceed with the Project the maximum borrowing amount of \$12 million was specified in error.

- 3.5.3.2 The Financial Model assessed in the Prudential Report forecast peak debt of \$12.624 million.

- 3.5.3.3 It should be noted that this Financial Model was prepared on an annual, rather than on a monthly basis and this may not reflect seasonal timing variations. This should be reviewed as the Project progresses.
- 3.5.3.4 If ERA Water is limited to borrowing a maximum of \$12 million, based on the Financial Model, it will have insufficient funds to complete the Project works.
- 3.5.3.5 The maximum borrowing limitation is an unmitigated risk that has been rated as 'Very High' in the current Project Risk Register.
- 3.5.3.6 Based on the Financial Model an additional \$0.624 million of debt funding will be required to complete the Project.
- 3.5.3.7 The Constituent Councils will need to engage with the ERA Water Board to address this potential funding shortfall as a high priority.

### 3.6 Governance

- 3.6.1 The following key Governance Risks were identified in the Prudential Report.
  - 3.6.1.1 Long term membership of a regional subsidiary;
  - 3.6.1.2 Lack of financial certainty over exit arrangements; and
  - 3.6.1.3 Alignment between equitable interest and differential financial contribution (through commitment to water volumes).
- 3.6.2 The risks associated with long term membership of a regional subsidiary need to be actively managed by Burnside and the ERA Water Board to ensure that there is strong Constituent Council support for the Project. A potential mitigation for this would be to have the ERA Water independent Chairperson and the Burnside ERA Water Board representative provide regular briefings to Council.
- 3.6.3 The lack of certainty over exit arrangements has been mitigated to some extent by the provisions of the ERA Water Charter.
- 3.6.4 We understand that the ERA Water Board has discussed the pricing of water such that there is the potential for the subsidiary to generate an Operating Surplus.
  - 3.6.4.1 Such discussion highlights the risk of lack of alignment between the equitable interest each Constituent Council has and the differential financial contribution each makes through their commitment to take specified and differing volumes of water.
  - 3.6.4.2 Under the terms of the Charter any Operating Surplus would be distributed in proportion with the equitable interest in the Subsidiary i.e. equally, rather than according to the underpinning financial contribution being made by each of the Constituent Councils in their commitment to purchase specified volumes of water.

- 3.6.4.3 The Financial Model assessed in the Prudential Report was prepared on the basis that ERA Water operated at break-even by selling water to the Constituent Councils at the cost net of other income.
- 3.6.4.4 The pricing of water is an issue that must be addressed to ensure there is clarity in the expectation of each Constituent Council, either:
- (a) the Subsidiary operates as outlined through the Prudential Report; in which case ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based; or
  - (b) the Constituent Councils agree to vary the basis on which the Subsidiary was intended to operate.
- 3.6.5 The ESCOSA regulatory environment has changed since the preparation of the Financial Model assessed in the Prudential Report, as a consequence ERA Water will be required to develop a Water Pricing policy that complies with ESCOSA regulatory requirements.
- 3.6.6 Given the complexity and commercial nature of the ERA Water operations the ERA Water Board may also benefit from access to additional business and specific water business expertise.
- 3.6.7 In order to ensure the Constituent Councils remain strongly aligned with the Project it may be worthwhile considering expanding the number of Board members each Council can nominate to gain access to this expertise.

#### 4. RECOMMENDATIONS

- 4.1 The Constituent Councils should formally commit to take and pay for the volumes of water identified in the Financial Model assessed in the Prudential Report.
- 4.2 To provide greater certainty to the City of Burnside regarding the potential for the sale of water, the ERA Water Board should seek to formalise the interests of potential high volume customers through 'Heads of Agreement' arrangements recognising that this will add a cost which is not presently budgeted.
- 4.3 ERA Water should develop a Water Pricing policy that complies with ESCOSA regulatory requirements.
- 4.4 ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based.
- 4.5 The Constituent Councils should increase the Project maximum borrowing limitation of \$12 million to be consistent with the peak debt forecast in the Financial Model of \$12.624 million.
- 4.6 The ERA Water independent Chairperson and the Burnside ERA Water Board representative should be invited to brief Council on the progress of the Project at regular intervals.
- 4.7 The ERA Water Board should be encouraged to engage the necessary expertise to manage the regional subsidiary into the Operations Phase of the Project.

## ANNEXURE ONE – HIGH PROJECT RISKS AS AT 15 AUGUST 2017

Risk #	Risk Category	Risk	Consequence/Impact	"DO NOTHING"			Description of Control Measures/Actions/Comments	RESIDUAL			Current Status
				Likelihood	Consequence	Risk		Likelihood	Consequence	Risk	
1c	Project Management	Scheme extraction allocation less than anticipated in Adelaide Plains WAP	Unable to meet supply demands and significant impact to achieving project outcomes resulting in closure of the project	2	5	H	The steering group need to start the processes for approvals from the Department of Water early (e.g. authorisation under section 128 to extract water from the aquifer and well construction permit) as the approval process can take 5 to 6 months. Even though the scheme is theoretical applying for license early will enable the Department of Water to give the steering group feedback with regards to the likelihood of the scheme successfully being granted the necessary approvals/licenses. Work closely with State on Water Allocation Planning to secure appropriate operating rules and protection. Investigate potential backup license for extraction from River Torrens.	2	4	H	NRM has endorsed scheme. Extraction Licence (s128) has been obtained (expiry March 2018). Temporary drainage and discharge permit also obtained for scheme commissioning. EPA Works permit also obtained.
24d	Cost	North East Road Pipeline	ERA Water now own the North East Road Pipeline. This is an aging asset which ERA Water are responsible for maintaining. Condition of the pipe is not fully known.	3	4	H	Obtain CCTV footage of pipeline to assess condition. Allocate budget for maintenance activities if required.	3	4	H	
5e	Governance	Issues regarding responsibilities associated with the operation and maintenance of the scheme (e.g. system auditing)	Major impacts to project outcomes	3	4	H	Strategy documents, agreements and charters detailing legal and financial liabilities, elected member training	2	4	H	ERA formed so maintenance responsibility is clear
6e	Governance	Issues arising from a partner withdrawing from the project	Major impacts to project outcomes	3	4	H	Strategy documents, agreements and charters detailing legal and financial liabilities, elected member training	2	4	H	Partners have withdrawn, scheme still alive. ERA Water formed. Construction now substantially complete
8e	Governance	Issues arising from council's wanting to trade water allocations with other councils	Major impacts to project outcomes	2	4	H	Strategy documents, agreements and charters detailing legal and financial liabilities, elected member training	2	4	H	ERA Water formed and charter agreed
9e	Governance	Future demand for uses other than irrigation arising for which the water is not intended resulting the scheme not being able to supply future customers	Major impacts to project outcomes	3	4	H	May require a change in treatment measures, opportunity to introduce new technologies (e.g. monitoring equipment), may depend on changes in government, distribution network may not cater for future uses (third-pipe systems), splitting	2	4	H	Charter aims at irrigation water only
10e	Governance	Political issues and changes in council impacting on the support of the project from council	Major impacts to project outcomes	3	4	H	Need to demonstrate the cost benefits associated with the scheme as opposed to SA Water costs	2	4	H	Charter signed
16g		Ability of the regional subsidiary model to stand the test of time	ERA Water is dissolved	3	5	VH	Review proposed terms of ERA Water Charter.	2	4	H	
17g		Risk that pricing methodology proposed in the Financial Model as a percentage of SA Water Price is not compliant with the requirements of the regulator.	If costs increase and pricing is based on full cost recovery, water price may be higher than SA Water	3	4	H	Keep costs within forecast to allow ERA Water to achieve full cost recovery at a level below SA Water Price. Back-up water source.	2	4	H	
3f	Environmental	Cost of mains water decreases to below ERA cost of water	Reduces scheme financial viability	3	4	H	Lobby government, object through regulators	3	4	H	Cost now set by ESCOSA, likelihood reduced, but this did not change risk profile
5f	Project Management	Lack of subsidiary resources	Lack of maintenance of assets, project delays	3	4	H	Dedicate staff, communication between Councils, planning, stakeholder agreements	2	4	H	No change still to be addressed
1g	Finance and Commercial	Changes in the regulatory regime	Project is not viable	2	4	H	No mitigation actions identified	2	4	H	

**Item No:** 14.4  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Martin Cooper – General Manager, Corporate Services  
**General Manager and Division:** Martin Cooper – General Manager, Corporate Services  
**Contact:** 8366 4202  
**Subject:** MINUTES OF THE SPECIAL AUDIT COMMITTEE MEETING – 4 SEPTEMBER 2017 (OPERATIONAL)  
**Attachments:** A. Minutes of the Special Audit Committee – 4 September 2017  
**Prev. Resolution:** N/A

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### **Officer's Recommendation**

That the Minutes of the Special Audit Committee meeting held on 4 September 2017 be received.

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## **Special Audit Committee Minutes**

**Monday 4 September 2017 at 6.00 pm  
City of Burnside Council Chamber  
401 Greenhill Road, Tusmore**

**Members Present:** Mr David Powell - Chair  
Mayor, David Parkin  
Councillor Davis  
Mr Roberto Bria  
Mr Sean Tu

Staff Present: Martin Coper, General Manager Corporate Services

Mark Booth from BRM Holdich was present and provided information regarding ERA Water Risk Management Report.

### **Apologies**

Nil

### **Leave of Absence**

Nil

### **Report**

#### **Eastern Regional Alliance Water (Operational) (3.1)**

Mayor Parkin moved:

- A4085
1. That the Report be received.
  2. That the Audit Committee endorses the recommendations in the BRM Holdich ERA Water Risk Management August 2017 Report as follows:
    - 2.1 The Constituent Councils should formally commit to take and pay for the volumes of water identified in the Financial Model assessed in the Prudential Report.
    - 2.2 To provide greater certainty to the City of Burnside regarding the potential for the sale of water, the ERA Water Board should seek to formalise the interests of potential high volume customers through

- 'Heads of Agreement' arrangements recognising that this will add a cost which is not presently budgeted.
- 2.3 ERA Water should develop a Water Pricing policy that complies with ESCOSA regulatory requirements.
  - 2.4 ERA Water should adopt a formal profit and dividend policy that is consistent with the principles on which the Financial Model assessed in the Prudential Report is based.
  - 2.5 The Constituent Councils should increase the Project maximum borrowing limitation of \$12 million to be consistent with the peak debt forecast in the Financial Model of \$12.624 million.
  - 2.6 The ERA Water Independent Chairperson and the Burnside ERA Water Board representative should be invited to brief Council on the progress of the Project at regular intervals.
  - 2.7 The ERA Water Board should be encouraged to engage the necessary expertise to manage the regional subsidiary into the Operations Phase of the Project.
3. That the Audit Committee recommends that Council endorse these recommendations and requests that Administration engage with the ERA Water Board to seek ERA Water acceptance and implementation of the recommendations or written explanation of reasons for not accepting the recommendations.
  4. That the Audit Committee recommends that Council requests that Administration engage with the ERA Water Board to clarify the role of Wallbridge Gilbert Aztec as Project Managers.
  5. That the Audit Committee recommends to Council that it approves the increase of the borrowing limitation on ERA Water from \$12 million to a maximum of \$13 million.
  6. That the Audit committee recommends to Council that this BRM Holdich ERA Water Risk Management August 2017 report be distributed to the other constituent Councils and encourage the other Councils to endorse its recommendations and in particular the recommendation to increase of the borrowing cap of ERA Water to \$13 million.
  7. That the risk framework including risk matrix, likelihood and consequence tables be provided with the risk report and for ERA Water Board to review and agree a risk framework going forward.
  8. That the progress of the ERA Water Project becomes a standing agenda item for future Audit Committee meetings.

Seconded by Sean Tu

CARRIED

**Confidential Items**

Nil

**Other Business**

Nil

**Date of Next meeting:**

16 October 2017 at 6pm

**Closure**

Meeting closed at 6.37 pm.

**Item No:** 14.5  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Rebecca McAulay – Principal Governance Officer  
**General Manager and Division** Karishma Reynolds – Acting General Manager, Corporate Services  
**Contact:** 8366 4275  
**Subject:** REMAKE OF CONFIDENTIALITY ORDER ON TOPIC 50.2  
BURNSIDE WAR MEMORIAL HOSPITAL LEASE (OPERATIONAL)  
**Attachments:** Information Document under separate confidential cover as per usual protocol  
**Prev. Resolution:** C10264, C10265, C10266, 14/7/15  
C10380, C10382, C10383, 22/9/15  
C10448, C10449, C10450, 10/11/15  
C10799, C10800, C10801, 23/8/16

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### Officer's Recommendation

1. That the Report be received.
  2. That pursuant to section 91(7) and (9) of the *Local Government Act 1999*, the Council orders that:
    - 2.1 the confidentiality order the subject of Resolutions (C10380, C10382, C10383) of 22 September 2015 concerning the report, attachments and minutes for Item 19.1 "Burnside War Memorial Hospital – Lease", be remade over paragraph 20 of the report and Attachment D to ensure that:
      - 2.1.1 Council does not disclose information the disclosure of which would involve the disclosure of Council's privileged legal advice pursuant to section 90(3)(h) of the *Local Government Act 1999*.
    - 2.2 The documents referred to in clause 2.1 above be retained in confidence for ten years at which time this order will be revoked/reviewed by the Council/Chief Executive Officer and that this order be reviewed at least once every 12 months.
- 

### Purpose

1. To provide Elected Members with:
  - 1.1 information about the Confidential Item for which the confidentiality order is due to expire; and
  - 1.2 recommendations that the confidentiality order be made afresh over a portion of the material and that the existing order be allowed to lapse over the majority of the information.
2. The report is not to discuss Topic 50.2. If any discussion on the Topic needs to occur, then Council will need to move into confidence.

**Strategic Plan**

3. The following Strategic Plan provision is relevant:

*“Delivery of good governance in Council business”*

**Communications/Consultation**

4. The following communication / consultation has been undertaken:
  - 4.1 An Information Document was distributed to Elected Members on 7 September 2017 providing the confidential documents for review.

**Statutory**

5. The following legislation is relevant in this instance:

*Local Government Act 1999*

**Policy**

6. There are no policy implications or requirements associated with this recommendation.

**Risk Assessment**

7. The following risks have been identified for Topic 50.2:
  - 7.1 Regular reviews of documents that are the subject of confidentiality orders ensures that Topics are released to the public in a timely manner and in accordance with Council resolution.
  - 7.2 There is a risk that if the recommendation is not adopted at this time Council's privileged legal advice would be released.

**CEO Performance Indicators**

8. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

**Finance**

9. There are no financial implications for the City of Burnside in respect of the recommendation.

**Discussion***Background*

10. On 22 September 2015, the Council made an order to keep the agenda report, attachments and minutes to Item 19.1 (Topic 50.2) in confidence for a period of two years (C10383).
11. The above item relates to Topic 50.2 on the Confidentiality Items Status Table.

12. The confidentiality order is due to expire on 22 September 2017.
13. Topic 50.2 will become publicly available upon expiry of the confidentiality order.

#### *Analysis*

14. The Administration has prepared this report to make the confidentiality order afresh to extend the expiry date over the legal advice in the report and Attachment D.
15. The Council's legal advice in paragraph 20 of the report and in Attachment D should be maintained in confidence pursuant to Section 90(3) (h) of the *Local Government Act 1999* as it is privileged legal advice. There is a public interest generally in maintaining both the confidentiality of and the legal professional privilege in the Council's legal advice. This interest outweighs the public interest in general access to Council information.
16. The Administration recommends that the remainder of the material be made public upon the existing order lapsing.

#### *Conclusion*

17. The confidentiality order needs to be remade for Topic 50.2 over the Council's legal advice in paragraph 20 of the report and Attachment D.
18. The remainder of the material will be made public upon the lapsing of the existing confidentiality order should Council resolve in accordance with the Officer's Recommendation.



**Item No:** 14.6  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Rebecca McAulay – Principal Governance Officer  
**General Manager and Division:** Karishma Reynolds – Acting General Manager, Corporate Services  
**Contact:** 8366 4275  
**Subject:** DELEGATIONS UNDER THE ENVIRONMENT PROTECTION ACT 1993 (OPERATIONAL)  
**Attachments:** A. Proposed Instrument of Delegation to the Chief Executive Officer  
**Prev. Resolution:** C10969, 13/12/16  
C10774, 9/8/17

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### Officer's Recommendation

1. That the Report be received.
  2. In exercise of the power contained in Section 44 of the *Local Government Act 1999*, the powers and functions under the *Environment Protection Act 1993* and specified in the proposed Instrument of Delegation contained in Attachment A of the Report dated 12 September 2017 and entitled "Delegations under the Environment Protection Act 1993" are hereby delegated on this 12th day of September 2017 to the Chief Executive Officer, subject to the conditions and or limitations specified herein or in Attachment A.
  3. Such powers and functions may be further delegated by the Chief Executive Officer in accordance with Section 44 of the *Local Government Act 1999* as the Chief Executive Officer sees fit, unless otherwise indicated herein or in Attachment A
- 

### Purpose

1. To provide Elected Members with the proposed Instrument of Delegation for review and endorsement regarding the *Environment Protection Act 1993* (the Act).

### Strategic Plan

2. The following Strategic Plan provision is relevant:  
*"Delivery of good governance in Council business"*

### Communications/Consultation

3. The following communication / consultation has been undertaken:
  - 3.1. The CEO has reviewed this instrument together with the Administration.
  - 3.2. The Team Leader of Ranger Services and Group Manager City, Development and Safety have requested that authorisations be made under Section 85(3) of the *Environment Protection Act 1993* for operational reasons.

**Statutory**

4. The following legislation is relevant in this instance:

*Local Government Act 1999*

*Environment Protection Act 1993*

*Environment Protection (Air Quality) Policy 2016*

**Policy**

5. There are no policy implications or requirements associated with this recommendation.

**Risk Assessment**

6. The following risks have been identified:

6.1. Improper exercise of statutory powers due to insufficient delegations.

**CEO Performance Indicators**

7. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

**Finance**

8. There are no financial implications for the City of Burnside in respect of the recommendation.

**Discussion***Background*

9. On 21 July 2016, the Board of the Environment Protection Authority (EPA) delegated powers to certain Council staff in order to deal with the consideration, determination and revocation of burning permits under the soon to be operative *Environment Protection (Air Quality) Policy 2016*.
10. On 23 July 2016, the *Environment Protection (Air Quality) Policy 2016* came into operation under the Act.
11. On 9 August 2016, Council delegated powers under the Act to the Eastern Health Authority (EHA) but Council has made no existing delegations to the Chief Executive Officer of the City of Burnside under that Act.
12. For operational reasons the Council staff in Ranger Services now seek to be made authorised officers under section 85(3) of the Act.
13. Being appointed as authorised officers will most relevantly provide those Council staff with the ability under Section 87 of the Act to enter land to conduct site inspections. This will better inform them to consider, determine and revoke burning permits under the *Environment Protection (Air Quality) Policy 2016*.

14. For this to occur, the best practice is for the Council to first delegate the power to the CEO to appoint authorised officers under the Act. The CEO will then make the appointments necessary to meet operational demands.
15. Such a delegation to the CEO would be wholly consistent with the approach that the Council has taken in respect of the appointment making function under the other legislation applicable to the Council.
16. In accordance with Section 44 of the *Local Government Act 1999*, the Council may delegate powers to a Council Committee, an officer or employee of the Council or an officer or employee of the Council for the time being occupying a particular officer or position. Conditions and limitations may be imposed and these are recorded in the Instrument of Delegation.
17. Delegations are revocable at will and do not prevent the Council from acting in a matter.
18. If made to the CEO, the delegation may be sub delegated by the CEO to a suitably qualified and /or experienced Council employee.
19. The delegations are to be made to the CEO under the Act pursuant to the proposed instrument of delegation at Attachment A to this report.

#### *Conclusion*

20. The delegated powers which Council holds in order to carry out its responsibilities under the *Environment Protection Act 1993* may be delegated to the person occupying the office of CEO and sub-delegated by that person to Council officers.
21. The Council staff in Ranger Services need to be appointed as authorised officers under the *Environment Protection Act 1993* in order to operate more effectively under the *Environment Protection (Air Quality) Policy*.
22. The Council should now delegate the powers to make those authorisations to the CEO.

ATTACHMENT A

INSTRUMENT OF DELEGATION TO CHIEF EXECUTIVE OFFICER  
UNDER THE ENVIRONMENT PROTECTION ACT 1993

Provision	Item Delegated / Authorisation	Conditions and Limitations
s85(3)	1. The power pursuant to Section 85(3) of the Environment Protection Act 1993 ("the Act"), to appoint authorised officers for the purposes of the Act.	nil
s85(4)	2. The power pursuant to Section 85(4) of the Act to make an appointment under Section 85(3) of the Act subject to conditions to be specified in the instrument of appointment, and subject to conditions prescribed by regulation.	nil
s85(5)	3. The power pursuant to Section 85(5) of the Act to revoke an appointment or to vary or revoke a condition specified in the instrument of such an appointment or impose a further such condition.	nil

**Item No:** 14.7  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Rebecca McAulay – Principal Governance Officer  
**General Manager and Division:** Karishma Reynolds – Acting General Manager, Corporate Services  
**Contact:** 8366 4178  
**Subject:** BURNSIDE RETIREMENT SERVICES INC. – RECRUITMENT OF INDEPENDENT BOARD MEMBER AND ESTABLISHMENT OF A BURNSIDE RETIREMENT SERVICES INCORPORATED INDEPENDENT BOARD MEMBER SELECTION PANEL (OPERATIONAL)

**Attachments:** A. Process for Determining Indicative Vote for Burnside Retirement Services Incorporated Independent Board Member Selection Panel  
B. BRSI Rules (current)

**Prev. Resolution:** F1659, 18/11/08  
C7661, 17/11/09  
C7769, 27/1/10  
C8059, 14/12/10  
C9100, 26/3/13  
C9114, 9/4/13  
C9184, 28/5/13  
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C9538, 10/12/13  
C9962, 25/11/14  
C10000, 27/1/15  
C10160, 12/5/15  
C10193, 26/5/15  
C10310, 11/8/15  
C10946, 22/11/16

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### Officers Recommendation

1. That the Report be received.
2. That Council calls for applications for the position of one Independent Board Member to the Burnside Retirement Services Incorporated Board from interested persons with experience and/or qualifications in finance, law, management, business administration and retirement village services.
3. That a Burnside Retirement Services Incorporated Independent Board Member Selection Panel be established and that it consist of three Elected Members appointed by Council with the Chief Executive Officer and the General Manager, Corporate Services providing administrative support and that the Panel be tasked with short-listing the applications received, conducting interviews and making recommendations to Council for the position of one Independent Board Member to the Burnside Retirement Services Incorporated Board.

4. That Council undertakes a secret ballot process, as identified in Attachment A of this Report, to determine the three Elected Members to be appointed to the Burnside Retirement Services Incorporated Independent Board Member Selection Panel.
  5. That Cr. ...., Cr..... and Cr. .... be appointed to the Burnside Retirement Services Incorporated Independent Board Member Selection Panel.
  6. That the Burnside Retirement Services Incorporated Independent Board Member Selection Panel consults with the Burnside Retirement Services Incorporated Board in respect of the recommendation for appointment.
  7. That a report be presented to Council by the Burnside Retirement Services Incorporated Independent Board Member Selection Panel (through the Administration) as soon as practicable following the interviews, with recommendations for the position of one Independent Board Member.
  8. That the Burnside Retirement Services Incorporated Independent Board Member Selection Panel will cease to exist once the Independent Board Member is appointed to the Burnside Retirement Services Incorporated Board.
- 

### **Purpose**

1. To seek Council's approval to commence the recruitment process to appoint one Independent Board Member to the Burnside Retirement Services Incorporated (BRSI) Board, in accordance with the current Rules of the BRSI.
2. To establish the BRSI Independent Board Member Selection Panel, tasked with short-listing the applications received, conducting interviews, consulting with the BRSI Board in respect of the recommendation for appointment, and making recommendations to Council, through the Administration, for the position of one Independent Board Member to the BRSI.

### **Strategic Plan**

3. The following Strategic Plan provisions are relevant:

*"A vibrant and diverse community that has a strong sense of belonging"*

*"Fit for purpose and cost effective infrastructure that meets community needs"*

*"A range of businesses and organisations that increase vitality and wealth in the City"*

*"Delivery of good governance in Council business"*

## Communications/Consultation

4. The following communication / consultation has been undertaken:
  - 4.1. An email was received from Sue Shuttleworth, Village Manager to the CEO dated 14 August 2017 advising of the impending cessation of the term of Alison Evenden as an Independent Board Member and Chair of BRSI.
  - 4.2. The call for applications from interested persons for the position of one Independent Board Member of the BRSI will shortly be undertaken by way of a public notice in the Eastern Courier and Council's website.

## Statutory

5. The following legislation is relevant in this instance:

*Associations Incorporation Act 1985*

## Policy

6. The following Council Policy is relevant in this instance:

*Code of Practice – Meetings and Documents – Access and Procedures*

## Risk Assessment

7. The BRSI Board is required to function in accordance with its Rules and the *Associations Incorporation Act 1985*. The current Rules of the BRSI require that Independent Members be appointed by Council in accordance with clauses 16.2 and 20.3.

## CEO Performance Indicators

8. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

## Finance

9. There are minor costs associated with the recruitment process, such as advertising expenses, which will be managed through existing operational budgets.

## Discussion

### *Background*

10. BRSI (trading as 'Pineview Village') is an incorporated body under the *Associations Incorporations Act 1985* and provides retirement accommodation. It is not a Section 42 Subsidiary under the *Local Government Act 1999*.

11. The City of Burnside (the Council) is the sole member of the incorporated body. The 'Association' is managed and controlled by the Board and Board members have a fiduciary duty to the incorporated body.
12. The Association was created in 1990 for the purposes of providing, maintaining and managing residential, hostel and nursing home accommodation at 3 Conyngham Street, Glenside for those persons of the age of 55 years and over and to engage in public benevolent activities by the provision, maintenance and management of the accommodation to persons whom the Board of management consider to be in necessitous circumstances.

#### *Analysis*

13. Part 16 of the current BRSI Rules (adopted by Council on 12 May 2015, C10160) (Attachment B) requires that:
  - “16.1 Subject to the other provisions of these Rules, the Board shall consist of not less than three (3) nor more than six (6) Board Members of which three (3) must be Independent Board Members*
  - 16.2 All Board Members will be appointed by the Council as follows:*
    - 16.2.1 Three (3) Board Members shall be appointed by the Council in accordance with Rule 18 as Independent Board Members, and*
    - 16.2.2 Up to three (3) Board Members may be appointed by the Council in accordance with Rule 17 as Council Board Members.”*
14. Rule 18 of the current BRSI Rules covers Independent Board Members.
15. In accordance with Council resolution C9368 on 27 August 2013, the tenures of Alison Evenden, Bruce Spangler and Roseanne Healy were originally due to cease on 29 August 2015, however Rule 18.8 of the current BRSI Rules now provides that:
  - “18.8. Despite anything to the contrary contained in these Rules, the term of office of each of Alison Evenden, Bruce Spangler and Roseanne Healy shall be extended from 29 August 2015 until the close of the annual general meeting of the Association held in 2017 provided that:*
    - 18.8.1. one of them must retire with effect from the close of the annual general meeting of the Association held in 2015,*
    - 18.8.2. another of them must retire with effect from the close of the annual general meeting of the Association held in 2016, and*
    - 18.8.3. the last of them must retire with effect from the close of the annual general meeting of the Association held in 2017,**and the person who is to retire on each such occasion shall be determined in the manner provided in Rule 18.6.”*
16. Rule 18.6 of the current BRSI Rules provides that:
  - “Subject to Rule 18.8, with effect from the close of each annual general meeting of the Association one (1) Independent Board Member must retire. The retiring Independent*

*Board Member is he or she who has held office longest since their last appointment but as between Independent Board Members who were last appointed on the same day, in the absence of agreement between them as to who of them will retire, retirement will be determined by lot. An Independent Board Member (**Replacement**) who was appointed to fill a casual vacancy shall, for the purpose of this Rule 18.6, be deemed to have been appointed on the day on which the person whom the Replacement is replacing, was last appointed as an Independent Board Member.”*

17. Rule 18.7 of the current BRSI Rules provides that:

*“Prior to the annual general meeting referred to in Rule 18.6 the Council must appoint an Independent Board Member with effect from the close of that annual general meeting, to replace the retiring Independent Board Member.”*

18. Independent Members will be appointed for a term of three years in accordance with Rule 18.1, and are eligible for reappointment in accordance with Rule 18.3. Rule 18.4 however provides that an Independent Member may only serve for a total of nine years and thereafter will be ineligible for reappointment to the Board.

19. As a result of the adoption of the current BRSI Rules by Council on 12 May 2015, the terms of Bruce Spangler and Roseanne Healy ceased in previous years. Now the term of Alison Evenden will end at the close of the AGM in 2017. At that point, another Independent Board Member will be appointed in her place.

20. Clause 22.2 of the current BRSI Rules provides that at the first meeting of the Board after each AGM, the Board must elect from the Board a Chair and Deputy Chair. On this basis the appointment of the Chair is a requirement for the Board, not the Council.

21. The current BRSI Rules (as adopted by Council on 12 May 2015), with respect to the holding on the AGM, provides as follows:

*“23.1. The Association must, at least once in each calendar year and within the period of 5 months after the expiration of each financial year of the Association, convene an annual general meeting.*

*23.2. The annual general meeting must, subject to the Act and Rule 23.1, be convened on such date and at such place and time as the Board thinks fit.*

*23.3. In addition to any other business which may be transacted at an annual general meeting, the business of an annual general meeting is:*

- 23.3.1. to confirm the minutes of the last preceding annual general meeting;*
- 23.3.2. to receive from the Board reports upon the activities of the Association during the last preceding financial year; 23.3.3. to confirm the appointment of the Independent Board Member referred to in Rule 18.7;*
- 23.3.4. to receive, consider and approve the documents referred to in Section 35(6) of the Act; and*
- 23.3.5. to determine the remuneration to be paid to all or any of the Board Members under Rule 19.2.*

*23.4. The Council must appoint a natural person as its representative to attend, take part in discussions and vote at annual general meetings of the Association.*

*23.4.1. The Council is entitled to remove and replace its representative at any time and from time to time.*

*23.4.2. A notice of appointment or removal and replacement of a representative must be given to the Secretary or, if there is no Secretary, to the Treasurer not less than 24 hours before the annual general meeting in respect of which it is to apply.*

*23.4.3. The notice of appointment and notice of removal and replacement must be in the form approved by the Board from time to time.*

*23.5. A Board Member must at an annual general meeting disclose any pecuniary interest of theirs that Section 31 of the Act requires.”*

22. On the above basis, the AGM for BRSI must be held by BRSI within five months after the conclusion of the financial year. The BRSI Annual General Meeting has been scheduled on Monday 27 November 2017.
23. In accordance with part 23.4 of the BRSI Rules, the Council has appointed the CEO as its representative to attend, take part in discussions and vote at annual general meetings of the Association.
24. In order to comply with Rule 18.7 of the current BRSI Rules, prior to the 2017 AGM, the Council must appoint one Independent Board Member with effect from the close of that AGM to replace the retiring Independent Board Member (as required by Rule 18.6).
25. It is recommended that Council therefore commence a process for the recruitment of one Independent Member to the BRSI Board.

#### Qualifications for Independent Board Members

26. Prior to the recruitment of the Independent Board Member, and in line previous appointments of Independent Board Members, Council should establish that the BRSI is a skills based board and determine the required qualifications and skills of the Independent Board Member.
27. It is recommended that Council seek applications for the position of one Independent Board Member to the BRSI Board from people with requisite skill sets (in the following order) in finance, law, management, business administration and the retirement village industry.

#### Process for Recruitment of Independent Board Members

28. It is recommended that Council calls for applications from interested persons for the position of one Independent Board Member of the BRSI through a public notice in the forums highlighted earlier in this report, with Council making selections based on merit.
29. The public notices seeking applications will require interested persons to provide an application setting out relevant experience, qualifications, referees and reasons for their application.

30. It is proposed that a BRSI Independent Board Member Selection Panel (the Selection Panel) comprising three Elected Members be created to short list the applications for an interview, with the support of the Chief Executive Officer and the General Manager as required. The Selection Panel will then interview applicants selected on the shortlist.
31. In accordance with Rule 20.3.3 of the current BRSI Rules, prior to making any appointment, the Selection Panel will consult with the Board in respect of the recommendation for appointment.
32. The Selection Panel, through the Administration, will present a Report to Council as soon as practicable after the interview process with recommendations in relation to the appointment of the Independent Board Member. Copies of all resumes received will also be made available to Elected Members under confidential cover (Info Doc).  
Appointment of Elected Members to the Selection Panel
33. In order to formulate a motion with three names, any Elected Member can move a motion that three individual Elected Members (subject to their consent) be the three Elected Member representatives on the Selection Panel or the Council can determine an indicative vote through the use of a secret ballot following the method based on Council's meeting procedures as referred to in the Council '*Code of Practice –Meetings and Documents – Access and Procedures*'.
34. The process of determining the indicative vote through the use of a secret ballot is an informal process hence the provisions of the *Local Government Act 1999* which limit the Mayor's ability to vote are not relevant. The Mayor will therefore be able to partake in the informal process.
35. During all secret ballots, all Elected Members can remain in the Chamber and be part of the informal secret ballot process
36. The process for formulating the indicative vote to create a motion to vote on is provided in Attachment A.

### *Conclusion*

37. Alison Evenden will retire as an Independent Board Member and Chair of BRSI at the AGM on 27 November 2017.
38. Council must select a new Independent Board Member to BRSI prior to the AGM for appointment at the AGM.
39. BRSI will appoint a member of the Board as Chair at the first meeting of the Board after the AGM.
40. Council must advertise for the Independent Board Member position.
41. Council must establish the BRSI Independent Board Member Selection Panel to undertake recruitment for the Independent Board Member position.

## Process for Determining Indicative Vote

1. The Chief Executive Officer (CEO) will call for nominations for the relevant selection panel etc.
2. If there are only three nominations, the three nominated Elected Member's names will be included in the motion and a vote held.
3. If more than three nominations are received, the method of indicative voting for election of the panel will be by secret ballot of Council Members.
4. In the event of four candidates being nominated for the panel, the method of voting will be first three past the post majority vote.
5. In the event of five or more candidates nominated for the panel, the method of voting will be bottom up lowest vote elimination until four candidates remain. At that point, the method of voting will be first three past the post majority vote.
6. That in the event of a tie the matter be decided by drawing of lots, the candidate first drawn being the candidate excluded."
7. Each Council Member will be asked to write three names on the ballot paper for each round of voting. Each name represents one vote.
8. Voting will continue until three candidates remain.
9. All three remaining candidates will then be put into the one motion to be voted upon.
10. During all secret ballots, all Elected Members can remain in the Chamber and be part of the secret ballot process.
11. As appointees to the panel do not receive an allowance, the process does not attract the application of the conflict of interest provisions. All nominees can remain in the Chamber during the formal vote.
12. The Administration will perform the following procedures:
  - 12.1. A Tally Sheet will be kept for each vote and will be signed by the CEO.
  - 12.2. Each Elected Member will be handed a voting paper for each round of voting. Tallying of votes will commence once confirmation of the number of voting papers equaling the number of Elected Members within the Chamber at that time.
  - 12.3. All voting material including the ballot papers and tally sheets will be retained for a period of 12 months and then discarded.
13. The following page provides an example of the voting process.

### Example of Appointment of the three members to a Panel

Nominations are called for and candidates A, B, C, D, E and F accept.

Each Elected Member places three names onto the voting papers for each round of voting.

Each written name counts as one vote.

A series of secret ballots return the following results.

Candidate	Round 1 votes	Round 2 votes	Round 3 votes
A	4	6	-
B	7	7	8
C	5	6	7
D	3	-	-
E	10	10	12
F	10	10	12
<b>Result</b>	<p>Candidate D has the lowest votes so is eliminated.</p> <p>Candidates A, B, C, E and F remain in the contest.</p>	<p>Candidate A and C have the lowest number of votes</p> <p>Both candidates' names are put into a hat.</p> <p>The first one drawn is eliminated (for example A, leaving candidates B,C,E and F to remain in the contest.</p>	<p>With only four candidates remaining the first three past the post majority vote is used.</p> <p>Candidates B, E and F have the most votes and are declared the winners of the indicative vote.</p> <p>As the positions do not attract an allowance Candidates B, E and F do not need to declare a conflict of interest and leave the Chamber allowing the motion to be raised.</p> <p>A motion appointing all three candidates B, E and F is now voted upon.</p>

# **Attachment B**

## **BURNSIDE RETIREMENT SERVICES INCORPORATED**

### **RULES**

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# ASSOCIATIONS INCORPORATIONS ACT 1985

## RULES

### OF

#### BURNSIDE RETIREMENT SERVICES INCORPORATED

##### PART 1 - INTRODUCTION

##### 1. NAME

The name of the Association is the “Burnside Retirement Services Incorporated”.

##### 2. PRESCRIBED ASSOCIATION

The Association is a prescribed association as defined in section 3 of the Act.

##### 3. DEFINITIONS

###### 3.1. In these Rules:

**Accommodation** includes the residential accommodation provided by the Association at 3 Conyngham Street, Glenside SA and any other sites that the Association may provide.

**Act** means the *Associations Incorporation Act 1985* (as amended) and includes any regulations made under that statute.

**Association** means Burnside Retirement Services Incorporated.

**Board** means the committee of management of the Association within the meaning of section 29(1) of the Act and now established under Part 4 of these Rules.

**Board Member** means at any time a member of the Board holding office as such.

**Council** means the City of Burnside, a council constituted under the *Local Government Act 1999* (as amended) or any successor local government body for the same or substantially the same area.

**Public Officer** means at any time a person appointed by the Board to be the Public Officer of the Association.

**Residents** means those persons of the age of 55 years and over who enter into a licence or similar agreement in respect of the Accommodation.

**Secretary** means at any time a person appointed by the Board to be Secretary of the Association or, if no such person is then in office, the person who is the Public Officer at that time.

**Treasurer** means at any time a person appointed by the Board to be Treasurer of the Association or, if no such person is then in office, the person who is the Public Officer at the time.

###### 3.2. Subject to Rule 3.1, unless the contrary intention appears, words and expressions in these Rules have the same meaning as in the provision of the Act that deals with the same matter.

#### **4. INTERPRETATION**

In these Rules, unless the contrary intention appears: the singular includes the plural and vice versa: a reference to one gender includes both genders: a reference to a person includes a body corporate.

#### **5. THE ACT**

Despite any other provision in these Rules:

- 5.1. if the Act prohibits a thing being done, the thing may not be done;
- 5.2. if the Act requires a thing to be done, authority is given for that thing to be done;
- 5.3. if a provision of these Rules is or becomes inconsistent with the Act, that provision must be read down or, failing that, severed from these Rules to the extent of the inconsistency.

#### **6. PERSONS BOUND**

- 6.1. These Rules bind the Association, the Council (in its capacity as the sole member of the Association) and each of the Board Members.
- 6.2. A Board Member of the Association is taken to agree to be bound by these Rules upon their appointment to office.

### **PART 2 – THE ASSOCIATION**

#### **7. OBJECTS**

The Objects of the Association are:

- 7.1. to serve the community through providing, maintaining and managing the Accommodation for the Residents in accordance with these Rules and any directions of the Council;
- 7.2. to provide, maintain and manage residential Accommodation and such other sites as the Association may from time to time determine (hereinafter called “the Accommodation”) for those persons of the age of 55 years and over whom the Board consider qualify for entry into the facilities of the Association;
- 7.3. to engage in public benevolent activities by the provision of maintenance and management of the Accommodation on such special terms and conditions as the Board may from time to time determine to persons whom the Board considers to be in necessitous circumstances with preference to be given to such residents of the City of Burnside as the Board may from time to time determine.

#### **8. POWERS**

For the purposes of carrying out its Objects, the Association has the powers conferred by Section 25 of the Act and, in addition, the powers to:

- 8.1. accept grants of money and gifts of money or property, from any person;
- 8.2. apply for any financial assistance from any level of government and comply with any conditions attaching to such assistance;

- 8.3. raise and borrow money, with or without security over all or any assets of the Association;
- 8.4. delegate the management of any assets to a service provider upon such terms and for such remuneration as may be agreed;
- 8.5. raise money by the awarding of status as Friend of the Association in such classes as the Board may determine;
- 8.6. confer and cooperate with and / or become affiliated with, or a member of, any other not-for-profit body having objects the same as or similar to those of the Association;
- 8.7. delegate to an officer of the Association:
  - 8.7.1. the receipt and holding of money and other personal property on behalf of the Association;
  - 8.7.2. payment of money on behalf of the Association;
  - 8.7.3. maintaining and keeping of financial and other records on behalf of the Association;
  - 8.7.4. the preparation of statements of accounts;
  - 8.7.5. the collection of money due to the Association;
  - 8.7.6. issuing and signing notices on behalf of the Association;
  - 8.7.7. preparing minutes of the Association; and / or
  - 8.7.8. providing information as required by any law on behalf of the Association.
- 8.8. make any donation or contribution to any other charitable not-for-profit association;
- 8.9. purchase, lease, erect, demolish, maintain, and / or otherwise dispose of any interest in real or personal property that the Association has;
- 8.10. provide relief as the Board sees fit, to any person in disadvantaged circumstances through the provision of financial or non-financial assistance; and
- 8.11. do all such other things as incidental to the attaining of any of the Association's Objects.

**9. NOT FOR PROFIT**

In compliance with Section 55 of the Act:

- 9.1. unless the Commission otherwise approves, the Association must not conduct its affairs in a manner calculated to secure a pecuniary profit for the Council (being its sole member) or for the Board Members or for associates of Board Members; and
- 9.2. unless the Commission otherwise approves, the Association must not make a payment from its income or capital, or dispose of any of its assets *in specie*, to the Council (being its sole member) or to its Board Members or associates of the Board Members excepting:
  - 9.2.1. any reasonable remuneration of a Board Member for work done by the Board Member for or on behalf of the Association either as these Rules may allow or by express resolution of the Board; and / or

- 9.2.2. any payments or dispositions that are incidental to activities carried on by the Association in accordance or consistently with its Objects.

## **10. WINDING UP**

- 10.1. The Association may be wound up in accordance with Section 41 of the Act.
- 10.2. If upon the Association being wound up there remain surplus assets then, except as Section 43 of the Act may allow, such surplus assets must be transferred to or among a body or bodies nominated by the Council and having similar objects to the Association and which by it or their rules are prohibited from distributing its of their assets and income to its or their members.

## **PART 3 – MEMBER**

### **11. MEMBER**

The Council is the sole member of the Association.

## **PART 4 – THE BOARD**

### **12. BOARD**

At all times, the Association must have a Board.

### **13. BOARD FUNCTIONS**

The Board is responsible for the administration of the affairs of the Association including, without limitation, the management and control of the funds and property of the Association.

### **14. BOARD POWERS**

The Board may, on behalf of the Association, exercise all such powers and do all such things as are within the Objects of the Association.

### **15. THE BOARD MAY DELEGATE**

- 15.1. The Board may delegate any of its powers to a committee of the Board, a Board Member, an employee of the Association or any other person.
- 15.2. A delegation of powers by the Board:
- 15.2.1. may authorise the delegate to sub-delegate all or any of the powers vested in the delegate;
  - 15.2.2. may be concurrent with, or to the exclusion, of the exercise by the Board of those powers.
- 15.3. The delegate must exercise the powers delegated in accordance with any directions of the Board.
- 15.4. The exercise of power by the delegate is as effective as if the Board had exercised it.
- 15.5. The Board may revoke, at any time, any powers it has delegated.

## **16. BOARD COMPOSITION**

- 16.1. Subject to the other provisions of these Rules, the Board shall consist of not less than three (3) nor more than six (6) Board Members of which three (3) must be Independent Board Members.
- 16.2. All Board Members will be appointed by the Council as follows:
  - 16.2.1. Three (3) Board Members shall be appointed by the Council in accordance with Rule 18 as Independent Board Members; and.
  - 16.2.2. Up to three (3) Board Members may be appointed by the Council in accordance with Rule 17 as Council Board Members.

## **17. ABOUT COUNCIL BOARD MEMBERS**

- 17.1. Subject to these Rules, a Council Board Member shall hold office for a term of two (2) years.
- 17.2. Subject to Rule 17.3, all retiring Council Board Members are eligible for reappointment to the Board.
- 17.3. A Council Board Member must at all times be an elected member of Council.

## **18. ABOUT INDEPENDENT BOARD MEMBERS**

- 18.1. Subject to these Rules, an Independent Board Member shall hold office for a term of three (3) years.
- 18.2. Independent Board Members will have qualifications and skills as determined by the Council.
- 18.3. Subject to Rule 18.4 an Independent Board Member is eligible for reappointment to the Board.
- 18.4. An Independent Board Member may only serve for a total of nine (9) years and thereafter will not be eligible for reappointment to the Board.
- 18.5. If a casual vacancy occurs in the office of an Independent Board Member before the end of their term of office, the incoming Independent Board Member will be appointed by the Council for the balance of such term of office subject always to Rule 18.6.
- 18.6. Subject to Rule 18.8, with effect from the close of each annual general meeting of the Association one (1) Independent Board Member must retire. The retiring Independent Board Member is he or she who has held office longest since their last appointment but as between Independent Board Members who were last appointed on the same day, in the absence of agreement between them as to who of them will retire, retirement will be determined by lot. An Independent Board Member (**Replacement**) who was appointed to fill a casual vacancy shall, for the purpose of this Rule 18.6, be deemed to have been appointed on the day on which the person whom the Replacement is replacing, was last appointed as an Independent Board Member.
- 18.7. Prior to the annual general meeting referred to in Rule 18.6 the Council must appoint an Independent Board Member with effect from the close of that annual general meeting, to replace the retiring Independent Board Member.

18.8. Despite anything to the contrary contained in these Rules, the term of office of each of Alison Evenden, Bruce Spangler and Roseanne Healy shall be extended from 29 August 2015 until the close of the annual general meeting of the Association held in 2017 provided that:

18.8.1. one of them must retire with effect from the close of the annual general meeting of the Association held in 2015,

18.8.2. another of them must retire with effect from the close of the annual general meeting of the Association held in 2016, and

18.8.3. the last of them must retire with effect from the close of the annual general meeting of the Association held in 2017,

and the person who is to retire on each such occasion shall be determined in the manner provided in Rule 18.6.

## **19. BOARD REMUNERATION**

19.1. Board Members are not entitled to remuneration except as these Rules may allow and the Board by majority vote resolves to award. The Association may nevertheless (but subject to Section 39B of the Act) pay a premium for a contract insuring a person who is or has been an officer or employee of the Association against a liability incurred as an officer or employee.

19.2. Board Members shall be paid such annual allowance (payable in quarterly instalments in advance or in arrears as determined by the Board) or sitting fee (per meeting) as is from time to time determined by the Council at the immediately preceding annual general meeting provided that Council Board Members are only entitled to receive their allowance or sitting fee in respect of Board meetings actually attended, meaning that any amounts paid in advance and to which a Council Board Member has no entitlement pursuant to this sub Rule, will be a debt due by the Member to the Association.

19.3. The Association may pay a Board Member's travelling and other out-of-pocket expenses that the Board may approve by majority decision and that a Board Member properly incurs:

19.3.1. in attending Board meetings; or

19.3.2. in connection with the affairs of the Association.

## **20. OTHER PROVISIONS**

### **20.1. Appointments to fill casual vacancies**

Subject to Rule 16.1, at any time the Council may appoint a natural person as a Board Member whether to fill a casual vacancy or as an addition to the Board.

### **20.2. Vacation of office**

A Board Member:

20.2.1. retires as provided by these Rules but will, if otherwise qualified, be eligible for re-appointment;

20.2.2. may retire at any time by written notice to the Board;

- 20.2.3. retires, if they are a Council Board Member, upon ceasing to be an elected member of Council;
- 20.2.4. retires, if they are an Independent Board Member, upon completing a total of nine (9) years' service as an Independent Board Member;
- 20.2.5. retires if they cease to have their principal place of residence within South Australia;
- 20.2.6. retires if they are absent from three (3) consecutive Board meetings without prior leave of the Board and the Board resolves that the Board Member should retire;
- 20.2.7. may at any time be removed from office by the Council, whether on recommendation from the Board or not;
- 20.2.8. will vacate office:
  - a. by operation of Section 30 of the Act; or
  - b. if the Board Member dies; or
  - c. if the Board Member is determined to be mentally incapacitated as defined in the *Guardianship and Administration Act 1993*.

### 20.3. **Canvassing for candidates as Board Members**

If an Independent Board Member retires or is due to retire from office as a Board Member, before appointing another person to the Board to fill that position, the Council:

- 20.3.1. must by way of advertising the vacancy within the major newspaper circulating in Adelaide, invite applications from interested persons with skills, qualifications and experience that would in the opinion of the Council complement and enhance the operations of the Board;
- 20.3.2. will determine a selection procedure for the purpose of making a recommendation to Council for appointment;
- 20.3.3. prior to making any appointment will consult with the Board in respect of the recommendation for appointment.

The Council will make any appointment in its absolute discretion.

### 20.4. **Candidates for Board Members**

- 20.4.1. Subject to Rule 18.4 a retiring Independent Board Member may seek re-appointment by following the same application procedure that applies for new applicants.
- 20.4.2. No person is eligible to be appointed as a Board Member unless the Council is provided with a written application to be appointed as a Board Member, signed by the candidate.
- 20.4.3. The Board must be given notice of all persons appointed to the Board by the Council.

- 20.4.4. The Council will appoint an Independent Board Member to fill a casual vacancy upon any basis that it sees fit.

## **21. ALTERNATES**

A Board Member may not appoint an alternate or a proxy to vote on their behalf at Board meetings.

## **22. MEETINGS OF THE BOARD**

### **22.1. Board meetings**

22.1.1. The Board must meet for the dispatch of business at least once in every 3 calendar months. Any one (1) Board Member may call a Board meeting. Subject to the Act and these Rules, the Board Members may meet together, adjourn and regulate their meetings as they think fit.

22.1.2. Subject to Rule 22.9.1(a), written or electronic notice of a meeting of the Board must be given to each Member of the Council at least 5 days (or such other period as may be unanimously agreed upon by the Board Members) before the time appointed for the holding of the meeting except in cases of emergency, when no particular length of notice is required.

### **22.2. Chair and Deputy Chair of meetings**

22.2.1. At the first meeting of the Board held after:

- a. each annual general meeting of the Association, the Board must elect from the Board Members, a Chair and Deputy Chair;
- b. any casual vacancy arising in the office of the Chair or Deputy Chair, the Board must fill the vacancy from the Board Members and may in like manner at the same or a subsequent meeting fill any further vacancy in the office of Deputy Chair arising from filling the vacancy in the office of Chair.

22.2.2. Any person elected as the Chair or Deputy Chair under Rule 22.2.1 holds office until their successor is elected unless sooner removed or ceasing to be a Board Member for whatever reason.

22.2.3. At any time, the Council may remove a person so appointed.

22.2.4. A person who is elected as Chair or Deputy Chair is eligible for re-election to that position.

22.2.5. The Chair or, in the absence of the Chair, the Deputy Chair shall preside at each Board meeting. If the Chair and Deputy Chair are absent or unwilling to act, the Board Members present shall elect one (1) of their number to preside at the Board meeting.

22.2.6. The person who chairs a Board meeting holds one deliberative vote in their capacity as a Board Member and one casting or second vote in their capacity as the chairperson.

### **22.3. Quorum for meetings**

- 22.3.1. a. If, and for so long as, there are no Council Board Members then in office, a quorum for a Board meeting is two (2) Independent Board Members.
- b. If, and for so long as, there is at least one (1) Council Board Member then in office, a quorum for a Board meeting is two (2) Independent Board Members and one (1) Council Board Member.
- c. A quorum must be present at all times during the Board meeting.
- d. If less than three (3) Board Members are in office, those Board Members may validly constitute Board meetings for the purpose of exercising all of the powers and duties of the Board pending the appointment of additional Board Members.
- 22.3.2. No business is to be transacted by the Board unless a quorum is present and if within 15 minutes of the time appointed for the meeting a quorum is not present, the meeting stands adjourned to the same place and at the same hour of the same day in the following week. If at the adjourned meeting a quorum is not present within 15 minutes of the time appointed for the meeting, the meeting is dissolved.

**22.4. Disclosure of interests**

A Board Member must at a Board meeting disclose any pecuniary interest of theirs that Section 31 of the Act requires.

**22.5. Voting at meetings**

22.5.1. A Board Member must not take part in any decision of the Board (including by voting) where disqualified from doing so by Section 32 of the Act.

22.5.2. Each Board Member who is present at a Board meeting has one vote and must (subject to any provision of the Act or these Rules) vote on every matter arising for decision.

22.5.3. Questions arising at a Board meeting are decided by a majority of votes cast by Board Members entitled to vote on the resolution.

**22.6. Minutes of meeting**

Section 51 of the Act governs the keeping and confirmation of minutes of Board meetings.

**22.7. Irregularities do not invalidate a meeting**

The *Corporations Act 2001*, Section 1322, applies to Board meetings so far as it is capable of applying and with necessary changes as if now set out in these Rules and as if the Association was a company registered under that Act.

## **22.8. Circulating resolutions**

- 22.8.1. The Board Members may pass a resolution without a meeting being held if a majority of the Board Members entitled to vote on the resolution (and being not less than the number required for a quorum at a Board meeting) sign a document containing a statement that they are in favour of the resolution set out in the document.
- 22.8.2. The resolution is passed when the last Board Member required to achieve a majority signs.
- 22.8.3. Separate copies of a document may be used for signing by Board Members if the wording of the resolution and statement is identical in each copy.
- 22.8.4. A document referred to in this provision must be sent to every Board Member, whether or not entitled to vote on the resolution.

## **22.9. Telephone meetings**

- 22.9.1. The Board may conduct a meeting by the contemporaneous linking together by telephone or other electronic device (“telephone meetings”) of Board Members constituting not less than the quorum, and all the provisions of these Rules that apply to meetings of the Board shall apply to such telephone meetings so long as the following conditions are met:
  - a. all Board Members for the time being entitled to receive notice of a meeting of the Board shall be entitled to notice of the telephone meeting and to be linked by telephone or other electronic device for the purposes of such meeting. Notices of any such meeting may be given by telephone;
  - b. each of the Board Members taking part in the telephone meeting must be able to hear each of the other Board Members taking part at the commencement and throughout the meeting; and
  - c. at the commencement of the meeting each of the Board Members must acknowledge his or her presence for the purpose of the meeting of the Board to all the other Board Members taking part.
- 22.9.2. A Board Member may not leave the telephone meeting whether by disconnecting his or her telephone or otherwise unless he or she has previously obtained the express consent of the Chair. A Board member shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the telephone meeting unless he or she has previously obtained the express consent of the Chair to leave the meeting as stipulated above.
- 22.9.3. A minute of the proceedings at such telephone meetings shall be sufficient evidence of such proceedings and of the observance of all necessary formalities, if certified to be a correct minute by the Chair.

## **PART 5 – GENERAL MEETINGS OF THE ASSOCIATION**

### **23. ANNUAL GENERAL MEETING**

- 23.1. The Association must, at least once in each calendar year and within the period of 5 months after the expiration of each financial year of the Association, convene an annual general meeting.

- 23.2. The annual general meeting must, subject to the Act and Rule 23.1, be convened on such date and at such place and time as the Board thinks fit.
- 23.3. In addition to any other business which may be transacted at an annual general meeting, the business of an annual general meeting is:
  - 23.3.1. to confirm the minutes of the last preceding annual general meeting;
  - 23.3.2. to receive from the Board reports upon the activities of the Association during the last preceding financial year;
  - 23.3.3. to confirm the appointment of the Independent Board Member referred to in Rule 18.7;
  - 23.3.4. to receive, consider and approve the documents referred to in Section 35(6) of the Act; and
  - 23.3.5. to determine the remuneration to be paid to all or any of the Board Members under Rule 19.2.
- 23.4. The Council must appoint a natural person as its representative to attend, take part in discussions and vote at annual general meetings of the Association.
  - 23.4.1. The Council is entitled to remove and replace its representative at any time and from time to time.
  - 23.4.2. A notice of appointment or removal and replacement of a representative must be given to the Secretary or, if there is no Secretary, to the Treasurer not less than 24 hours before the annual general meeting in respect of which it is to apply.
  - 23.4.3. The notice of appointment and notice of removal and replacement must be in the form approved by the Board from time to time.
- 23.5. A Board Member must at an annual general meeting disclose any pecuniary interest of theirs that Section 31 of the Act requires.

**PART 6 – OTHER OFFICERS**

**24. PUBLIC OFFICER**

- 24.1. At all times, the Association must have a Public Officer (who may but need not be a Board Member) as Section 56 of the Act and any other law may require.
- 24.2. The Board appoints the Public Officer and may at any time remove from office the Public Officer without right to be heard and appoint a replacement Public Officer.
- 24.3. A Public Officer has those functions and powers required by the Act or any other law.

**25. EXECUTIVE OFFICER**

- 25.1. At any time, the Board may appoint an Executive Officer (who must not be a Board Member) with such powers and duties and for such remuneration (if any) as may be agreed between the Association and the Executive Officer.
- 25.2. Subject to any contract in place, at any time the Board may vary the powers and duties and remuneration of the Executive Officer and may remove the Executive Officer from office without the right to be heard.

- 25.3. The Executive Officer has the functions and powers vested in them by the Board and, unless the Board resolves otherwise, has the day-to-day executive management of the affairs of the Association subject to such directions as the Board may give to the Executive Officer.

**26. TREASURER**

- 26.1. The Board must appoint a Treasurer (who may but need not be a Board Member) with such powers and duties and for such remuneration (if any) as may be agreed between the Association and the Treasurer.
- 26.2. Subject to any contract in place, at any time the Board may vary the powers and duties and remuneration of the Treasurer and may remove a Treasurer from office without the right to be heard.
- 26.3. A Treasurer has the functions and powers vested in them by the Board and, unless the Board resolves otherwise, has these functions subject to such directions as the Board may give to the Treasurer:
- 26.3.1. to prepare draft Business Plans and budgets for consideration of the Board;
  - 26.3.2. to monitor the financial performance of the Association against an adopted Business Plan, and promptly report to the Board any material discrepancies known or anticipated;
  - 26.3.3. to supervise the handling of money by or for the Association and the keeping of financial records;
  - 26.3.4. to prepare draft financial statements;
  - 26.3.5. to sign cheques and other negotiable instruments on behalf of the Association together with one other signatory appointed by the Board.

**27. AUDITOR**

- 27.1. So long as the Act or any other law requires, the Board must appoint an auditor upon terms and conditions determined by the Board.
- 27.2. As a matter of record Sections 23, 35 and 37 of the Act provide for the powers and responsibilities of an auditor of a prescribed association.
- 27.3. Whether or not an auditor is in office, at the expense of the Council, the Association must allow the auditor of the Council the same rights of access to records and persons as an auditor of the Association would enjoy under Section 37 of the Act.

**28. SECRETARY**

- 28.1. At any time, the Board may appoint a Secretary (who may but need not be a Board Member) with such powers and duties and for such remuneration (if any) as may be agreed between the Association and the Secretary.
- 28.2. Subject to any contract in place, at any time the Board may vary the powers and duties and remuneration of the Secretary and may remove a Secretary from office without the right to be heard.
- 28.3. A Secretary has the functions and powers vested in them by the Board and, unless the Board resolves otherwise, has these functions subject to such directions as the Board may give to the Secretary:

- 28.3.1. to issue notices calling Board meetings;
- 28.3.2. to attend all Board meetings and keep a correct minutes of the proceedings;
- 28.3.3. to keep all documents and records belonging to the Association;
- 28.3.4. to prepare such statements, reports, returns or other written information as the Act or any law requires the Association to lodge with government;
- 28.3.5. to issue for moneys received and keep a correct account of all receipts and expenditure;
- 28.3.6. to have custody and safekeeping of the common seal; and
- 28.3.7. all other functions usual and appropriate to the office.

## **PART 7 – OFFICERS GENERALLY**

### **29. DUTIES OF OFFICERS**

A Board Member who contravenes Section 39A of the Act also breaches these Rules.

### **30. INDEMNITY**

30.1. To the extent permitted by Section 39B(1) of the Act and where the Beneficiary is not indemnified by another person (including an insurer under an insurance policy any part of the premium of which is contributed by the Association), the Association indemnifies every Beneficiary against any liability incurred by that Beneficiary:

- 30.1.1. as an officer or employee of the Association; and
- 30.1.2. to a person other than the Association;

unless the liability arises out of conduct on the part of the Beneficiary which:

- 30.1.3. involves a lack of good faith; or
- 30.1.4. is contrary to the express instructions of the Association.

30.2. To the extent permitted by Section 39B of the Act and where the Beneficiary is not indemnified by another person (including an insurer under an insurance policy and part of the premium of which is contributed by the Association), the Association indemnifies every Beneficiary against any liability for costs and expenses incurred by the Beneficiary as an officer or employee of the Association in defending any proceedings, whether civil or criminal, in which judgment is given favour of the Beneficiary or in which the Beneficiary is acquitted.

30.3. Unless the Board Members otherwise determine, this Rule ceases to apply in favour of a Beneficiary who does not to the reasonable satisfaction of the Board Members cooperate with the Association in investigating, defending or resolving the matter to which this Rule would otherwise apply.

30.4. The Association may execute a documentary indemnity (not inconsistent with applicable law or this Rule) in any form in favour of a Beneficiary.

30.5. The Association must give a Beneficiary access to any books of the Association for the purposes of any legal proceedings to which this Rule applies.

- 30.6. For these purposes, 'Beneficiary' means a person who is or has been:
- 30.6.1. an officer of the Association; and / or
  - 30.6.2. an employee of the Association, but
  - 30.6.3. does not include a Board Member.
- 30.7. A Board Member shall be indemnified by the Association against any liability incurred by the Board Member in the performance of his/her official duties, providing the Board Member was acting honestly and / or, in defending any proceedings, either civil or criminal, in which judgment is given in favour of the Board Member or in which the Board Member is acquitted.

### **31. VALIDITY OF ACTS OF BOARD MEMBERS**

Each act, resolution or thing performed, passed or done by, or with the participation of, a person acting as a Board Member in respect of whom it is later discovered there was some defect in appointment to, or continuation in, office of that person or that the person was disqualified or not entitled to perform, vote on or do the act, resolution or thing, is as valid and effective as if that Board Member had been validly appointed, had validly continued in office, had not been disqualified and was entitled so to perform, vote or do.

## **PART 8 – ASSOCIATES**

### **32. ADVISORS**

- 32.1. Those functions may include:
- 32.1.1. providing information to assist the Board to assess the Association's performance against its Objects and Business Plan;
  - 32.1.2. providing advice and reports to the Board on the exercise and performance of its powers and functions including acting in an advisory capacity in relation to appointment of new Board members;
  - 32.1.3. coordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Association;
  - 32.1.4. commenting on the performance of the Board on an annual basis; and
  - 32.1.5. providing guidance to achieve financial outcomes in accordance with the Business Plan and budgets.
- 32.2. At any time, the Board may vary the functions of an advisor and may remove an advisor from office without right to be heard.
- 32.3. An advisor is not a Board Member and has no right to attend or be heard at Board meetings except at the invitation of the Board. An advisor in attendance at a Board meeting has no right to vote.
- 32.4. Not more than four (4) advisors may be in office at any one time.

### **33. STATUS**

An advisor to the Board has no right to participate in the management of the affairs of the Association and is not an officer of the Association.

## **PART 9 – OPERATIONS**

### **34. STRATEGIC MANAGEMENT PLAN**

The Board must develop and adopt a strategic management plan for the management of the activities of the Association of a 5 year period. In formulating its strategic management plan the Board must have regard to the Objects and the role and responsibilities of the Association under these Rules. The strategic management plan must be reviewed annually following the adoption of the budget.

### **35. BUDGET**

35.1. The Association must have, for each financial year, a budget. This document will be developed by the Board before 31 May in each year immediately preceding the financial year to which it relates and must detail the financial requirements of the Association for the relevant financial year including a summary of its proposed expenditure and sources of revenue.

35.2. The Board must conduct the affairs of the Association in conformity with the budget last adopted or as last amended.

35.3. The budget must be presented to the Council immediately after adoption by the Board.

### **36. POLICIES**

36.1. Subject to the Act and any other law, the Board may adopt policies for the management of the Association of including, but not limited to, the conduct and reporting of meetings, code of conduct for Board Members and / or the financial management of the Association.

36.2. An officer of the Association must comply with a code of conduct by its express terms made applicable to persons holding that office.

### **37. PERIODIC RETURN**

The Association must lodge periodic returns in conformity with Section 36 of the Act.

### **38. ACCOUNTING RECORDS**

The Association must keep accounting records in conformity with Section 39C of the Act.

### **39. ACCOUNTS**

At all times (and whether or not the Association is a prescribed association to which Section 35 of the Act applies), the Association must:

- 39.1. keep its accounting records in such a manner as will enable the preparation from time to time of accounts that present fairly the results of the operations of the Association; and
- 39.2. cause accounts in respect of each financial year to be prepared and laid before an annual general meeting subject to Rule 23.

## **PART 10- OTHER MATTERS**

### **40. ALTERATIONS OF THE RULES**

These Rules may be altered by resolution of the Council. The resolution must be recorded and the record signed by the Public Officer. The alteration to the Rules is to be registered pursuant to Section 24 of the Act.

### **41. THE SEAL**

- 41.1. The Association must have a common seal upon which its name appears in legible characters.
- 41.2. The seal of the Association must be kept in the custody of the Secretary or otherwise in the custody of a person approved by the Board.
- 41.3. If the Board resolves, the seal must be used to give effect to a resolution of the Board and such use shall be recorded in the minute book of Board meetings.
- 41.4. The signatures of two (2) persons approved by the Board for that purpose shall attest the fixing of the seal to a document. Unless the Board determines otherwise, one (1) of those persons must be the Chair of the Board.
- 41.5. A contract of the Association may be made, varied or rescinded under the common seal or in any other way Section 26 of the Act or any other law may permit.

### **42. DISPUTE RESOLUTION**

- 42.1. This Rule applies to disputes under these Rules between either:
  - 42.1.1. the Association and any officer of the Association in that capacity; or
  - 42.1.2. officers of the Association in that capacity.
- 42.2. The parties to the dispute must promptly meet in person at the registered office of the Association and discuss the matter in dispute and, if possible, resolve the dispute within 14 days after the dispute comes to the attention of all of the parties.
- 42.3. If the parties are unable to resolve the dispute at the meeting, those parties may choose to meet and discuss the dispute before an independent third person agreed to by the parties.
- 42.4. If the parties cannot agree on the appointment of the independent third person, that person is to be appointed by the South Australian chapter of the Institute of Arbitrators and Mediators.

### **43. CIRCUMSTANCES NOT PROVIDED FOR**

In any circumstances in which these Rules are silent, incapable of taking effect or being implemented according to its strict provisions, the Board may determine what action may be

taken to ensure the effective administration and objects of the Association. Any determination made by the Board in that regard shall be final.



**Item No:** 14.8  
**To:** Council  
**Date:** 12 September 2017  
**Authors:** James Brennan – Coordinator Property and Buildings

**General Manager and Division** Barry Cant – General Manager, Urban Services  
**Contact:** 8366 4262  
**Subject:** MILLER RESERVE, LINDEN PARK – OVERHANGING VEGETATION UPDATE (OPERATIONAL)  
**Attachments:** Nil  
**Prev. Resolution:** C11365, 22/8/17

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### Officer's Recommendation

1. That the Report be received.
  2. That a further report is presented to Council at its meeting of 26 September 2017, which includes details of engagement and communications with the owners of a Lilly Pilly tree which overhangs Miller Reserve, and a recommendation in relation to proposed next steps.
- 

### Purpose

1. To provide an update regarding communications with the owners of a Lilly Pilly tree that overhangs Miller Reserve.

### Strategic Plan

2. The following Strategic Plan provisions are relevant:

*"Fit for purpose and cost effective infrastructure that meets community needs"*

*"Delivery of good governance in all Council business"*

*"An empowered Council and Administration that is visionary and innovative in meeting community needs"*

*"Provide venues, facilities and other resources to the community in support of a range of activities that improve social wellbeing"*

*"Sustainable, engaging and functional community public spaces and streetscapes"*

### Communications/Consultation

3. The following communication / consultation has been undertaken:
  - 3.1. Correspondence with the owners of 7 Hawke Street, Linden Park (the Owners) in relation to their Lilly Pilly tree that overhangs Miller Reserve (the Lilly Pilly); and
  - 3.2. Discussions with Ward Councillors.

**Statutory**

4. The following legislation is relevant in this instance:

*Local Government Act 1999*

**Policy**

5. The following Council Policies and Plans are relevant in this instance:

*Local Sports and Recreational Areas Community Land Management Plan*

*Open Space Policy*

*Leasing and Licensing of Community Facilities Policy*

*Hedge Encroachment onto Road Reserve Policy*

*Streetscape Policy*

**Risk Assessment**

6. There are no risks associated with the recommendation.

**CEO Performance Indicators**

7. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

**Finance**

8. There are no financial implications for the City of Burnside in respect to the recommendation.

**Discussion***Background*

9. At the Council meeting held on 22 August 2017, it was resolved through a Motion on Notice (C11365), in part, that:

*"Council further engage about pruning of the lillypilly tree and report to Council by the 12 September 2017 meeting"*

*Discussion*

10. Following this Resolution of Council, the owners of the subject tree were advised that a Report will be presented to Council in accordance with Resolution C11365, which will include a history of the issue, analysis of Council's powers and options available for resolving the issue.
11. The owners were invited, via email, to reconfirm their position in relation to the overhanging vegetation and, in particular, whether they:

- 11.1. are open to negotiating a compromised outcome;
  - 11.2. would agree to pruning of the Lilly Pilly;
  - 11.3. would enter into a Vegetation Management Plan;
  - 11.4. would accept liability for costs (either in full or in part) associated with a Vegetation Management Plan or the manufacture and installation of a canopy that was initially proposed by the Owners; and
  - 11.5. would lodge an appeal if an Order under section 254 of the *Local Government Act 1999* is issued.
12. A response from the owners had not been received with sufficient time to enable the Report to be finalised by Council Administration in time for the 12 September 2017 Agenda, as required by the Council Resolution.
  13. Therefore, a Report will be presented to Council at its meeting of 26 September 2017 with an Officers Recommendation in relation to proposed next steps, including the response provided by the owners.



**Item No:** 14.9  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Ben Seamark – Coordinator Recreation and Environment  
Michelle Kennedy – Group Manager, Assets and Infrastructure  
**General Manager and Division:** Barry Cant – General Manager, Urban Services  
**Contact:** 8366 4263  
**Subject:** WATER SENSITIVE URBAN DESIGN POLICY – REVIEW  
**Attachments:** A. Water Sensitive Urban Design Policy (tracked changed version)  
B. Water Sensitive Urban Design Policy (final copy)  
**Prev. Resolution:** C10062, 24/2/15

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### Officer's Recommendation

1. That the Report be received.
  2. That Council adopt the revised Water Sensitive Urban Design Policy.
- 

### Purpose

1. To provide Elected Members with a revised Water Sensitive Urban Design Policy for consideration and adoption.

### Strategic Plan

2. The following Strategic Plan provisions are relevant:

*“Environmentally sustainable development which complements the City’s character”*

*“Sustainable, engaging, healthy and functional public spaces and streetscapes”*

*“Fit for purpose and cost effective infrastructure that meets community needs”.*

*“Natural environments and watercourses protected, conserved and enjoyed”*

*“Sustainable use of natural resources and minimisation of waste to address climate change”*

*“An empowered Council and Administration that is visionary and innovative in meeting community needs”*

### Communications/Consultation

3. The following communication / consultation has been undertaken:
  - 3.1. Review and feedback provided by the Assets and Infrastructure Team.
  - 3.2. Review and feedback provided by the City of Burnside Management Team.

- 3.3. Draft Policy was provided to Elected Members for comment through Information Documents.

### **Statutory**

4. The following legislation is relevant in this instance:

*Development Act 1993*

*Environment Protection Act 1993*

*Environment Protection (Water Quality) Policy 2003*

*Local Government Act 1999*

*Native Vegetation Act 1991*

*Natural Resources Management Act 2004*

### **Policy**

5. The following Council Policy is relevant in this instance:

*Water Sensitive Urban Design*

### **Risk Assessment**

6. The existing Policy is at risk of not being congruent with legislation and best practice / guidelines.

### **CEO Performance Indicators**

7. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

### **Finance**

8. There are no financial implications for the City of Burnside in respect to the recommendation.

### **Discussion**

9. The Water Sensitive Urban Design (WSUD) Policy helps improve water security, protect waterways and the environment.
10. This Policy has been reviewed to reflect current legislation and Council's strategic plans including the Resilient East Regional Climate Change Adaption Plan and the updated Strategic Community Plan outcomes.
11. The revised Policy includes recognition and clarification of how WSUD "*helps reduce pollutants, water demand and permeability that in turn supports canopy coverage and*

*the area's green and leafy character*". This recognition helps clarify the benefits of WSUD at a local and regional scale.

12. Changes have been made to include the promotion of safe and sustainable use of rainwater and recycled stormwater, as well as investigating new technologies which assist in saving or re-using water.
13. The Policy principles are in line with those developed by the Department of Environment, Water and Natural Resources.

## Water Sensitive Urban Design

Classification:	Council Policy
Policy Name:	Water Sensitive Urban Design
First Issued / Approved:	27 September 2011, PHI 0064
Last Reviewed:	24 February 2015 C10062 <a href="#">12 September 2017</a>
Next Review:	<del>February</del> <del>May</del> <del>September 2019</del> <del>2017</del>
ECM tracking number:	1317434
Responsible Officer:	General Manager Urban Services
Relevant Legislation:	<p><del>Local Government Act, 1999, including Schedule 1A, Implementation of Stormwater Management Agreement, incorporated in 2007</del></p> <p>Development Act, 1993</p> <p>Environment Protection Act, 1993</p> <p>Environment Protection (Water Quality) Policy, 2003</p> <p><del>Local Government Act 1999, including Schedule 1A, Implementation of Stormwater Management Agreement, incorporated in 2007</del></p> <p>Native Vegetation Act, 1991</p> <p><a href="#">Natural Resources Management Act 2004</a></p>
Related Policies:	<p><del>Asset Management Policy</del></p> <p><del>Watercourse Management Policy</del></p> <p>Environment <a href="#">and Biodiversity</a> Policy</p> <p>Footpath Policy</p> <p><a href="#">Open Space Policy</a></p> <p><a href="#">Streetscape Policy</a></p> <p><a href="#">Tree Management Policy</a></p> <p><a href="#">Watercourse Management Policy</a></p>

### 1. Introduction

1.1 ~~The purpose of this Policy is to guide the City of Burnside in the identification and adoption of water sensitive urban design opportunities across all relevant aspects of Council business.~~ The purpose of this Policy is to **promote the use of water sensitive urban design (WSUD), including stormwater re-use** ~~guide the City of Burnside in the identification and adoption of water sensitive urban design (WSUD) opportunities~~ across all relevant aspects of Council business.

~~1.2 Council recognises that by adopting WSUD principles at a regional or local level scale this will can help reduce pollutants, and water demand, as well as and permeability that in turn supportings the health of our City's trees and watercourses. canopy coverage and the area's green and leafy character.~~

#### **1.2. Strategic Plan Desired Outcomes**

~~2.1 Environmentally sustainable development which complements the City's character~~

~~2.2 Sustainable, engaging, healthy and functional public spaces and streetscapes~~

~~2.3 Fit for purpose and cost effective infrastructure that meets community needs~~

~~2.4 Natural environments and watercourses protected, conserved and enjoyed~~

~~2.5 Sustainable use of natural resources and minimisation of waste to address climate change~~

~~2.6 An empowered Council and Administration that is visionary and innovative in meeting community needs~~

~~2.1— Natural environments and watercourses protected and conserved.~~

~~— Sustainable use of water, energy and natural resources, and minimisation of waste to address climate change.~~

~~2.2— Adapt and support a resilient community in the face of climate change.~~

#### **2.3. Our Approach**

~~3.1 Manage and re-use stormwater where practicable, at a local, regional and sub-catchment scale to improve water quality, and reduce flooding impacts.~~

~~3.1—~~

~~3.2 Identify opportunities to minimise reliance on Reduce mains water use.~~

~~3.3 Promote safe, sustainable use of rainwater and recycled stormwater.~~

~~3.23.4 Look for opportunities to investigate and trial new technologies which assist in saving or re-using water.~~

#### **3.4. Legislative Requirements and Corporate Policy Context**

~~4.1 Development Act 1993~~

~~4.2 Environment Protection Act 1993~~

~~4.3 Environment Protection (Water Quality) Policy 2003~~

~~4.4 Local Government Act 1999~~

- [4.5 Native Vegetation Act 1991](#)
- [4.6 Natural Resources Management Act 2004](#)
- [4.7 Asset Management Policy](#)
- [4.8 Environment and Biodiversity Policy](#)
- [4.9 Footpath Policy](#)
- [4.10 Open Space Policy](#)
- [4.11 Streetscape Policy](#)
- [4.12 Tree Management Policy](#)
- [4.13 Watercourse Management Policy](#)

~~4. There are currently no mandated water sensitive urban design requirements in South Australia, but Actions listed in the State Government's water security Strategic Plan "Water for Good – A plan to secure our water security to 2050", propose a mandated regulatory approach and targets for water sensitive urban design implementation by 2025 and 205013.~~

## 5. Interpretation

5.1 For the purpose of this Policy:

5.1.1 "WSUD" means Water Sensitive Urban Design, defined as "an approach to urban planning and design that integrates the management of the total water cycle into the land use and development process" (Stormwater Strategy – The Future of Stormwater Management, Government of South Australia, 2011).

## 6. Policy

~~6.1 The purpose of this Policy is to guide the City of Burnside in the identification and adoption of water sensitive urban design opportunities, where technically, socially, economically and environmentally supported.~~

~~6.2.1 The following water sensitive urban design guiding principles are to be be addressed when implementing the City of Burnside's Water Sensitive Urban Design Policyapplied:~~

~~6.2.1.1~~ 6.2.1.1 Incorporate water resources management considerations as early as possible in land use and infrastructure planning processes;

~~6.2.2~~ 6.2.1.2 Address water resources management issues and conservation of biodiversity at the allotment, sub-catchment and catchment level;

~~6.2.3~~ 6.2.1.3 Ensure water management planning is precautionary and recognises inter-generational equity, conservation of biodiversity and ecological integrity;

~~6.2.4~~6.1.4 Recognise water as a valuable resource and ensure its protection, conservation and re-use;

~~6.2.5~~6.1.5 Recognise the need for site-specific solutions and ~~implement~~ consider appropriate non-structural solutions and/or or complementary treatments;

~~6.1.6~~ 6.1.6 Protect ecological and hydrological integrity; and

~~6.2.6~~ 6.2.6 —

~~6.2.7~~ 6.2.7 — Integrate good science and community values in decision making; and

~~6.1.7~~ 6.1.7 ~~Ensure equitable cost sharing.~~

6.2 These principles are in line with those developed by the Department of Environment, Water and Natural Resources (2013)<sup>1</sup>.

~~6.3~~ 6.3 —

### Grievances

~~Any grievances in relation to this Policy or its application should be forwarded in writing to the General Manager Urban Services, City of Burnside.~~

## 7. Review and Authority

7.1 This Policy will be reviewed ~~biennially~~ every two years ~~and in accordance~~ line with Council's Policies and Procedure protocols Framework.

7.2 Without changing the intent, a General Manager may waive or vary the requirements of this policy as needed to meet operational requirements.

## ~~7.~~ Availability

### 8.

~~6.48.1~~ 6.48.1 The Policy is available to be downloaded, free of charge, from Council's website [www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)

~~6.58.2~~ 6.58.2 The Policy will be available for inspection without charge at the Civic Centre during ordinary business hours and a copy may be purchased at a fee as set annually by Council.

City of Burnside Civic Centre;

401 Greenhill Road, Tusmore SA 5065

Telephone; 8366 4200

; Fax; 8366 4299;

Email; [burnside@burnside.sa.gov.au](mailto:burnside@burnside.sa.gov.au)

<sup>1</sup> Department of Environment, Water and Natural Resources (2013), "Water Sensitive Urban Design: Creating more liveable and water sensitive cities in South Australia"

Office hours: Monday to Friday, 8.30am to 5.00pm (except public holidays)

## **9. Further Information**

[For further information about this policy please contact:](#)

[City of Burnside](#)  
[401 Greenhill Road](#)  
[Tusmore SA 5065](#)  
[T. 08 8366 425700](#)

## Water Sensitive Urban Design

Classification:	Council Policy
Policy Name:	Water Sensitive Urban Design
First Issued / Approved:	27 September 2011, PHI 0064
Last Reviewed:	24 February 2015 C10062 12 September 2017
Next Review:	September 2019
ECM tracking number:	1317434
Responsible Officer:	General Manager Urban Services
Relevant Legislation:	Development Act 1993 Environment Protection Act 1993 Environment Protection (Water Quality) Policy 2003 Local Government Act 1999 Native Vegetation Act 1991 Natural Resources Management Act 2004
Related Policies:	Asset Management Policy Environment and Biodiversity Policy Footpath Policy Open Space Policy Streetscape Policy Tree Management Policy Watercourse Management Policy

### 1. Introduction

- 1.1 The purpose of this Policy is to promote the use of water sensitive urban design (WSUD), including stormwater re-use across relevant aspects of Council business.
- 1.2 Council recognises that adopting WSUD principles at a regional or local level can help reduce pollutants and water demand, as well as supporting the health of our City's trees and watercourses.

### 2. Strategic Plan Desired Outcomes

- 2.1 Environmentally sustainable development which complements the City's character
- 2.2 Sustainable, engaging, healthy and functional public spaces and streetscapes
- 2.3 Fit for purpose and cost effective infrastructure that meets community needs

- 2.4 Natural environments and watercourses protected, conserved and enjoyed
- 2.5 Sustainable use of natural resources and minimisation of waste to address climate change
- 2.6 An empowered Council and Administration that is visionary and innovative in meeting community needs

### **3. Our Approach**

- 3.1 Manage and re-use stormwater where practicable, to improve water quality, and reduce flooding impacts.
- 3.2 Identify opportunities to minimise reliance on mains water.
- 3.3 Promote safe, sustainable use of rainwater and recycled stormwater.
- 3.4 Look for opportunities to investigate and trial new technologies which assist in saving or re-using water.

### **4. Legislative Requirements and Corporate Policy Context**

- 4.1 Development Act 1993
- 4.2 Environment Protection Act 1993
- 4.3 Environment Protection (Water Quality) Policy 2003
- 4.4 Local Government Act 1999
- 4.5 Native Vegetation Act 1991
- 4.6 Natural Resources Management Act 2004
- 4.7 Asset Management Policy
- 4.8 Environment and Biodiversity Policy
- 4.9 Footpath Policy
- 4.10 Open Space Policy
- 4.11 Streetscape Policy
- 4.12 Tree Management Policy
- 4.13 Watercourse Management Policy

## 5. Interpretation

5.1 For the purpose of this Policy:

5.1.1 “WSUD” means Water Sensitive Urban Design, defined as “an approach to urban planning and design that integrates the management of the total water cycle into the land use and development process” (Stormwater Strategy – The Future of Stormwater Management, Government of South Australia, 2011)

## 6. Policy

6.1 The following water sensitive urban design guiding principles are to be applied:

- 6.1.1 Incorporate water resource management considerations as early as possible in land use and infrastructure planning processes;
- 6.1.2 Address water resources management issues and conservation of biodiversity at the allotment, sub-catchment and catchment level;
- 6.1.3 Ensure water management planning is precautionary and recognises inter-generational equity, conservation of biodiversity and ecological integrity;
- 6.1.4 Recognise water as a valuable resource and ensure its protection, conservation and re-use;
- 6.1.5 Recognise the need for site-specific solutions and consider appropriate non-structural solutions and/or or complementary treatments;
- 6.1.6 Protect ecological and hydrological integrity; and
- 6.1.7 Integrate good science and community values in decision making.

6.2 These principles are in line with those developed by the Department of Environment, Water and Natural Resources (2013)<sup>1</sup>.

## 7. Review and Authority

7.1 This Policy will be reviewed every two years in line with Council’s Policies and Protocols Framework.

7.2 Without changing the intent, a General Manager may waive or vary the requirements of this policy as needed to meet operational requirements.

## 8. Availability

8.1 The Policy is available to be downloaded, free of charge, from Council’s website [www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)

8.2 The Policy will be available for inspection without charge at the Civic Centre during ordinary business hours and a copy may be purchased at a fee as set annually by Council.

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<sup>1</sup> Department of Environment, Water and Natural Resources (2013), “Water Sensitive Urban Design: Creating more liveable and water sensitive cities in South Australia”

City of Burnside Civic Centre  
401 Greenhill Road, Tasmore SA 5065  
Telephone: 8366 4200  
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Email: [burnside@burnside.sa.gov.au](mailto:burnside@burnside.sa.gov.au)

Office hours: Monday to Friday, 8.30am to 5.00pm (except public holidays)

## **9. Further Information**

For further information about this policy please contact:

City of Burnside  
401 Greenhill Road  
Tasmore SA 5065  
T. 08 8366 4200

**Item No:** 14.10  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Ben Seamark – Coordinator Recreation and Environment  
Michelle Kennedy – Group Manager, Assets and Infrastructure  
**General Manager and Division:** Barry Cant – General Manager, Urban Services  
**Contact:** 8366 4263  
**Subject:** OPEN SPACE POLICY – REVIEW (OPERATIONAL)  
**Attachments:** A. Open Space Policy (tracked changed version)  
B. Open Space Policy (final copy)  
**Prev. Resolution:** C10238, 25/8/15  
C10059, 24/2/15  
F1732, 20/10/09  
A0128, 6/10/09

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### Officer's Recommendation

1. That the Report be received.
  2. That Council adopt the revised Open Space Policy.
- 

### Purpose

1. To provide Elected Members with a revised Open Space Policy for consideration and adoption.

### Strategic Plan

2. The following Strategic Plan provisions are relevant:

*“Conservation and enhancement of the historic character of the City”*

*“Environmentally sustainable development which complements the City's character”*

*“Sustainable, engaging, healthy and functional public spaces and streetscapes”*

*“High quality sport and recreational opportunities and facilities that foster healthy lifestyles”*

*“Fit for purpose and cost effective infrastructure that meets community needs”*

*“Natural environments and watercourses protected, conserved and enjoyed”*

*“Sustainable use of natural resources and minimisation of waste to address climate change”*

### **Communications/Consultation**

3. The following communication / consultation has been undertaken:
  - 3.1. Review and feedback provided by the Assets and Infrastructure Team.
  - 3.2. Review by Council's Management Team.
  - 3.3. Draft policy provided to Elected Members for comment through Info Docs.

### **Statutory**

4. The following legislation is relevant in this instance:

*Aboriginal Heritage Act 1988 (SA)*

*(Commonwealth) Environmental Protection and Biodiversity Conservation Act 1999*

*Development Act 1993 and Development Regulations 1993*

*Disability Services Act 1993*

*Heritage Places Act 1993*

*Local Government Act 1999*

*Native Vegetation Act 1991*

*Natural Resources Management Act 2004*

*Work Health Safety Act 2012*

*Eastern Health Authority Regional Public Health Plan*

### **Policy**

5. The following Council Policy is relevant in this instance:

*Open Space*

### **Risk Assessment**

6. The risk of the Policy not confirming with legislation / best practice and standards.

### **CEO Performance Indicators**

7. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

## Finance

8. There are no financial implications for the City of Burnside in respect to the recommendation.

## Discussion

### *Open Space Policy*

9. The purpose of Council's Open Space Policy is to provide guidance on the management of Council public open space land and facilities. It envisages these areas and facilities are used for both passive and active recreational, lifestyle and environmental opportunities which are safe; promote physical and mental health and social interaction.
10. The Policy aims to enhance landscape amenity and protect and enhance the natural and built open space network.
11. The main changes which have been made to the Policy are summarised below:
  - 11.1. Specifically listing 'remnant vegetation', waterways and significant trees as important aspects to conserve within open space;
  - 11.2. Inclusion of both environmental and social benefits that open space can provide to the City of Burnside;
  - 11.3. Inclusion of "private open space" as a contributor to the open space network;
  - 11.4. Updating the methods that City of Burnside will use to achieve the goals of the Policy ('Our approach' section);
  - 11.5. Removal of duplicated and outdated information;
  - 11.6. Revision to reflect updated strategic plan outcomes; and
  - 11.7. Update of legislative requirements and relevant corporate policies and plans.
12. A copy of the existing Policy with tracked changes, and the proposed new Policy are provided as Attachments A and B.
13. It is recommended that the revised Open Space Policy be adopted by Council.

## Open Space

Classification:	Council Policy
Policy Name:	Open Space
First Issued / Approved:	November 1994
Last Reviewed:	6 October 2009 A0128 / 20 October 2009 F1732 24 February 2015 C10059 25 August 2015, C10238 <a href="#">12 September 2017</a>
Next Review:	<del>August-September</del> 2019
ECM Tracking No.:	987884
Responsible Officer:	General Manager Urban Services
Relevant Legislation:	Aboriginal Heritage Act 1988 (SA) (Commonwealth) Environmental Protection and Biodiversity Conservation Act 1999 Development Act 1993 and Development Regulations 1993 Disability Services Act 1993 Heritage Places Act 1993 Local Government Act 1999 Native Vegetation Act 1991 Natural Resources Management Act 2004 Work Health Safety Act 2012 <a href="#">Eastern Health Authority Regional Public Health Plan</a>
Related Policies:	<a href="#">Aged Care</a> <a href="#">Arts, Culture, Heritage and Recreation Policy</a> Asset Management Plans <a href="#">Asset Management Policy</a> <a href="#">Bushfire Hazard Management Policy</a> <del><a href="#">Children Youth and Families</a></del> <a href="#">Community Engagement (Public Consultation) Policy</a> <a href="#">Community Gardens Policy</a> <del><a href="#">Community Grants</a></del> <a href="#">Environment and Biodiversity Policy</a> <a href="#">Hire of Community Open Space and Facilities Policy</a> <a href="#">Leasing and Licensing of Community Facilities Policy</a> <del><a href="#">Public Domain Streetscape Policy</a></del> <a href="#">Tree Management Policy</a> <a href="#">Water Sensitive Urban Design Policy</a> <a href="#">Watercourse Management Policy</a>

### 1. Introduction

- 1.1. This policy aims to provide guidance on the management ~~of the system~~ of Council [public](#) open space land and facilities, which provide a range of both passive and active recreational, lifestyle and environmental opportunities that are safe, promote physical and mental health and social interaction.

- 1.2. The implementation of the policy will aim to ~~achieve increases in land value;~~ enhance landscape amenity; and protect and enhance the natural and built open space ~~environment network~~.

## 2. Strategic Plan Desired Outcomes

~~1~~—Conservation and enhancement of the historic character of the City.

### 2.1.

- 2.2. Environmentally sustainable development which complements the City's character.

~~2.3. A range of high quality sport and recreational opportunities and facilities that foster healthy lifestyle pursuits.~~

2.3.—Sustainable, engaging, healthy and functional community public spaces and streetscapes.

2.4. High quality sport and recreational opportunities and facilities that foster healthy lifestyles.

~~2.4-2.5.~~ Fit for purpose and cost effective infrastructure that meets community needs.

2.6. Natural environments and watercourses protected, ~~and~~ conserved and enjoyed in both the Hills Face and the Plains.

~~2.5-2.7.~~ Sustainable use of natural resources and minimisation of waste to address climate change.

~~2.6-2.8.~~ —A safe community that values and supports its people. An effective transport network that supports safe and efficient movement, connecting people and places.

## 3. Our Approach

~~3.1. 3.1~~—Ensure public open space areas are accessible to all members of the community through integrated design of safe and effective transport networks.

3.2. Develop public open space areas to meet the existing and future recreational needs of a diverse community with a range of leisure, recreation and sporting facilities for people of all ages and abilities.

3.3. Develop and maintain open space areas that conserve City's built and natural heritage, including waterways, remnant vegetation and trees of significance.

- ~~3.1. Consider the strategic acquisition of land for open space purposes to accommodate a growing population. Support the protection of the City's built and natural heritage, including remnant vegetation, waterways and~~
- ~~— trees of significance.~~
- ~~3.2.~~
- ~~3.3. 3.2 Enhance the character, amenity, safety, and accessibility of the City through~~
- ~~3.4. — promoting sympathetic and sustainable development.~~
- ~~3.5. 3.3 Ensure public spaces meet the future needs of our community and provide for~~
- ~~3.6. — a variety of vibrant and inspirational opportunities, encouraging participation by — the community.~~
- ~~3.7. 3.4 Create and facilitate access to diverse leisure, recreation and sporting facilities~~
- ~~3.8. — and programs that are safe for people of all ages and abilities.~~
- ~~3.9. 3.5 Ensure that an accessible network of public spaces exists that responds~~
- ~~3.10. — to the needs of the community.~~
- ~~3.11. 3.6 Maintain and enhance streetscapes for improved amenity, character and~~
- ~~3.12. — environmental outcomes.~~
- ~~3.13. 3.7 . Consider the strategic acquisition of land for "Urban Forest" purposes.~~
- ~~3.14. 3.8 Design and plan for safe streets and public places which create a sense of~~
- ~~3.15.3.4. — pride and community.~~

#### 4. Legislative Requirements and Corporate Policy Context

- 4.1 The *Local Government Act 1999* ("the Act") introduced the concept of community land. Subject to exclusion from classification and revocation, Section 193 of the Act defines community land as "All local government land (except roads) that is owned by a council or under the council's care control and management". Nearly all [public](#) open space located within the City of Burnside is classified as community land and Council has accordingly prepared and adopted management plans for such land (referred to as Community Land Management Plans).
- 4.2 Under conditions prescribed in Chapter 11 – Land of the Act, Council is allowed to dispose of community land under community land revocation provisions in Sections outlined in Section 194 and 195.
- 4.3 Before considering disposing of community land for business or economic use Council must adhere to these provisions, specifically limiting Council's ability for a person to use community for business purposes as outlined in Section 200 of the Act.
- 4.4 These provisions only allow designated community land to be amalgamated with other parcels of land for continued community use without revocation of the community use land.

- 4.5 In any other case, Council must follow the provisions of public consultation in Section 197 and 198 of the Act before revocation of community land can be approved in readiness for the possibility of business use (Section 200) or disposal (Section 201).
- 4.6 The *Development Act 1993* does not require Council to submit a development application if the construction of a new building on open land does not exceed 30 square metres in total floor area, playground equipment or street furniture (including directional signs, lighting and seating).

## 5. Interpretation

- 5.1 For the purpose of this Policy:

5.1.1 -“Private open space” is land that is privately owned. This may include ownership by schools, residents or private organisations, and may consist of sports fields, or space around private houses / offices.

~~5.1.15~~.1.2 “Public Open space” is defined as land (Community Land) that is set aside and/or used for public (~~active or passive~~) recreation and/or possesses significant conservation value.

~~5.1.25~~.1.3 -“Recreation” is defined as activities that are undertaken for enjoyment in one’s free time, without the structure of competition and formal rules.

## 6. Policy

- 6.1 The City of Burnside believes that the public “open spaces” within of the City of Burnside contribute immeasurably to the wellbeing and lifestyle of its residents and the amenity of this City, by providing for:

6.1.1 a significant opportunity for “greening” of the district;

6.1.2 conservation and enhancement of habitat for birds and other wildlife;

6.1.3 environmental enhancement of degraded land;

6.1.4 conservation of the City’s natural and built heritage;

6.1.5 areas for the community to undertake a diverse range of recreational activities including organised sport, passive recreation and appreciation of nature; ~~and~~

6.1.6 the provision of spaces and opportunities that create positive psychosocial benefits through stress reduction, attention restoration, social cohesion and a perceived sense of safety;

6.1.7 appreciation and education of the environment;

6.1.8 opportunities to increase biodiversity and reduced landscape homogeneity;

~~6.1.56~~.1.9 environmental services such as carbon sequestration, noise reduction, air purification, reduction in soil degradation, erosion and stormwater run-off, and cooling the City;

~~6.1.6~~ provide a sense of tranquillity, and a source of inspiration and spiritual refreshment.

6.2 Private open space in the City provides similar greening, biodiversity and environmental benefits that public open spaces offer, while providing additional opportunities for the community to participate in leisure, recreational and sporting activities.

~~6.2.6.3~~ The policy ~~is and definitions are~~ underpinned by the following Guiding Principles:-

#### ***Preservation and Conservation***

~~6.2.4~~6.3.1 Open space should be retained and conserved in an environmentally sustainable manner to preserve the City's natural and cultural heritage for the enjoyment and benefit of current and future generations.

#### ***Aesthetic and Amenity Value***

~~6.2.2~~6.3.2 Open space should be valued for the sense of tranquillity it offers, for appreciation of nature, for visual relief in built up areas, and as a source of ~~inspiration and spiritual refreshment.~~ physical and mental wellbeing.

#### ***Provision of Diversity and Quality***

~~6.2.3~~6.3.3 The quality and range of open space setting (from formal playing fields to natural bushland) is the key to supporting an active and healthy community by encouraging participation in leisure, recreational and sporting activities. ~~ensuring increased and more satisfying leisure opportunities and enhanced amenity for residents and visitors.~~

#### ***Equity of Access***

~~6.2.4~~6.3.4 A range of diverse public open spaces should be accessible to all residents within the City of Burnside. This can be achieved through a safe and cohesive transport network. Ideally, open space and the benefits which are derived from open space should be evenly distributed and accessible to all in the City. In terms of proximity, a small local park with 500 metres of each house has been suggested as a goal.

#### ***Community Involvement***

~~6.2.5~~6.3.5 The City of Burnside acknowledges that ~~public ownership of~~ open space has been achieved through the foresight and generosity of Burnside's citizens, past and present, as well as strategic acquisition by ~~the~~ Council. Council recognises ~~that residents place a great deal of the importance on retention of the current network of~~ retaining the public open space network., ~~which is relatively accessible to the majority of residents.~~

~~6.2.6~~6.3.6 ~~Council~~ also recognises that ~~such~~ open space is held for the benefit of the community and ~~is~~ not ~~as as~~ an asset for disposal.

Accordingly the community should be involved in decisions regarding open space acquisition and disposal.

6.36.4 This policy aims to guide relevant areas of Council decision-making. In addition, Council will seek endorsement and application by other public agencies.

## 7. Key Policy Statements

- 7.1. Retain and develop existing public open space, and where possible increase the amount of expand Council-owned-public open space as defined in this policy within the City of Burnside.
- 7.2. Acquisition of land:
  - 7.2.1 To protect and enhance areas of high environmental conservation value and areas that are highly regarded and of great importance to the community;
  - 7.2.2 To improve diversity and quality of public open space;
  - 7.2.3 To improve equity of access. Although most City of Burnside residents are within easy walking distance of a park, garden, oval or reserve, a minority of areas are less well served with accessible open space. It is recognised that options for changes in a built-up area are limited (due to difficulty in finding suitable land and the high cost involved often difficult or highly expensive). However, alternatives to acquisition may include:
    - 7.2.3.14 Greening or enhancement of existing sites and streetscapes; and
    - 7.2.3.25 Investigating ways to improve improvement of access to open space in adjoining areas, or on land not owned or controlled by Council. For example, private open space owned by schools, Crown-owned land or open space located in a neighbouring Council area.
- 7.3. Link existing public open spaces in order to enhance the use, enjoyment and environmental benefits of present open space, for example, by creating people-focused trails or transport networks and allowing along creek lines, streets and reserves to improve accessibility and greenspace development of these areas-k lines to be accessed and rehabilitated.
- 7.4. Develop a regional planning approach to open space protection and enhancement including the through relevant planning initiatives such as the State Government Metropolitan Open Space System (MOSS), and potential new areas (i.e. not just the Hills Face Zone), in cooperation with State and Federal agencies and programs as well as community groups and initiatives (e.g. the Conservation Council SA, Comprehensive, adequate and representative reserve (CARR) system).
- 7.5. Investigate ways of preserving open space land located within the City of Burnside that is owned by the State or and Federal Governments, and is of open space value and within the City of Burnside, so it can be is retained as open space and is accessible to the protected and managed as community open space for the community.

- 7.6. Ensure the effective integration of this policy with all [relevant Council policies, as well as the policies of Council for example, the City of Burnside City Development Plan 2014 and Asset Management Plans.](#)
- 7.7. Maintain and annually review a record of open space in the City of Burnside, to be accessible to the public (Operational and Community Land Motion Register).
- 7.8. Adjustments to existing open space should only be undertaken to further the Open Space Principles, not for obtaining contributions to “general revenue”. Therefore any proceeds from the sale of open space (or granting of easements) should be placed in the Open Space Reserve Fund.
- 7.9. Compensation should be sought for easements over Council property [obtained gained in favour of by](#) Government Departments or statutory authorities except where the Chief Executive Officer is satisfied that the easement would not significantly affect the values of the property, or where the Chief Executive Officer is of the opinion that it would be inappropriate to seek compensation.
- 7.10. Ensure that adequate community consultation is undertaken if a proposal is presented to the Council to dispose of or exchange open space and the Council is prepared to contemplate such a proposal. The process shall follow the relevant section of the *Local Government Act 1999 (S194)* and comply with Council’s Community Engagement (Public Consultation) Policy before a Council decision is made to dispose of the land.
- 7.11. If Council decides to dispose of community land by following the provisions prescribed in Chapter 11 of the Act, it will apply disposal proceeds to other capital acquisitions, reinvested in community facility upgrades or hold these proceeds in a reserve fund established for [this specific purpose the future investment in community facility upgrades. Land disposal proceeds are strictly capital in nature and will not be used to offset recurrent operating expenditure by Council. Any disposal of community land will This action will be reported notified](#) to the community as part of the disposal process.
- ~~7.12. Land disposal proceeds are strictly capital in nature and will not be used to offset recurrent operating expenditure by Council.~~
- ~~7.13. Proceeds from the disposal of land originally purchased, or previously used, to generate economic development activity are also capital in a nature and shall be prioritised to;~~
- 7.12.
- 7.12.1 Fund other economic activity projects;
- 7.12.2 Fund cost reduction programs;
- 7.12.2
- 7.12.3 — ~~7.13.3~~ Fund capital works programs.
- 7.13 These activities and programs above shall not be recurrent in nature consistent with clause 7.1 ~~12.~~ in how land sale proceeds are utilised by Council.

## **8. Grievances**

8.1. Any grievances in relation to this Policy or its application should be forwarded in writing to the General Manager Urban Services, City of Burnside.

~~Any grievances in relation to this Policy or its application should be forwarded in writing to the General Manager Urban Services, City of Burnside.~~

## **9. Review and Authority**

9.1. This Policy will be reviewed ~~biennially every 2 years and~~ in accordance with Council's Policy and Procedure Framework.

~~7.14-9.2.~~ Without changing the intent, a General Manager may waive or vary requirements of this Policy as needed to meet operational requirements.

~~This Policy will be reviewed biennially and in accordance with Council's Policy and Procedure Framework.~~

~~The General Manager Urban Services may approve, waiver or vary requirements of this Policy as needed to meet operational requirements.~~

## **10. Availability**

10.1. The Policy is available to be downloaded, free of charge, from Council's website [www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)

10.2. The Policy will be available for inspection without charge at the Civic Centre during ordinary business hours and a copy may be purchased at a fee as set annually by Council.

~~7.15.—~~

~~The Policy is available to be downloaded, free of charge, from Council's website [www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)~~

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City of Burnside Civic Centre  
401 Greenhill Road, Tasmore SA 5065  
Telephone: 8366 4200  
Fax: 8366 420099  
Email: [burnside@burnside.sa.gov.au](mailto:burnside@burnside.sa.gov.au)

Office hours: Monday to Friday, 8.30am to 5.00pm (except public holidays)

## **11. Further Information**

[11.1. For further information about this policy please contact:](#)

~~For further information about this policy please contact:~~

City of Burnside  
401 Greenhill Road  
Tusmore SA 5065  
T [Telephone:- 08 8366 4200252](tel:083664200252)

## Open Space

Classification:	Council Policy
Policy Name:	Open Space
First Issued / Approved:	November 1994
Last Reviewed:	6 October 2009 A0128 / 20 October 2009 F1732 24 February 2015 C10059 25 August 2015, C10238 12 September 2017
Next Review:	September 2019
ECM Tracking No.:	987884
Responsible Officer:	General Manager Urban Services
Relevant Legislation:	Aboriginal Heritage Act 1988 (SA) (Commonwealth) Environmental Protection and Biodiversity Conservation Act 1999 Development Act 1993 and Development Regulations 1993 Disability Services Act 1993 Heritage Places Act 1993 Local Government Act 1999 Native Vegetation Act 1991 Natural Resources Management Act 2004 Work Health Safety Act 2012 Eastern Health Authority Regional Public Health Plan
Related Policies:	Arts, Culture, Heritage and Recreation Policy Asset Management Plans Asset Management Policy Bushfire Hazard Management Policy Community Engagement (Public Consultation) Policy Community Gardens Policy Environment and Biodiversity Policy Hire of Community Open Space and Facilities Policy Leasing and Licensing of Community Facilities Policy Streetscape Policy Tree Management Policy Water Sensitive Urban Design Policy Watercourse Management Policy

### 1. Introduction

- 1.1. This policy aims to provide guidance on the management of Council public open space land and facilities, which provide a range of both passive and active recreational, lifestyle and environmental opportunities that are safe, promote physical and mental health and social interaction.
- 1.2. The implementation of the policy will aim to enhance landscape amenity and protect and enhance the natural and built open space network.

## **2. Strategic Plan Desired Outcomes**

- 2.1 Conservation and enhancement of the historic character of the City.
- 2.2 Environmentally sustainable development which complements the City's character.
- 2.3 Sustainable, engaging, healthy and functional community public spaces and streetscapes.
- 2.4 High quality sport and recreational opportunities and facilities that foster healthy lifestyles.
- 2.5 Fit for purpose and cost effective infrastructure that meets community needs.
- 2.6 Natural environments and watercourses protected, conserved and enjoyed.
- 2.7 Sustainable use of natural resources and minimisation of waste to address climate change.
- 2.8 An effective transport network that supports safe and efficient movement, connecting people and places.

## **3. Our Approach**

- 3.1 Ensure public open space areas are accessible to all members of the community through integrated design of safe and effective transport networks.
- 3.2 Develop public open space areas to meet the existing and future recreational needs of a diverse community with a range of leisure, recreation and sporting facilities for people of all ages and abilities.
- 3.3 Develop and maintain open space areas that conserve City's built and natural heritage, including waterways, remnant vegetation and trees of significance.
- 3.4 Consider the strategic acquisition of land for open space purposes to accommodate a growing population.

## **4. Legislative Requirements and Corporate Policy Context**

- 4.1 The *Local Government Act 1999* ("the Act") introduced the concept of community land. Subject to exclusion from classification and revocation, Section 193 of the Act defines community land as "All local government land (except roads) that is owned by a council or under the council's care control and management". Nearly all public open space located within the City of Burnside is classified as community land and Council has accordingly prepared and adopted management plans for such land (referred to as Community Land Management Plans).
- 4.2 Under conditions prescribed in Chapter 11 – Land of the Act, Council is allowed to dispose of community land under community land revocation provisions in Sections outlined in Section 194 and 195.

- 4.3 Before considering disposing of community land for business or economic use Council must adhere to these provisions, specifically limiting Council's ability for a person to use community for business purposes as outlined in Section 200 of the Act.
- 4.4 These provisions only allow designated community land to be amalgamated with other parcels of land for continued community use without revocation of the community use land.
- 4.5 In any other case, Council must follow the provisions of public consultation in Section 197 and 198 of the Act before revocation of community land can be approved in readiness for the possibility of business use (Section 200) or disposal (Section 201).
- 4.6 The *Development Act 1993* does not require Council to submit a development application if the construction of a new building on open land does not exceed 30 square metres in total floor area, playground equipment or street furniture (including directional signs, lighting and seating).

## **5. Interpretation**

- 5.1 For the purpose of this Policy:
  - 5.1.1 "Private open space" is land that is privately owned. This may include ownership by schools, residents or private organisations, and may consist of sports fields, or space around private houses / offices.
  - 5.1.2 "Public open space" is defined as land (Community Land) that is set aside and/or used for public recreation and/or possesses significant conservation value.
  - 5.1.3 "Recreation" is defined as activities that are undertaken for enjoyment in one's free time, without the structure of competition and formal rules.

## **6. Policy**

- 6.1 The City of Burnside believes that the public open spaces within the City contribute immeasurably to the wellbeing and lifestyle of its residents and the amenity of this City, by providing for:
  - 6.1.1 a significant opportunity for "greening" of the district;
  - 6.1.2 conservation and enhancement of habitat for birds and other wildlife;
  - 6.1.3 environmental enhancement of degraded land;
  - 6.1.4 conservation of the City's natural and built heritage;
  - 6.1.5 areas for the community to undertake a diverse range of recreational activities including organised sport, passive recreation and appreciation of nature;

- 6.1.6 the provision of spaces and opportunities that create positive psychosocial benefits through stress reduction, attention restoration, social cohesion and a perceived sense of safety;
- 6.1.7 appreciation and education of the environment;
- 6.1.8 opportunities to increase biodiversity and reduced landscape homogeneity;
- 6.1.9 environmental services such as carbon sequestration, noise reduction, air purification, reduction in soil degradation, erosion and stormwater run-off, and cooling the City;
- 6.2 Private open space in the City provides similar greening, biodiversity and environmental benefits that public open spaces offer, while providing additional opportunities for the community to participate in leisure, recreational and sporting activities.
- 6.3 The policy is underpinned by the following Guiding Principles:

***Preservation and Conservation***

- 6.3.1 Open space should be retained and conserved in an environmentally sustainable manner to preserve the City's natural and cultural heritage for the enjoyment and benefit of current and future generations.

***Aesthetic and Amenity Value***

- 6.3.2 Open space should be valued for the sense of tranquillity it offers, for appreciation of nature, for visual relief in built up areas, and as a source of physical and mental wellbeing.

***Provision of Diversity and Quality***

- 6.3.3 The quality and range of open space setting (from formal playing fields to natural bushland) is the key to supporting an active and healthy community by encouraging participation in leisure, recreational and sporting activities.

***Equity of Access***

- 6.3.4 A range of diverse public open spaces should be accessible to all residents within the City of Burnside. This can be achieved through a safe and cohesive transport network.

***Community Involvement***

- 6.3.5 The City of Burnside acknowledges that open space has been achieved through the foresight and generosity of Burnside's citizens, past and present, as well as strategic acquisition by Council. Council recognises the importance on retaining the public open space network.
- 6.3.6 Council also recognises that open space is held for the benefit of the community and not as an asset for disposal. Accordingly the community

should be involved in decisions regarding open space acquisition and disposal.

- 6.4 This policy aims to guide relevant areas of Council decision-making. In addition, Council will seek endorsement and application by other public agencies.

## **7. Key Policy Statements**

- 7.1 Retain and develop existing public open space, and where possible increase the amount of public open space within the City of Burnside.
- 7.2 Acquisition of land:
- 7.2.1 To protect and enhance areas of high environmental conservation value and areas that are highly regarded and of great importance to the community;
- 7.2.2 To improve diversity and quality of public open space;
- 7.2.3 To improve equity of access. Although most City of Burnside residents are within easy walking distance of a park, garden, oval or reserve, a minority of areas are less well served with accessible open space. It is recognised that options for changes in a built-up area are limited due to difficulty in finding suitable land and the high cost involved. However, alternatives to acquisition may include:
- 7.2.3.1 Greening or enhancement of existing sites and streetscapes; and
- 7.2.3.2 Investigating ways to improve access to open space in adjoining areas or on land not owned or controlled by Council. For example, private open space owned by schools, Crown-owned land or open space located in a neighbouring Council area.
- 7.3 Link existing public open spaces in order to enhance the use, enjoyment and environmental benefits of open space, for example by creating people-focused trails or transport networks along creek lines, streets and reserves to improve accessibility and greenspace development of these areas.
- 7.4 Develop a regional planning approach to open space protection and enhancement through relevant planning initiatives such as the State Government Metropolitan Open Space System (MOSS).
- 7.5 Investigate ways of preserving open space land located within the City of Burnside that is owned by the State and Federal Government, so it is retained as open space and is accessible to the community.
- 7.6 Ensure the effective integration of this policy with all relevant Council policies, as well as the Burnside City Development Plan and Asset Management Plans.
- 7.7 Maintain and annually review a record of open space in the City of Burnside, to be accessible to the public (Operational and Community Land Motion Register).

- 7.8 Adjustments to existing open space should only be undertaken to further the Open Space Principles, not for obtaining contributions to “general revenue”. Therefore any proceeds from the sale of open space (or granting of easements) should be placed in the Open Space Reserve Fund.
- 7.9 Compensation should be sought for easements over Council property obtained by Government Departments or statutory authorities except where the Chief Executive Officer is satisfied that the easement would not significantly affect the values of the property, or where the Chief Executive Officer is of the opinion that it would be inappropriate to seek compensation.
- 7.10 Ensure that adequate community consultation is undertaken if a proposal is presented to the Council to dispose of or exchange open space and the Council is prepared to contemplate such a proposal. The process shall follow the relevant section of the *Local Government Act 1999 (S194)* and comply with Council’s Community Engagement (Public Consultation) Policy before a Council decision is made to dispose of the land.
- 7.11 If Council decides to dispose of community land by following the provisions prescribed in Chapter 11 of the Act, it will apply disposal proceeds to other capital acquisitions, reinvest in community facility upgrades or hold these proceeds in a reserve fund established for the future investment in community facility upgrades. Land disposal proceeds are strictly capital in nature and will not be used to offset recurrent operating expenditure by Council. Any disposal of community land will be reported to the community as part of the disposal process.
- 7.12 Proceeds from the disposal of land originally purchased or previously used to generate economic development activity are also capital in nature and shall be prioritised to:
- 7.12.1 Fund other economic activity projects;
  - 7.12.2 Fund cost reduction programs;
  - 7.12.3 Fund capital works programs.
- 7.13 The activities and programs above shall not be recurrent in nature consistent with clause 7.11 in how land sale proceeds are utilised by Council.

## **8. Grievances**

- 8.1 Any grievances in relation to this Policy or its application should be forwarded in writing to the General Manager Urban Services, City of Burnside.

## **9. Review and Authority**

- 9.1 This Policy will be reviewed every 2 years in accordance with Council’s Policy and Procedure Framework.
- 9.2 Without changing the intent, a General Manager may waive or vary requirements of this Policy as needed to meet operational requirements.

## 10. Availability

- 10.1 The Policy is available to be downloaded, free of charge, from Council's website [www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)
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## 11. Further Information

For further information about this policy please contact:

City of Burnside  
401 Greenhill Road  
Tusmore SA 5065  
Telephone: 08 8366 4200



**Item No:** 14.11  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Leonie Scriven – Group Manager, Community Connections  
**General Manager and Division:** Barry Cant – General Manager, Urban Services  
**Contact:** 8366 4143  
**Subject:** COMMUNITY GRANTS PROGRAM 2017/18 – ROUND 1 RECIPIENTS (OPERATIONAL)  
**Attachments:** A. Community Funding Policy  
 B. Recommended Funding Table  
**Prev. Resolution:** C10998, 24/1/17  
 C11338, 8/8/17

### Officer's Recommendation

1. That the Report be received.
2. That Council support the following allocation of funding for Community Grants (Round 1) applications to be applied in the 2017/18 financial year:

Organisation	2017/18 Amount Granted
Burnside Writers Group	\$500
Burnside Youth Concert Band	\$2,500
Telmena Brucko-Stempkowski	\$0
Adelaide Eastern Suburbs Justices Group	\$0
Clayton Wesley Unity Church	\$2,500
Dulwich, Rose Park and Toorak Gardens Neighbourhood Watch	\$500 (plus in-kind support and hire)
Linden Park Neighbourhood Watch	\$500
Old Ignations Soccer Club	\$0
Uniting Communities – Eastern Services (Low income Support)	\$0
Athletics SA	\$1,150
South Australian Athletic League Inc	\$1,000 (and hire fees)
Eastern Suburbs Cricket Club	\$0
Laughter Yoga	\$1,000
Wild Frontier Square Dance Club	\$1,000
Burnside Historical Society	\$2,211
Lebanese Community Advisory Centre	\$0
Burnside Legacy Widows Club	\$500

### Purpose

1. To provide Elected Members with a recommended allocation of community grants funding for Round 1 in the 2017/18 financial year for adoption, as proposed by the Community Grant Selection Panel following a review process.

## Strategic Plan

2. The following Strategic Plan provisions are relevant:

*“A vibrant and diverse community that has a strong sense of belonging”*

*“Encourage and support the sharing and celebration of cultural and social diversity through local events and programs”*

*“Provide opportunities for people to connect and interact locally”*

## Communications/Consultation

3. The following communication / consultation has been undertaken:

- 3.1. Information was placed on the Council website promoting that the application process had commenced and all previous applicants were notified of the grant round opening by email.
- 3.2. Telephone and face to face discussions provided information for community groups seeking more information or advice on submitting applications.
- 3.3. Discussions between members of the Community Grant Selection Panel 2017/18 which comprised of Mayor David Parkin, Councillors Davey, Monceaux and Wilkins.
- 3.4. A copy of the complete set of applications was made available to the Selection Panel which convened on the 25 August 2017 to make their decision which is presented in this report.
- 3.5. Letters will be sent to all applicants detailing the outcome of their applications and where applicable, an invitation to the Mayoral Reception.

## Statutory

4. There are no statutory implications or requirements associated with this recommendation.

## Policy

5. The following Council Policies are relevant in this instance:

*Community Funding Policy*

*Sponsorship and Donation Policy*

*Fees and Charges (Non Rates) – Waivers, Discounts and Subsidies Policy*

## Risk Assessment

6. There are no risks associated with the recommendation.

## CEO Performance Indicators

7. There are no impacts on or threats to achieving the CEO's Performance Indicators with this recommendation.

## Finance

8. A total annual budget of \$30,000 was allocated for the Community Grants Program in 2017/18. This budget is to cover two separate rounds of funding within the financial year.
9. Applicants may apply for a maximum of \$2,500 per project or event. The total requested funding of all applications for Round 1 in 2017/18 was \$31,242. The Selection Panel has recommended grant funding of \$13,361.
10. Any group that received funding last year and reapplied for funding in this round, had submitted satisfactory financial reconciliation acquittals and reports for their previous years grant funded projects or events.

## Discussion

### *Background*

11. Each year, the City of Burnside offers grants to the community to help fund community projects and events. The aim of community grants is to encourage, develop and support programs, services, facilities and projects of a health, recreational, social, environmental and community development nature, aimed at enabling City of Burnside residents to derive maximum benefit and quality of life.
12. The Community Funding Policy and Community Funding Guidelines provide directions to applicants in determining the eligibility and suitability of prospective community projects and events and guidance for decision making to the Selection Panel.
13. As outlined in the Community Funding Policy, applicants are required to use the funding within 12 months. Any unspent funds at the conclusion of the 12 months are to be returned to Council, unless otherwise negotiated. Community Grants are awarded to community groups/not-for-profit organisations up to \$2,500 per group and up to \$500 per individual.
14. Successful applicants must:
  - 14.1. submit a financial reconciliation and report on outcomes of the project by 30 June in the year following receipt of the Grant;
  - 14.2. acknowledge the City of Burnside in any publications or publicity; and
  - 14.3. if requested by the City of Burnside, the successful organisation should also be willing to make a representative available for publicity purposes either in the local media or in the a Council publication or other promotional material.

### *Analysis*

15. This report recommends the community grant recipients for the first of two Community Grants Program rounds. Council received in total 17 applications requesting

community grant funding. These applications were assessed by the Council appointed Selection Panel.

16. The Selection Panel assessed the applications against the Community Funding Policy (Attachment A) and has recommended that 11 applications be funded to a total funding value of \$13,361. Attachment B provides an overview of the applications, amounts requested and amounts suggested by the Selection Panel.
17. Six applications were recommended for no funding as they were ineligible against the Community Funding Policy. Further details on why each application was ineligible has been provided in Attachment B. Once Council makes its decision, any applicants that are unsuccessful will be contacted and advised as to the reason and will be supported to consider alternative applications that do meet the requirements, spirit and intent of the Community Grants program.

#### *Conclusion*

18. The Selection Panel recommends a total of \$13,361 be granted to the applicants for the projects or events requested as noted in Attachment B, in accordance with the applications received from those groups for the 2017/18 Community Grants Round 1.
19. It is recommended that a function be held at an appropriate time and place, where successful applicants may meet with the Mayor and Elected Members.

## Community Funding Policy

Classification:	Council Policy
Policy Name:	Community Funding Policy
First Issued / Approved:	May 2003 – see note below
Last Reviewed:	March 2017
Next Review:	March 2019
ECM tracking number:	
Responsible Officer:	General Manager Community & Development Services
Relevant Legislation:	<i>Local Government Act 1999</i>
Related Policies and Procedures:	<p>Arts, Culture, Heritage and Recreation Policy            Community Access, Inclusion and Participation Policy            Fees and Charges (Non Rates) – Waivers, Discounts and Subsidies Policy            Hire of Community Open Space and Facilities Policy            Sponsorship and Donation Policy            Be the Future of Burnside, Our Strategic Community Plan 2016-2026            Better Living Better Health, The Regional Public Health and Wellbeing Plan for the Eastern Heath Authority Constituent Councils 2014-2018            Community Development Strategy (Draft)            South Australian State Strategic Plan</p>
Note	<p>Policy previously called</p> <ul style="list-style-type: none"> <li>) Community Grants Policy              18 January 2011, C8075;              28 August 2012, C8842;              14 May 2013, C9159;              9 July 2013, C9274              8 April 2014, C9659</li> <li>) Community Grants Program Policy (14 July 2015, C10259)</li> </ul>

## 1. Introduction

- 1.1. The City of Burnside is a home to more than 44,000 individuals and hundreds of community organisations, striving to make City of Burnside a great place to live, work and play. Council recognises that the local community sector plays a vital role in empowering people to have an active role in shaping their own future and achieving their aspirations.
- 1.2. The Community Funding Policy outlines how Council provides funding to individuals and community organisations whose work in the community enriches the municipality and aligns with the strategic plan desired outcomes of the City of Burnside “Be the Future of Burnside” Our Community Plan 2016-2026.
- 1.3. This Policy provides:
  - 1.3.1. information on the four key programs governed by the Policy;
  - 1.3.2. a description of the community outcomes sought to be achieved through the mechanism of community funding;
  - 1.3.3. guidelines for eligibility for the different programs;
  - 1.3.4. a description of each program;
  - 1.3.5. an assessment processes and decision making matrix; and
  - 1.3.6. general terms and conditions for successful applicants.
- 1.4. It does not however include:
  - 1.4.1. the funding of sponsorship or donation which is governed by the Sponsorship and Donation Policy; or
  - 1.4.2. community facility hire fee subsidies, which is covered by the Fees and Charges (Non Rates) – Waivers, Discounts and Subsidies Policy; or
  - 1.4.3. the setting of the actual fees and charges for community facility hire which is done by the mechanism of the Fees and Charges Schedule, which is reviewed and adopted by the Elected Body of Council annually.
- 1.5. There will be four categories of Community Funding governed by this Policy. There is an annual budget for Community Grants and Community Quick Response Grants, but Council will need to provide funding for Major Grants and Strategic Partnership grants on through a case by case allocation or through the allocation of a budget during the Annual Business Plan and Budget review process.

## 2. Strategic Plan Desired Outcomes

- 2.1 A vibrant and diverse community that has a strong sense of belonging.
- 2.2 A range of high quality sport and recreational opportunities and facilities that foster healthy lifestyle pursuits.
- 2.3 Access to a range of education, health and support services that meet community needs and enhance lifestyles.

## 3. Our Approach

- 3.1 Encourage residents to participate in social, cultural, environmental, sporting and recreational activities.
- 3.2 Stimulate community initiative and cooperative projects.

- 3.3 Facilitate the provision of education, health and other support services to residents.

#### **4. Legislative requirements and corporate policy context**

- 4.2 Pursuant to the *Local Government Act, 1999* (“LGA”), Council’s role includes:
  - 4.2.1 encouraging and developing initiative within its community for improving the quality of life of the community (LGA, s.6).
  - 4.2.2 providing services and facilities that benefit its area, ratepayers, residents and visitors (including cultural or recreational services or facilities) and establishing or supporting organisations or programs that benefit people in its area or local government generally (LGA, s.7).

#### **5. Policy**

##### **5.1 Principles**

- 5.1.1 The Council recognises that developing social infrastructure is an important requirement to meet the needs, aspirations and the longer-term vision of the community.
- 5.1.2 The Community Funding Policy is a flexible mechanism to support and strengthen individuals, families and local organisations in our community and will assist in identifying their needs and developing solutions at a local level.
- 5.1.3 The Community Funding Policy represents a commitment by Council to the development of effective working partnerships with individuals and community groups in response to the key themes of Our Strategic Community Plan 2016-2026. Funded initiatives will complement The City of Burnside, Our Strategic Community Plan 2016-2026 and foster community capacity building and sustainable communities.
- 5.1.4 The Community Funding Policy has a focus on the people of the City of Burnside. Community strengthening principles underpin the approach taken to funding outcomes. These principles guide both how Council work with the community and the initiatives that will be prioritised for funding.
- 5.1.5 These principles include:
  - 5.1.5.1 asset based thinking and building on the strengths that exist within community;
  - 5.1.5.2 evidence based approach that acknowledges the needs and aspirations of our community;
  - 5.1.5.3 access and equity to ensure a socially inclusive community;
  - 5.1.5.4 collaborations and partnerships; and
  - 5.1.5.5 valuing the social, economic and environmental sustainability of our City.
- 5.1.6 In addition, Council is committed to the principles of:
  - 5.1.6.1 efficient and effective service and program delivery;
  - 5.1.6.2 transparency and accountability in decision making; and
  - 5.1.6.3 value for money and good governance.

## 5.2 Funding Objectives

- 5.2.1 In providing community funding, Council aims to achieve the following objectives.
  - 5.2.1.1 Provide a robust mechanism that allows Council to work with community to support shared outcomes.
  - 5.2.1.2 Provide the opportunity for community to identify and respond to local issues, concerns and priorities that link with Council priorities
  - 5.2.1.3 Build community capacity and empower the community to take an active role in improving their quality of life.
  - 5.2.1.4 Foster community involvement and participation; and
  - 5.2.1.5 Provide a cost effective means to deliver community outcomes.

## 5.3 Community Funding Outcomes

- 5.3.1 Council will consider proposals that can contribute to the following outcomes.
  - 5.3.1.1 **Connecting people to each other** - Connecting people to each other and increasing interaction within and between groups to create a connected community.
  - 5.3.1.2 **Connecting people to place** - Connecting people to place is concerned with ensuring that the Council and its neighbourhoods provide democratic, well designed, attractive and accessible places, infrastructure and spaces that nurture relationships and meet the diverse needs of all local residents, businesses and visitors. A critical issue is to create living and community spaces that provide residents with a sense of belonging.
  - 5.3.1.3 **Developing community strengths and capabilities** - Developing community strengths and capabilities is about Council and the community working together to build community capacity to improve the quality of life. Identify the many skills and strengths in the community and support people to participate in community life and assist people to use these skills in the design, delivery and to participate in community programs and activities.
  - 5.3.1.4 **Enlivening the arts and cultural life** - Healthy communities are underpinned by an expansive and diverse artistic and cultural life and by creative expression and innovation. Responding to the high level of interest, engagement and participation in the arts and cultural life of the City of Burnside community achieves multiple outcomes ranging from individual wellbeing to employment and economic development opportunities.
  - 5.3.1.5 **Promote and support health and wellbeing** - Health and wellbeing practices and initiatives in a community, support a happy and connected community. Promoting healthy living and facilitating access to healthy living programs for those who most need it are important to the City of Burnside community.
  - 5.3.1.6 **Providing lifelong learning opportunities** - Providing lifelong learning opportunities creates resilience, wellbeing, increased opportunities and a happier more connected community.

## 6 Community Funding Programs

### 6.1 Community Funding Policy Programs

6.1.1 The following diagram shows the programs governed by the Community Funding Policy, namely the:

6.1.1.1 Major Community Grants;

6.1.1.2 Strategic Community Partnerships (Major and Minor);

6.1.1.3 Community Grants; and

6.1.1.4 Community Quick Response Grants.

#### Community Funding

Multi-year Funding		Annual Funding	
<b>All year round</b>	<b>All year round</b>	<b>Two rounds</b>	<b>All year round</b>
<i>Negotiated value</i>	<i>Negotiated value above \$10,000 per year</i>	<i>Up to \$2,500 per year</i>	<i>Up to \$500 per year</i>
Major Community Grants	Strategic Community Partnerships (Major)	Community Grants	Community Quick Response Grants
	<i>Negotiated value at or up to \$10,000 per year</i>	Environment	Environment
	Strategic Community Partnerships (Minor)	Arts and Culture	Arts and Culture
		Community Development	Community Development
		Young Achievers	Young Achievers
		Youth Support	Youth Support
		Positive Ageing	Positive Ageing
		Health and Wellbeing	Health and Wellbeing
		History and Heritage	History and Heritage
		Event Support	Event Support

6.2 The specific conditions and processes of each community funding program within the Community Funding Policy are outlined within the respective Program Guidelines.

### 6.3 Eligibility

6.3.1 To be eligible for funding available within the Community Funding Policy, applicants must meet the following criteria:

6.3.1.1 Organisations must be; a not-for-profit constituted body such as an incorporated association, or sponsored or auspiced by a not-for-profit organisation, or a school.

6.3.1.2 Organisations must be located within, or offer a project within, the City of Burnside municipality.

6.3.1.3 Organisations and individuals must have fully acquitted previous completed applications and have no outstanding debts to the City of Burnside.

6.3.1.4 Individuals must be residents and or ratepayers of the City of Burnside, and/or meet the residential criteria for individual grant programs.

6.3.1.5 A particular project, event, activity or program will only be considered for one City of Burnside community funding program per financial year.

## 6.4 Multi-year Community Funding

6.4.1 Funding that is provided for longer than one year in term is considered, multi-year funding. A description of the characteristics of each mechanism, that being a Major Community Grant or a Strategic Community Partnership follows.

### 6.4.2 Major Community Grants

6.4.2.1 Council may at any time resolve to provide a Major Community Grant Program, where the value of the grant funding exceeds the amount provided through the Community Grants and is offered over more than one financial year.

6.4.2.2 Major Community Grants will be provided to a community group for time limited and project based activities that align to the community funding outcomes. Individuals are not eligible to apply.

6.4.2.3 Major Community Grants are intended to have an impact on multi-year development outcomes and must be informed by a strong evidence base of need and ideally add value or expand upon to the current Council services.

6.4.2.4 Major Community Grants are awarded to a negotiated value per application, dependent on category. Proportionately more will be awarded for categories of priority, which may vary year to year at the discretion of Council.

6.4.2.5 Community groups are eligible to apply for one major community grant per annum and may only hold one community grant at any one time. The same project can be funded for up to three years.

6.4.2.6 The awarding of funding is at the discretion of the Elected Body of Council and will require additional funding to be allocated to such purpose if there is no formal budget and call for Major Community Grants in that year.

6.4.2.7 Recipients will enter into an agreement with Council. The agreement will outline reporting requirements and a mutually agreed evaluation model that focusses on performance and outcome measures.

### 6.4.3 Strategic Community Partnerships

6.4.3.1 Strategic Community Partnerships is a process to fund community organisations to deliver Council identified initiatives. The partnerships need to be informed by a strong evidence base of need and ideally add value or expand upon to the current Council services.

6.4.3.2 Strategic Community Partnerships can be both opportunistic and responsive to partnership requests or deliberate and in response to Council strategic directions.

6.4.3.3 The partnerships are with sole providers or management identified strategic partners that Council is able to work with collaboratively to deliver community outcomes.

6.4.3.4 Council has no direct responsibility to deliver these initiatives. Strategic partners are identified to leverage opportunities to meet community needs and deliver on outcomes identified in Council strategic documents.

- 6.4.3.5 Strategic Community Partnerships are negotiated by Administration and approved by the CEO if the value of the partnership is at or up to \$10,000 per year (Minor) or approved by the Elected Body of Council if the value is over \$10,000 per year (Major).
- 6.4.3.6 The awarding of funding per project over \$10,000 per year is at the discretion of the Elected Body of Council and will require additional funding to the agreed negotiated value be allocated to such purpose if there is no formal budget and call for Strategic Community Partnerships in that year.
- 6.4.3.7 Strategic Community Partnerships (Major) have consistent reporting and contractual agreements. Recipients are required to enter into a funding agreement with Council that outlines reporting requirements and a mutually agreed evaluation framework that focusses on performance and outcome measures.
- 6.4.3.8 Recommendations on the term of the agreement for Strategic Community Partnerships will be made by Administration to the CEO (for Minor) or Elected Body of Council (for Major) as applicable taking into consideration the time required to have an impact on outcomes and the term of the strategic documents to which they align.

## 6.5 Annual Community Funding

- 6.5.1 An overview of the programs is provided below, with the detailed and specific requirements of each program available within their respective Program Guidelines that sit alongside this Policy.

### 6.5.1.1 Community Grants

- 6.5.1.1.1 Grants for time limited and project based activities that align to the community funding outcomes and are undertaken within a twelve month period from time of award.
- 6.5.1.1.2 Funding is provided through up to two application selection funding rounds per year. Rounds will generally open in July and December of the same financial year depending on budget availability.
- 6.5.1.1.3 A Selection Panel will be composed of an Elected Body of Council approved Selection Panel, composed of the Mayor and at least two Elected Members. The Selection Panel will recommend the successful applications to Council, who will determine the successful applications through a Council Resolution.
- 6.5.1.1.4 Applicants that apply in round one of a financial year and are unsuccessful may apply in round two of the same financial year, but should address any comments provided by the Selection Panel before resubmitting the application.
- 6.5.1.1.5 The Community Grants are awarded for community groups up to \$2,500 per group and for individuals up to \$500 per individual (ie for Young Achievers) in accordance with the categories of priority, which may vary year to year at the discretion of the Elected Body of Council. Applicants may also not receive the full amount

of funding requested. Successful applicants may only receive one Community Grant per year, including a “Quick Response” grant.

#### 6.5.1.1.6 **Categories of entry are:**

##### 6.5.1.1.6.1 Environment

Grants are provided for community garden projects, environmental awareness and education, sustainable living projects, activities and programs, such as habitat creation, waste minimisation, revegetation, composting and food security.

##### 6.5.1.1.6.2 Arts and Culture

Grants are provided for collaborative arts projects between artists and the community, cultural awareness programs, community art projects, support of training and development of individual artists and community groups.

##### 6.5.1.1.6.3 Community Development

Grants are provided for new projects and programs that foster community participation and increase social inclusion and for small equipment purchases for community groups that increases the ability of a group to deliver a service or program to the wider community

##### 6.5.1.1.6.4 Young Achievers

Grants are provided for local residents aged between 12 and 25 years, who have achieved excellence in sport, education, cultural or other eligible fields of endeavour and require assistance to represent South Australia or Australia in an interstate or overseas competition at a representative level. Maximum value is \$250.

##### 6.5.1.1.6.5 Youth Support

Grants are provided to support youth citizenship and leadership skills training and development. Applicants must be residents of the City of Burnside and are aged between 12 and 25 years of age at the time of the activity and must be free of commercial sponsorship. Does not apply to school or tertiary study costs.

##### 6.5.1.1.6.6 Positive Ageing

Grants are provided for community based social and recreational events and activities that aim to celebrate the achievements and contributions made by people of all ages, cultures and abilities to positive ageing in our local community.

#### 6.5.1.1.6.7 Health and Wellbeing

Grants are provided for community health and safety programs, promotion of healthy eating and access to healthy foods, programs that develop healthy lifestyles and wellbeing, innovative community recreation and physical activity programs.

#### 6.5.1.1.6.8 History and Heritage

Grants are provided for projects which raise community awareness of Burnside's rich history and which recognise and celebrate the diverse and much valued built, cultural and natural heritage of the district.

#### 6.5.1.1.6.9 Event Support

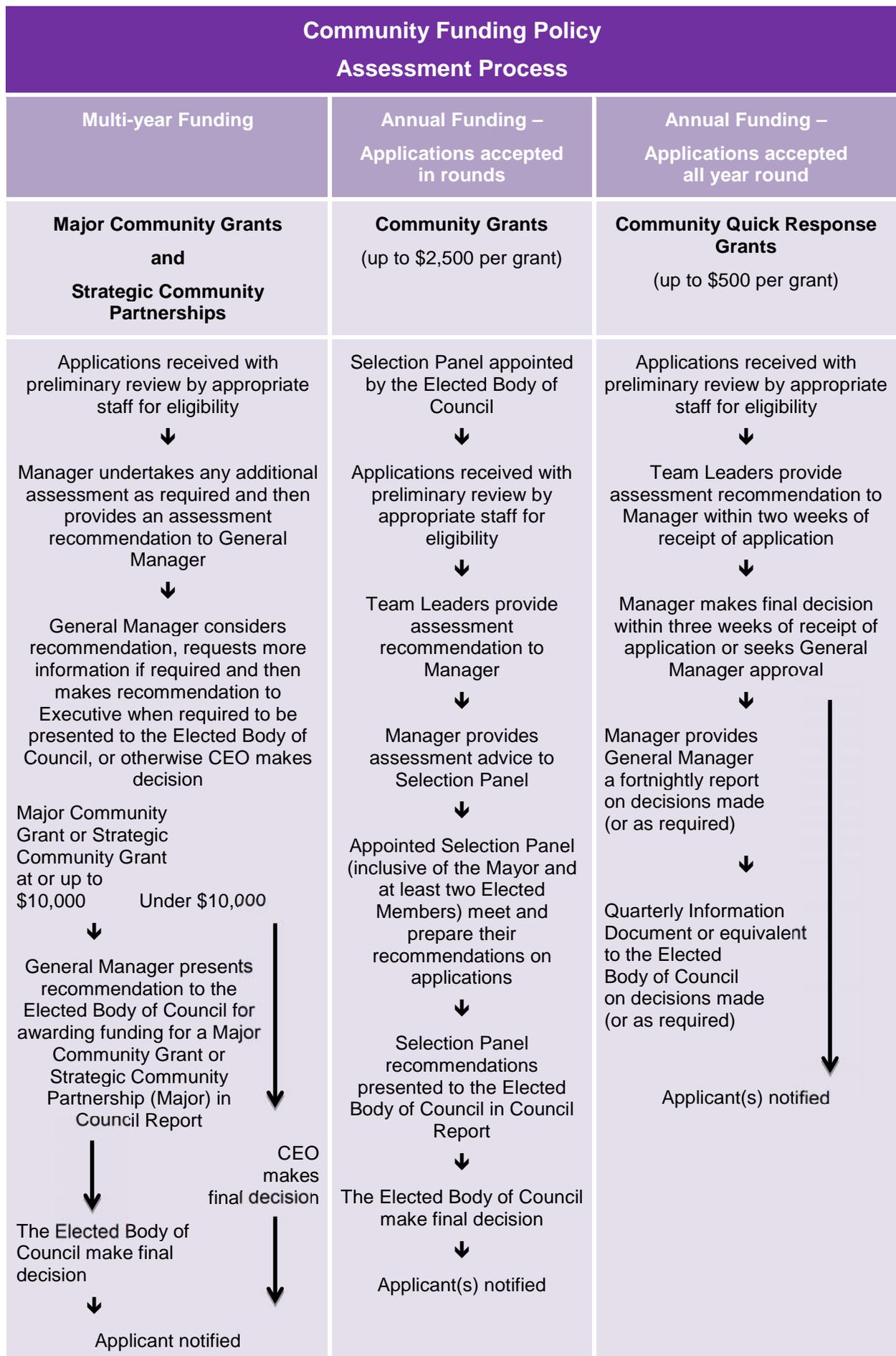
Grants in the form of monetary assistance and or in-kind support are provided for events that bring benefits to the community as well as economic benefits and increased visitors to the City of Burnside.

### **6.5.1.2 Community Quick Response Grants**

- 6.5.1.2.1 Grants for time limited and project based activities that align to the community funding outcomes and are undertaken within a twelve month period.
- 6.5.1.2.2 Funding is provided throughout the financial year, with an anticipated notification time of three weeks from receipt of application.
- 6.5.1.2.3 The Community Quick Response Grants is intended to be a fast approval form of the Community Grants. Applicants must still meet the requirements of the Community Grants, but approval for funding is being provided outside of the usual Community Grants program submission periods.
- 6.5.1.2.4 Applicants must state in their application, the reasons why the funding is being sought through the Quick Response Grants and not the Community Grants.
- 6.5.1.2.5 The Community Quick Response Grants are awarded up to the total value of \$500 per application and funding is sourced from the Community Grant budget.
- 6.5.1.2.6 These grants are open for submissions all year round until all funding has been allocated for that financial year. Once all budgeted funds have been awarded, a notice will be posted on the City of Burnside Website, which will alert potential applicants when applications will no longer be considered for funding through the Community Quick Response Grants for that financial year.

**6.6 Assessment Processes and Decision Making**

- 6.6.1 The following table provides an assessment and decision making process for the Community Funding Policy programs.
- 6.6.2 The details of the assessment criteria are specific to each program and are detailed within the program's respective Program Guidelines which work in conjunction with the Community Funding Policy.



## **7 General Terms and Conditions for Successful Applicants**

### **7.1 Funding Agreements**

- 7.1.1 Successful applicants will be required to execute a funding agreement that is appropriate and matches the level of funding provided.
- 7.1.2 Agreements will detail conditions of funding including:
  - 7.1.2.1 the programs/activities that the applicant has agreed to provide;
  - 7.1.2.2 the monitoring and reporting requirements; and
  - 7.1.2.3 the grant amount and payment schedule.
- 7.1.3 The Council will not provide successful applicants with funds until they have complied with all requirements, terms and conditions outlined in their funding agreements. An acquittal if payment is provided prior to the activity will be required by the specified due date.

### **7.2 Performance Management and Evaluation**

- 7.2.1 The evaluation and performance of each agreement will be measured against the Community Funding Outcomes and their associated measures. Funded organisations will reach agreement with the Council on the appropriate collection and reporting of data against each of the agreed outcomes and measures.
- 7.2.2 This evaluation and reporting process is to be reasonable and commensurate with the purpose and amount of funding as well as the capacity of the organisation receiving the funding.

### **7.3 Managing Performance and Risk**

- 7.3.1 The Council is committed to building the capacity of community organisations. As such, the Council adopts a developmental approach to risk management and performance issues for community funding purposes.
- 7.3.2 The Council will use monitoring and reporting arrangements to track the performance of organisations. Prevention and early intervention will be emphasised by building practical relationships with funded organisations to support them in the development of the skills and capacity to deliver programs. This approach aims to prevent performance challenges that could otherwise arise.
- 7.3.3 The Council may take corrective action when performance monitoring and reporting indicate that the funded organisation is failing to achieve the requirements outlined in funding agreements.

### **7.4 Reporting and Acquittals**

- 7.4.1 The reporting and acquittal arrangements will be recorded in the funding agreements and will match the level of funding provided.
- 7.4.2 The Council's interest in reporting is directly linked to its requirement to report on how public funds are spent and whether funded organisations have achieved what the Council aimed to achieve.
- 7.4.3 Whilst the Council is committed to minimising the administrative load on funded organisation, it is also committed to the collection of high quality and relevant data and communicating that back both to Council and to community the effective use of ratepayer funds.

## 7.5 Recognition Awards

- 7.5.1 Recognition Awards will be presented by the Mayor to all of the Community Funding recipients at a suitable Ceremony function.

## 7.6 Policy Evaluation

- 7.6.1 Two years after the commencement of this policy, the Council Administration will carry out an evaluation that will focus on:
- 7.6.1.1 the effectiveness of the policy as a whole in achieving outputs and outcomes aligned with City of Burnside priorities;
  - 7.6.1.2 the effectiveness of the operational processes and arrangements of the programs; and
  - 7.6.1.3 the efficiency of the management and administrative processes for the programs.
- 7.6.2 The results of this evaluation will be used to inform the review of the Community Funding Policy.

## 8 Grievances

- 8.1 Any grievances in relation to this Policy or its application should be forwarded in writing to the General Manager, Community and Development Services, City of Burnside.

## 9 Review and Authority

- 9.1 This Policy will be reviewed bi-annually in accordance with Council's Policy and Procedure Framework.
- 9.2 Without changing the intent, a General Manager may waive or vary the requirements of this policy as needed to meet operational requirements.

## 10 Availability

- 10.1 The Policy is available to be downloaded, free of charge, from Council's website [www.burnside.sa.gov.au](http://www.burnside.sa.gov.au) and/or may be inspected without charge at the Civic Centre during ordinary business hours. A copy may be purchased for a fee in accordance with Council's Fees and Charges Schedule.

City of Burnside Civic Centre  
401 Greenhill Road, Tasmore SA 5065

Telephone 8366 4200

Fax 8366 4299

Email [burnside@burnside.sa.gov.au](mailto:burnside@burnside.sa.gov.au)

Office hours: Monday to Friday, 8.30am to 5.00pm (except public holidays).

## 9. Further Information

For further information about this policy please contact:

Group Manager Community Connections  
City of Burnside  
401 Greenhill Road Tasmore SA 5065

Community Grants Applications 2017/18

ATTACHMENT B

Organisation	Group / Individual	Category	Brief Description	2017/18 Amount Requested	2017/18 Amount Granted	Panel Comments
<b>Burnside Writers Group</b>	Group	Arts & Culture	Produce an anthology of the work of the Burnside Writers Group	\$500	\$500	Supported
<b>Burnside Youth Concert Band</b>	Group	Arts & Culture	Equipment and promotion for Burnside Youth Concert Band's Cabaret Performance at Burnside Ballroom	\$2,500	\$2,500	Supported
<b>Telmena Brucko-Stempkowski</b>	Individual	Arts & Culture	Paint supply and use of council's fork lift to create a piece of art on the wall of a motel on Glen Osmond Road	\$500	\$0	Ineligible.  Not a Burnside resident, and project was for painting on a private property wall.
<b>Adelaide Eastern Suburbs Justices Group</b>	Group	Community Development	Waiver room hire fee at Glenunga Hub where meetings are held	in kind support to the value of \$360	\$0	Ineligible.  Ongoing hire (not a one-off event hire).  Advise applicant to

						seek subsidy against Fees and Charges Subsidy Policy.
<b>Clayton Wesley Unity Church</b>	Group	Community Development	Purchase chairs for Hope's Café	\$2,500	\$2,500	Supported
<b>Dulwich, Rose Park and Toorak Gardens Neighbourhood Watch</b>	Group	Community Development	Increase crime prevention awareness through community events and information sessions	\$850 + in kind support - free park hire and room hire (location not specified)	\$500 + in kind support - free park hire and room hire (location not specified)	Supported. Lesser amount recommended - All neighbourhood watch groups funded to same amount.
<b>Linden Park Neighbourhood Watch</b>	Group	Community Development	Annual National Neighbour's Day Event	\$500	\$500	Supported
<b>Old Ignations Soccer Club</b>	Group	Community Development	Honour-board to celebrate the achievements of the female soccer team	\$1,500	\$0	Not supported, should be self funded.
<b>Uniting Communities - Eastern Services (Low income Support)</b>	Group	Environment	Improvements to Community Garden - irrigation system	\$2,481	\$0	Ineligible. Capital purchase

						request.
<b>Athletics SA</b>	Group	Event Support	Annual Chambers Challenge Event	\$1,150	\$1,150	Supported
<b>South Australian Athletic League Inc</b>	Group	Event Support	Kensington Gift Racing Carnival Event	\$2,210 + field hire to the value of \$150	\$1,000 + field hire to the value of \$150	Supported but to lesser value than requested.
<b>Eastern Suburbs Cricket Club</b>	Group	Health & Wellbeing	Equipment for the U15 & U17 teams	\$2,500	\$0	Ineligible purchase request. Advise club to apply for different form of support.
<b>Laughter Yoga</b>	Group	Health & Wellbeing	Marketing and Advertising	\$1,000	\$1,000	Supported
<b>Wild Frontier Square Dance Club</b>	Group	Health & Wellbeing	Hall hire for dance classes to Morialta Uniting Church in Burnside	\$1,500	\$1,000	Supported but to lesser value than requested. Assist starting of program.
<b>Burnside Historical Society</b>	Group	History and Heritage	Production of quarterly newsletter and scanning and uploading past newsletters to the BHS website	\$2,211	\$2,211	Supported

<b>Lebanese Community Advisory Centre</b>	Group	Positive Ageing	Outings for older Lebanese Community	\$7,840	\$0	Ineligible request. Requested too much and not for the majority benefit of Burnside citizens.  Will be advised can hire Council bus.
<b>Burnside Legacy Widows Club</b>	Group	Positive Ageing	Educational and Recreational activities	\$500	\$500	Supported

**\$ 13,361**



**Item No:** 14.12  
**To:** Council  
**Date:** 12 September 2017  
**Author:** Magnus Heinrich – Group Manager, City Development and Safety  
**General Manager and Division:** Karishma Reynolds – Acting General Manager, Corporate Services  
**Contact:** 8366 4136  
**Subject:** APPOINTMENT OF COUNCIL ASSESSMENT PANEL  
INDEPENDENT MEMBERS (OPERATIONAL)  
**Attachments:** A. Submissions made by prospective members (provided under separate cover – confidential drop box)  
B. Draft CAP Terms of Reference  
C. Process for the election of Presiding Members, Committee Members and Board Appointments  
**Prev. Resolution:** C10119, 14/4/15  
C10243, 9/6/15  
C10248, 14/7/15  
C11266, 27/6/17

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### Officer's Recommendation

1. That the Report be received.
2. That pursuant to Section 83 of the *Planning, Development and Infrastructure Act 2016*, Council constitutes the City of Burnside Council Assessment Panel, effective from 1 October 2017.
3. That Mr Bill Chandler be appointed to the position of Presiding Member to the Council Assessment Panel.
4. That Mr Graeme Brown, Mr Ross Bateup and Mr Patrick Trainor be appointed as Independent Members to the Council Assessment Panel.
5. That the terms of the Independent Members be two years commencing 1 October 2017 and that Independent Members be subject to re-appointment by Council at the expiration of the term.
6. That following a secret ballot process, if required, and as identified in Attachment C of this report, an Elected Member and Deputy Elected Member be appointed to the Council Assessment Panel.
7. That Council appoints Cr..... as a Member and Cr..... as a Deputy Member to the Council Assessment Panel commencing 1 October 2017 and concluding at the end of the term of the current council.
8. That the Council adopt the Terms of Reference for the Council Assessment Panel contained in Attachment B.
9. That the remuneration for the Independent Members be set at \$600 per meeting for the Presiding Member, \$400 for the other Independent Members, and \$200 for the Council Elected Member and Deputy Council Elected Member and that a flat rate of \$150 be set for workshops for all Council Assessment Panel Members.

10. That the conditions of appointment of an Independent Member include the provision that the member must disclose his or her financial interests in accordance with Schedule 1 of the *Planning, Infrastructure and Development Act 2016*.
- 

### **Purpose**

1. The purpose of this report is to enable constitution of the City of Burnside's Council Assessment Panel (CAP), effective from 1 October 2017 and to facilitate the required appointments of a Presiding Member, the remaining three Independent Members, an Elected and Deputy Elected Member and to establish the Terms of Reference.

### **Strategic Plan**

2. The following Strategic Plan provisions are relevant:

*"Representation that is ethical, respectful, transparent, and instils confidence, reflecting the best interests and values of the community"*

*"Delivery of good governance in all Council business"*

### **Communications/Consultation**

3. The following communication / consultation has been undertaken:
  - 3.1 An advertisement was placed in the *Advertiser* earlier in 2017 calling for Expressions of Interest for the positions of Presiding Member and Independent Members on the City of Burnside Development Assessment Panel (DAP).
  - 3.2 An informal workshop was also scheduled on 22 August 2017 to discuss gender balance within the CAP. However, as this could not be undertaken due to timeframes, Elected Members were invited to e-mail their views out of session about gender balance requirements to Magnus Heinrich, Group Manager City Development and Safety.

### **Statutory**

4. The following legislation is relevant in this instance:

*Development Act 1993*

*Planning, Development and Infrastructure Act 2016*

### **Policy**

5. The following Council Policy is relevant in this instance:

*Development Delegations Policy*

## Risk Assessment

6. The appointment of inappropriately experienced or qualified Independent Members to the DAP puts Council at risk of increasing legal costs and poor public relations and reputation.

## CEO Performance Indicators

7. The following Key Performance Indicators may be impacted or be at threat as a result of the recommendation:
  - 7.1 As CEO take the lead role in coordinating and overseeing Burnside's responses to the implementation of the *Planning Development and Infrastructure Act 2016*.

## Finance

8. There is an existing budget for the payment of sitting fees for Members on the DAP. However, with the increase in fees proposed, there is likely to be a minor cost pressure on the Budget.
9. It is proposed to increase each of the sitting fee categories to ensure that the remuneration provided is relevant in the market place and similar to that provided by other Councils.

## Discussion

### Background

10. The new South Australian Planning legislation, the *Planning, Development and Infrastructure (PDI) Act 2016* has come into operation (in part).
11. It requires the abolition of Development Assessment Panels and replaces them with Council Assessment Panels.
12. The Council, at its meeting of 14 March 2017, resolved to appoint Mayor Parkin and Councillors Lemon, Bills and Davis to the Development Assessment Panel Selection Panel (DAPSP).
13. At that stage, the date of commencement of the CAP was unknown. However, it is now confirmed that the CAP will commence on 1 October 2017 and the recommendations from this Panel can now be applied to the CAP.
14. The purpose of the DAPSP was to shortlist applications for membership on the DAP, to undertake interviews of the shortlisted applicants and to make a recommendation to Council in relation to independent membership on the DAP.
15. The DAPSP has made a recommendation in relation to the four Members that should have been appointed to the DAP, and therefore could now be appointed to the new CAP.
16. The submissions of the prospective members have been re-circulated under confidential separate cover on 7 September 2017.

17. The recommendation from the DAPSP was presented to Council on 27 June 2017 where it was resolved (C112266);
  1. *That the Report be received.*
  2. *That pursuant to section 56A(4a) of the Development Act 1993, the current Independent Members of the Development Assessment Panel (DAP) continue as appointees of the DAP until 31 December 2017 or until the date of establishment of the Council Assessment Panel (CAP) by proclamation, whichever occurs first and at which time, the DAP will dissolve and cease to exist.*
  3. *That Council determines that the membership of the yet to be constituted CAP comprise five (5) Members, inclusive of four (4) Independent Members and one (1) Council Member.*
  4. *That the Administration convene an Elected Member Informal Gathering Session, in July 2017, to consider the current Council resolutions and existing legal framework around DAP Member selection, in respect to gender balance.*
  5. *That based on the outcomes of the Elected Member Informal Gathering Session, the Administration present a report and draft General Operating Procedures for the CAP with particular attention to DAP Member selection, in respect to gender balance.*
  6. *That the Administration advise the four candidates recommended by the Development Assessment Panel Selection Panel for appointment to the DAP, of the resolution.*
  7. *That the Administration advise the four existing Independent Members of the DAP of the resolution.*

#### *Council Assessment Panel*

18. The new Council Assessment Panel must be established and in operation from 1 October 2017.
19. In line with the above resolution, Council has resolved that the CAP is to be comprised of five Members, being four Independent Members and one Council Member. The Act allows a Council to appoint a deputy member(s) as member(s) that would serve on the CAP as 'proxies'.
20. It is recommended that the Council appoint a deputy Council Member to act on behalf of the primary Council member in case they are unavailable. This would afford another Elected Member the opportunity to participate as a Panel Member and ensure that there is Elected Member representation on the Panel at all times.

#### *Terms of Reference*

21. The Local Government Association (LGA) has provided proforma model Terms of Reference for CAPs.
22. The model Terms of Reference has been adapted to suit the City of Burnside and is attached to this report (Attachment B).

### *Operating Procedures*

23. The LGA has also developed model operating procedures for CAPs.
24. These will be analysed by Administration, adapted to the City of Burnside and presented for adoption by the CAP at its first meeting.

### *Code of Conduct*

25. The Department of Planning, Transport and Infrastructure (DPTI) has prepared a draft Code of Conduct that, when adopted, must be observed by all CAP Members.
26. The Code of Conduct is currently being refined and will be published on the SA Planning Portal by the Minister for Planning on or before 1 October 2017.
27. The Code contains some of the provisions in the existing Code that applies to DAP Members in addition to some provisions from the existing *Development Act 1993*.

### *The Selection Process of Independent Members*

28. Following a period of advertising, a total of 11 Expressions of Interest were received from both male and female candidates. Two of the applicants expressed a desire to be considered for the position of Presiding Member as well as Independent Member. A copy of all expressions of interest is provided in Attachment A (Information Document provided under separate confidential cover).
29. The DAPSP shortlisted nine candidates for interview, two of whom were also nominees for the position of Presiding Member.
30. The shortlisted candidates were interviewed by the DAPSP and were asked a series of questions to identify their strengths, leadership qualities, understanding of the *Development Act 1993* and *Development Regulations 2008*, the Council's Development Plan and knowledge of issues relating to the Council area.
31. Based on the interviews and Expressions of Interest, it was the unanimous recommendation of the DAPSP that Bill Chandler be appointed to the position of Presiding Member. This position was based on the qualifications of the candidate, the experience and understanding of the planning and development process and the quality of responses to interview questions.
32. It was also the unanimous recommendation of the DAPSP that Ross Bateup, Graeme Brown and Patrick Trainor be appointed as Independent Members to the DAP. This was also based on the qualifications of the candidates, their experience and understanding of the planning and development process and the quality of their responses to interview questions. The Panel considered the mix of skills and qualifications represented in this group to be the optimal arrangement.
33. The DAPSP believes that these recommendations represent a suitable balance of skills and experience. All four candidates are prepared to fulfil the role for a two year period in accordance with the terms as set by Council and the relevant legislation.
34. It is recommended that the four candidates be appointed to the new CAP.

### *Gender Balance*

35. At the 14 July 2015 Council Meeting, it was resolved (C10248):
  1. *That the Terms of Reference for Council's Development Assessment Panel be amended to require membership of the Panel to comprise:*
    - 1.1 *Up to three Council Members who are Elected Members of Council, including at least one woman and one man, as selected by the Elected Member body of Council; and*
    - 1.2 *At least four Independent members, one of whom shall be the Panel's Presiding member, including at least one woman and at least one man.*
  2. *That this change takes effect immediately following the next vacancy for one of the positions occupied by Independent members of the Panel.*
36. The resolution above related to the DAP and does not subject the CAP to the same requirements.
37. In addition, the PDI Act **does not** require a CAP to conform to any gender balance requirements.
38. However, in line with Council Resolution (C112266), an Elected Member Informal Gathering Session was to be held on 22 August 2017 with particular attention to CAP Member selection, in respect to gender balance.
39. As this did not eventuate due to timing reasons, Elected Members were invited by the Executive Officer to e-mail their views about gender balance requirements to Magnus Heinrich, Group Manager City Development and Safety.
40. Feedback from four Elected Members was received in response to this engagement process.
41. Two of the responses stated that gender balance criteria should not be forced or imposed as part of the appointment process, with decision being on merit alone.
42. One of the respondents stated that gender balance should be forced and that a quota be set.
43. A fourth response was received offering support to the views of a specified Elected Member; however, the specified Elected Member did not offer a view.
44. Given the feedback received and the proximity to the commencement date of 1 October, it is recommended that the four candidates recommended by the DAPSP on merit, be appointed.
45. Should the Council, despite the absence of majority feedback about gender balance, seek some balance, this can be achieved through the appointment of the Council Member and Deputy Member.

### *The Appointment Process for Council Member and Deputy Member*

46. Attachment C sets out the process for a secret ballot to appoint Elected Members to a Board or Committee.

47. It is proposed that the two person process is used to appoint the Council Member and the Deputy Council Member.

*Conclusion*

48. The new CAP must be established by 1 October 2017.
49. It is recommended that the Council appoints the four Independent Members based on the recommendation of the DAPSP.
50. It is also recommended that a secret ballot be undertaken to select one Council Member and one Deputy Council Member.

# City of Burnside Council Assessment Panel

## Terms of Reference

Adopted 12 September 2017

### 1. BACKGROUND

- 1.1 The City of Burnside Council Assessment Panel (**CAP**) was appointed as a relevant authority under Section 82 and 83 of the *Planning, Development and Infrastructure Act 2016 (Act)* by resolution of the City of Burnside (**the Council**) on 12 September 2017.
- 1.2 The CAP is a relevant authority under the Act and, during transition to the Act, will act as a delegate of the Council for the purpose of the *Development Act 1993*.

### 2. MEMBERSHIP OF CAP

#### Appointment of Members

- 2.1 The CAP will be constituted of five Members (**CAP Members**), to be appointed by the Council, comprising:
  - 2.1.1 one Member of the Council (**Council Member**); and
  - 2.1.2 four Independent Members (**Independent Members**), not being Members of the Council or State Parliament.
- 2.2 The Council may determine that the CAP will be constituted by a different number of members for different classes of development, in which case the relevant details will be specified by the Council.
- 2.3 When appointing CAP Members, the Council may have regard to the following:
  - 2.3.1 the candidate's knowledge of the operation and requirements of the Act and, during transition to the Act, the Development Act;
  - 2.3.2 in relation to Independent Members, the candidate's qualifications or experience in a field that is relevant to the activities of the CAP;
  - 2.3.3 in relation to the Council Member, the candidate's experience in local government;
  - 2.3.4 that a balance of qualifications and experience among CAP Members is desirable;

- 2.3.5 that gender diversity among CAP Members is desirable (but not essential); and
- 2.3.6 such other matters as the Council considers relevant.

### **Appointment of Deputy Members**

- 2.4 The Council may appoint at least one Deputy Member to the CAP for the purpose of filling in for a CAP Member who is unable to attend a CAP meeting or part of a CAP meeting.
- 2.5 Subject to clause 2.6, a Deputy Member must not be a Member of the Council or State Parliament.
- 2.6 Where a Deputy Member appointed for the Council Member is also a member of the Council, that person may not act as a deputy for any other CAP Member (whereas a Deputy Member who is not a member of the Council may act as a deputy for any CAP Member).
- 2.7 Where more than one Deputy Member is appointed, the Council must specify the circumstances in which each Deputy Members (or any one or more of them) will be invited to attend a CAP meeting.
- 2.8 In appointing a Deputy Member, the Council may have regard to the matters in clause 2.3, as well as to the qualifications and experience of the CAP Member or CAP Members to whom the candidate will be a deputy.
- 2.9 Unless the context otherwise requires, a reference to a CAP Member in this document includes a Deputy Member.

### **Presiding Member and Acting Presiding Member**

- 2.10 The Council will appoint an Independent Member to be the Presiding Member of the CAP for such term and on such conditions as determined by the Council.
- 2.11 The Presiding Member will preside at any CAP meeting at which he or she is present.
- 2.12 In the event that the Presiding Member is not present at a meeting (or part thereof) an Acting Presiding Member will be appointed by those CAP Members who are present at the meeting.
- 2.13 A Presiding Member is eligible to be reappointed as the Presiding Member at the expiry of his or her term of office as Presiding Member.
- 2.14 In the event that the Presiding Member resigns or is removed from office, the Council will appoint an Independent Member to be the Presiding Members for such term and on such conditions as determined by the Council.

### **Term of Appointment**

- 2.15 Subject to clause 5, Independent Members will be appointed for a term of up to two years and on such other conditions as determined by the Council.
- 2.16 Subject to clause 5, the Council Member will be appointed for a term of up to one year and on such other conditions as determined by the Council.
- 2.17 Deputy Members (if appointed) will be appointed for a term of up to two years and on such other conditions as determined by the Council.
- 2.18 A CAP Member is eligible for reappointment for a further term, or further terms, upon the expiry of his or her current term.
- 2.19 A CAP Member whose term of office has expired may nevertheless continue to act as a Member until the vacancy is filled or for a period of six months from the expiry of the Member's term of office, whichever occurs first.

### **3. VACANCY IN MEMBERSHIP**

- 3.1 In the event of a vacancy arising in the office of a CAP Member, the Council may appoint a person to be a CAP Member for the balance of the original CAP Member's term of office as soon as is reasonably practicable in the same manner as the original CAP Member was appointed.
- 3.2 The CAP Member appointed to fill a vacancy may be a Deputy Member in which case that person will automatically cease to be a Deputy Member.
- 3.3 In appointing a CAP Member pursuant to clause 3.1, the Council may have regard to the matters in clause 2.2 or 2.8 as the case requires.
- 3.4 A vacancy in the membership of the CAP will not invalidate any decisions of the CAP, provided a quorum is maintained during meetings.

### **4. CONDITIONS OF APPOINTMENT**

- 4.1 At all times, CAP Members must act honestly, lawfully, in good faith, and in accordance with any code of conduct applicable to CAP Members.
- 4.2 CAP Members may be remunerated as determined by the Council for the reasonable time and costs incurred by CAP Members in attending CAP meetings.
- 4.3 Different levels of remuneration may be fixed by the Council for Independent Members, the Council Member, the Presiding Member and Deputy Members.

- 4.4 Upon the commencement of Section 83(1)(c) of the Act:
  - 4.4.1 CAP Members, excluding a Member who is a Member or former Member of the Council, must be accredited professionals under the Act; and
  - 4.4.2 CAP Members who are Members or former Members of the Council must have sufficient experience in local government to satisfy the Council that they are appropriately qualified to act as a Member of the CAP.

## 5. **REMOVAL FROM OFFICE**

- 5.1 A CAP Member will automatically lose office where:
  - 5.1.1 the CAP Member has become bankrupt or has applied to take the benefit of a law for the relief of insolvent debtors;
  - 5.1.2 the CAP Member has been convicted of an indictable offence punishable by imprisonment;
  - 5.1.3 in the case of a Council Member, the Member ceases to be a member of the Council.
- 5.2 Subject to Clause 5.4, the Council may by resolution remove a CAP Member from office where, in the opinion of the Council, the behaviour of the CAP Member amounts to:
  - 5.2.1 a breach of a condition of his or her appointment as a CAP Member;
  - 5.2.2 misconduct;
  - 5.2.3 a breach of any legislative obligation or duty of a CAP Member;
  - 5.2.4 neglect of duty in attending to role and responsibilities as a CAP Member;
  - 5.2.5 a failure to carry out satisfactorily the duties of his or her office;
  - 5.2.6 a breach of fiduciary duty that arises by virtue of his or her office;
  - 5.2.7 inability to carry out satisfactorily the duties of his or her office.
  - 5.2.8 except in relation to Deputy Members, a failure without reasonable excuse to attend three consecutive CAP meetings without the CAP previously having resolved to grant a leave of absence to the CAP Member; or
  - 5.2.9 in relation to a Deputy Member, a failure without reasonable excuse on three consecutive occasions to attend a meeting of the CAP when requested to do so; or

- 5.2.10 for any other reason the Council considers appropriate.
- 5.3 The removal of the CAP Member pursuant to clause 5.2 will take effect upon the Council passing a resolution to remove the CAP Member from office (unless the Council resolves otherwise), and such resolution will be confirmed in writing to the CAP Member within 7 days of being passed.
- 5.4 Prior to resolving to remove a CAP Member from office pursuant to clause 5.2, the Council must:
  - 5.4.1 give written notice to the CAP Member of:
    - 5.4.1.1 its intention to remove the CAP Member from office pursuant to clause 5.2; and
    - 5.4.1.2 the alleged behaviour of the CAP Member falling within clause 5.2.1 or reason the Council considers it appropriate to remove the CAP Member,  
  
not less than 7 days before the meeting of the Council at which the matter is to be considered;
  - 5.4.2 give the CAP Member an opportunity to make submissions to the Council on its intention to remove the CAP Member from office either orally at the Council meeting at which the matter is to be considered, or in writing by such date as the Council reasonably determines; and
  - 5.4.3 have due regard to the CAP Member's submission in determining whether to remove the CAP Member from office.

## Process for voting on Board Appointments

1. The procedure for Council Appointments is outlined in Council's 'Code of Practice – Meetings and Documents – Access and Procedures'.
2. The process for voting on Board members will be performed the same as for Council Appointments as outlined in the Code of Practice.
3. The following relevant section has been extracted from the Code of Practice:

*7.6.15.1 The process for determining a Council appointment to a particular position is as follows:*

*7.6.15.1.1 Each appointment is by way of a resolution of Council confirming the results of an election and is for such term as the Council resolves.*

*7.6.15.1.2 The method of voting is by secret ballot.*

*7.6.15.1.3 Nominations will be called for the position/s to be filled.*

*7.6.15.1.4 Nominees must give a brief explanation (maximum five minutes) as to why they are nominating and the skills, qualifications and experience they bring to the position.*

*7.6.15.1.5 Each Meeting Member (including the Presiding Member) has one vote.*

*7.6.15.1.6 In the event of two candidates being nominated for a position, the method of voting will be the first past the post majority vote. In the event of three or more candidates nominated for a position, the method of voting will be bottom up lowest vote elimination until two candidates remain.*

*7.6.15.1.7 In the event of a tie the matter be decided by drawing of lots, the candidate first drawn being the candidate excluded.<sup>1</sup>*

*7.6.15.1.8 Meeting Members absent from the meeting may nominate for a position in writing/email in advance to the CEO to have their nomination recognised, providing text for their brief explanation.*

*7.6.15.1.9 The ballot papers from each secret ballot will be returned to the Administration for filing.*

<sup>1</sup> *Local Government Act 1999, Section 51(8); "If a person is to be chosen by the members of the council to fill an office under this section and the votes for two or more candidates for the office are equal, lots must be drawn to determine which candidate or candidates will be excluded."*

4. In the event that there are multiple positions available carrying equal weightings, the appointments will be made as follows:

4.1. The appointment is by way of election by Council Members.

- 4.2. The method of indicative voting for election will be by secret ballot of Council Members.
- 4.3. In the event of (*number of available positions+1*) candidates being nominated for a position, the method of voting will be first (*number of available positions*) past the post majority vote.
- 4.4. In the event of (**greater than number of available positions + 1**) candidates nominated for positions, the method of voting will be bottom up lowest vote elimination until (*number of available positions + 1*) candidates remain and then first past the post majority vote occurs.
- 4.5. That in the event of a tie in any round the matter be decided by drawing of lots, the candidate first drawn being the candidate excluded.<sup>1</sup>
- 4.6. Each Council Member will be asked to write (the number of available positions) different names on the ballot paper for each round of voting. Each name represents one vote.
- 4.7. Voting will continue until (number of available positions) candidates remain.
- 4.8. All remaining candidates matching the number of available positions will then be put into the one motion to be voted upon

<sup>1</sup> *Local Government Act 1999*, Section 51(8); "If a person is to be chosen by the members of the council to fill an office under this section and the votes for two or more candidates for the office are equal, lots must be drawn to determine which candidate or candidates will be excluded."

5. During all secret ballots and any formal motion, any Elected Members with a Conflict of Interest that attracts the Material Conflict of Interest provisions cannot remain in the Chamber and be part of the discussion, debate, indicative voting or formal voting on the matter.
6. Where the appointment to a Board will result in the appointee having a Material Conflict of Interest, the Conflict of Interest provisions operate to require the Council member who is to be nominated by the motion, to declare their interest and to remove themselves from the Chamber as required in accordance with section 74(1) of the *Local Government Act 1999*.
7. Where the appointment to a Board will result in an Elected Member having an Actual or Perceived Conflict of Interest that attracts the Actual or Perceived Conflict of Interest provisions the Elected Member will need to declare and deal with the conflict in accordance with section 75A of the *Local Government Act 1999*.
8. The Administration will perform the following procedures:
  - 8.1. A separate Tally Sheet will be kept for each vote and will be signed by the CEO.
  - 8.2. Each Elected Member will be handed a voting paper for each round of voting. Tallying of votes will commence once confirmation of the number of voting papers equaling the number of Elected Members within the Chamber at that time.

8.3. All voting material including the ballot papers and tally sheets will be retained for a period of 12 months and then discarded (*Local Government Elections Act s56*).

### Example for the voting for Board Appointments

Below is an example of determination of the voting for **two** members to a Committee (in this case being the Council Member and Deputy Council Member).

Candidates A, B, C, D and E have been nominated.

Each Elected Member places one name onto the voting papers for each round of voting. Each written name counts as one vote.

A series of secret ballots return the following results.

Candidate	Round 1 votes	Round 2 votes	Round 3 votes	Round 4 votes
<b>A</b>	3	1	-	-
<b>B</b>	4	5	5	3
<b>C</b>	2	1	1	-
<b>D</b>	1	-	-	-
<b>E</b>	3	6	7	10
<b>Result</b>	<p>Candidate D has the lowest votes so is eliminated.</p> <p>Candidates A, B, C and E remain in the contest.</p>	<p>Candidate A and C have the lowest number of votes.</p> <p>Both candidates' names are put into a hat.</p> <p>The first one drawn is eliminated (for example A, leaving candidates B, C and E to remain in the contest.</p>	<p>Candidate C has the lowest votes so is eliminated.</p> <p>Candidates B and E remain in the contest.</p>	<p>With only two candidates remaining the first one past the post is the Council Member.</p> <p>The other candidate will be the Deputy Member.</p> <p>Candidate E has the most votes and wins the role of "Council Member".</p> <p>Candidate B has the lowest votes and wins the role of "Deputy Council Member".</p>



## **EASTERN HEALTH AUTHORITY AUDIT COMMITTEE**

Minutes of the Audit Committee meeting held at the EHA's offices at 101 Payneham Road, St Peters on Wednesday 16 August 2017 commencing at 5:30pm.

### **MEMBERS PRESENT:**

Lisa Scinto  
Claudia Goldsmith

### **In attendance:**

M Livori, Chief Executive Officer  
N Conci, Team Leader - Environmental Health  
N Bevitt, Team Leader – Administration and Immunisation  
Samantha Allard, Partner - Dean Newbery and Partners

### **Presiding Member Remarks:**

Lisa Scinto welcomed Samantha Allard, Partner – Dean Newbery and Partners to the meeting.

### **Opening**

Meeting opened at 5:32pm

### **Apologies**

Cr Talis Evans

### **Confirmation of Minutes**

Claudia Goldsmith moved:

That:

The minutes of the Audit Committee meeting held on 24 May 2017 be taken as read and confirmed.

Seconded by: L Scinto

**CARRIED UNANIMOUSLY 1: 082017**

### **Reports**

#### **5.1 DRAFT GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

Claudia Goldsmith moved:

That:

1. The Draft General Purpose Financial Statements for the Year ending 30 June 2017 Report is noted.

2. The Committee is satisfied that the 2016/2017 draft statements present fairly the state of affairs of the organisation.
3. The 2016/2017 final audited statements are presented to the Board of Management.
4. The Chair of the Audit Committee is authorised to sign a statement to certify the independence of the external auditors.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 2: 082017**

## **5.2 REPORT ON FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2017**

Claudia Goldsmith moved:

That:

The report on Financial Results for the Year Ending 30 June 2017 is received.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 3: 082017**

## **5.3 ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2017/2018**

Claudia Goldsmith moved:

That:

The Eastern Health Authority Annual Business Plan and Budgeted Financial Statements for 2017/2018 report is received.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 4: 082017**

**5.4 FIRST ATTENDANCE OF AUDITOR FOR EXTERNAL AUDIT MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2017**

Claudia Goldsmith moved:

That:

The report regarding the first attendance in relation to the External Audit Management Report for the year ending 30 June 2017 is received.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 5: 082017**

**5.5 LONG TERM FINANCIAL PLAN 2013-2023 REVISED FINANCIAL ESTIMATES**

Claudia Goldsmith moved:

That:

1. Long Term Financial Plan 2013-2023 revised financial estimates report is received.
2. The Long Term Financial Plan 2013-2023 revised financial estimates are presented to the Board of Management for consideration.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 6: 082017**

**Closure of Meeting**

Presiding member, Lisa Scinto, declared the meeting closed at 6.39pm.





# Board of Management

30 August 2017



local councils working together to protect the health of the community





**EASTERN HEALTH AUTHORITY  
BOARD OF MANAGEMENT MEETING**

**WEDNESDAY – 30 August 2017**

Notice is hereby given that a meeting of the Board of Management of the Eastern Health Authority will be held at the EHA Offices, **101 Payneham Road, St Peters** on Wednesday 30 August 2017 commencing at 6.30 pm.

A light meal will be served at 6.00 pm.

**MICHAEL LIVORI  
CHIEF EXECUTIVE OFFICER**



# AGENDA

## EASTERN HEALTH AUTHORITY BOARD OF MANAGEMENT MEETING

WEDNESDAY – 30 August 2017

Commencing at 6.30 pm

- 1 Opening
- 2 Apologies
- 3 Chairperson's remarks
- 4 Confirmation of minutes – 28 June 2017
- 5 Matters arising from the minutes

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## **6.1 FIRST ATTENDANCE OF AUDITOR FOR EXTERNAL AUDIT MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2017**

Author: Michael Livori  
Ref: AF11/41

### **Summary**

Correspondence relating to the first audit attendance in relation to the External Audit for the financial year ending 30 June 2017 has been received from Eastern Health Authority's (EHA) external auditors Dean Newbery and Partners and a copy of the letter is attachment 1 to this report.

### **Report**

During this audit visit the auditor's key area of focus were as follows:

- General Ledger Reconciliations
- General Journals review
- Revenue Transaction testing
- Accounts Payable transaction testing and internal controls review
- Procurement Practices – specifically if goods and services are being procured in accordance with the adopted policy
- Credit Card transaction testing
- Payroll transaction testing and internal controls review (including of review of employee personnel files, employee entitlements etc.)
- Discussions surrounding the data capture of Related Party Disclosures (AASB 124 new accounting standard applicable this year)
- Review of Budget to Actual Information

The Auditors were pleased to note that there were no material matters that require further attention as a result of testing completed.

During the audit visit the new requirements under Australian Accounting Standard (AASB) 124 Related Party Disclosures were discussed with EHA Administration. The new requirements under this standard are in effect as from 1 July 2016 (i.e. as from the commencement of the 2016/2017 financial year). The disclosures now form part of EHA's 2016/2017 Financial Statements.

In accordance with the Audit Committee Terms of Reference the External Audit Management letter should be considered by the Audit Committee. Any recommendations contained within the letter should be monitored by the committee to ensure that they are appropriately considered and managed. The correspondence was presented and considered by the Audit Committee at its meeting held on 16 August 2017.

### **RECOMMENDATION**

That:

The report regarding the first attendance in relation to the External Audit Management Report for the year ending 30 June 2017 is received.

23 June 2017

Cr Sue Whittington  
Chairperson  
Eastern Health Authority Inc  
PO Box 275  
**STEPNEY SA 5069**

Dear Councillor Whittington

**RE: External Audit Management Letter - Financial Year Ending 30 June 2017**

Our audit team recently undertook a site visit in relation to the external audit of Eastern Health Authority Inc. (EHA).

This letter has been prepared to comply with Australian Auditing Standard (ASA) 260 Communication with Those Charged with Governance and ASA 265 Communicating Deficiencies in Internal Controls to Those Charged with Governance and Management.

During this audit visit the area of focus were as follows;

- General Ledger Reconciliations
- General Journals review
- Revenue Transaction testing
- Accounts Payable transaction testing and internal controls review
- Procurement Practices – specifically if goods and services are being procured in accordance with the adopted policy.
- Credit Card transaction testing
- Payroll transaction testing and internal controls review (including of review of employee personnel files, employee entitlements etc.)
- Discussions surrounding the data capture of Related Party Disclosures (AASB 124 new accounting standard applicable this year).
- Review of Budget to Actual Information

We are pleased to note that there were no material matters that require further attention as a result of our testing completed. Further sample transaction testing will be undertaken during future audit attendances.

At During the audit visit it was discussed with the EHA Administration the new requirements under Australian Accounting Standard (AASB) 124 Related Party Disclosures. The new requirements under this standard are in effect as from 1 July 2016 (i.e. as from the commencement of the 2016/17 financial year).

It is important all related party disclosures are firstly correctly assessed and recorded by EHA (to ensure conformity with the new requirements under the new Standard) so that proper disclosures can be made as required in EHA's 2016/17 Financial Statements.

To assist EHA's Administration in complying with the new requirements, we recommend a specific form is developed and provided to all Board Members, the Chief Executive Officer and any employees who are deemed Key Management Personnel (KMP). The form should record all transactions and arrangements in which any related party transactions (as per the AASB standard requirements) have occurred.

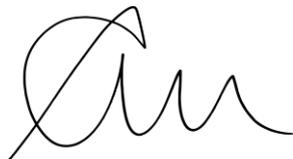
Adequate training and information should be provided to all applicable persons to ensure they are aware of these new requirements and how to appropriately complete these forms.

At the conclusion of future audit attendances, we will again provide a summary of the work undertaken and any findings for your consideration and attention.

Please do not hesitate to contact us on 8267 4777 or [sam@deannewbery.com.au](mailto:sam@deannewbery.com.au) if you have any queries with regard to the above.

Yours sincerely

**DEAN NEWBERY & PARTNERS**

A handwritten signature in black ink, appearing to read 'Sam', with a large loop at the start and a trailing flourish.

**SAMANTHA ALLARD**

Partner

C. Chief Executive Officer

C. Audit Committee

## **6.2 GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

Author: Michael Livori  
Ref: AF17/66

### **Summary**

Eastern Health Authority's (EHA) Charter requires its books of accounts and financial statements to be audited annually by an external auditor. The audited financial statements must be provided to Constituent Councils prior to 31 August to allow them to be incorporated into their own audited financial statements. The audited financial statements are then required to be incorporated into the EHA Annual Report.

This report presents the draft General Purpose Financial Statements for the year ended 30 June 2017 (the statements) for adoption by the Board of Management.

### **Report**

A meeting of the Eastern Health Authority Audit Committee (the Committee) was held on 16 August 2017 at which Draft General Purpose Financial Statements for the year ending 30 June 2017 were considered.

The statements were prepared in accordance with the Local Government (Financial Management) Regulations 2011, Australian Accounting Standards and the South Australian Model Financial Statements for 2017. They reflect the operations of EHA between the period 1 July 2016 and 30 June 2017.

To assist the Committee Samantha Allard from Dean Newberry and Partners was in attendance.

Samantha advised the Committee that the audit process was very smooth and that there were no significant issues of concern. She commented on a number of auditor considerations which included the timing and treatment of the income received for the Meningococcal B Vaccine Study, revision of the depreciation register and the new accounting standard to the capture Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures).

Claudia Goldsmith moved:

That:

1. The Draft General Purpose Financial Statements for the Year ending 30 June 2017 Report is noted.
2. The Committee is satisfied that the 2016/2017 draft statements present fairly the state of affairs of the organisation.
3. The 2016/2017 final audited statements are presented to the Board of Management.

4. The Chair of the Audit Committee is authorised to sign a statement to certify the independence of the external auditors.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 2:082017**

A copy of EHA General Purpose Financial Report for the year ending 30 June 2017 is now provided as attachment 1.

There are four principal statements which are accompanied by notes which form part of the financial report:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

In summary the statements show that EHA is reporting an *operating deficit* resulting from operations of \$12,041.

#### **Differences when comparing 2016 and 2017 Financial Statements**

A table showing the variation between the 2016 and 2017 audited financial results is provided as attachment 2.

Commentary in relation to material differences (where applicable) is provided below.

#### **Statement of Comprehensive Income**

Listed below is a summary of the material differences in relation to the Statement of Comprehensive Income when comparing 2016 and 2017.

##### **Income**

###### *Statutory Charges*

Increase of \$40,690 (26%) to \$155,492  
Increase in food inspections conducted and expiation fines issued relating to Food Act enforcement matters.

###### *User Charges*

Decrease of \$47,767 (-16%) to \$294,343  
No longer doing contract work for City of Unley (In relation to SRF's),  
Immunisation Worksite /Fee for Service Income reduced.

###### *Investment Income*

Decrease of \$3,706 (-32%) to \$11,598  
Due to decrease in cash held.

*Grants, subsidies and contributions*

Increase of \$149,175 (55%) to \$270,990  
Men B Vaccine Herd Immunity Study.

Total income

Increase of \$170,469 (7%) to \$2,385,245

**Expenses**

*Employee Costs*

Increase of \$140,223 (9%) to \$1,623,390  
Men B Vaccine Herd Immunity Study and vacant positions filled.

*Materials, contracts and other expenses*

Increase of \$56,746 (8%) to \$699,827  
ICT cloud transition project.

*Depreciation*

Increase of \$10,188 (18%) to \$55,286  
Correction to Asset Register.

Total Expenses

Increase of \$204,450 (9%) to \$2,397,259

**Operating Surplus / Deficit Comparison**

The operating deficit of \$12,014 compares to the 2016 result of a \$21,967 surplus. The net difference is (\$33,981).

**Statement of Financial Position Comparison**

The Statement of Financial Position shows as at 30 June 2017:

*Total Assets*

\$1,181,660 (2016 \$1,160,901), up \$20,759 (2%)

*Total Liabilities*

\$856,041 (2016 \$823,268), up \$32,773 (4%)

*Total Equity*

\$325,619 (2016 \$337,633), down \$12,014 (-4%)

**Statement of Changes in Equity Comparison**

*Accumulated Surplus*

\$325,619 (2016 \$337,633), down \$12,014 (-4%)

*Total Equity*

\$325,619 (2016 \$337,633), down \$12,014 (-4%)

**Statement of Cash Flow Comparison**

*Net cash provided by (or used in) Operating Activities*

\$163,069 (2016 \$72,841), up \$90,228

*Net cash provided by (or used in) Investing Activities*

(\$21,494) (2016 (\$225,723)), down \$204,229  
Council Distribution (200K) in previous year

*Net cash provided by (or used in) Financing Activities*

\$(58,623) (2016 \$(55,934)), up \$(2,689)  
Repayment of Fit-out Loan

*Net increase (decrease) in cash held*

\$82,952 (2016 (\$208,816)), up \$291,768

*Cash and cash equivalents at the end of the period*

\$664,107 (2016 \$581,155), up \$82,952

The external auditor will issue an Audit Opinion taking into account the considerations and any recommendations of both the Committee and Board of Management. The Audit Opinion will be provided to the Board at its meeting on 22 November 2017.

**RECOMMENDATION**

That:

1. The report regarding the General Purpose Financial Statements for the year ended 30 June 2017 is received.
2. The General Purpose Financial Statements for the year ended 30 June 2017 and provided as attachment 1 are received and adopted.
3. The Chairperson be authorised to sign the adoption statement in relation to the audit for the 2016/2017 financial year.
4. A copy of the Annual Financial Statements are provided to the Constituent Councils.

**Eastern Health Authority**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2017**

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## Eastern Health Authority

### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2017

#### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Eastern Health Authority (EHA) 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 EHA's financial position at 30 June 2017 and the results of its operations and cash flows for the financial year.
- the financial statements accurately reflect the EHA's accounting and other records.

.....  
Michael Livori  
**CHIEF EXECUTIVE OFFICER**

.....  
Sue Whittington  
**CHAIRPERSON**

Date:

**Eastern Health Authority**

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>INCOME</b>			
Council contributions	2	1,641,055	1,609,306
Statutory charges	2	155,492	114,802
User charges	2	294,343	342,110
Grants, subsidies & contributions	2	270,990	121,815
Investment income	2	11,598	15,304
Other income	2	11,767	11,439
<b>Total Income</b>		<u>2,385,245</u>	<u>2,214,776</u>
<b>EXPENSES</b>			
Employee costs	3	1,623,390	1,483,167
Materials, contracts & other expenses	3	699,827	643,081
Depreciation, amortisation & impairment	3	55,286	45,098
Finance costs	3	18,756	21,463
<b>Total Expenses</b>		<u>2,397,259</u>	<u>2,192,809</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>(12,014)</b>	21,967
<b>NET SURPLUS / (DEFICIT)</b>		<b>(12,014)</b>	21,967
transferred to Equity Statement			
<b>Other Comprehensive Income</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u><b>(12,014)</b></u>	<u>21,967</u>

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

<b>Eastern Health Authority</b>			
<b>STATEMENT OF FINANCIAL POSITION</b>			
<b>as at 30 June 2017</b>			
	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	664,107	581,155
Trade & other receivables	4	<u>129,625</u>	<u>158,026</u>
<b>Total Current Assets</b>		<u><b>793,732</b></u>	<u><b>739,181</b></u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	5	<u>387,928</u>	<u>421,720</u>
<b>Total Non-current Assets</b>		<u><b>387,928</b></u>	<u><b>421,720</b></u>
<b>Total Assets</b>		<u><b>1,181,660</b></u>	<u><b>1,160,901</b></u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	6	138,358	95,855
Borrowings	6	61,440	58,623
Provisions	6	<u>305,844</u>	<u>259,008</u>
<b>Total Current Liabilities</b>		<u><b>505,642</b></u>	<u><b>413,486</b></u>
<b>Non-current Liabilities</b>			
Borrowings	6	315,135	376,575
Provisions	6	<u>35,264</u>	<u>33,207</u>
<b>Total Non-current Liabilities</b>		<u><b>350,399</b></u>	<u><b>409,782</b></u>
<b>Total Liabilities</b>		<u><b>856,041</b></u>	<u><b>823,268</b></u>
<b>NET ASSETS</b>		<u><b>325,619</b></u>	<u><b>337,633</b></u>
<b>EQUITY</b>			
Accumulated Surplus		<u>325,619</u>	<u>337,633</u>
<b>TOTAL EQUITY</b>		<u><b>325,619</b></u>	<u><b>337,633</b></u>
This Statement is to be read in conjunction with the attached Notes.			

## Eastern Health Authority

### STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2017

	Notes	Accumulated Surplus	TOTAL EQUITY
<b>2017</b>		\$	\$
Balance at end of previous reporting period		337,633	337,633
<b>Net Surplus / (Deficit) for Year</b>		<u>(12,014)</u>	<u>(12,014)</u>
<b>Balance at end of period</b>		<u>325,619</u>	<u>325,619</u>
<b>2016</b>			
Balance at end of previous reporting period		515,666	515,666
<b>Net Surplus / (Deficit) for Year</b>		21,967	21,967
<b>Other Comprehensive Income</b>			
Distribution to Constituent Councils		<u>(200,000)</u>	<u>(200,000)</u>
<b>Balance at end of period</b>		<u>337,633</u>	<u>337,633</u>

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

## Eastern Health Authority

### STATEMENT OF CASH FLOWS for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Council contributions		1,805,161	1,770,237
Fees & other charges		155,492	240,932
User charges		404,589	377,146
Investment receipts		11,598	15,304
Grants utilised for operating purposes		298,296	121,815
Reimbursements		12,944	12,583
<u>Payments</u>			
Employee costs		(1,598,369)	(1,458,250)
Materials, contracts & other expenses		(906,594)	(984,254)
Finance payments		(19,984)	(22,672)
<b>Net Cash provided by (or used in) Operating Activities</b>	7	<b>163,069</b>	<b>72,841</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(21,494)	(25,723)
Capital contributed to Constituent Councils		-	(200,000)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(21,494)</b>	<b>(225,723)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Payments</u>			
Repayments of borrowings		(58,623)	(55,934)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(58,623)</b>	<b>(55,934)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>82,952</b>	<b>(208,816)</b>
Cash & cash equivalents at beginning of period	7	<b>581,155</b>	789,971
<b>Cash &amp; cash equivalents at end of period</b>	7	<b>664,107</b>	<b>581,155</b>

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

# Eastern Health Authority

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

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

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

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

##### 1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar (\$).

#### 2 The Local Government Reporting Entity

Eastern Health Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 101 Payneham Road, St Peters SA 5069. These financial statements include EHA's direct operations and all entities through which EHA controls resources to carry on its functions. In the process of reporting on EHA as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

#### 3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when EHA 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 EHA'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. A detailed statement of the accounting policies applied to financial instruments forms part of Note 8.

#### 5 Infrastructure, Property, Plant & Equipment

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 1 - Significant Accounting Policies (cont.)

##### 5.1 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 EHA includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

##### 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 EHA 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 in Note 5.

##### 5.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 5.

##### 5.4 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 EHA, 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 shown in Note 5. Depreciation periods for infrastructure assets have been estimated based on the best information available to EHA, 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.

##### 5.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if EHA were deprived thereof, are not assessed for impairment.

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 outflows or value in use).

##### 5.6 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.

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 1 - Significant Accounting Policies (cont.)

#### 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.

##### 6.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery are recognised as liabilities until the service is delivered or the amount is refunded as the case may be.

#### 7 Borrowings

Loans 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".

#### 8 Employee Benefits

##### 8.1 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 on-costs) 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 on-costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

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

##### 8.2 Superannuation

EHA makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and EHA's involvement with the schemes are reported in Note 11.

#### 9 Leases

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

In respect of finance leases, where EHA 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 EHA 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.

#### 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.

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 1 - Significant Accounting Policies (cont.)

- 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 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2017 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.

(Standards not affecting local government have been excluded from the above list.)

*EHA 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.*

Accounting Standard AASB 16 *Leases* may have a material effect on the amounts disclosed in these reports, particularly in relation to Infrastructure, Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not EHA's intention to adopt this Standard early.

Accounting Standard AASB 1058 *Income of Not-for-Profit Entities* may have a material effect on the amounts disclosed in these reports, particularly in revenues from grants & subsidies, but does not commence until the 2019/20 financial period, and it is not EHA's intention to adopt this Standard early.

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 2 - INCOME

	Notes	2017 \$	2016 \$
<b>COUNCIL CONTRIBUTIONS</b>			
City of Burnside		419,128	415,037
Campbelltown City Council		379,026	389,840
City of Norwood Payneham & St Peters		515,322	490,646
City of Prospect		220,952	219,621
Town of Walkerville		106,627	94,162
		<u>1,641,055</u>	<u>1,609,306</u>
<b>STATUTORY CHARGES</b>			
SRF licences		3,462	4,792
Food inspections		71,435	56,355
Legionella registrations & inspections		16,143	15,275
Fines, penalties & expiations		64,452	38,380
		<u>155,492</u>	<u>114,802</u>
<b>USER CHARGES</b>			
Immunisation fee for service		38,795	50,515
Immunisation worksites		96,186	110,107
Food safety training		-	455
Food auditing		60,534	60,465
City of Unley		98,828	120,568
		<u>294,343</u>	<u>342,110</u>
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		11,598	15,304
		<u>11,598</u>	<u>15,304</u>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### NOTE 2 - INCOME (continued)

	Notes	2017 \$	2016 \$
<b>OTHER INCOME</b>			
Motor vehicle reimbursements		4,873	3,975
Sundry		<u>6,894</u>	<u>7,464</u>
		<u>11,767</u>	<u>11,439</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Other grants, subsidies and contributions			
Immunisation fees - schools		85,353	84,291
Meningococcal B		153,869	-
Immunisation fees - ACIR		<u>31,768</u>	<u>37,524</u>
		<u>270,990</u>	<u>121,815</u>
<b>Sources of grants</b>			
State government		<u>270,990</u>	<u>121,815</u>
		<u>270,990</u>	<u>121,815</u>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 3 - EXPENSES

	Notes	2017 \$	2016 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		1,374,895	1,303,620
Employee leave expense		38,542	14,333
Superannuation - defined contribution plan contributions	11	109,975	99,335
Superannuation - defined benefit plan contributions	11	17,094	16,838
Workers' Compensation Insurance		15,430	15,000
Other - Agency Staff & Consultant Medical Officer		67,454	34,041
<b>Total Operating Employee Costs</b>		<b>1,623,390</b>	<b>1,483,167</b>
<b>Total Number of Employees</b>		<b>18</b>	<b>18</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		7,500	7,700
Bad and Doubtful Debts		2,281	3,293
Board of management expenses		10,008	10,772
- minimum lease payments		54,144	53,185
Subtotal - Prescribed Expenses		<b>73,933</b>	<b>74,950</b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Accounting & internal audit		6,670	6,265
Contractors		24,173	22,562
Energy		8,260	8,222
Fringe benefit tax		19,694	20,471
Human resources		13,603	12,426
Income protection		18,997	10,953
Insurance		27,131	26,006
IT licencing & support		158,926	101,324
Legal expenses		12,115	20,373
Motor vehicle expenses		20,091	15,141
Office rent		101,153	100,002
Parts, accessories & consumables		131,688	102,308
Printing & stationery		21,268	25,788
Staff training		17,393	14,674
Sundry		23,658	29,856
Telephone		14,293	13,842
Work health & safety consultancy		6,781	37,918
Subtotal - Other Materials, Contracts & Expenses		<b>625,894</b>	<b>568,131</b>
		<b>699,827</b>	<b>643,081</b>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 3 - EXPENSES (cont)

	Notes	2017 \$	2016 \$
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Buildings & Other Structures		23,642	23,642
Office Equipment, Furniture & Fittings		31,644	21,456
		<u>55,286</u>	<u>45,098</u>
<b>FINANCE COSTS</b>			
Interest on Loans		18,756	21,463
		<u>18,756</u>	<u>21,463</u>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 4 - CURRENT ASSETS

	Notes	2017	2016
<b>CASH &amp; EQUIVALENT ASSETS</b>		<b>\$</b>	<b>\$</b>
Cash on Hand and at Bank		148,773	112,228
Short Term Deposits & Bills, etc		515,334	468,927
		<u>664,107</u>	<u>581,155</u>
 <b>TRADE &amp; OTHER RECEIVABLES</b>			
Debtors - general		129,625	239,871
Less: Allowance for Doubtful Debts		-	81,845
		<u>129,625</u>	<u>158,026</u>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2016			2017		
	\$			\$		
	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Buildings & Other Structures	472,846	(117,402)	355,444	<b>472,846</b>	<b>(141,044)</b>	<b>331,802</b>
Office Equipment, Furniture & Fittings	315,499	(249,223)	66,276	<b>336,992</b>	<b>(280,866)</b>	<b>56,126</b>
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	788,345	(366,625)	421,720	<b>809,838</b>	<b>(421,910)</b>	<b>387,928</b>
<b>Comparatives</b>	<b>762,622</b>	<b>(321,527)</b>	<b>441,095</b>	<b>788,345</b>	<b>(366,625)</b>	<b>421,720</b>

*This Note continues on the following pages.*

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2016 \$	CARRYING AMOUNT MOVEMENTS DURING YEAR		2017 \$
		CARRYING AMOUNT	Additions Renewals	
Buildings & Other Structures	355,444	-	(23,642)	331,802
Office Equipment, Furniture & Fittings	66,276	21,494	(31,644)	56,126
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>421,720</b>	<b>21,494</b>	<b>(55,286)</b>	<b>387,928</b>
<i>Comparatives</i>	<b>441,095</b>	<b>25,723</b>	<b>(45,098)</b>	<b>421,720</b>

*This Note continues on the following pages.*

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 6 - LIABILITIES

	Notes	2017		2016	
		Current	Non-current	Current	Non-current
		\$	\$	\$	\$
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & Services		72,431	-	65,453	-
Accrued expenses - employee entitlements		30,419	-	20,972	-
Accrued expenses - other		8,202	-	9,430	-
Other		27,306	-	-	-
		<u>138,358</u>	-	<u>95,855</u>	-
<b>BORROWINGS</b>					
Loans		61,440	315,135	58,623	376,575
		<u>61,440</u>	<u>315,135</u>	<u>58,623</u>	<u>376,575</u>
<b>PROVISIONS</b>					
Employee entitlements - Annual leave (including oncosts)		146,832	-	131,258	-
Employee entitlements - Long service leave (including oncosts)		159,012	35,264	127,750	33,207
		<u>305,844</u>	<u>35,264</u>	<u>259,008</u>	<u>33,207</u>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 7 - RECONCILIATION TO CASH FLOW STATEMENT

**(a) Reconciliation of Cash**

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

	Notes	2017	2016
		\$	\$
Total cash & equivalent assets	4	<b>664,107</b>	581,155
Balances per Cash Flow Statement		<u><b>664,107</b></u>	<u>581,155</u>

**(b) Reconciliation of Change in Net Assets to Cash  
from Operating Activities**

Net Surplus (Deficit)		<b>(12,014)</b>	21,967
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		<b>55,286</b>	45,098
Net increase (decrease) in unpaid employee benefits		<b>25,021</b>	24,917
Change in allowances for under-recovery		<u><b>(81,845)</b></u>	<u>(114,650)</u>
		<b>(13,552)</b>	(22,668)
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		<b>110,246</b>	118,896
Net increase (decrease) in trade & other payables		<b>33,056</b>	<u>(23,387)</u>
<b>Net Cash provided by (or used in) operations</b>		<u><b>163,069</b></u>	<u>72,841</u>

**(c) Financing Arrangements**

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

Corporate Credit Cards		<b>5,000</b>	5,000
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## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 8 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

##### Accounting Policies - Recognised Financial Instruments

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 1.5% and 2% (2016: 1.5% and 2%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> 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.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although EHA is not materially exposed to any individual debtor, credit risk exposure is concentrated within EHA's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> 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.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to EHA.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Interest Bearing Borrowings</b>	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable biannually; interest is charged at fixed rate of 4.75% (2016: 4.75%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Finance Leases</b>	<p><b>Accounting Policy:</b> accounted for in accordance with AASB 117.</p>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 8 (cont) - FINANCIAL INSTRUMENTS

##### Liquidity Analysis

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	664,107	-	-	664,107	664,107
Receivables	129,625	-	-	129,625	129,625
<b>Total</b>	<b>793,732</b>	<b>-</b>	<b>-</b>	<b>793,732</b>	<b>793,732</b>
<b>Financial Liabilities</b>					
Payables	100,374	-	-	100,374	99,737
Current Borrowings	78,607	-	-	78,607	61,440
Non-Current Borrowings	-	314,425	39,303	353,728	315,135
<b>Total</b>	<b>178,981</b>	<b>314,425</b>	<b>39,303</b>	<b>532,709</b>	<b>476,312</b>
<b>2016</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	581,155	-	-	581,155	581,155
Receivables	158,026	-	-	158,026	239,871
<b>Total</b>	<b>739,181</b>	<b>-</b>	<b>-</b>	<b>739,181</b>	<b>821,026</b>
<b>Financial Liabilities</b>					
Payables	95,855	-	-	95,855	65,453
Current Borrowings	78,606	-	-	78,606	58,623
Non-Current Borrowings	-	471,638	39,303	510,941	376,575
<b>Total</b>	<b>174,461</b>	<b>471,638</b>	<b>39,303</b>	<b>685,402</b>	<b>500,651</b>

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

	30 June 2017		30 June 2016	
	Weighted Average Interest Rate %	Carrying Value \$	Weighted Average Interest Rate %	Carrying Value \$
Fixed Interest Rates	4.75	<u>376,575</u>	4.75	<u>435,198</u>
		<u>376,575</u>		<u>435,198</u>

#### Net Fair Value

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

#### 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 EHA is the carrying amount, net of any allowance for doubtful debts. All EHA 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 EHA'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 EHA'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 EHA will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. EHA 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. EHA 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.

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 9 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of EHA 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

	2017	2016
	\$	\$
Income	2,385,245	2,214,776
<i>less</i> Expenses	<u>2,397,259</u>	<u>2,192,809</u>
<b>Operating Surplus / (Deficit)</b>	<b>(12,014)</b>	21,967
<b><i>less</i> Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	21,494	25,723
Depreciation, Amortisation and Impairment	(55,286)	(45,098)
	<u>(33,792)</u>	<u>(19,375)</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>21,778</u></b>	<b><u>41,342</u></b>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 10 - OPERATING LEASES

***Leases providing revenue to the EHA***

EHA has entered into non-cancellable operating leases for motor vehicles and a photocopier.

No lease imposes any additional restrictions on EHA in relation to additional debt or further leasing. Leases in relation to computer and office equipment permit EHA, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

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

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Not later than one year	<b>45,093</b>	46,399
Later than one year and not later than 5 years	<b>46,784</b>	46,102
	<b><u>91,877</u></b>	<b><u>92,501</u></b>

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 11 – SUPERANNUATION

EHA 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 2016/17; 9.50% in 2015/16). No further liability accrues to EHA 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. EHA 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 2015/16) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund'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 EHA's contribution rates at some future time.

##### *Contributions to Other Superannuation Schemes*

EHA 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 EHA.

## Eastern Health Authority

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### Note 12 - RELATED PARTY DISCLOSURES

##### KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Chairperson, Board Members, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 15 persons were paid the following total compensation:

	2017 \$
Salaries, allowances & other short term benefits	\$164,250
<b>TOTAL</b>	<b>\$164,250</b>

The EHA Board of Management discussed the new disclosure requirements under AASB 124. On the 28 June 2017, EHA confirmed that there were no transactions that are required to be disclosed.



**EASTERN HEALTH AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2017**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2017, Dean Newbery and Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

  
.....  
Michael Livori  
**CHIEF EXECUTIVE OFFICER**

  
.....  
Lisa Scinto  
**PRESIDING MEMBER  
AUDIT COMMITTEE**

Date: 16/8/17

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017				
COMPARISON OF AUDITED RESULTS TO PREVIOUS YEARS RESULTS				
STATEMENT OF COMPREHENSIVE INCOME				
	AUDITED RESULT	Actual 2015/2016	Variation from 2015/2016	Variation from 2015/2016
<b>INCOME</b>			\$	%
Council Contributions	1,641,055	1,609,306	31,749	1.9%
Statutory Charges	155,492	114,802	40,690	26.2%
User Charges	294,343	342,110	(47,767)	-16.2%
Grants, subsidies and contributions	270,990	121,815	149,175	55.0%
Investment Income	11,598	15,304	(3,706)	-32.0%
Other Income	11,767	11,439	328	2.8%
<b>TOTAL INCOME</b>	<b>2,385,245</b>	<b>2,214,776</b>	<b>170,469</b>	<b>7.1%</b>
<b>EXPENSES</b>				
Employee Costs	1,623,390	1,483,167	140,223	8.6%
Materials, contracts and other expenses	699,827	643,081	56,746	8.1%
Finance Charges	18,756	21,463	(2,707)	-14.4%
Depreciation	55,286	45,098	10,188	18.4%
<b>TOTAL EXPENSES</b>	<b>2,397,259</b>	<b>2,192,809</b>	<b>204,450</b>	<b>8.5%</b>
<b>Operating Surplus/(Deficit)</b>	<b>(12,014)</b>	<b>21,967</b>	<b>(33,981)</b>	
Net gain (loss) on disposal of assets	-			
<b>Net Surplus/(Deficit)</b>	<b>(12,014)</b>	<b>21,967</b>	<b>(33,981)</b>	
<b>Total Comprehensive Income</b>	<b>(12,014)</b>	<b>21,967</b>	<b>(33,981)</b>	

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017				
COMPARISON OF AUDITED RESULTS TO PREVIOUS YEARS RESULTS				
STATEMENT OF CASH FLOWS				
	AUDITED RESULT	Actual 2015/2016	Variation from 2015/2016	Variation from 2015/2016
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			\$	%
Receipts				
Operating Receipts	2,676,482	2,522,713	153,769	5.7%
Investment Receipts	11,598	15,304	(3,706)	-32.0%
Payments				
Operating Payments to Suppliers & Employees	(2,505,027)	(2,442,504)	(62,523)	2.5%
Interest Expense	(19,984)	(22,672)	2,688	-13.5%
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>163,069</b>	<b>72,841</b>	<b>90,228</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Loans Received	-	-	-	
Loan Repayments	(58,623)	(55,934)	(2,689)	4.6%
<b>Net Cash Provided/(Used) by Financing Activities</b>	<b>(58,623)</b>	<b>(55,934)</b>	<b>(2,689)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipts				
Sale of Replaced Assets				
Payments				
Expenditure on renewal / replacements of assets	(21,494)	(25,723)	4,229	-19.7%
Expenditure on new / upgraded assets	-	-	-	
Distributions paid to constituent Councils	-	(200,000)	200,000	
<b>Net Cash Provided/(Used) by Investing Activities</b>	<b>(21,494)</b>	<b>(225,723)</b>	<b>204,229</b>	
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>82,952</b>	<b>(208,816)</b>	<b>291,768</b>	
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD</b>	<b>581,155</b>	<b>789,971</b>	<b>(208,816)</b>	
<b>CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD</b>	<b>664,107</b>	<b>581,155</b>	<b>82,952</b>	

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017				
COMPARISON OF AUDITED RESULTS TO PREVIOUS YEARS RESULTS				
STATEMENT OF FINANCIAL POSITION				
	AUDITED RESULT	Actual 2015/2016	Variation from 2015/2016	Variation from 2015/2016
<b>CURRENT ASSETS</b>			\$	%
Cash and Cash Equivalents	664,107	581,155	82,952	12.5%
Trade & Other Receivables	129,625	158,026	(28,401)	-21.9%
<b>TOTAL CURRENT ASSETS</b>	<b>793,732</b>	<b>739,181</b>	<b>54,551</b>	<b>6.9%</b>
<b>NON-CURRENT ASSETS</b>				
Equipment	387,928	421,720	(33,792)	-8.7%
<b>TOTAL NON-CURRENT ASSETS</b>	<b>387,928</b>	<b>421,720</b>	<b>(33,792)</b>	<b>-8.7%</b>
<b>TOTAL ASSETS</b>	<b>1,181,660</b>	<b>1,160,901</b>	<b>20,759</b>	<b>1.8%</b>
<b>CURRENT LIABILITIES</b>				
Trade & Other Payables	138,358	95,855	42,503	30.7%
Provisions	305,844	259,008	46,836	15.3%
Borrowings	61,440	58,623	2,817	4.6%
<b>TOTAL CURRENT LIABILITIES</b>	<b>505,642</b>	<b>413,486</b>	<b>92,156</b>	<b>18.2%</b>
<b>NON-CURRENT LIABILITIES</b>				
Provisions	35,264	33,207	2,057	5.8%
Borrowings	315,135	376,575	(61,440)	-19.5%
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>350,399</b>	<b>409,782</b>	<b>(59,383)</b>	<b>-16.9%</b>
<b>TOTAL LIABILITIES</b>	<b>856,041</b>	<b>823,268</b>	<b>32,773</b>	<b>3.8%</b>
<b>NET CURRENT ASSETS/(CURRENT LIABILITIES)</b>	<b>288,090</b>	<b>325,695</b>	<b>(37,605)</b>	<b>-13.1%</b>
<b>NET ASSETS</b>	<b>325,619</b>	<b>337,633</b>	<b>(12,014)</b>	<b>-3.7%</b>
<b>EQUITY</b>				
Accumulated Surplus/(Deficit)	325,619	337,633	(12,014)	-3.7%
<b>TOTAL EQUITY</b>	<b>325,619</b>	<b>337,633</b>	<b>(12,014)</b>	<b>-3.7%</b>

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017				
COMPARISON OF AUDITED RESULTS TO PREVIOUS YEARS RESULTS				
STATEMENT OF CHANGES IN EQUITY				
	AUDITED RESULT	Actual 2015/2016	Variation from 2015/2016	
<b>ACCUMULATED SURPLUS</b>			\$	
Balance at beginning of period	337,633	515,666	(178,033)	
Net Surplus/(Deficit)	(12,014)	21,967	(33,981)	
Distribution to Constituent Councils	-	(200,000)	200,000	
<b>BALANCE AT END OF PERIOD</b>	<b>325,619</b>	<b>337,633</b>	<b>(12,014)</b>	

### **6.3 REPORT ON FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2017**

Author: Michael Livori  
Ref: AF16/13

#### **Summary**

Section 10 of the Local Government (Financial Management) Regulations 2011 requires a regional subsidiary to prepare a report showing its audited financial results for the previous financial year compared with its estimated financial results set out in the budget in a manner consistent with the Model Financial Statements.

#### **Report**

The required comparison has been completed and is provided as attachment 1 to this report.

Commentary in relation to the comparison is detailed below.

#### **Statement of Comprehensive Income**

Total Operating Income was \$55,690 (2%) more than originally budgeted while Total Operating Expenditure was \$67,704 (3%) more than budgeted. More detail in relation to income and expenditure variations is provided later in the report (see Funding Statement section of report).

The operating result is a deficit of \$12,014. The original budgeted result was a break even result. The revised (December 2016) budgeted result was a surplus of \$18,000.

#### **Statement of Cash Flow**

Net cash Provided/(Used) by operating activities of \$163,069 shows a \$134,698 improvement on the adopted budget of \$28,371.

Cash and Cash Equivalents at the End of Reporting Period \$664,107 improved by \$104,388 in comparison to the adopted budget of \$559,719.

#### **Statement of Financial Position**

Total Assets \$1,181,660 show a \$127,796 improvement on the adopted budget position of \$1,053,864.

Total Liabilities \$856,041 have increased by \$92,876 when compared to the adopted budget position of \$763,165.

Net Current Assets/(Current Liabilities) \$288,090 shows a \$30,350 decline on the adopted budget position of \$318,440.

Net Assets and Total Equity \$325,619 both are \$34,920 better than the adopted budget position of \$290,699.

### Statement of Changes in Equity

The net deficit of \$12,014 was \$12,014 worse than the adopted budget position of \$0.

Total Equity at the end of the reporting period \$325,619 was a \$34,920 increase on the adopted budget position of \$290,699.

### Eastern Health Authority Funding Statement 2016/2017

EHA's Funding Statement 2016/2017 provides more detailed information in relation to individual budget line performance against both the Adopted and Revised budget. The Funding Statement is provided as attachment 2.

The table below details income variations against the Adopted Budget of greater than \$5,000 and where appropriate an explanation for the variation. Unfavourable variations are shown in red, while favourable variations are black.

Income Variations		
Budget Line	Variation	Reason
Food Inspection Fees	(\$8,565)	Less than budgeted inspections conducted – NB 15K improvement from previous year
Fines	(\$25,548)	Less than budgeted fines issued – NB 26K improvement from previous year
Non funded vaccines	(\$16,205)	No Jab No Pay policy now covers some vaccines
Worksite Immunisation	(\$23,814)	Service provision only arrangement with SA Health not being renewed in 2017
City of Unley	(\$7,172)	End of SRF contract work
School based Immunisation	\$154,722	Men B Herd Immunity Study
AIR	(\$8,232)	Less contribution received for 0-5 Yrs
Interest on Investments	(\$8,402)	Reduction in cash invested

The variation in relation to total actual income received as compared to budgeted income is \$55,690 or 2.4% (Actual \$2,385,245 / Budgeted \$2,329,555).

The table below details expenditure variations of greater than \$5,000 and where appropriate an explanation for the variation. Unfavourable variations are shown in red, while favourable variations are black.

<b>Expenditure Variations</b>		
<b>Budget Line</b>	<b>Variation</b>	<b>Reason</b>
Total Employee Costs	<b>\$80,390</b>	Men B Herd Immunity Study
Maintenance	(\$7,276)	Replacement equipment capitalised
Vehicle Costs	<b>\$8,733</b>	Men B Study
IT Licences	(\$29,688)	Delay in commencement of cloud transition
IT Support	<b>\$7,996</b>	Work required to resolve ICT issues
Board of Management	(\$5,992)	Reduced expenses
Legal	(\$7,885)	Reduced legal advice requested
Printing/Stationery/Postage	(\$8,732)	Reduced costs for year
WHS	(\$5,219)	Reduced costs for year
Clinic Vaccines	(\$5,239)	Decrease in vaccines for clinics
Website Redevelopment	<b>\$24,305</b>	15K variation for work approved at December 2016 Review.

The variation in relation to total operating expenditure as compared to budgeted expenditure is \$67,704 or 3% (Actual \$2,323,217 Budgeted \$2,281,200).

As detailed in the financial statement the **net result** was a deficit of \$12,014. The budgeted result was \$0 (breakeven).

The **cash result** was (\$15,351) which is an improvement in position of \$14,901 when compared to the budgeted result of (\$30,252).

## **RECOMMENDATION**

That:

The report on Financial Results for the Year Ending 30 June 2017 is received.

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017								
COMPARISON OF AUDIT RESULTS TO ADOPTED BUDGET								
STATEMENT OF COMPREHENSIVE INCOME								
	ADOPTED BUDGET	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
<b>INCOME</b>								
Council Contributions	1,641,055	-	-	-	1,641,055	1,641,055	-	0%
Statutory Charges	193,000	-	-	-	193,000	155,492	(37,508)	-19%
User Charges	341,000	-	(10,000)	-	331,000	294,343	(46,657)	-14%
Grants, subsidies and contributions	124,500	-	180,000	(27,000)	277,500	270,990	146,490	118%
Investment Income	20,000	-	-	(8,000)	12,000	11,598	(8,402)	-42%
Other Income	10,000	-	-	-	10,000	11,767	1,767	18%
<b>TOTAL INCOME</b>	<b>2,329,555</b>	<b>-</b>	<b>170,000</b>	<b>(35,000)</b>	<b>2,464,555</b>	<b>2,385,245</b>	<b>55,690</b>	<b>2%</b>
<b>EXPENSES</b>								
Employee Costs	1,543,000	-	105,000	(35,000)	1,613,000	1,623,390	80,390	5%
Materials, contracts and other expenses	738,200	-	47,000	-	785,200	699,827	(38,373)	-5%
Finance Charges	19,984	-	-	-	19,984	18,756	(1,228)	-6%
Depreciation	28,371	-	-	-	28,371	55,286	26,915	95%
<b>TOTAL EXPENSES</b>	<b>2,329,555</b>	<b>-</b>	<b>152,000</b>	<b>(35,000)</b>	<b>2,446,555</b>	<b>2,397,259</b>	<b>67,704</b>	<b>3%</b>
<b>Operating Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>-</b>	<b>18,000</b>	<b>(12,014)</b>	<b>(12,014)</b>	
Net gain (loss) on disposal of assets	-	-	-	-	-	-	-	
<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>-</b>	<b>18,000</b>	<b>(12,014)</b>	<b>(12,014)</b>	
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>-</b>	<b>18,000</b>	<b>(12,014)</b>	<b>(12,014)</b>	

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017								
COMPARISON OF AUDIT RESULTS TO ADOPTED BUDGET								
STATEMENT OF CASH FLOWS								
	ADOPTED BUDGET	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>								
Receipts								
Operating Receipts	2,309,555	-	170,000	-	2,479,555	2,676,482	366,927	16%
Investment Receipts	20,000	-	-	(8,000)	12,000	11,598	(8,402)	-42%
Payments								
Operating Payments to Suppliers & Employees	(2,281,200)	-	(152,000)	35,000	(2,398,200)	(2,505,027)	(223,827)	10%
Interest Expense	(19,984)	-	-	-	(19,984)	(19,984)	-	-
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>28,371</b>	<b>-</b>	<b>18,000</b>	<b>27,000</b>	<b>73,371</b>	<b>163,069</b>	<b>134,698</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Loans Received	-	-	-	-	-	-	-	-
Loan Repayments	(58,623)	-	-	-	(58,623)	(58,623)	-	-
<b>Net Cash Provided/(Used) by Financing Activities</b>	<b>(58,623)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(58,623)</b>	<b>(58,623)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Receipts								
Sale of Replaced Assets	-	-	-	-	-	-	-	-
Payments								
Expenditure on renewal / replacements of assets	-	-	-	-	-	(21,494)	(21,494)	-
Expenditure on new / upgraded assets	-	-	-	-	-	-	-	-
Distributions paid to constituent Councils	-	-	-	-	-	-	-	-
<b>Net Cash Provided/(Used) by Investing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,494)</b>	<b>(21,494)</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>(30,252)</b>	<b>-</b>	<b>18,000</b>	<b>27,000</b>	<b>14,748</b>	<b>82,952</b>	<b>113,204</b>	
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD</b>	<b>589,971</b>	<b>(8,816)</b>	<b>-</b>	<b>-</b>	<b>581,155</b>	<b>581,155</b>	<b>(8,816)</b>	
<b>CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD</b>	<b>559,719</b>	<b>(8,816)</b>	<b>18,000</b>	<b>27,000</b>	<b>595,903</b>	<b>664,107</b>	<b>104,388</b>	

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017								
COMPARISON OF AUDIT RESULTS TO ADOPTED BUDGET								
STATEMENT OF FINANCIAL POSITION								
	ADOPTED BUDGET	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
							\$	%
<b>CURRENT ASSETS</b>								
Cash and Cash Equivalents	559,719	(8,816)	18,000	27,000	595,903	664,107	104,388	19%
Trade & Other Receivables	162,272	(4,246)	-	-	158,026	129,625	(32,647)	-20%
<b>TOTAL CURRENT ASSETS</b>	<b>721,991</b>	<b>(13,062)</b>	<b>18,000</b>	<b>27,000</b>	<b>753,929</b>	<b>793,732</b>	<b>71,741</b>	<b>10%</b>
<b>NON-CURRENT ASSETS</b>								
Equipment	331,873	61,476	-	-	393,349	387,928	56,055	17%
<b>TOTAL NON-CURRENT ASSETS</b>	<b>331,873</b>	<b>61,476</b>	<b>-</b>	<b>-</b>	<b>393,349</b>	<b>387,928</b>	<b>56,055</b>	<b>17%</b>
<b>TOTAL ASSETS</b>	<b>1,053,864</b>	<b>48,414</b>	<b>18,000</b>	<b>27,000</b>	<b>1,147,278</b>	<b>1,181,660</b>	<b>127,796</b>	<b>27%</b>
<b>CURRENT LIABILITIES</b>								
Trade & Other Payables	108,708	(12,853)	-	-	95,855	138,358	29,650	27%
Provisions	236,220	22,788	-	27,000	286,008	305,844	69,624	29%
Borrowings	58,623	-	-	-	58,623	61,440	2,817	5%
<b>TOTAL CURRENT LIABILITIES</b>	<b>403,551</b>	<b>9,935</b>	<b>-</b>	<b>27,000</b>	<b>440,486</b>	<b>505,642</b>	<b>102,091</b>	<b>25%</b>
<b>NON-CURRENT LIABILITIES</b>								
Provisions	41,662	(8,455)	-	-	33,207	35,264	(6,398)	-15%
Borrowings	317,952	-	-	-	317,952	315,135	(2,817)	-1%
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>359,614</b>	<b>(8,455)</b>	<b>-</b>	<b>-</b>	<b>351,159</b>	<b>350,399</b>	<b>(9,215)</b>	<b>-3%</b>
<b>TOTAL LIABILITIES</b>	<b>763,165</b>	<b>1,480</b>	<b>-</b>	<b>27,000</b>	<b>791,645</b>	<b>856,041</b>	<b>92,876</b>	<b>2%</b>
<b>NET CURRENT ASSETS/(CURRENT LIABILITIES)</b>	<b>318,440</b>	<b>(22,997)</b>	<b>18,000</b>	<b>-</b>	<b>313,443</b>	<b>288,090</b>	<b>(30,350)</b>	<b>-10%</b>
<b>NET ASSETS</b>	<b>290,699</b>	<b>46,934</b>	<b>18,000</b>	<b>-</b>	<b>355,633</b>	<b>325,619</b>	<b>34,920</b>	<b>12%</b>
<b>EQUITY</b>								
Accumulated Surplus/(Deficit)	290,699	46,934	18,000	-	355,633	325,619	34,920	12%
<b>TOTAL EQUITY</b>	<b>290,699</b>	<b>46,934</b>	<b>18,000</b>	<b>-</b>	<b>355,633</b>	<b>325,619</b>	<b>34,920</b>	<b>12%</b>

EASTERN HEALTH AUTHORITY ADOPTED BUDGET 2016-2017								
COMPARISON OF AUDIT RESULTS TO ADOPTED BUDGET								
STATEMENT OF CHANGES IN EQUITY								
	ADOPTED BUDGET 15/16	SEPTEMBER REVIEW	DECEMBER REVIEW	MARCH REVIEW	REVISED BUDGET 15/16	AUDITED RESULT	VARIATION AGAINST ADOPTED BUDGET	VARIATION AGAINST ADOPTED BUDGET
<b>ACCUMULATED SURPLUS</b>							\$	%
Balance at beginning of period	290,699	46,934	-	-	337,633	337,633	46,934	16%
Net Surplus/(Deficit)	-	-	18,000	-	18,000	(12,014)	(12,014)	
Distribution to Constituent Councils	-	-	-	-	-	-	-	
<b>BALANCE AT END OF PERIOD</b>	<b>290,699</b>	<b>46,934</b>	<b>18,000</b>	<b>-</b>	<b>355,633</b>	<b>325,619</b>	<b>34,920</b>	<b>12%</b>

EASTERN HEALTH AUTHORITY FUNDING STATEMENT 2016/2017					
COMPARISON OF BUDGET TO AUDITED RESULTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017					
Income	Adopted Budget	Revised Budget	Actual Result	Variation to Adopted Budget	Variation to Revised Budget
<b>Constituent Council Income</b>	<b>2016-2017</b>				
City of Burnside	\$ 419,128	\$ 419,128	\$ 419,128	\$ -	\$ -
City of Campbelltown	\$ 379,026	\$ 379,026	\$ 379,026	\$ -	\$ -
City of NPS	\$ 515,322	\$ 515,322	\$ 515,322	\$ -	\$ -
City of Prospect	\$ 220,952	\$ 220,952	\$ 220,952	\$ -	\$ -
Town of Walkerville	\$ 106,627	\$ 106,627	\$ 106,627	\$ -	\$ -
<b>Total Constituent Council Contributions</b>	<b>\$ 1,641,055</b>	<b>\$ 1,641,055</b>	<b>\$ 1,641,055</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Statutory Charges</b>					
Food Inspection fees	\$ 80,000	\$ 80,000	\$ 71,435	\$ (8,565)	\$ (8,565)
Legionella registration and Inspection	\$ 19,000	\$ 19,000	\$ 16,143	\$ (2,857)	\$ (2,857)
SRF Licenses	\$ 4,000	\$ 4,000	\$ 3,462	\$ (538)	\$ (538)
Fines	\$ 90,000	\$ 90,000	\$ 64,452	\$ (25,548)	\$ (25,548)
<b>Total Statutory Charges</b>	<b>\$ 193,000</b>	<b>\$ 193,000</b>	<b>\$ 155,492</b>	<b>\$ (37,508)</b>	<b>\$ (37,508)</b>
<b>User Charges</b>					
Immunisation - non funded vaccines	\$ 55,000	\$ 45,000	\$ 38,795	\$ (16,205)	\$ (6,205)
Immunisation - Worksites	\$ 120,000	\$ 120,000	\$ 96,186	\$ (23,814)	\$ (23,814)
Food Auditing	\$ 58,000	\$ 58,000	\$ 60,534	\$ 2,534	\$ 2,534
City of Unley	\$ 106,000	\$ 106,000	\$ 98,828	\$ (7,172)	\$ (7,172)
Food Safety Training	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)	\$ (2,000)
<b>Total User Charges</b>	<b>\$ 341,000</b>	<b>\$ 331,000</b>	<b>\$ 294,343</b>	<b>\$ (46,657)</b>	<b>\$ (36,657)</b>
<b>Grants, Subsidies, Contributions</b>					
School Based immunisation Program	\$ 84,500	\$ 237,500	\$ 239,222	\$ 154,722	\$ 1,722
Child Immunisation register	\$ 40,000	\$ 40,000	\$ 31,768	\$ (8,232)	\$ (8,232)
<b>Total Grants, Subsidies, Contributions</b>	<b>\$ 124,500</b>	<b>\$ 277,500</b>	<b>\$ 270,990</b>	<b>\$ 146,490</b>	<b>\$ (6,510)</b>
<b>Investment Income</b>					
Interest on investments	\$ 20,000	\$ 12,000	\$ 11,598	\$ (8,402)	\$ (402)
<b>Total Investment Income</b>	<b>\$ 20,000</b>	<b>\$ 12,000</b>	<b>\$ 11,598</b>	<b>\$ (8,402)</b>	<b>\$ (402)</b>
<b>Other Income</b>					
Motor Vehicle re-imburements	\$ 4,000	\$ 4,000	\$ 4,873	\$ 873	\$ 873
Sundry Income	\$ 6,000	\$ 6,000	\$ 6,894	\$ 894	\$ 894
<b>Total Other Income</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 11,767</b>	<b>\$ 1,767</b>	<b>\$ 1,767</b>
<b>Total of non Constituent Council Income</b>	<b>\$ 688,500</b>	<b>\$ 823,500</b>	<b>\$ 744,190</b>	<b>\$ 55,690</b>	<b>\$ (79,310)</b>
<b>Total Income</b>	<b>\$ 2,329,555</b>	<b>\$ 2,464,555</b>	<b>\$ 2,385,245</b>	<b>\$ 55,690</b>	<b>\$ (79,310)</b>

EASTERN HEALTH AUTHORITY FUNDING STATEMENT 2016/2017					
COMPARISON OF BUDGET TO AUDITED RESULTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017 (cont)					
Expenditure	Adopted Budget	Revised Budget	Actual Result	Variation to Adopted Budget	Variation to Revised Budget
<b>Employee Costs</b>					
Salaries & Wages	\$ 1,380,000	\$ 1,450,000	\$ 1,374,895	\$ (5,105)	\$ (75,105)
Superannuation	\$ 116,000	\$ 116,000	\$ 127,069	\$ 11,069	\$ 11,069
Workers Compensation	\$ 14,000	\$ 14,000	\$ 15,430	\$ 1,430	\$ 1,430
Employee Leave Expenses	\$ 30,000	\$ 30,000	\$ 38,542	\$ 8,542	\$ 8,542
Medical Officer Retainer and Agency Staff	\$ 3,000	\$ 3,000	\$ 67,454	\$ 64,454	\$ 64,454
<b>Total Employee Costs</b>	<b>\$ 1,543,000</b>	<b>\$ 1,613,000</b>	<b>\$ 1,623,390</b>	<b>\$ 80,390</b>	<b>\$ 10,390</b>
<b>Prescribed Expenses</b>					
Auditing and Accounting	\$ 17,000	\$ 17,000	\$ 14,170	\$ (2,830)	\$ (2,830)
Bad and Doubtful Debts	\$ -	\$ -	\$ 2,281	\$ 2,281	\$ 2,281
Insurance	\$ 27,000	\$ 27,000	\$ 27,131	\$ 131	\$ 131
Maintenance	\$ 45,000	\$ 65,000	\$ 37,724	\$ (7,276)	\$ (27,276)
Vehicle Leasing/maintenance	\$ 62,000	\$ 70,000	\$ 70,733	\$ 8,733	\$ 733
<b>Total Prescribed Expenses</b>	<b>\$ 151,000</b>	<b>\$ 179,000</b>	<b>\$ 152,039</b>	<b>\$ 1,039</b>	<b>\$ (26,961)</b>
<b>Rent and Plant Leasing</b>					
Electricity	\$ 10,000	\$ 10,000	\$ 8,260	\$ (1,740)	\$ (1,740)
Plant Leasing Photocopier	\$ 3,200	\$ 3,200	\$ 3,485	\$ 285	\$ 285
Rent	\$ 102,000	\$ 102,000	\$ 101,153	\$ (847)	\$ (847)
Water	\$ 500	\$ 500	\$ 254	\$ (246)	\$ (246)
Gas	\$ 2,500	\$ 2,500	\$ 2,817	\$ 317	\$ 317
<b>Total Rent and Plant Leasing</b>	<b>\$ 118,200</b>	<b>\$ 118,200</b>	<b>\$ 115,969</b>	<b>\$ (2,231)</b>	<b>\$ (2,231)</b>
<b>IT Licensing and Support</b>					
IT Licences	\$ 80,000	\$ 80,000	\$ 50,312	\$ (29,688)	\$ (29,688)
IT Support	\$ 90,000	\$ 90,000	\$ 97,996	\$ 7,996	\$ 7,996
Internet	\$ 12,000	\$ 12,000	\$ 10,288	\$ (1,712)	\$ (1,712)
IT Other	\$ 2,000	\$ 2,000	\$ 331	\$ (1,669)	\$ (1,669)
<b>Total IT Licensing and Support</b>	<b>\$ 184,000</b>	<b>\$ 184,000</b>	<b>\$ 158,927</b>	<b>\$ (25,073)</b>	<b>\$ (25,073)</b>
<b>Administration</b>					
Administration Sundry	\$ 7,000	\$ 7,000	\$ 4,023	\$ (2,977)	\$ (2,977)
Accreditation Fees	\$ 4,000	\$ 4,000	\$ 2,818	\$ (1,182)	\$ (1,182)
Board of Management	\$ 16,000	\$ 16,000	\$ 10,008	\$ (5,992)	\$ (5,992)
Bank Charges	\$ 3,000	\$ 3,000	\$ 3,780	\$ 780	\$ 780
Public Health Sundry	\$ 5,000	\$ 5,000	\$ 4,169	\$ (831)	\$ (831)
Fringe Benefits Tax	\$ 15,000	\$ 15,000	\$ 19,694	\$ 4,694	\$ 4,694
Health promotion	\$ 5,000	\$ 5,000	\$ 1,915	\$ (3,085)	\$ (3,085)
Legal	\$ 20,000	\$ 20,000	\$ 12,115	\$ (7,885)	\$ (7,885)
Printing & Stationery & Postage	\$ 30,000	\$ 30,000	\$ 21,268	\$ (8,732)	\$ (8,732)
Telephone	\$ 15,000	\$ 15,000	\$ 14,293	\$ (707)	\$ (707)
Work Health and Safety	\$ 12,000	\$ 12,000	\$ 6,781	\$ (5,219)	\$ (5,219)
Rodenticide	\$ 2,000	\$ 2,000	\$ 839	\$ (1,161)	\$ (1,161)
Staff Amenities	\$ 7,000	\$ 7,000	\$ 3,059	\$ (3,941)	\$ (3,941)
Staff Training	\$ 22,000	\$ 22,000	\$ 17,393	\$ (4,607)	\$ (4,607)
Human Resource / Organisational Development	\$ 16,000	\$ 16,000	\$ 13,603	\$ (2,397)	\$ (2,397)
<b>Total Administration</b>	<b>\$ 179,000</b>	<b>\$ 179,000</b>	<b>\$ 135,758</b>	<b>\$ (43,242)</b>	<b>\$ (43,242)</b>
<b>Immunisation</b>					
Immunisation SBP Consumables	\$ 8,000	\$ 12,000	\$ 11,014	\$ 3,014	\$ (986)
Immunisation clinic vaccines	\$ 38,000	\$ 28,000	\$ 32,761	\$ (5,239)	\$ 4,761
Immunisation worksite vaccines	\$ 36,000	\$ 36,000	\$ 33,903	\$ (2,097)	\$ (2,097)
<b>Total Immunisation</b>	<b>\$ 82,000</b>	<b>\$ 76,000</b>	<b>\$ 77,678</b>	<b>\$ (4,322)</b>	<b>\$ 1,678</b>
<b>Income protection</b>					
Income Protection	\$ 15,000	\$ 15,000	\$ 18,997	\$ 3,997	\$ 3,997
<b>Total Uniforms/Income protection</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 18,997</b>	<b>\$ 3,997</b>	<b>\$ 3,997</b>
<b>Sampling</b>					
Legionella Testing	\$ 8,000	\$ 8,000	\$ 6,154	\$ (1,846)	\$ (1,846)
Food Sampling	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)	\$ (1,000)
<b>Total Sampling</b>	<b>\$ 9,000</b>	<b>\$ 9,000</b>	<b>\$ 6,154</b>	<b>\$ (2,846)</b>	<b>\$ (2,846)</b>
<b>New Initiatives</b>					
Website Upgrade	\$ -	\$ 15,000	\$ 24,305	\$ 24,305	\$ 9,305
Business Continuity Plan	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -
<b>Total New Initiatives</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 34,305</b>	<b>\$ 24,305</b>	<b>\$ 9,305</b>

<b>EASTERN HEALTH AUTHORITY FUNDING STATEMENT 2016/2017</b>					
<b>COMPARISON OF BUDGET TO AUDITED RESULTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017 (cont)</b>					
<b>Expenditure</b>	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual Result</b>	<b>Variation to Adopted Budget</b>	<b>Variation to Revised Budget</b>
Total Materials, contracts and other expenses	\$ 738,200	\$ 785,200	\$ 699,827	\$ (38,373)	\$ (85,373)
Total Operating Expenditure	\$ 2,281,200	\$ 2,398,200	\$ 2,323,217	\$ 42,017	\$ (74,983)
Finance Charges	\$ 19,984	\$ 19,984	\$ 18,756	\$ (1,228)	\$ (1,228)
Depreciation, amortisation and impairment	\$ 28,371	\$ 28,371	\$ 55,286	\$ 26,915	\$ 26,915
Total Expenditure	\$ 2,329,555	\$ 2,446,555	\$ 2,397,259	\$ 67,704	\$ (49,296)
Total Income	\$ 2,329,555	\$ 2,464,555	\$ 2,385,245	\$ 55,690	\$ (79,310)
Net Surplus/Defecit	\$ -	\$ 18,000	\$ (12,014)	\$ (12,014)	\$ (30,014)
Depreciation Add Back	\$ 28,371	\$ 28,371	\$ 55,286	\$ 26,915	\$ 26,915
Loans Received	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditure - plant and Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditure - Office Fit-out	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayments	\$ (58,623)	\$ (58,623)	\$ (58,623)	\$ -	\$ -
Cash Result	\$ (30,252)	\$ (12,252)	\$ (15,351)	\$ 14,901	\$ (3,099)

## 6.4 LONG TERM FINANCIAL PLAN 2013-2023 REVISED FINANCIAL ESTIMATES

**Author:** Michael Livori  
**Ref:** AF13/78

### Summary

On 28 August 2013 the Board of Management adopted a Long Term Financial Plan for the period 2013-2023 (provided as attachment 1). The Audit Committee at its meeting held on 16 August 2017 considered revised financial estimates for the LTFP. The revised financial estimates are now provided to the Board of Management for consideration.

### Report

The purpose of the EHA LTFP is to express, in financial terms, the activities that EHA proposes to undertake over the medium to longer term to achieve its stated objectives as outlined in its Charter and Business Plan.

EHA is an operational based organisation focused on meeting the regulatory requirements of its member councils. Unlike its Constituent Councils it is not responsible for managing a high level of long-lived assets.

The one exception to this is the upgrade of office accommodation at EHA's St Peters office which occurred in 2012. A 10 year loan (final payment to be made in July 2022) from the LGFA was used to fund the required office accommodation.

The LTFP is, apart from the loan, simply a projection of current operating arrangements moving forward.

The key assumptions used to develop long term financial estimates have been reviewed and the table below details the latest figures used.

Key Assumptions		
	Previous	New
Growth	0.8%	0.8%
CPI	3.0%	2.1%
Wages	3.5%	2.5%
Materials	3.0%	3.0%

At the 16 August 2017 Audit Committee meeting the following was resolved.

Claudia Goldsmith moved:

That:

1. Long Term Financial Plan 2013-2023 revised financial estimates report is received.
2. The Long Term Financial Plan 2013-2023 revised financial estimates are presented to the Board of Management for consideration.

Seconded by: Lisa Scinto

**CARRIED UNANIMOUSLY 6: 082017**

Revised long term financial estimates, considered by the Audit Committee and based on the audited results from 2016/2017 and the revised key assumptions detailed above are provided as attachment 2 for consideration.

**RECOMMENDATION**

That:

Long Term Financial Plan 2013-2023 revised financial estimates report is received.

# EASTERN HEALTH AUTHORITY

## LONG TERM FINANCIAL PLAN



**eastern health authority**

*Local councils working together  
to protect the health of the community*

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## **1 Long Term Financial Planning Defined**

### **1.1 Purpose**

The purpose of a long-term financial plan (LTFP) is to guide the future direction of EHA in a sustainable manner.

It is to be linked with EHA's goals and desired outcomes in financial terms.

It is a guideline for future action and thinking in relation to the future impact decisions made today have on long-term sustainability.

### **1.2 Principles**

The Local Government Act 1999 requires councils to prepare strategic management plans including an annual business plan and long term financial plan.

Under section 122(1a) each council must prepare a long term financial plan for a period of at least 10 years.

*Pursuant to section 122(2)(b) of the Act, a long-term financial plan must include—*

*(a) an estimated income statement, balance sheet, statement of changes in equity and statement of cash flows with respect to the period of the long-term financial plan presented in a manner consistent with the Model Financial Statements;*

*(b) a summary of proposed operating and capital investment activities presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances;*

*(c) estimates with respect to an operating surplus ratio, an asset sustainability ratio and a net financial liabilities ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.*

The LTFP developed by EHA will assist its constituent councils with information regarding future commitments in relation to EHA.

The first projected year of the LTFP is consistent with the Annual Budget adopted for the current 2013/2014 financial year.

It assumes that EHA's constituent councils want it to maintain a business as usual approach of providing the existing services at the current service levels.

## **2 Impacts upon the Current Planning Environment**

### **2.1 The Planning period**

The LTFP is for a ten year period (2014-2014).

## 2.2 Depreciation

Depreciation is the difference between the value of EHA's assets at the beginning of a stipulated period and the end. If no maintenance is performed on assets they have a finite life. That is they will depreciate over time and their value will decrease. With ongoing maintenance the life of these assets is extended. For some assets, if components are renewed on a regular basis, the life can be further extended.

In line with the mandated LTFP requirements, operating expenditure includes any depreciation expense. Capital expenditure on asset renewal or replacement is then shown net of depreciation. That is if an amount equivalent to depreciation is spent then net capital expenditure is nil. If spending is less than the depreciation expense then the net expenditure will show as income for the purposes of the model.

## 2.3 Accounting Standards

Annually EHA must produce a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. This report is externally audited.

## 2.4. Presentation of EHA Budgets

Both the Annual Business Plan and Budget and Long Term Financial Plan are required to be summarised in a similar format to that in the annual financial report. The Statement of Comprehensive Income describes revenues and expenses by type such as Statutory Charges and Employee costs.

## 3. Financial Planning Considerations

### 3.1 Purpose

EHA is established by the Constituent Councils for the purpose of providing public and environmental health services primarily to and within the areas of the Constituent Councils.

### 3.2 Regional Public Health Plan

Under the South Australian *Public Health Act 2011*, Councils will be required to develop public health plans, which are consistent with the *State Public Health Plan* and which respond to public health challenges within the local area. The public health planning cycle is every 5 years and can be integrated with Councils strategic planning under the *Local Government Act 1999*. Councils can either undertake planning within their Council boundaries or adopt a regional approach in conjunction with other Councils.

Public health planning is a strategic, multi-disciplinary exercise which adopts a holistic approach to assessing the public health impacts and opportunities across a wide range of local government functions.

EHA’s constituent councils have approved the governance structure below which will see EHA oversee the development of a Regional Public Health Plan.

Figure 1 – Proposed Public Health Plan Governance Structure



### 3.3 Service Delivery

EHA develops an Annual Business Plan which supports and informs its annual budget and guides its service delivery to its constituent councils.

### 3.4 Roles and Responsibilities

The EHA Charter specifies the services that EHA will provide to the community on behalf of its constituent councils. Some grants, subsidies or reimbursements are provided to fund these services. EHA provides additional services to several non constituent council areas on a fee for service basis.

### 3.5 Asset Management Strategy

EHA does not require a significant amount of infrastructure or assets due to the nature of its operations. Assets such as vehicles and IT equipment are usually leased.

The recent refurbishment of the EHA office accommodation and IT infrastructure are an exception to this.

New assets would generally require additional funding through constituent council contributions.

### 3.6 Constituent Council Contribution Strategy

EHA generally plans to operate on a balanced operational budget with constituent council contributions to operations reduced by the level of income received from grants and service provision activities.

EHA's Charter requires constituent councils to contribute to its operations in accordance with a formula that calculates the estimated proportion of overall activities it requires. The calculations are based on the previous year's activities.

Each year there will be some change in the individual council proportions determined by the formula which means that each council may have a change in contribution which is different from the average change in required contributions.

## 4. Performance Indicators

Non-financial measures which are used to monitor and assess the performance of EHA against its objectives are detailed in its Annual Business Plan.

Performance measures are detailed for each of the core activities detailed below.

- Governance and Organisational Development
- Health Education and Promotion
- Public and Environmental Health
- Immunisation
- Food Safety
- Health Care & Community Services
- Emergency Management

A series of financial indicators developed by local government to assist in determining whether a local government organisation is financially sustainable or moving to a position of financial sustainability is also detailed in the Annual Business Plan. These indicators include:

- Operating Surplus/ (Deficit)
- Net Financial Assets
- Net Financial Assets Ratio

### 4.1 Basic Assumptions including Service Levels

The basic assumptions are detailed below.

Growth	0.8%
CPI	3.0%
Wages	3.5%
Materials	3.0%

The LTFP projects a business as usual approach in relation to EHA activities over the period of the plan. The level and type of activity could change as a result of legislative review or changes to services provided to constituent or non-constituent councils. There are no significant changes to activities foreseen based on current available information.

## 4.2 Population

Expressing EHA's net expenditure as a factor of population is a good relative indicator of where EHA's resources are being spent. Expressing the net constituent council expenditure as a percentage of overall council expenditure is another good relative indicator.

## 5. Explanation of Terms

Below is a brief explanation of some of the terms used in the Long Term Financial Plan.

*Operating Expenses* – this is what it costs to operate the EHA services including financing costs and depreciation. Financing costs represent the interest on loans taken out to fund capital expenditure. Assets purchased to aid with the provision of a service only have a limited life before they need to be replaced. Depreciation expense represents the cost of using the asset over its life.

*Operating Income* – this represents any revenue generated by the provision of the service including any council contributions, grants and charges raised.

*Operating Surplus/(Deficit) before capital amounts*- income less expenditure before capital amounts.

*Capital Expenditure on Renewal Replacement of Existing Assets* - EHA expenditure on assets has two parts. The first is maintenance. This is included in operating expenditure. The second is capital. That is expenditure on the renewal of EHA assets. This is not shown under operating expenditure. It is included in the Balance Sheet of the EHA as an asset. Generally the asset is subsequently depreciated. As indicated above this depreciation expense is included in the operating expenses.

*Less Depreciation, Amortisation & Impairment* – depreciation is an expense that recognises the consumption of EHA assets.

*Capital Expenditure on New/Upgraded Assets* - the amount spent on new or upgraded assets.

### *Cash and Cash Equivalents*

*“Cash Assets include all amounts readily convertible to cash on hand at EHA's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.” (South Australian Model Financial Statements 2008)*

*Loans Received* – loans drawn down and received during the year.

*Loan Repayments* – loan principal repaid during the year.

*Net Lending/(Borrowing) for the financial year* - The South Australian Model Financial Statements 2008 definition is;

*“Net lending / (borrowing is a 'flow' measure that takes account of both operating and capital activities for the financial year. Achieving a zero result on the net lending / (borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new / upgraded assets).”*

## 6. Estimated Income Statement

Eastern Health Authority Long Term Financial Plan Model ESTIMATED COMPREHENSIVE INCOME STATEMENT											
Year Ended 30 June:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Estimate	Plan								
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>INCOME</b>											
Council Contributions	1469100	1572206	1630788	1691557	1754591	1819979	1887806	1958164	2031148	2106855	2185386
Statutory Charges	149155	141000	145230	149587	154075	158698	163459	168364	173414	178616	183974
User Charges	398337	418000	430540	443456	456760	470463	484576	499112	514086	529509	545393
Grants, subsidies, contributions	149,012	160,000	164,800	169,745	174,837	180,082	185,484	191,049	196,781	202,684	208,764
Investment Income	23,729	25,000	28,024	28,050	28,699	29,483	30,705	32,271	34,286	36,759	39,754
Reimbursements	0	0	0	0	0	0	0	0	0	0	0
Other Income	22,303	14,300	14,729	15,170	15,625	16,094	16,577	17,075	17,587	18,114	18,657
<b>Total Revenues</b>	<b>2,211,636</b>	<b>2,330,506</b>	<b>2,414,111</b>	<b>2,497,565</b>	<b>2,584,587</b>	<b>2,674,799</b>	<b>2,768,607</b>	<b>2,866,035</b>	<b>2,967,302</b>	<b>3,072,537</b>	<b>3,181,928</b>
<b>EXPENSES</b>											
Employee costs	1,376,265	1,661,000	1,719,055	1,779,139	1,841,324	1,905,683	1,972,291	2,041,228	2,112,576	2,186,417	2,262,841
Materials, contracts & other expenses	611,432	590,900	608,627	626,887	645,694	665,067	685,018	705,569	726,735	748,536	770,991
Depreciation	106,539	83,302	80,851	80,851	28,371	23,238	23,238	23,238	23,238	23,238	23,238
Finance Costs	14,725	28,866	28,370	25,804	23,530	20,682	17,929	14,891	11,834	8,562	5,148
Other Expenses	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>2,108,961</b>	<b>2,364,068</b>	<b>2,436,903</b>	<b>2,512,681</b>	<b>2,538,919</b>	<b>2,614,670</b>	<b>2,698,476</b>	<b>2,784,926</b>	<b>2,874,383</b>	<b>2,966,753</b>	<b>3,062,218</b>
<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>	<b>102,675</b>	<b>(33,562)</b>	<b>(22,792)</b>	<b>(15,116)</b>	<b>45,668</b>	<b>60,129</b>	<b>70,131</b>	<b>81,109</b>	<b>92,919</b>	<b>105,784</b>	<b>119,710</b>
Net gain/(loss) on disposal or revaluations	1,187	0	0	0	0	0	0	0	0	0	0
Amounts specifically for new assets	0	0	0	0	0	0	0	0	0	0	0
Physical resources free of charge	0	0	0	0	0	0	0	0	0	0	0
Non-operating - joint ventures	0	0	0	0	0	0	0	0	0	0	0
Spare Non-operating 1	0	0	0	0	0	0	0	0	0	0	0
Spare Non-operating 2	0	0	0	0	0	0	0	0	0	0	0
Operating result from discontinued operations	0	0	0	0	0	0	0	0	0	0	0
<b>NET SURPLUS/(DEFICIT)</b>	<b>103,862</b>	<b>(33,562)</b>	<b>(22,792)</b>	<b>(15,116)</b>	<b>45,668</b>	<b>60,129</b>	<b>70,131</b>	<b>81,109</b>	<b>92,919</b>	<b>105,784</b>	<b>119,710</b>
<b>Other Comprehensive Income</b>											
Changes in revaluation surplus - IPP&E	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive income - joint ventures	0	0	0	0	0	0	0	0	0	0	0
Impairment (expense) / recoupments offset to asset revaluation reserve	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other Comprehensive Income</b>	<b>0</b>										
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>103,862</b>	<b>(33,562)</b>	<b>(22,792)</b>	<b>(15,116)</b>	<b>45,668</b>	<b>60,129</b>	<b>70,131</b>	<b>81,109</b>	<b>92,919</b>	<b>105,784</b>	<b>119,710</b>

## 7. Estimated Balance Sheet

Eastern Health Authority Long Term Financial Plan Model ESTIMATED BALANCE SHEET											
Year Ended 30 June:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Estimate	Plan								
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash & Equivalent Assets	510,711	509,530	510,000	521,798	536,046	558,279	586,738	623,388	668,350	722,798	826,793
Trade & Other Receivables	175,594	175,594	180,862	186,288	191,877	197,633	203,562	209,669	215,959	222,438	229,111
Investments & Other Financial Assets	0	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	0	0	0	0	0
Sub-total	686,305	685,124	690,862	708,086	727,923	755,912	790,300	833,057	884,309	945,236	1,055,904
Non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total Current Assets</b>	<b>686,305</b>	<b>685,124</b>	<b>690,862</b>	<b>708,086</b>	<b>727,923</b>	<b>755,912</b>	<b>790,300</b>	<b>833,057</b>	<b>884,309</b>	<b>945,236</b>	<b>1,055,904</b>
<b>Non-Current Assets</b>											
Receivables	0	0	0	0	0	0	0	0	0	0	0
Other Financial Assets	0	0	0	0	0	0	0	0	0	0	0
Equity Accounted Investments in Council Businesses	0	0	0	0	0	0	0	0	0	0	0
Investment Property	0	0	0	0	0	0	0	0	0	0	0
Infrastructure, Property, Plant & Equipment	598,698	515,396	434,545	353,694	325,323	302,085	278,847	255,609	232,371	209,133	185,895
Inventories	0	0	0	0	0	0	0	0	0	0	0
Other Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Assets</b>	<b>598,698</b>	<b>515,396</b>	<b>434,545</b>	<b>353,694</b>	<b>325,323</b>	<b>302,085</b>	<b>278,847</b>	<b>255,609</b>	<b>232,371</b>	<b>209,133</b>	<b>185,895</b>
<b>Total Assets</b>	<b>1,285,003</b>	<b>1,200,520</b>	<b>1,125,407</b>	<b>1,061,780</b>	<b>1,053,246</b>	<b>1,057,997</b>	<b>1,069,147</b>	<b>1,088,666</b>	<b>1,116,680</b>	<b>1,154,369</b>	<b>1,241,799</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Trade & Other Payables	342,134	342,134	336,292	344,226	345,288	349,852	352,707	356,471	359,829	363,442	366,979
Borrowings	50,921	53,369	55,934	58,622	61,440	64,393	67,488	70,732	74,131	38,392	0
Provisions	52,203	52,203	59,093	58,582	61,940	63,438	65,995	68,129	70,598	73,021	75,596
Other Current Liabilities	0	0	0	0	0	0	0	0	0	0	0
Sub-total	445,258	447,706	451,319	461,430	468,668	477,683	486,190	495,332	504,558	474,855	442,575
Liabilities Relating to Non-Current Assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total Current Liabilities</b>	<b>445,258</b>	<b>447,706</b>	<b>451,319</b>	<b>461,430</b>	<b>468,668</b>	<b>477,683</b>	<b>486,190</b>	<b>495,332</b>	<b>504,558</b>	<b>474,855</b>	<b>442,575</b>
<b>Non-Current Liabilities</b>											
Trade & Other Payables	0	0	0	0	0	0	0	0	0	0	0
Borrowings	544,501	491,132	435,198	376,576	315,136	250,743	183,255	112,523	38,392	0	0
Provisions	0	0	0	0	0	0	0	0	0	0	0
Other Non-Current Liabilities	0	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>544,501</b>	<b>491,132</b>	<b>435,198</b>	<b>376,576</b>	<b>315,136</b>	<b>250,743</b>	<b>183,255</b>	<b>112,523</b>	<b>38,392</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>	<b>989,759</b>	<b>938,838</b>	<b>886,517</b>	<b>838,006</b>	<b>783,804</b>	<b>728,426</b>	<b>669,445</b>	<b>607,855</b>	<b>542,950</b>	<b>474,855</b>	<b>442,575</b>
<b>NET ASSETS</b>	<b>295,244</b>	<b>261,682</b>	<b>238,890</b>	<b>223,774</b>	<b>269,442</b>	<b>329,571</b>	<b>399,702</b>	<b>480,811</b>	<b>573,730</b>	<b>679,514</b>	<b>799,224</b>
<b>EQUITY</b>											
Accumulated Surplus	295,244	261,682	238,890	223,774	269,442	329,571	399,702	480,811	573,730	679,514	799,224
Asset Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0
Other Reserves	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL EQUITY</b>	<b>295,244</b>	<b>261,682</b>	<b>238,890</b>	<b>223,774</b>	<b>269,442</b>	<b>329,571</b>	<b>399,702</b>	<b>480,811</b>	<b>573,730</b>	<b>679,514</b>	<b>799,224</b>

## 8. Estimated Cash Flow Statement

Eastern Health Authority Long Term Financial Plan Model ESTIMATED CASH FLOW STATEMENT											
Year Ended 30 June:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Estimate	Plan								
	\$	\$	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>											
<u>Receipts</u>											
Rates		1,572,206	1,625,520	1,686,131	1,749,002	1,814,223	1,881,877	1,952,057	2,024,858	2,100,376	2,178,713
Statutory Charges		141,000	145,230	149,587	154,075	158,698	163,459	168,364	173,414	178,616	183,974
User Charges		418,000	430,540	443,456	456,760	470,463	484,576	499,112	514,086	529,509	545,393
Grants, subsidies, contributions		160,000	164,800	169,745	174,837	180,082	185,484	191,049	196,781	202,684	208,764
Investment Income		25,000	28,024	28,050	28,699	29,483	30,705	32,271	34,286	36,759	39,754
Reimbursements		0	0	0	0	0	0	0	0	0	0
Other Income		14,300	14,729	15,170	15,625	16,094	16,577	17,075	17,587	18,114	18,657
<u>Payments</u>											
Employee costs		(1,661,000)	(1,713,662)	(1,777,617)	(1,837,694)	(1,903,015)	(1,969,003)	(2,038,129)	(2,109,247)	(2,183,068)	(2,259,360)
Materials, contracts & other expenses		(590,900)	(612,972)	(620,986)	(644,904)	(661,673)	(682,894)	(702,770)	(724,237)	(745,849)	(768,360)
Finance Costs		(28,866)	(28,370)	(25,804)	(23,530)	(20,682)	(17,929)	(14,891)	(11,834)	(8,562)	(5,148)
Loss - Joint Ventures		0	0	0	0	0	0	0	0	0	0
Other Expenses		0	0	0	0	0	0	0	0	0	0
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>49,740</b>	<b>53,839</b>	<b>67,732</b>	<b>72,870</b>	<b>83,673</b>	<b>92,852</b>	<b>104,138</b>	<b>115,694</b>	<b>128,579</b>	<b>142,387</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<u>Receipts</u>											
Amounts Specifically for New/Upgraded Assets		0	0	0	0	0	0	0	0	0	0
Sale of Renewed/Replaced Assets		0	0	0	0	0	0	0	0	0	0
Sale of Surplus Assets		0	0	0	0	0	0	0	0	0	0
Proceeds of disposals - Invest. Prop.		0	0	0	0	0	0	0	0	0	0
Net disposal of Investment Securities		0	0	0	0	0	0	0	0	0	0
Pcdis of disposal - Real Estate Devel.		0	0	0	0	0	0	0	0	0	0
Repayments of Loans by Community Groups		0	0	0	0	0	0	0	0	0	0
Distributions Received from Associated Entities		0	0	0	0	0	0	0	0	0	0
<u>Payments</u>											
Expenditure on Renewal/Replacement of Assets		0	0	0	0	0	0	0	0	0	0
Expenditure on New/Upgraded Assets		0	0	0	0	0	0	0	0	0	0
Purchase of Investment Property		0	0	0	0	0	0	0	0	0	0
Net purchase of Investment Securities		0	0	0	0	0	0	0	0	0	0
Acquisitions - Real Estate developments		0	0	0	0	0	0	0	0	0	0
Loans Made to Community Groups		0	0	0	0	0	0	0	0	0	0
Capital Contributed to Associated Entities		0	0	0	0	0	0	0	0	0	0
<b>Net Cash Provided by (or used in) Investing Activities</b>		<b>0</b>									
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<u>Receipts</u>											
Proceeds from Borrowings		0	0	0	0	0	0	0	0	0	0
Proceeds from Aged Care Facility Deposits		0	0	0	0	0	0	0	0	0	0
<u>Payments</u>											
Repayments of Borrowings		(50,921)	(53,369)	(55,934)	(58,622)	(61,440)	(64,393)	(67,488)	(70,732)	(74,131)	(38,392)
Repayment of Finance Lease Liabilities		0	0	0	0	0	0	0	0	0	0
Repayment of Aged Care Facility Deposits		0	0	0	0	0	0	0	0	0	0
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(50,921)</b>	<b>(53,369)</b>	<b>(55,934)</b>	<b>(58,622)</b>	<b>(61,440)</b>	<b>(64,393)</b>	<b>(67,488)</b>	<b>(70,732)</b>	<b>(74,131)</b>	<b>(38,392)</b>
<b>Net Increase/(Decrease) in cash held</b>		<b>(1,181)</b>	<b>470</b>	<b>11,798</b>	<b>14,248</b>	<b>22,233</b>	<b>28,459</b>	<b>36,650</b>	<b>44,962</b>	<b>54,448</b>	<b>103,995</b>
<b>Opening cash, cash equivalents or (bank overdraft)</b>		<b>510,711</b>	<b>509,530</b>	<b>510,000</b>	<b>521,798</b>	<b>536,046</b>	<b>558,279</b>	<b>586,738</b>	<b>623,388</b>	<b>668,350</b>	<b>722,798</b>
<b>Closing cash, cash equivalents or (bank overdraft)</b>	<b>510,711</b>	<b>509,530</b>	<b>510,000</b>	<b>521,798</b>	<b>536,046</b>	<b>558,279</b>	<b>586,738</b>	<b>623,388</b>	<b>668,350</b>	<b>722,798</b>	<b>826,793</b>

## 9. Estimated Statement of Changes in Equity

Eastern Health Authority Long Term Financial Plan Model ESTIMATED STATEMENT OF CHANGES IN EQUITY											
Year Ended 30 June:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Estimate	Plan Year 1	Plan Year 2	Plan Year 3	Plan Year 4	Plan Year 5	Plan Year 6	Plan Year 7	Plan Year 8	Plan Year 9
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ACCUMULATED SURPLUS</b>											
Balance at end of previous reporting period	191,382	295,244	261,682	238,890	223,774	269,442	329,571	399,702	480,811	573,730	679,514
Net Result for Year	103,862	(33,562)	(22,792)	(15,116)	45,668	60,129	70,131	81,109	92,919	105,784	119,710
Other Comprehensive Income	0	0	0	0	0	0	0	0	0	0	0
Transfers to Other Reserves	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Reserves	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at end of period</b>	<b>295,244</b>	<b>261,682</b>	<b>238,890</b>	<b>223,774</b>	<b>269,442</b>	<b>329,571</b>	<b>399,702</b>	<b>480,811</b>	<b>573,730</b>	<b>679,514</b>	<b>799,224</b>
<b>ASSET REVALUATION RESERVE</b>											
Buildings	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	0	0	0	0	0	0	0	0	0	0	0
Asset Group 3	0	0	0	0	0	0	0	0	0	0	0
Asset Group 4	0	0	0	0	0	0	0	0	0	0	0
Asset Group 5	0	0	0	0	0	0	0	0	0	0	0
Asset Group 6	0	0	0	0	0	0	0	0	0	0	0
Asset Group 7	0	0	0	0	0	0	0	0	0	0	0
Asset Group 8	0	0	0	0	0	0	0	0	0	0	0
Asset Group 9	0	0	0	0	0	0	0	0	0	0	0
Asset Group 10	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at end of period</b>	<b>0</b>										
<b>OTHER RESERVES</b>											
Balance at end of previous reporting period	0	0	0	0	0	0	0	0	0	0	0
Transfers from Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at end of period</b>	<b>0</b>										
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>295,244</b>	<b>261,682</b>	<b>238,890</b>	<b>223,774</b>	<b>269,442</b>	<b>329,571</b>	<b>399,702</b>	<b>480,811</b>	<b>573,730</b>	<b>679,514</b>	<b>799,224</b>

## 10. Summary Statement Including Financing Transactions

Eastern Health Authority Long Term Financial Plan Model SUMMARY STATEMENT INCLUDING FINANCING TRANSACTIONS											
Year Ended 30 June:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Estimate	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenues	2,211,636	2,330,506	2,414,111	2,497,565	2,584,587	2,674,799	2,768,607	2,866,035	2,967,302	3,072,537	3,181,928
less Operating Expenses	2,108,961	2,364,068	2,436,903	2,512,681	2,538,919	2,614,670	2,698,476	2,784,926	2,874,383	2,966,753	3,062,218
<b>Operating Surplus/(Deficit) before Capital Amounts</b>	<b>102,675</b>	<b>(33,562)</b>	<b>(22,792)</b>	<b>(15,116)</b>	<b>45,668</b>	<b>60,129</b>	<b>70,131</b>	<b>81,109</b>	<b>92,919</b>	<b>105,784</b>	<b>119,710</b>
<b>Less: Net Outlays on Existing Assets</b>											
Capital Expenditure on Renewal/Replacement of Existing	146,675	0	0	0	0	0	0	0	0	0	0
less Depreciation, Amortisation & Impairment	106,539	83,302	80,851	80,851	28,371	23,238	23,238	23,238	23,238	23,238	23,238
less Proceeds from Sale of Replaced Assets	1,187	0	0	0	0	0	0	0	0	0	0
	<b>38,949</b>	<b>(83,302)</b>	<b>(80,851)</b>	<b>(80,851)</b>	<b>(28,371)</b>	<b>(23,238)</b>	<b>(23,238)</b>	<b>(23,238)</b>	<b>(23,238)</b>	<b>(23,238)</b>	<b>(23,238)</b>
<b>Less: Net Outlays on New and Upgraded Assets</b>											
Capital Expenditure on New/Upgraded Assets	514,543	0	0	0	0	0	0	0	0	0	0
less Amounts Specifically for New/Upgraded Assets	0	0	0	0	0	0	0	0	0	0	0
less Proceeds from Sale of Surplus Assets	0	0	0	0	0	0	0	0	0	0	0
	<b>514,543</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>						
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(450,817)</b>	<b>49,740</b>	<b>58,059</b>	<b>65,735</b>	<b>74,039</b>	<b>83,367</b>	<b>93,369</b>	<b>104,347</b>	<b>116,157</b>	<b>129,022</b>	<b>142,948</b>
In any one year, the above financing transactions are associated with either applying surplus funds stemming from a net lending result or accommodating the funding requirement stemming from a net borrowing result.											
Year Ended 30 June:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FINANCING TRANSACTIONS	Actual	Estimate	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
New Borrowings		0	0	0	0	0	0	0	0	0	0
Repayment of Principal on Borrowings		50,921	53,369	55,934	58,622	61,440	64,393	67,488	70,732	74,131	38,392
(Increase)/Decrease in Cash and Cash Equivalents		1,181	(470)	(11,798)	(14,248)	(22,233)	(28,459)	(36,650)	(44,962)	(54,448)	(103,995)
(Increase)/Decrease in Receivables		0	(5,268)	(5,426)	(5,589)	(5,756)	(5,929)	(6,107)	(6,290)	(6,479)	(6,673)
Increase/(Decrease) in Payables & Provisions		0	1,048	7,423	4,420	6,062	5,412	5,898	5,827	6,036	6,112
Other – Including the Movement in Inventories		(101,842)	(106,738)	(111,868)	(117,244)	(122,880)	(128,786)	(134,976)	(141,464)	(148,262)	(76,784)
<b>Financing Transactions</b>		<b>(49,740)</b>	<b>(58,059)</b>	<b>(65,735)</b>	<b>(74,039)</b>	<b>(83,367)</b>	<b>(93,369)</b>	<b>(104,347)</b>	<b>(116,157)</b>	<b>(129,022)</b>	<b>(142,948)</b>
KEY FINANCIAL INDICATORS	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Estimate	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Operating Surplus / (Deficit) - \$'000	102,675	(33,562)	(22,792)	(15,116)	45,668	60,129	70,131	81,109	92,919	105,784	119,710
Operating Surplus Ratio - %	7%	(2)%	(1)%	(1)%	3%	3%	4%	4%	5%	5%	5%
Net Financial Liabilities - \$'000	303,454	253,714	195,655	129,920	55,881	(27,486)	(120,855)	(225,202)	(341,359)	(470,381)	(613,329)
Net Financial Liabilities Ratio - %	13.7%	10.9%	8.1%	5.2%	2.2%	(1.0)%	(4.4)%	(7.9)%	(11.5)%	(15.3)%	(19.3)%
Interest Cover Ratio - %	(0.4)%	0.2%	0.0%	(0.1)%	(0.2)%	(0.3)%	(0.5)%	(0.6)%	(0.8)%	(0.9)%	(1.1)%
Asset Sustainability Ratio - %	137%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Asset Consumption Ratio - %	80%	68%	58%	47%	43%	40%	37%	34%	31%	28%	25%

**Eastern Health Authority  
Long Term Financial Plan Model  
ESTIMATED COMPREHENSIVE INCOME STATEMENT**

Year Ended 30 June:		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
		Actual	Estimate	Plan									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>INCOME</b>													
Constituent Council Contributions	A	1,641,055	1,685,870	1,733,917	1,783,334	1,834,159	1,886,432	1,940,195	1,995,491	2,052,362	2,110,855	2,171,015	2,232,890
Statutory Charges	B	155,492	187,000	190,927	194,936	199,029	203,209	207,476	211,833	216,281	220,823	225,460	230,195
User Charges	C	294,343	299,000	305,279	311,690	318,236	324,919	331,743	338,709	345,823	353,086	360,501	368,072
Grants, subsidies, contributions	D	270,990	297,000	159,237	126,581	129,240	131,954	134,725	137,554	140,443	143,393	146,404	149,479
Investment Income	E	11,598	15,000	35,369	31,448	30,777	28,114	26,336	25,781	27,263	28,689	30,248	31,850
Reimbursements	F	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	G	11,767	11,000	11,231	11,467	11,707	11,953	12,204	12,460	12,722	12,989	13,262	13,541
Spare Income 2	H	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenues</b>		<b>2,385,245</b>	<b>2,494,870</b>	<b>2,435,960</b>	<b>2,459,456</b>	<b>2,523,148</b>	<b>2,586,581</b>	<b>2,652,679</b>	<b>2,721,828</b>	<b>2,794,894</b>	<b>2,869,835</b>	<b>2,946,890</b>	<b>3,026,027</b>
<b>EXPENSES</b>													
Employee costs	J	1,610,891	1,695,000	1,639,460	1,680,529	1,722,627	1,765,780	1,810,015	1,855,358	1,901,837	1,949,481	1,998,319	2,048,381
Materials, contracts & other expenses	K	712,326	702,700	711,781	733,134	755,129	777,783	801,116	825,150	849,904	875,401	901,662	928,709
Depreciation	L	55,286	45,098	25,550	23,642	23,642	23,642	23,642	23,642	23,642	23,642	23,642	23,642
Finance Costs	M	18,756	17,170	31,610	28,482	25,129	21,938	18,926	18,408	18,898	19,357	19,849	20,343
Loss - Joint Ventures	N	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	O	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenses</b>		<b>2,397,259</b>	<b>2,459,968</b>	<b>2,408,401</b>	<b>2,465,787</b>	<b>2,526,527</b>	<b>2,589,143</b>	<b>2,653,699</b>	<b>2,722,558</b>	<b>2,794,281</b>	<b>2,867,881</b>	<b>2,943,472</b>	<b>3,021,075</b>
<b>OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS</b>		<b>(12,014)</b>	<b>34,902</b>	<b>27,559</b>	<b>(6,331)</b>	<b>(3,379)</b>	<b>(2,562)</b>	<b>(1,020)</b>	<b>(730)</b>	<b>613</b>	<b>1,954</b>	<b>3,418</b>	<b>4,952</b>
Net gain/(loss) on disposal or revaluations	P	0	0	0	0	0	0	0	0	0	0	0	0
Amounts specifically for new assets	Q	0	0	0	0	0	0	0	0	0	0	0	0
Physical resources free of charge	R	0	0	0	0	0	0	0	0	0	0	0	0
Non-operating - joint ventures	S	0	0	0	0	0	0	0	0	0	0	0	0
Spare Non-operating 1	T	0	0	0	0	0	0	0	0	0	0	0	0
Spare Non-operating 2	U	0	0	0	0	0	0	0	0	0	0	0	0
Operating result from discontinued operations		0	0	0	0	0	0	0	0	0	0	0	0
<b>NET SURPLUS/(DEFICIT)</b>		<b>(12,014)</b>	<b>34,902</b>	<b>27,559</b>	<b>(6,331)</b>	<b>(3,379)</b>	<b>(2,562)</b>	<b>(1,020)</b>	<b>(730)</b>	<b>613</b>	<b>1,954</b>	<b>3,418</b>	<b>4,952</b>
<b>Other Comprehensive Income</b>													
Changes in revaluation surplus - IPP&E		0	0	0	0	0	0	0	0	0	0	0	0
Other comprehensive income - joint ventures		0	0	0	0	0	0	0	0	0	0	0	0
Impairment (expense) / recoupments offset to asset revaluation reserve		0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Other Comprehensive Income</b>		<b>0</b>											
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(12,014)</b>	<b>34,902</b>	<b>27,559</b>	<b>(6,331)</b>	<b>(3,379)</b>	<b>(2,562)</b>	<b>(1,020)</b>	<b>(730)</b>	<b>613</b>	<b>1,954</b>	<b>3,418</b>	<b>4,952</b>

**Eastern Health Authority  
Long Term Financial Plan Model  
ESTIMATED BALANCE SHEET**

Year Ended 30 June:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	Actual	Estimate	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash & Equivalent Assets	664,107	768,887	683,647	669,070	611,179	572,532	560,452	592,677	623,675	657,562	692,401	729,303
Trade & Other Receivables	129,625	175,594	179,281	183,046	186,890	190,815	194,822	198,913	203,090	207,355	211,709	216,155
Investments & Other Financial Assets	0	0	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	793,732	944,481	862,928	852,116	798,069	763,347	755,274	791,590	826,765	864,917	904,110	945,458
Non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Current Assets</b>	<b>793,732</b>	<b>944,481</b>	<b>862,928</b>	<b>852,116</b>	<b>798,069</b>	<b>763,347</b>	<b>755,274</b>	<b>791,590</b>	<b>826,765</b>	<b>864,917</b>	<b>904,110</b>	<b>945,458</b>
<b>Non-Current Assets</b>												
Receivables	0	0	0	0	0	0	0	0	0	0	0	0
Other Financial Assets	0	0	0	0	0	0	0	0	0	0	0	0
Equity Accounted Investments in Council Businesses	0	0	0	0	0	0	0	0	0	0	0	0
Investment Property	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure, Property, Plant & Equipment	387,928	342,830	317,280	293,638	269,996	246,354	222,712	199,070	175,428	151,786	128,144	104,502
Inventories	0	0	0	0	0	0	0	0	0	0	0	0
Other Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Assets</b>	<b>387,928</b>	<b>342,830</b>	<b>317,280</b>	<b>293,638</b>	<b>269,996</b>	<b>246,354</b>	<b>222,712</b>	<b>199,070</b>	<b>175,428</b>	<b>151,786</b>	<b>128,144</b>	<b>104,502</b>
<b>Total Assets</b>	<b>1,181,660</b>	<b>1,287,311</b>	<b>1,180,208</b>	<b>1,145,754</b>	<b>1,068,065</b>	<b>1,009,701</b>	<b>977,986</b>	<b>990,660</b>	<b>1,002,193</b>	<b>1,016,703</b>	<b>1,032,254</b>	<b>1,049,960</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Trade & Other Payables	138,358	270,547	203,061	238,325	223,955	234,556	232,643	237,051	238,318	241,197	243,300	245,829
Borrowings	61,440	64,393	67,488	70,732	74,131	38,391	0	0	0	0	0	0
Provisions	341,108	341,108	338,325	342,426	353,218	360,946	370,555	379,551	389,204	398,881	408,911	419,136
Other Current Liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total	540,906	676,048	608,874	651,483	651,304	633,893	603,198	616,602	627,522	640,078	652,211	664,965
Liabilities Relating to Non-Current Assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Current Liabilities</b>	<b>540,906</b>	<b>676,048</b>	<b>608,874</b>	<b>651,483</b>	<b>651,304</b>	<b>633,893</b>	<b>603,198</b>	<b>616,602</b>	<b>627,522</b>	<b>640,078</b>	<b>652,211</b>	<b>664,965</b>
<b>Non-Current Liabilities</b>												
Trade & Other Payables	0	0	0	0	0	0	0	0	0	0	0	0
Borrowings	315,135	250,742	183,254	112,522	38,391	0	0	0	0	0	0	0
Provisions	0	0	0	0	0	0	0	0	0	0	0	0
Other Non-Current Liabilities	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Non-Current Liabilities</b>	<b>315,135</b>	<b>250,742</b>	<b>183,254</b>	<b>112,522</b>	<b>38,391</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>	<b>856,041</b>	<b>926,790</b>	<b>792,128</b>	<b>764,005</b>	<b>689,695</b>	<b>633,893</b>	<b>603,198</b>	<b>616,602</b>	<b>627,522</b>	<b>640,078</b>	<b>652,211</b>	<b>664,965</b>
<b>NET ASSETS</b>	<b>325,619</b>	<b>360,521</b>	<b>388,080</b>	<b>381,749</b>	<b>378,370</b>	<b>375,808</b>	<b>374,788</b>	<b>374,058</b>	<b>374,671</b>	<b>376,625</b>	<b>380,043</b>	<b>384,995</b>
<b>EQUITY</b>												
Accumulated Surplus	325,619	360,521	388,080	381,749	378,370	375,808	374,788	374,058	374,671	376,625	380,043	384,995
Asset Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserves	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL EQUITY</b>	<b>325,619</b>	<b>360,521</b>	<b>388,080</b>	<b>381,749</b>	<b>378,370</b>	<b>375,808</b>	<b>374,788</b>	<b>374,058</b>	<b>374,671</b>	<b>376,625</b>	<b>380,043</b>	<b>384,995</b>

**Eastern Health Authority  
Long Term Financial Plan Model  
ESTIMATED CASH FLOW STATEMENT**

Year Ended 30 June:	2017 Actual	2018 Estimate	2019 Plan Year 1	2020 Plan Year 2	2021 Plan Year 3	2022 Plan Year 4	2023 Plan Year 5	2024 Plan Year 6	2025 Plan Year 7	2026 Plan Year 8	2027 Plan Year 9	2028 Plan Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>												
<u>Receipts</u>												
Constituent Council Contributions		1,639,901	1,730,230	1,779,569	1,830,315	1,882,507	1,936,188	1,991,400	2,048,185	2,106,590	2,166,661	2,228,444
Statutory Charges		187,000	190,927	194,936	199,029	203,209	207,476	211,833	216,281	220,823	225,460	230,195
User Charges		299,000	305,279	311,690	318,236	324,919	331,743	338,709	345,823	353,086	360,501	368,072
Grants, subsidies, contributions		297,000	159,237	126,581	129,240	131,954	134,725	137,554	140,443	143,393	146,404	149,479
Investment Income		15,000	35,369	31,448	30,777	28,114	26,336	25,781	27,263	28,689	30,248	31,850
Reimbursements		0	0	0	0	0	0	0	0	0	0	0
Other Income		11,000	11,231	11,467	11,707	11,953	12,204	12,460	12,722	12,989	13,262	13,541
Spare Income 2		0	0	0	0	0	0	0	0	0	0	0
<u>Payments</u>												
Employee costs		(1,709,333)	(1,635,235)	(1,679,806)	(1,709,830)	(1,758,748)	(1,799,742)	(1,846,378)	(1,891,856)	(1,939,645)	(1,988,042)	(2,037,950)
Materials, contracts & other expenses		(556,178)	(786,275)	(694,492)	(771,504)	(766,486)	(803,693)	(820,726)	(848,965)	(872,681)	(899,806)	(926,386)
Finance Costs		(17,170)	(31,610)	(28,482)	(25,129)	(21,938)	(18,926)	(18,408)	(18,898)	(19,357)	(19,849)	(20,343)
Loss - Joint Ventures		0	0	0	0	0	0	0	0	0	0	0
Other Expenses		0	0	0	0	0	0	0	0	0	0	0
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>166,220</b>	<b>(20,847)</b>	<b>52,911</b>	<b>12,841</b>	<b>35,484</b>	<b>26,311</b>	<b>32,225</b>	<b>30,998</b>	<b>33,887</b>	<b>34,839</b>	<b>36,902</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<u>Receipts</u>												
Amounts Specifically for New/Upgraded Assets		0	0	0	0	0	0	0	0	0	0	0
Sale of Renewed/Replaced Assets		0	0	0	0	0	0	0	0	0	0	0
Sale of Surplus Assets		0	0	0	0	0	0	0	0	0	0	0
Proceeds of disposals - Invest. Prop.		0	0	0	0	0	0	0	0	0	0	0
Net disposal of Investment Securities		0	0	0	0	0	0	0	0	0	0	0
Pcnds of disposal - Real Estate Devel.		0	0	0	0	0	0	0	0	0	0	0
Repayments of Loans by Community Groups		0	0	0	0	0	0	0	0	0	0	0
Distributions Received from Associated Entities		0	0	0	0	0	0	0	0	0	0	0
<u>Payments</u>												
Expenditure on Renewal/Replacement of Assets		0	0	0	0	0	0	0	0	0	0	0
Expenditure on New/Upgraded Assets		0	0	0	0	0	0	0	0	0	0	0
Purchase of Investment Property		0	0	0	0	0	0	0	0	0	0	0
Net purchase of Investment Securities		0	0	0	0	0	0	0	0	0	0	0
Acquisitions - Real Estate developments		0	0	0	0	0	0	0	0	0	0	0
Loans Made to Community Groups		0	0	0	0	0	0	0	0	0	0	0
Capital Contributed to Associated Entities		0	0	0	0	0	0	0	0	0	0	0
<b>Net Cash Provided by (or used in) Investing Activities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<u>Receipts</u>												
Proceeds from Borrowings		0	0	0	0	0	0	0	0	0	0	0
Proceeds from Aged Care Facility Deposits		0	0	0	0	0	0	0	0	0	0	0
<u>Payments</u>												
Repayments of Borrowings		(61,440)	(64,393)	(67,488)	(70,732)	(74,131)	(38,391)	0	0	0	0	0
Repayment of Finance Lease Liabilities		0	0	0	0	0	0	0	0	0	0	0
Repayment of Aged Care Facility Deposits		0	0	0	0	0	0	0	0	0	0	0
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(61,440)</b>	<b>(64,393)</b>	<b>(67,488)</b>	<b>(70,732)</b>	<b>(74,131)</b>	<b>(38,391)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase/(Decrease) in cash held</b>		<b>104,780</b>	<b>(85,240)</b>	<b>(14,577)</b>	<b>(57,891)</b>	<b>(38,647)</b>	<b>(12,080)</b>	<b>32,225</b>	<b>30,998</b>	<b>33,887</b>	<b>34,839</b>	<b>36,902</b>
<b>Opening cash, cash equivalents or (bank overdraft)</b>		<b>664,107</b>	<b>768,887</b>	<b>683,647</b>	<b>669,070</b>	<b>611,179</b>	<b>572,532</b>	<b>560,452</b>	<b>592,677</b>	<b>623,675</b>	<b>657,562</b>	<b>692,401</b>
<b>Closing cash, cash equivalents or (bank overdraft)</b>		<b>664,107</b>	<b>768,887</b>	<b>683,647</b>	<b>669,070</b>	<b>611,179</b>	<b>572,532</b>	<b>592,677</b>	<b>623,675</b>	<b>657,562</b>	<b>692,401</b>	<b>729,303</b>

Eastern Health Authority  
 Long Term Financial Plan Model  
 ESTIMATED STATEMENT OF CHANGES IN EQUITY

Year Ended 30 June:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	Actual	Estimate	Plan									
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ACCUMULATED SURPLUS</b>												
Balance at end of previous reporting period	337,633	325,619	360,521	388,080	381,749	378,370	375,808	374,788	374,058	374,671	376,625	380,043
Net Result for Year	(12,014)	34,902	27,559	(6,331)	(3,379)	(2,562)	(1,020)	(730)	613	1,954	3,418	4,952
Other Comprehensive Income	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to Other Reserves	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Reserves	0	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at end of period</b>	<b>325,619</b>	<b>360,521</b>	<b>388,080</b>	<b>381,749</b>	<b>378,370</b>	<b>375,808</b>	<b>374,788</b>	<b>374,058</b>	<b>374,671</b>	<b>376,625</b>	<b>380,043</b>	<b>384,995</b>
<b>ASSET REVALUATION RESERVE</b>												
Buildings	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 3	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 4	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 5	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 6	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 7	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 8	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 9	0	0	0	0	0	0	0	0	0	0	0	0
Asset Group 10	0	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at end of period</b>	<b>0</b>											
<b>OTHER RESERVES</b>												
Balance at end of previous reporting period	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0	0
<b>Balance at end of period</b>	<b>0</b>											
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>325,619</b>	<b>360,521</b>	<b>388,080</b>	<b>381,749</b>	<b>378,370</b>	<b>375,808</b>	<b>374,788</b>	<b>374,058</b>	<b>374,671</b>	<b>376,625</b>	<b>380,043</b>	<b>384,995</b>

**Eastern Health Authority**  
**Long Term Financial Plan Model**  
**SUMMARY STATEMENT INCLUDING FINANCING TRANSACTIONS**

Year Ended 30 June:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	Actual	Estimate	Plan									
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenues	2,385,245	2,494,870	2,435,960	2,459,456	2,523,148	2,586,581	2,652,679	2,721,828	2,794,894	2,869,835	2,946,890	3,026,027
less Operating Expenses	2,397,259	2,459,968	2,408,401	2,465,787	2,526,527	2,589,143	2,653,699	2,722,558	2,794,281	2,867,881	2,943,472	3,021,075
<b>Operating Surplus/(Deficit) before Capital Amounts</b>	<b>(12,014)</b>	<b>34,902</b>	<b>27,559</b>	<b>(6,331)</b>	<b>(3,379)</b>	<b>(2,562)</b>	<b>(1,020)</b>	<b>(730)</b>	<b>613</b>	<b>1,954</b>	<b>3,418</b>	<b>4,952</b>
<b>Less: Net Outlays on Existing Assets</b>												
Capital Expenditure on Renewal/Replacement of Existing Assets	21,494	0	0	0	0	0	0	0	0	0	0	0
less Depreciation, Amortisation & Impairment	55,286	45,098	25,550	23,642	23,642	23,642	23,642	23,642	23,642	23,642	23,642	23,642
less Proceeds from Sale of Replaced Assets	0	0	0	0	0	0	0	0	0	0	0	0
	<b>(33,792)</b>	<b>(45,098)</b>	<b>(25,550)</b>	<b>(23,642)</b>								
<b>Less: Net Outlays on New and Upgraded Assets</b>												
Capital Expenditure on New/Upgraded Assets	0	0	0	0	0	0	0	0	0	0	0	0
less Amounts Specifically for New/Upgraded Assets	0	0	0	0	0	0	0	0	0	0	0	0
less Proceeds from Sale of Surplus Assets	0	0	0	0	0	0	0	0	0	0	0	0
	<b>0</b>											
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>21,778</b>	<b>80,000</b>	<b>53,109</b>	<b>17,311</b>	<b>20,263</b>	<b>21,080</b>	<b>22,622</b>	<b>22,912</b>	<b>24,255</b>	<b>25,596</b>	<b>27,060</b>	<b>28,594</b>

In any one year, the above financing transactions are associated with either applying surplus funds stemming from a net lending result or accommodating the funding requirement stemming from a net borrowing result.

Year Ended 30 June:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>FINANCING TRANSACTIONS</b>	Actual	Estimate	Plan									
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
New Borrowings		0	0	0	0	0	0	0	0	0	0	0
Repayment of Principal on Borrowings		61,440	64,393	67,488	70,732	74,131	38,391	0	0	0	0	0
(Increase)/Decrease in Cash and Cash Equivalents		(104,780)	85,240	14,577	57,891	38,647	12,080	(32,225)	(30,998)	(33,887)	(34,839)	(36,902)
(Increase)/Decrease in Receivables		(45,969)	(3,687)	(3,765)	(3,844)	(3,925)	(4,007)	(4,091)	(4,177)	(4,265)	(4,354)	(4,446)
Increase/(Decrease) in Payables & Provisions		132,189	(70,269)	39,365	(3,578)	18,329	7,696	13,404	10,920	12,556	12,133	12,754
Other – Including the Movement in Inventories		(122,880)	(128,786)	(134,976)	(141,464)	(148,262)	(76,782)	0	0	0	0	0
<b>Financing Transactions</b>		<b>(80,000)</b>	<b>(53,109)</b>	<b>(17,311)</b>	<b>(20,263)</b>	<b>(21,080)</b>	<b>(22,622)</b>	<b>(22,912)</b>	<b>(24,255)</b>	<b>(25,596)</b>	<b>(27,060)</b>	<b>(28,594)</b>

KEY FINANCIAL INDICATORS	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	Actual	Estimate	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Operating Surplus / (Deficit) - \$'000</b>	(12,014)	34,902	27,559	(6,331)	(3,379)	(2,562)	(1,020)	(730)	613	1,954	3,418	4,952
<b>Operating Surplus Ratio - %</b>	(1)%	2%	2%	(0)%	(0)%	(0)%	(0)%	(0)%	0%	0%	0%	0%
<b>Net Financial Liabilities - \$'000</b>	62,309	(17,691)	(70,800)	(88,111)	(108,374)	(129,454)	(152,076)	(174,988)	(199,243)	(224,839)	(251,899)	(280,493)
<b>Net Financial Liabilities Ratio - %</b>	2.6%	(0.7)%	(2.9)%	(3.6)%	(4.3)%	(5.0)%	(5.7)%	(6.4)%	(7.1)%	(7.8)%	(8.5)%	(9.3)%
<b>Interest Cover Ratio - %</b>	0.3%	0.1%	(0.2)%	(0.1)%	(0.2)%	(0.2)%	(0.3)%	(0.3)%	(0.3)%	(0.3)%	(0.4)%	(0.4)%
<b>Asset Sustainability Ratio - %</b>	39%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Asset Consumption Ratio - %</b>	48%	42%	39%	36%	33%	30%	28%	25%	22%	19%	16%	13%

## **6.5 ANNUAL BUSINESS PLAN 2016/2017 PERFORMANCE EVALUATION**

Author: Michael Livori  
Ref: AF16/13

### **Summary**

This report outlines Eastern Health Authority's (EHA's) performance for 2016/2017 against the performance measures contained within the Annual Business Plan.

### **Report**

The Annual Business Plan 2016/2017 was adopted by the Board of Management at its meeting held on 22 June 2016.

The Annual Business Plan includes the following:

- an outline of EHA's objectives for the financial year
- the intended activities to be undertaken and measures required to undertake those activities
- the performance measures intended to assess performance against EHA's objectives
- a summary of its operating expenditure, capital expenditure and sources of revenue for the financial year
- a summary of the budget (including the budgeted statutory financial statements).

Clause 8.2 of the EHA Charter requires the Board to compare the Business Plan against performance targets at least once every financial year.

Outcomes of 2016/2017 have been evaluated against the performance measures contained within the Annual Business Plan to determine whether the objectives of the seven core activities have been achieved.

The results of the evaluation against performance measures are detailed in Attachment 1 to this report.

### **RECOMMENDATION**

That:

The Annual Business Plan 2016/2017 Performance Evaluation report is received.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### 1.0 – Governance and Organisational Development

#### Objective 1 Administration of legislative and corporate governance requirements

Actions	Performance Measures	Result
1.1 Monitor the compliance of statutory requirements identified in the Charter.	Statutory requirements complied with as per Charter.	Compliance schedule monitored. Required actions are detailed below.
1.2 Properly convene Board meetings providing agendas and minutes. Minimum of 5 ordinary meetings conducted. Notice of meeting given 3 clear days prior to meeting. Minutes provided within 5 days of meeting.	5 meetings conducted. Appropriate notice given. Timeframe met.	Five ordinary meetings and one budget workshop meeting were conducted.  Time frames met.
1.3 Conduct election for Chair and Deputy Chair of Board of Management in February.	Election conducted at February meeting.	Chair and Deputy Chair elected at meeting held on 22 February 2017.
1.4 Annual business plan to be developed with detailed objectives for the year in consultation with Constituent Councils.	Draft considered at May meeting and adopted at June meeting.	Budget Workshop held with Board of Management (BoM) on 15 March 2017. Constituent Council invited to provide initial comment in February 2017, comment on preliminary draft in April 2017 and again on endorsed draft in June 2017. Draft considered by BOM at 27 April 2017 meeting and adopted at 28 June 2017 meeting.
1.5 Develop budgeted financial statements to implement the Annual Business Plan of EHA. Draft Budgeted Financial Statements considered at May meeting. Budgeted Financial Statements adopted at June meeting.	Budget and Financial Statements adopted. Copy of budget provided to CEO of Constituent Councils within 5 days of adoption.	Budget Workshop held on 15 March 2017 to inform process. Draft Budget presented at 26 April 2017 meeting. Budget Adopted at 28 June 2017 meeting. Budget provided to councils on 29 June 2017.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
1.6 Keep proper books of account, regularly report on the financial position of EHA, and apply prudent financial management as required by the Charter.	Financial reports provided at each Board Meeting. Budget reviews presented at October, February and May meetings.	Regular Finance Reports and three Budget Reviews considered and adopted by Board of Management.
1.7 Conduct Audit Committee meetings as required by Charter.	Audit committee meet minimum of two times per annum.	Four Audit Committee meetings held.
1.8 Ensure the financial statements are audited annually as per the requirements of the Charter.	Audited financial statements adopted at August meeting and provided to Constituent Councils within 5 days.	Audit signed without qualification by Auditor and adopted by Board of Management 31 August 2016.
1.9 Monitor Long Term Financial Plan.	Plan reviewed annually as part of budget process.	Initial LTFP adopted on 28 August 2013. Reviewed Financial Estimates developed for August meeting.
1.10 Provide regular statistical reports to Board Members and Constituent Council.	Reports provided at scheduled Board meetings.	Reports provided to all Board meetings. Statistical reports form part of delegates report to Constituent Councils.
1.11 Conduct annual review of delegations. Lead Constituent Councils in process. Resolutions and Instruments of delegation provided to Constituent Councils.	Documents provided to Constituent Councils. Delegations from EHA to CEO reviewed.	Review conducted in July 2016 and results of review communicated to Constituent Councils. Reports updating delegations considered at August 2016 meeting.
1.12 Compile annual report in relation to the operations of EHA as required by the Charter.	Annual report adopted at August meeting and provided to Constituent Councils and other stakeholders.	Annual Report 2015/2016 adopted at meeting held on 31 August 2016.  Annual Report 2015/2016 provided to Board of Management, Constituent Councils, Elected Members, Members of Parliament and Key Stakeholders.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
1.13 Compile report pursuant to the <i>South Australian Public Health Act 2011</i> in relation to the operations of EHA as required by legislation.	Report adopted at relevant Board meeting and provided to Public Health Council.	<i>SA Public Health Act 2011</i> Annual Report 2015/2016 received at 31 August 2016 Board Meeting and provided to Public Health Council
1.14 Compile annual report pursuant to the <i>Food Act 2001</i> in relation to the operations of EHA as required by legislation.	Report adopted at August meeting and provided to SA Health.	<i>Food Act 2001</i> Annual Report 2015/2016 received at 31 August 2016 Board Meeting and sent to SA Health.
1.15 Compare Annual Business Plan against performance measures.	Report presented to August meeting.	2015/2016 evaluation considered at 31 August 2016 meeting.
1.16 Provide delegates report to CEO of each Constituent Council following Board meetings for tabling at subsequent council meeting.	Reports provided following Board meetings.	Delegate reports provided.
1.17 Properly convene meetings of Constituent Council nominated contacts including providing agendas and minutes.	4 meetings conducted per year.	Council contacts met on four occasions (September and December 2016 and March and June 2017).  Agenda and minutes provided for each meeting.
1.18 Maintenance of electronic records management system to properly maintain records and reference documents of EHA.	System developed to ensure appropriate standards are being met.	Draft Records Management Policy developed. Monthly Audit reports are monitored for discrepancies in the TRIM system.
1.19 Explore the potential for the expansion of service provision to areas outside of its current Constituent Council areas.	Report to Board on expansion opportunities.	No opportunities identified.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
<p>1.20 Complete implementation of a computer “disaster recovery system” to assist with continuity of service in the event of loss of access to computer infrastructure.</p>	<p>Disaster Recovery system implemented.</p>	<p>After initial discussions with Comunet to consider the most appropriate solution for disaster recovery it was decided to use a cloud based solution in line with EHA's broad strategic plan of leveraging cloud based services. Based on recommendations, the CloudEndure product was selected due to it's capabilities to deliver recovery time objectives (RTO) and recovery point objectives (RPO).</p> <p>After initial proof of concept delivered a positive outcome, user acceptance testing was successfully performed and the production deployment was completed in December 2016. A disaster recovery manual to power on and cut over to DR platform has been completed. Comunet have been commissioned to write a formal disaster recovery plan.</p>
<p>1.21 Maintenance of Health Manager (HM) (electronic database). Continue to expand HM's internal and external functionality, to improve inspection, complaint and administrative efficiency and reporting capabilities.</p>	<p>Introduce new applications and reporting capabilities where required. Continue to liaise with Open Office to discuss new applications.</p>	<p>Ongoing maintenance to HM to improve administration efficiency, reporting capabilities and record management. Upgrades include:</p> <ul style="list-style-type: none"> <li>• Food inspections completed on hand held tablet. Reports automatically generated and sent to the proprietor via email.</li> <li>• Completing SRF audits on hand held tablets to enable tracking of outstanding non-conformances that become licence conditions</li> <li>• Integration with Trim allows for all inspection reports to be automatically saved into records management system. Food Act Improvement Notices are also automatically generated from HM.</li> <li>• All new food businesses are sent a 'EHA Welcome Pack' via email to reduce administration and costs of hard copy welcome packs.</li> <li>• Ongoing projects for Health Manager included developing a complaints summary page, reconfiguring Health Manager for new records managers system (RM8) and improvements in reporting capabilities.</li> </ul>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
1.22 EHO's to continue to utilise the hand held electronic tablets with access to Health Manager during routine food inspections and complaint investigations. Expand the use of the electronic tablets in other EHO onsite field work.	Implementation of electronic tablets during routine food inspections, complaint investigations and other EHO onsite field work to improve inspection, complaint and administrative efficiency.	Food inspections completed on hand held tablet. Reports automatically generated and sent to the proprietor via email.  The use of the hand held tablets was expanded during the year. SRF audits are conducted using hand held tablets to enable tracking of outstanding non-conformances that become licence conditions.
1.23 Provide administrative assistance to the Public Health Plan Advisory Committee and coordinate reports to the Board of Management.	Reports provided to Board Meetings as required.	Administrative assistance provided to the Regional Public Health Plan Advisory Committee. Update reports to the Board were not required.
1.24 Participate in the Environmental Managers Forum to address environmental health issues and promote uniformity and professional consistency.	Management to attend and participate in the Environmental Managers Forum meetings.	CEO (Convenor of Forum) and Team Leader Environmental Health attended all meetings. Both actively involved with subcommittee work of the Forum.
1.25 Continue membership and actively participate in the Eastern Adelaide Zone Emergency Management Committee to develop and finalise the Eastern Zone Emergency Management Plan.	Attend the Eastern Adelaide Zone Emergency Management Committee and actively contribute towards the development of the Eastern Zone Emergency Management Plan.	CEO and Team Leader Environmental Health attended three Eastern Adelaide Zone Emergency Management Committee meetings.

### Summary:

Five ordinary meetings and one budget workshop meeting were conducted. Budget Workshop held with the Board on 15 March 2017. Audit signed without qualification by Auditor and adopted by Board of Management 31 August 2016. Chair and Deputy Chair elected at meeting held on 22 February 2017. Review of Delegations conducted in July 2016. Reports updating delegations considered at August 2016 Board Meeting. Annual Report 2015/2016 adopted.

SA *Public Health Act 2011* Annual Report 2015/2016 received at 31 August 2016 Board Meeting and provided to Public Health Council. *Food Act 2001* Annual Report 2015/2016 received at 31 August 2016 Board Meeting and submitted to SA Health.

Cloud Endure product selected and Production deployment was completed in December 2016. A disaster recovery manual to power on and cut over to DR platform has been completed. ComUNET have been commissioned to write a formal disaster recovery plan.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### Objective 1.1 Professional, skilled and committed staff providing valued services to the community

Actions	Performance Measures	Results
1.1.1 Ensure that EHA is properly staffed and resourced in order to carry out its responsibilities.	Continually review staff resources and report to Board if required.	Budgeted staffing levels appropriate.
1.1.2 Performance development framework used to support staff and link day-to-day and long term activities of staff to the Annual Business Plan and when applicable the Public Health Plan.	Performance development framework review as required.	Individual Performance Development Framework re-developed. All staff participated within timeframes noted in the EHA High Performance Plan, including six monthly reviews.
1.1.3 Provide continuing professional development opportunities through ongoing education and training which is relevant to roles within EHA.	Training and education opportunities provided to staff.	A significant number of training opportunities were provided to all staff. Records of training are kept in individual personnel files.
1.1.4 Continue to foster team cohesiveness and support effective teamwork.	Training and team building activity provided to staff.	Teamwork identified by staff as key organisational value. Values discussed at staff meetings as part of the EHA High Performance Plan.
1.1.5 Encourage staff to be members of their relevant professional organisation. Support participation and EHA representation at professional Special Interest Groups.	Encourage membership and active participation.	Staff actively participating in relevant professional special interest groups, workgroups and committees.  Team Leader Environmental Health is a Board member of Environmental Health Australia.
1.1.6 Maintain a multi-disciplinary approach to the distribution of tasks within teams work review process to promote experience in a range of activities and increase expertise in specialist areas.	Annual work plan reviews for all staff.	Regular team meetings held to discuss and allocate tasks fairly throughout the teams. All staff provided with an Individual Task Outline to clarify areas of responsibilities. Work plans developed by staff to outline timeframes and performance targets. Periodic meetings between Team Leaders and Staff held during the year to discuss the progress of their workplan, Individual Performance Development Framework and other general matters.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
1.1.7 Provide systems for a safe working environment with appropriate Work Health and Safety (WHS) practices in place.	WHS to be discussed at all team and general staff meetings.  Provide appropriate training and equipment to new staff.	WHS standing item on General Staff and Team meetings. Any identified issues minuted and resolved.
1.1.8 Review the Work Health Safety action plan outlining program of improvements required in EHA's WHS 3 Year Plan.	Action plan reviewed with input from staff.	Review commenced in April 2017 of WHS and Return to Work Management System and an update of policies and procedures was completed. A Document Map with updated documents was presented at EHA Staff Meeting. Work Health Safety and Return to Work peak policy was adopted by the Board of Management at 27 April 2017 meeting. As part of the review an EHA WHS Plan has been developed with a WHS Action Plan which identifies and prioritises WHS tasks.
1.1.9 Further improve EHA's induction program to ensure EHA staff are familiar with EHA's methods of operation upon commencement of employment.	Induction program updated.	WHS PowerPoint induction presentation developed for new staff.  Update of the Induction Checklist and expansion of list to include specific items for each job position within EHA.  Specific Casual Immunisation Nurse Induction Checklist developed to recognise their specific function and work areas.

### Summary:

EHA has maintained a focus on developing Professional, skilled and committed staff by regular Team meetings, review of the Performance Development Framework and providing opportunities to participating in relevant professional special interest groups, workgroups and committees.

EHA encourages membership and active participation at professional Special Interest Groups, workgroups and committees related to their work area. A review commenced in April 2017 of WHS and Return to Work Management System and an update of Policies and Procedures relating to work Health and Safety.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### 2.0 - Health Education and Promotion

**Objective 2** An innovative approach to public and environmental health through community education and interaction to increase awareness and understanding

Actions	Performance Measures	Result
2.1 Develop and maintain a comprehensive range of health education and promotion material targeting local health issues incorporating the resources of other health related agencies.	Information resources maintained.	Ongoing monitoring of available educational material. Where required updated versions are ordered. Where possible information is electronically recorded on the TRIM records management system.
2.2 In conjunction with health stakeholders support the promotion and delivery of a range of public health information to raise community health awareness and address priority health conditions.	Target issue to be addressed as required by stakeholders.	Various leaflets ordered through SA Health and supplied to clients in Immunisation Clinics.  Presentation and information provided on public health risks associated with body piercing at Marryatville High School 'Wellbeing Week Expo' held on 31 August 2016.
2.3 Provide targeted educational material in relation to recommended practices, standards and legislative requirements relevant to those responsible for public health related premises (premises with public swimming pools and spas, cooling tower systems and warm water systems, hairdressers and beauty premises, skin penetration premises, tattoo, body piercing, acupuncture).	Information distributed to be provided as required to improve compliance with legislative requirements.	Information relating to Cryptosporidium in public swimming pools distributed for the 2016/2017 summer.  'Legionnaires Disease Alert' bulletin sent to all cooling towers operators following request from SA Health.
2.4 Promote EHA services and educate the community on matters of public health in conjunction with Constituent Councils.	Provide information updates and articles to Constituent Councils as required.	Updated promotional material from SA Health provided to all Constituent Councils Customer Service Centres.  Marryatville High School invited EHA to attend and participate in the schools 'Wellbeing Week Expo' held on 31 August 2016. Short presentation and information provided about the risks involved with body piercing. Officers presented up to 60 times across the day to approximately 400 year 8 and 9 year students.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
2.5 Liaise with Constituent Councils to explore the possibilities of co-ordinating and or contributing to public health forums, to raise awareness of current public health matters.	Discuss the possibilities of public health forums with Constituent Councils.	Presentation to parents at St Peters Child Care Centre on 26 October 2016 on EHA services and changes to vaccinations required. Gift bags of promotional material and a children's book on immunisation handed out to all attendees.
2.6 Promote the benefits of immunisation through a variety of mediums such as council customer service centres and council publications, information kits, council and EHA websites.	Number of articles published and amount of information accessed.	Article on Immunisation in the Summer 2016/2017 'Burnside Focus' magazine.  Letter introducing EHA to Norwood, Payneham and St Peters and City of Prospect Community Care Services residents attaching a 2017 clinic timetable.
2.7 Provide targeted educational material to food proprietors, food handlers and the community on food safety matters.	Educational material provided as required.	Educational material provided as required.  Presented information at stall holder meetings for temporary events.  Communication updates/advice from SA Health forwarded to food businesses included: <ul style="list-style-type: none"> <li>- potentially hazardous foods following recall dissemination (bean sprouts, rockmelon)</li> <li>- home based businesses</li> <li>- managing food safety during power outages</li> <li>- allergen awareness</li> </ul>
2.8 Finalise and introduce the new food safety training program.	Finalise and introduce a new food safety training program.	Review of current training programs across the State completed for basic food training. Current EHA training program reviewed and redeveloped.  Internal review of new training package to be undertaken by all staff prior to dissemination.  Developed a frame work for food safety training package specific to Aged Care, Child Care, Delivered Meals and Private hospitals with a Food Safety Program.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
2.9 Participate in Food Safety week and other proactive educational initiatives that raise awareness of food safety amongst the community and improve food handler's understanding of food hygiene.	Number of proactive educational activities conducted each year (at least one per year).	Food Safety week was held between 7-11 November. The theme was raw and risky food. In supporting Food Safety Week EHOs set up an information stall at Constituent Council libraries. Food Safety information and promotional material and advice was provided to members of the public. Public participation was encouraged through interactive activities.
2.10 Participate in Public Health Week and other proactive educational initiatives that raise awareness of public health related issues amongst the community.	Number of proactive educational activities conducted each year (at least one per year).	Public Health Week was held during April 2017 with the theme 'Healthy Living – Step up. Be healthy'. Officers set up stalls at various locations within Constituent Council areas and provided promotional material from SA Health.
2.11 Educate proprietors of SRFs in relation to relevant legislative requirements to ensure that adequate standards of assisted care, living standards, safety, hygiene and nutrition are maintained.	Information provided during visits to facility or as needed.	Educational material provided as required during licence transfers, renewal and manager approval process.  Relevant legislative requirements are communicated as required in response to issues identified at audits and complaints.  Information from SA Health SRF Health assessment team regarding nutritional value and variety of meals provided to facilities.
2.12 Review and update EHA's health promotion and information material to ensure information is relevant.	Review and update as required.	Food, Public Health and SRF information reviewed and updated on new website.
2.13 Monitor funding opportunities for pro-active health education and prevention programs.	Report opportunities to Board of Management.	No opportunities in this period.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
<p>2.14 Actively promote EHA's functions to the public, key stakeholders and the Constituent Council staff.</p>	<p>Quarterly Council Contact Meetings and presentations to Constituent Council staff.</p> <p>Explore promotional initiatives.</p>	<p>Attended and contributed to quarterly Council Contact Meetings and delivered presentations to Constituent Council staff.</p> <p>EHA staff profiles, functions and achievements promoted in the Environmental Health Australia publication.</p> <p>Team Leader Environmental Health interviewed by Channel 9 News, regarding food safety dangers in public food outlets and importance of an EHO role.</p> <p>EHA provided three presentations at the 2016 Environmental Health Australia State Conference.</p> <p>Team Leader Environmental Health is a board member of Environmental Health Australia.</p>
<p>2.15 Investigate and implement improvements to upgrade EHA's website to facilitate the exchange of information and feedback and improve awareness of EHA services.</p>	<p>Improve website functionality.</p>	<p>Website completed and launched on 6 April 2017.</p> <p>Key features included:</p> <ul style="list-style-type: none"> <li>• updated information</li> <li>• website clear and concise with contemporary design</li> <li>• on-line immunisation booking system</li> <li>• the ability to actively and promptly promote new initiatives and information to the community and business</li> <li>• to be a resource for the community on all public health issues</li> </ul>

## **Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017**

### **Summary:**

EHA new website was launched in April 2017. The contemporary design along with the clear and concise information allows for easy navigation of the webpage. The main feature of the website is the introduction of an 'on-line immunisation booking system'. The design of the system is first of its kind.

Updates of the website are managed in-house. The simple design of the website allows for staff to actively and promptly promote new initiatives and information to the community and business.

EHA actively participated in numerous events during the year to promote EHA services and educate the community on matters of public health.

EHA provided three presentations at the 2016 Environmental Health Australia State Conference.

Food Safety week was held between 7-11 November. The theme was raw and risky food. In supporting Food Safety Week EHOs set up an information stall at Constituent Council libraries. Food Safety information and promotional material and advice was provided to members of the public. Public participation was encouraged through interactive activities.

Public Health Week was held during April 2017 with the theme 'Healthy Living – Step up. Be healthy'. Officers set up stalls at various locations within Constituent Council areas and provided promotional material from SA Health.

Marryatville High School invited EHA to attend and participate in the schools 'Wellbeing Week Expo' held on 31 August 2016. Short presentation and information provided about the risks involved with body piercing. Officers presented up to 60 times across the day to approximately 400 year 8 and 9 year students.

EHA continues to lead the Eastern Hoarding and Squalor Group (the Group). The Group continued into its fifth successful year and met four times. This collaborative forum for EHOs and representatives from Government and non-Government agencies allows for proactive discussion and information sharing on squalor and hoarding, services and resources available to resolve these issues.

A food handler training program focusing on basic skills and knowledge was developed during the year. Complex complaints and matters identified at routine inspections delayed the implementation of the training program. Finalisation and release of the program will occur in 2016-17.

The requirement for a training package specific to Aged Care, Child Care, Delivered Meals and Private hospitals with a Food Safety Program was identified. A framework of the program has been developed. Finalisation and release of the training package will occur in 2016-17.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### 3.0 – Public and Environmental Health

#### Objective 3 Promote healthy communities by managing the risk from communicable and infectious disease and environmental impacts

Actions	Performance Measures	Result
<p>3.1 Compile and maintain a register of all public health related premises.</p> <p>Public Health related premises are:</p> <ol style="list-style-type: none"> <li>1. premises with public swimming pools and spas</li> <li>2. premises with cooling tower systems and warm water systems</li> <li>3. hairdressers and beauty premises</li> <li>4. skin penetration premises (tattoo, body piercing, acupuncture)</li> <li>5. waste control systems</li> </ol>	<p>Register maintained at all times.</p>	<p>Register for beauty and skin penetration, high risk manufactured water systems and swimming pools were maintained and continually upgraded.</p> <p>One new indoor pool facility opened with two separate pools.</p> <p>Two Cooling Towers were de-commissioned. One Warm water system did not renew its registration due to closure.</p> <p>Four new hairdresser, beauty and skin penetration businesses opened.</p> <p>One waste control system application was received and processed.</p>
<p>3.2 Using the SA Health assessment forms determine appropriate standards of public swimming pools and spas are maintained in accordance with the South Australian Public Health (General) Regulations 2013.</p>	<p>Assessments performed according to risk based schedule.</p>	<p>All 27 sites were inspected at least once during the year.</p> <p>65 routine, 25 follow-ups, two complaint inspections and two Compliance Notices issued. Four swimming pool and spa closures. Two sites voluntarily closed.</p>
<p>3.3 Using the SA Health assessment forms determine appropriate standards of cooling towers and warm water systems for the management of <i>Legionella</i> in accordance with <i>South Australian Public Health (Legionella) Regulations 2013</i>.</p>	<p>Assessments performed at least annually.</p>	<p>Assessments performed annually. Three sites at a six month inspection frequency.</p> <p>44 systems at 21 sites. 49 routine system inspections conducted at 21 sites. Four follow up inspections conducted.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
<p>3.4 Collect water samples from cooling towers and warm water systems for analysis based on requirements <i>South Australian Public Health (Legionella) Regulations 2013</i>.</p>	<p>Water samples collected and sent for analysis at least annually.</p>	<p>Samples collected during each annual inspection and as required during disease investigations. Samples per system taken once a year at the routine inspection. Six month inspections and sampling continued at three warm water sites with a history of high counts.</p> <p>Continual Chlorine Dosing systems installed at these three sites to assist with reducing the number of high counts.</p>
<p>3.5 Investigate notifiable <i>Legionella</i> incidences and high <i>Legionella</i> counts in a systematic manner in accordance with SA Health guidance and internal procedures.</p>	<p>Prompt investigation commenced in accordance with service standards.</p>	<p>21 high counts of <i>Legionella</i> were detected as a result of routine testing during annual inspections and in house testing by High Risk Manufactured Water Systems (HRMWS) sites.</p> <p>Following instructions by SA Health, five <i>Legionella</i> disease incidences were investigated.</p>
<p>3.6 Respond to complaints to ensure appropriate infection control standards at hairdressing salons are maintained in accordance with Guidelines on the Public Health standards of practice for hairdressing and other relevant legislation using Environmental Health Australia assessment form.</p>	<p>Investigate and respond to complaints in accordance with the customer service standards.</p>	<p>One complaint was received and investigated.</p>
<p>3.7 Respond to complaints to ensure appropriate infection control standards at beauty and skin penetration premises are maintained in accordance with Guidelines on the safe and hygienic practice of skin penetration and other and other relevant legislation using the Environmental Health Australia assessment form.</p>	<p>Investigate and respond to complaints in accordance with the customer service standards.</p>	<p>Four complaints were received and investigated.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
3.8 Using the SA Health assessment forms determine appropriate standards at beauty premises are maintained in accordance with Guidelines on the safe and hygienic practice of skin penetration and other and other relevant legislation.	Assessments performed according to risk based schedule.	14 routine inspections of high risk beauty therapy practices undertaken. Two premises required follow up inspections conducted.
3.9 Identify new personal appearance practices (ie. laser hair removal, tattoo removal and permanent make-up) within beauty premises. Liaise closely with SA Health to determine if these practices are required to be assessed in accordance with Guidelines on the safe and hygienic practice of skin penetration and other relevant legislation. Where required update the register and undertake assessments.	Continue to update the register when new businesses are identified.	Upon notification or identification of a new personal appearance practice the register was updated during the year. Two new tattoo studio's notified.
3.10 Using the SA Health assessment forms determine appropriate standards at skin penetration premises (tattoo, body piercing, acupuncture) are maintained in accordance with Guidelines on the safe and hygienic practice of skin penetration and other relevant legislation.	Assessments performed according to risk based schedule.	All tattooist and acupuncturist inspected. A total of 28 routine inspections were conducted. One tattoo studio required a follow-up inspection.
3.11 Assess applications for the installation of waste control systems in accordance with <i>South Australian Public (Wastewater) Regulations 2013</i> , the <i>On-site Wastewater System Code, 2013</i> , internal procedures, and service standards.	Application managed in accordance with service standards. Compliance with legislative requirements.	EHA received one waste control system application. The system was assessed in accordance with the requirements of the <i>SA Public Health (Wastewater) Regulations 2013</i> and granted approval.
3.12 Apply the <i>Public Health Act, 2011</i> to respond to complaints or concerns about standards of sanitation and hygiene of boarding and lodging houses.	Respond to complaints as required in accordance with customer service standards.	No complaints received.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>3.13 Respond to public health enquiries/complaints within the built environment that give rise to a risk to health in relation to:</p> <ul style="list-style-type: none"> <li>- hoarding and squalor</li> <li>- sanitation</li> <li>- animal keeping</li> <li>- vector control</li> <li>- air quality</li> <li>- hazardous and infectious substances (asbestos and clandestine drug labs)</li> <li>- waste control</li> <li>- notifiable diseases</li> <li>- refuse storage</li> </ul> <p>Enquiries/complaints are investigated in accordance with the customer service standards. Seek to accomplish a long term solution. Co-ordinate a multi-agency response where necessary.</p>	<p>Respond to complaints as required in accordance with customer service standards.</p>	<p>231 public health complaints received and investigated.</p> <p>1 x Compliance Notice (Clandestine Drug Laboratory) 2 x Compliance Notice (Swimming Pool) 1 x Emergency Notice (Severe Domestic Squalor) 4 x General Duty Notice (Severe Domestic Squalor)</p> <p>Officers liaised with CDCB branch, SAPOL, Families SA, RSPCA, Mind SA, SA Health, and other agencies where required.</p>
<p>3.14 Distribute advisory information via mail to households informing them of localised vermin and pest problems and how they can be minimised, e.g. rodents, mosquitoes.</p>	<p>Respond to complaints as required in accordance with customer service standards.</p>	<p>Letters to assist with localised mosquito, pigeon and vermin problems are distributed as required.</p>
<p>3.15 Provide advice and information materials to residents about air quality concerns including the installation, operation and standards of solid fuel burning appliances.</p>	<p>Information available to community and via website and as required. Improved management of burning appliances as required.</p>	<p>Information provided as required.</p>
<p>3.16 Provide rodent bait to residents upon request.</p>	<p>Rodent bait provision maintained.</p>	<p>Rat bait available for collection. In special circumstances, bait is delivered to residents' homes. Rat bait packs were distributed to residents in response to vermin activity.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Results
3.17 Undertake relevant notifiable disease investigations in collaboration with SA Health.	Respond to disease notifications in accordance with customer service standards.	CDCB notifications received: <i>Campylobacter</i> – 311 <i>Salmonella</i> – 154 <i>Cryptosporidiosis</i> – 23 <i>Legionellosis</i> – 5  Investigations were undertaken where required based in the instructions from CDCB.
3.18 Assist members of the community who have a managed health condition (e.g. Diabetes) by offering approved sharps containers at cost price and free disposal of full and approved sharps containers delivered to EHA.	Community sharps disposal service maintained.	Ongoing
3.19 Collect syringes that have been unsafely discarded on private property.	Safe and timely collection of discarded syringes within customer service standards and following internal procedures.	No sharps complaints received.
3.20 Assessments and investigations are updated in Health Manager (electronic database) to ensure effective reporting to the Board of Management, Constituent Councils and SA Health.	Update within 5 days of assessment or action.	Entries into Health Manager are completed in a timely manner.  Discussion regarding timely entry with officers as required.
3.21 Co-ordinate the Eastern Hoarding and Squalor Committee meetings.	Coordinate the Eastern Hoarding and Squalor meetings.	Eastern Hoarding and Squalor Group has enabled an inter-agency response to hoarding and squalor issues. EHA continues to co-ordinate the meetings. The group met on four occasions.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>3.22 Participate with Environmental Health Australia and state and local government authorities to review best practice standards and promote uniformity and professional consistency.</p>	<p>Attend and actively participate.</p>	<p>EHO's attend the Environmental Health Australia Special Interest Groups. Staff participate on a range of representative groups and working parties.</p> <p>EHA provided three presentations at the 2016 Environmental Health Australia Conference.</p> <p>Team Leader is a Board Member of Environmental Health Australia.</p>
<p>3.23 Participate in the Environmental Health Australia 'Public Health' and 'Waste Control' Special Interest Groups (SIG) to promote uniformity, professional consistency and to discuss the latest information in relation to public health and waste control issues affecting local government.</p>	<p>Attend and actively participate at SIG meetings.</p>	<p>Public Health, and Waste Control SIG meetings held. SIG meetings attended by staff. Staff presented at SIG meetings.</p>
<p>3.24 Ensure activities and outcomes are communicated to the Board of Management, Constituent Councils and state government bodies as required via: Reports to the Board of Management, Delegates Reports and Annual Report.</p>	<p>Board Reports and Annual Reports compiled and distributed.</p>	<p>Activity reports prepared for the scheduled Board of Management meetings.</p> <p>EHA Annual report prepared outlining annual activities and distributed to BOM and Constituent Councils, Elected Members and key stakeholders.</p>
<p>3.25 Respond to development application referrals from councils about public health related premises and activities.</p>	<p>Respond to all referrals in accordance with the customer service standards.</p>	<p>Assessments are reviewed as required. Following review of applications EHO's contact new business proprietors and conducted a preliminary onsite inspection.</p>
<p>3.26 Liaise with Constituent Councils to address issues of environment and sustainability where there is a connection to human health.</p>	<p>Comment and input made where applicable.</p>	<p>No comments required by Constituent Councils during the year.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
3.27 Ensure providers who supply water to the public under the <i>Safe Drinking Water Act 2012</i> , meet the requirements set out by the act and <i>Safe Drinking Water Regulations 2012</i> .	Continue to monitor potential water providers to ensure compliance with the Act and associated regulations.	Ongoing monitoring. Annual report 2015-16 on the list of water providers completed and sent to SA Health.

### Summary

All HRMWS, swimming pools and spas, tattooist and acupuncturist were assessed at least once during the year. A total of 48 routine inspections were undertaken at 20 HRWMS sites. All sites were inspected at least annually with two warm water systems inspected twice during 2016-17. Despite the installation of continual dosing low level chlorine system to the water supply, two warm water sites remain at a six month inspection frequency due to continual high counts of *Legionella*. To further manage the risk of *Legionella*, EHA requested the operators of these two sites to implement a *Legionella* Risk Management Plan Both sites were required to develop Two warm water sites Five follow-up inspections were required, four more than the previous year. Follow-ups were due to a response to detection for *Legionella* and confirmation of decommissioned cooling towers.

Water samples were obtained at all routine inspections resulting in 21 high counts of *Legionella*, five more than last year. The failure of an automatic chlorine dosing pump at one site contributed the increase in high counts when compared to the previous year. Sampling was also independently undertaken by six facilities which resulted in an additional 14 high counts.

During the year 68 routine inspections at 28 swimming pool and spa sites were assessed. A total of seven swimming pool and spa sites required follow-ups, three less than the previous year. The temporary closure of four swimming pool and spa sites was required during the year. Two of these sites closed voluntarily. One site closed to rectify inadequate disinfection levels of a spa pool, which was available for use by vulnerable populations. The second pool site closed to repair the automatic dosing equipment to maintain adequate chlorine levels.

One notification of a Category C Clandestine Drug laboratory was received during the year. The premises was under construction to become a food business was investigated. A Compliance Notice under section 92(1) of the *SA Public Health Act, 2011* was issued specifying the requirements to undertake the necessary testing to ensure there was no risk to public health. This was the second Clandestine Drug Laboratory operating at this business in three years.

During the year, 56 sanitation complaints were received and investigated, a steady decrease when compared to the previous two years. Despite the decline, there is an increasing trend in the number of severe domestic squalor and hoarding matters requiring investigation. Three severe domestic squalor and one hoarding matter were determined to be a breach of the General Duty under the *SA Public Health Act, 2011*.

One Emergency Notice was issued under Section 92 of the *South Australian Public Health Act, 2001*, involving a serious state of domestic squalor. SA Health's 'Foot in a Door – Stepping towards solutions to resolve incidents of severe domestic squalor in South Australia Guidelines, 2013', allowed for a multi-disciplinary approach to be taken by EHA and other Government and non-Government agencies. This approach not only ensured the requirements within the Notice complied but the person received the required support and care. Seven food businesses involving 14 cases associated with *Salmonella* and one with *Campylobacter* were investigated. A decrease when compared to the previous year. Evidence obtained throughout the investigation could not definitively confirm the outbreaks were associated with the food premises.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### Objective 4 The provision of a comprehensive, accessible and efficient immunisation service valued by the community

Actions	Performance Measures	Result
<p>4.1 Ensure effective governance and delivery of a public clinic immunisation program in accordance with;</p> <ul style="list-style-type: none"> <li>• the current National Health and Medical Research Council (NHMRC) "Australian Immunisation Handbook"</li> <li>• National Vaccine Storage Guidelines 'Strive for 5' 2<sup>nd</sup> Edition</li> <li>• the <i>Controlled Substances Act 1984</i> and the <i>Controlled Substances (Poisons) Regulations 2011</i></li> <li>• the Vaccine Administration Code March 2017 v. 1.4</li> <li>• EHA's Work Health and Safety protocols</li> <li>• South Australia's Child Protection Legislation – Child Safe Environment Guidelines.</li> <li>• Standing Drug Order developed and signed by EHA's Consultant Medical Officer of Health and all Immunisation staff.</li> </ul>	<p>Client feedback and attendance.</p> <p>Number of clinics and vaccinations provided. Annual Cold Chain audit and pharmaceutical refrigerator maintenance.</p> <p>Clinical performance and evaluation.</p> <p>Liaison with EHA's Consultant Medical Officer of Health for updates and information sessions.</p> <p>Completed review of Child Safe Environment Guidelines.</p>	<p>Changes to the online 'Australian Immunisation Handbook' were communicated to all Immunisation staff. Immunise Australia website checked monthly for updates.</p> <p>Updated Risk Assessments performed at all school and clinic venues at the beginning of the 2017. Identified Hazards or Risks immediately addressed.</p> <p>School Immunisation Protocols updated in November 2016. All documents and templates to the Schools updated and improved to reflect the changes in the Protocols.</p> <p>Development of Standing Drug Order for Bexsero (Meningococcal B Vaccine) to be supplied in public clinics endorsed by EHA's Consultant Medical Officer of Health and signed by Immunisation Staff.</p> <p>Cold Chain Audit completed in December 2016.</p> <p>Full review of Child Safe Environment Guidelines completed in August 2016. Safe Environment Policy adopted by the Board of Management at meeting on 31 August 2016. Procedures developed for Safe Environment Guidelines and Criminal History Assessment. All updated Policies and Procedures communicated to all staff. Child Safe Compliance Statement as required by Department for Education and Child Development – Office for Child Safety lodged in July 2016.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>4.2 Promote EHA's public immunisation clinic program through a variety of mediums such as council customer service centres and publications, council and EHA websites.</p> <p>Mail out of the Immunisation Timetable to community organisations. Explore further opportunities for the provision of immunisation promotion presentations to existing parent groups at Constituent Council community centres and libraries.</p>	<p>Increased presentations at Constituent Councils.</p> <p>Increased number of clinic timetables required and distributed.</p> <p>Website - reports of access.</p>	<p>2017 Clinic Timetables mailing list was expanded to capture all churches, playgroups, libraries, primary schools and childcare centres in our Constituent Council areas. Letter sent with 2017 Timetables introducing EHA's services.</p> <p>Presentation to parents at St Peters Child Care Centre on 26 October 2016 with gift bags for all families and a children's book on immunisation provided.</p> <p>Gift bags provided for children with a children's book on Immunisation and information for parents at the Australia Day Poolside event.</p> <p>Letter introducing EHA to City of Prospect Home Care Support Residents and attaching a 2017 clinic timetable.</p> <p>Promotion of the EHA Website in April 2017. Posters and flyers distributed at all Public Clinics to further promote the Immunisation Appointment Booking System. From April to June 2017, 123 confirmed appointments were made using this new convenient facility.</p> <p>Updated posters promoting EHA services specific to that council area for all Constituent Council civic centres and libraries.</p>
<p>4.3 Conduct an annual review of EHA's public clinic venues and timetable. Implement necessary changes, including identified hazards.</p> <p>Produce and publish annual immunisation program timetable to reflect the review of the public clinics.</p> <p>Promotion and communication of changes to the National Immunisation Program Schedule affecting older residents.</p>	<p>Annual review undertaken at each venue and documented. Identified hazards actioned. Immunisation Clinic Timetable reviewed and published in November.</p> <p>Investigate communication strategies to provide information to older residents.</p>	<p>During August review commenced for 2017 venue timetable. Changes made to the time and location of the Campbelltown clinic to The ARC. Updates sent to patrons of The ARC via SMS and Facebook. Update of information on City of Campbelltown and The Arc websites to promote the new clinic venue. DL flyers provided to all clients at all clinics promoting the new Campbelltown clinic venue.</p> <p>Promotional material sourced from Immunise Australia and letters and articles developed for distribution to older residents however not distributed due to unable to gain supply of the Shingles Vaccine.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>4.4 Deliver SIP to students at schools within EHA's area in accordance with the SA Health Service Agreement contract with local government.</p>	<p>All students offered vaccinations. Absent consenting students offered vaccination at EHA's public clinics.</p> <p>Coverage rates and statistics to SA Health.</p>	<p>SIP year 8 visits completed for 2016 at 19 schools, totalling 57 sessions.</p> <p>A total of 8,583 vaccines were administered for the 2016 SIP.</p> <p>Statistics submitted via an online database to SA Health.</p>
<p>4.5 Liaise with school coordinators and Immunisation Section of SA Health regarding SIP implementation and evaluation of program.</p>	<p>Successful SIP implementation. Ongoing collaboration and evaluation of coverage. Representation on the SIP Working Party for review of Protocols for the program.</p>	<p>EHA continues to achieve higher school coverage rates than the state average.</p>
<p>4.6 Provide a specialised Worksite Immunisation Program both within and external to the Constituent Council boundaries on a fee for service basis within the private sector (i.e. flu, Heb B, dTpa).</p> <p>Recommend vaccinations for employees at risk of occupationally acquired vaccine preventable diseases.</p> <p>Review program annually – update documents. Aim to provide a professional service and stay competitive.</p>	<p>Feedback from clients.</p> <p>Increase of new clients and regular annual clients.</p> <p>Income generated.</p>	<p>Total of 4,330 Influenza Vaccines administered at 106 worksite visits.</p> <p>EHA staff - 95% uptake</p> <p>There was a reduction in the number of Influenza vaccines administered for the Worksite Program in 2017 caused by the service provision only arrangement with SA Health not being renewed in 2017. This resulted in an overall decrease of 327 vaccines administered when compared to 2016 (4,689). The full amount of the reduction in numbers was offset by an increase in other worksite programs to other organisations.</p> <p>EHA's Constituent Councils and one client Council – Unley provided their Staff access to Influenza Vaccination Programs held by EHA in April 2017.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>4.7 Maintain client immunisation records on EHA's Immunisation database (ImPS program).</p>	<p>Database updated within 3 days of each clinic/school/worksite sessions.</p>	<p>Distribute, collect and assess clinic &amp; SIP consent forms at each clinic and before the school sessions. Data entry for year 8 SIP and client councils completed by Administration Officers. EHA hosted meetings for the IMPS User Group and liaise with SA Health on behalf of the group.</p>
<p>4.8 Use immunisation coverage data from a range of sources to better identify residents of overdue vaccinations. Investigate available vaccine reminder services</p>	<p>Review of reports available from Australian Childhood Immunisation Register, the HPV register and other sources to identify residents that are overdue.</p> <p>Investigation and review of communication and reminder services available.</p>	<p>Monthly Report now available from the Australian Immunisation Register (AIR). Staff have worked closely with AIR to access reports relating to EHA's provider number to access due and overdue reports with meaningful data.</p> <p>In December 2016 records overdue prioritised to 0-5yos and follow up by phone call and email. Records checked on AIR by staff and updated where data missing or the parent contacted to supply further information.</p> <p>Reports also gained from the HPV register for overdue doses. Parents of students contacted by phone as reminder.</p> <p>Further investigation needs to be done in relation to communication and reminder services available.</p>
<p>4.9 Report immunisation statistics to SA Health and the Australian Immunisation Register (AIR), in accordance with contractual arrangements.</p> <p>SIP statistics completed one month after the last school visit for each vaccine dose.</p> <p>Report HPV immunisation statistics to HPV Register monthly.</p>	<p>Statistics reported to ACIR within 5 days of clinics. HPV statistics reported monthly to HPV Register.</p> <p>Submit completed data to Immunisation Section SA Health via their Online Database.</p>	<p>Statistics submitted for SIP to SA Health. Changes to the AIR site in January 2017 now allows for weekly upload of data for all encounters for children up to 20 years of age.</p> <p>HPV encounters from SIP and clinics uploaded to HPV Register on a monthly basis.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>4.10 The CEO/Team Leader Immunisation lobby through LGA for appropriate funding for sustainability of local government delivery of immunisation services.</p> <p>Development of the Immunisation Service Provision MOU for Local Government within the new <i>SA Public Health Act 2011</i> by the State Government</p>	<p>Attend meetings in regard to the SA Public Immunisation Services between SA Health and LGA SA. MOU endorsed.</p>	<p>Extension signed of the agreement with the Minister of Health and EHA for the extension of the SIP contract until 31/12/2017.</p> <p>The CEO representing EHA in discussions regarding the development of the Immunisation Service Provision MOU.</p> <p>EHA provided feedback on updates to the School program Protocols in October 2016 for the 2017 SIP.</p>
<p>4.11 <u>Clinical Governance</u> Registered immunisation Nurses will participate in:</p> <ul style="list-style-type: none"> <li>• Immunisation Providers Network (SA) (IPN SA).</li> <li>• promoting best practice standards, uniformity and professional consistency.</li> <li>• a recognised SA Health authorised immunisation course.</li> <li>• maintain authorised immunisation provider status by completing 3 yearly recognised updates.</li> <li>• other professional updates – rotate participation of biannual PHAA Immunisation conference.</li> <li>• in-house education sessions and team meetings.</li> <li>• annual CPR and Mandated Notification updates.</li> <li>• complete 20 hours of valid documented Continuing Professional Development annually.</li> <li>• random audits by APHRA of RN's completed CPD hours.</li> </ul>	<p>Immunisation Nurses attend the IPN SA meetings when possible. Attend in-house education sessions and mandatory updates. Attend other professional updates. Complete and document annual CPD requirements.</p>	<p>Limited attendance by immunisation staff at IPN SA meetings and Country meeting due to the Meningococcal B Vaccine Herd Immunity Study. Senior First Aid, CPR and Mandated Notification certificates maintained. In January 2017 SIP update session was held for all permanent and casual staff. In March 2017, EHA's Consultant Medical Officer of Health presented an update on the Quadrivalent Influenza Vaccines' and 'Needle Stick prevention' to immunisation staff. An update was provided at this session of the 2017 Worksite Immunisation documentation. Nursing staff working at EHA have completed the 'Understanding Vaccines and the National Immunisation Program' by SA Health to become qualified as authorised Immunisation Providers as per the requirements / amendments to the Controlled Substances (poisons) Regulations 2011 &amp; SA Health Vaccine Administration Code August 2017 version 1.4.</p>
<p>4.12 Ensure activities and outcomes are communicated to the Board of Management, councils and state government bodies as required.</p> <p>Statistical and written reports to the Board of Management as per meetings. Annual Reports as required by the Board of Management and the <i>South Australian Public Health Act 2011</i>.</p>	<p>Statistical reports, Board Reports and Annual Reports compiled and distributed as required.</p>	<p>Statistics recorded on an ongoing basis through clinic council survey and SIP summary sheets.</p> <p>Immunisation information reports with tables and graphs provided to the BoM four times a year.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### Summary

Details of clients per council, choice of clinic venue and vaccines administered at public clinics is being monitored to allow for planning and a review of all venues to prepare the 2018 Clinic Timetable.

EHA participated in two studies being delivered by The University of Adelaide. Firstly EHA participated in a clinical study to evaluate a Stimulated Telephone-Assisted Rapid Safety Surveillance system (STARSS) through contributing immunisation data to the STARSS study.

In 2017 EHA commenced delivering the Meningococcal B Vaccine Herd Immunity Study in partnership with SA Health and the University of Adelaide to deliver a study into the impact of Meningococcal B (Men B) vaccination in older adolescents. The study including the vaccines and funding to conduct the study have been provided by GlaxoSmithKline. All schools in EHA's Constituent Council areas and Contract Council were offered to participate in the study and to offer this to students in Year 10, 11 and 12. During the study all participants in the study will be vaccinated with two doses of the licensed Men B vaccine Bexsero® free of charge. Schools will be randomly selected for students to receive the vaccine either in 2017 and 2018. In addition, two throat swabs will be collected from all students over the course of the study. From May to June 2017 a total of 34 visits were made to 18 high schools.

The mailing list for the distribution of the 2017 Clinic Timetable was expanded to capture all churches, playgroups, libraries, primary schools and childcare centres in our Constituent Council areas. A letter was included introducing EHA's services.

Changes made to the time and location of the Campbelltown clinic to The ARC. Promotion of the change in venue was made with a focus on the use of The Arc's social media presence and use of their facebook page.

Full review of Child Safe Environment Guidelines completed in August 2016. Safe Environment Policy adopted by the Board of Management at meeting on 31 August 2016. Procedures developed for Safe Environment Guidelines and Criminal History Assessment.

School Immunisation Program Year 8 visits completed for 2016 at 19 schools, totalling 57 sessions. A total of 8,583 vaccines were administered for the 2016 SIP. EHA continues to achieve higher school coverage rates than the state average.

Total of 4,330 Influenza Vaccines administered at 106 worksite visits.

There was a reduction in the number of Influenza vaccines administered for the Worksite Program in 2017 caused by the service provision only arrangement with SA Health not being renewed in 2017.

Regular review of Monthly Reports now available from the Australian Immunisation Register (AIR) and HPV Register to enable follow up with parents.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### 5.0 - Food Safety

#### Objective 5 Minimise food borne illness by ensuring that safe and suitable food is available to the community

Actions	Performance Measures	Result
5.1 Food businesses are assigned a 'Risk Rating' in accordance with the SA Health Food Business Risk Classification system. Frequency of routine assessments is adjusted based on their performance and within the range of the risk classification.	Apply relevant risk rating to new businesses and undertake assessments in accordance with SA Health Food Business Risk Classification system.	Existing and new businesses assigned with a 'Risk Rating' in accordance with the SA Health Food Business Risk Classification system.
5.2 Routine food business assessments conducted using an appropriate food safety rating tool to ensure compliance with the <i>Food Act 2001 and Food Safety Standards</i> .	Assessments performed using the appropriate food safety rating tool.  Assessments conducted in accordance with the assigned risk rating and frequency.	861 routine inspections and 567 follow-up inspections conducted on the hand held electronic device.  All food inspections are assessed using the SA Health Star Risk rating system.
5.3 Conduct assessments using the SA Health 'Heightened Inspections forms' for food processing activities that fall under the Primary Production Standards.	SA Health 'Heightened Inspections forms' used when food processing activities fall under the Primary Production Standards.	No applicable businesses notified.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
<p>5.4 Monitor and identify new food processing practices during routine assessments. Update the risk rating to reflect the changes.</p>	<p>Update risk ratings where required.</p>	<p>During inspections EHO's monitor and identify new food processing practices. Risk rating for the business is updated to reflect the change.</p> <p>Officers identified complex food handling practices ie. cook chill, sous vide and aseptic filling to extend 'shelf life'.</p> <p>SA Health worked closely with EHA and the food businesses to ensure the complex process are being applied accurately and the necessary testing is being undertaken to verify the safety of the food.</p> <p>Risk ratings of these businesses were updated where required.</p>
<p>5.5 Ensure appropriate enforcement action is taken in relation to breaches of the <i>Food Act 2001</i> and associated standards in accordance with EHA's enforcement policy.</p>	<p>Number of enforcement actions taken.</p>	<p>567 Follow-up Inspections 12 Warning letters 139 Improvement Notices 10 Prohibition Orders 18 Expiation Notices, 43 Offences Expiated</p>
<p>5.6 Investigate food related complaints in a systematic and timely manner in relation to:</p> <ul style="list-style-type: none"> <li>- alleged food poisoning</li> <li>- microbiological and chemical contamination</li> <li>- foreign matter found in food</li> <li>- poor personal hygiene and handling practices</li> <li>- unclean premises</li> <li>- vermin, insects and pest activity</li> <li>- refuse storage</li> </ul> <p>Liaise with SA Health and other councils to ensure a co-ordinated approach where necessary.</p>	<p>Respond to complaints in accordance with customer service standards.</p>	<p>61 complaints received and actioned.</p> <p>Alleged food poisoning (15) accounted for the majority of the complaints. However, all but four complaints were 'not justified' as stool sample results are not provided by complainants. No sufficient evidence to justify food poisoning was caused from the premises.</p>

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
5.7 Respond to food recalls in accordance with SA Health recommendations.	Number of recalls actioned.	Responded to all recalls in accordance with SA Health recommendations.
5.8 Ensure that all businesses servicing vulnerable populations (within the boundaries of the Constituent Councils) have their food safety plan audited in accordance with Food Safety Standard 3.2.1 and the <i>Food Act 2001</i> .	Number of audits conducted.	Database of businesses servicing vulnerable populations is maintained.  78 sites required their food safety plan to be audited. 55 sites audited by EHA and the remainder audited by SA Health and other Councils.
5.9 Provide a professional auditing service to businesses external to Constituent Council boundaries which require their food safety plans to be audited.	Number of audits conducted.	Professional auditing services provided to 33 sites external to Constituent Council boundaries.
5.10 Ensure businesses provide notification of their business details. Maintain a register of all food businesses operating within EHA's jurisdiction.	Update within 5 days of receipt of new information.	191 businesses closed.  204 notifications received advising of a new food business or change of ownership, were lodged with EHA.
5.11 Assessments, investigations and actions are updated in Health Manager to ensure effective reporting to the Board of Management, Constituent Councils and SA Health.	Update within 5 days of assessment or action.	Officers enter assessments, investigations and actions in Health Manager in a timely manner.
5.12 Provide information to the Board of Management in relation to food safety reforms, such as the Parliamentary Enquiry into Food Safety Schemes, and provide written responses on behalf of EHA and Constituent Councils to State Government.	Information reports provided to Board and distributed to Constituent Councils as required.	Review of Food Regulations 2002 - response sent to SA Health in February 2017
5.13 Implement the agreed EHA and Constituent Council Development Assessment information sharing process, to receive notifications of new business or changes to an existing business. EHA to review plans, liaise with the applicant regarding structural fit out with relevant legislation, and provide feedback to Constituent Council's when requested.	Respond to notifications in accordance with the agreed Development Assessment information sharing process and customer service standards.	Received plans reviewed by EHA in accordance with the agreed Development Assessment information sharing process and customer service standards.  20 structural fit out inspections conducted.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
5.14 Provide new food businesses with information that introduces EHA and informs the business about the inspection fee policy and safe food practices.	Information provided following receipt of notification form.	Ongoing. Following the receipt of a new Food Business Notification, the notification is processed and welcome pack is sent.
5.15 Conduct food safety assessments of fairs and festivals, temporary events and school fetes in collaboration with the Constituent Councils and relevant event co-ordinators.	Undertake assessments where required.	Attended 10 festivals and fairs and inspected 90 stalls.
5.16 Liaise with Constituent Council and relevant event coordinators to ensure all stall holders at fairs and festivals, temporary events and school fetes are well informed of the legislative requirements and have the necessary equipment.  Conduct stall holder meetings for stall holders upon request by the Constituent Councils and relevant event coordinators.	Liaise with Constituent Council and relevant event coordinators prior to the event. Provide stall holder presentations where required.	EHA in contact with Constituent Councils on upcoming events. Notification form completed by event co-ordinators and stall holders.  Information on safe food handling practices and presentation to stall holders provided prior to events.
5.17 Twice a year distribute advisory information to schools and kindergartens to provide a reminder of the requirements to notify EHA of an upcoming school fete.  EHA to liaise with the school or kindergarten to ensure all stall holders at fairs and festivals, temporary events and school fetes are well informed of the legislative requirements and have the necessary equipment to produce and sell safety and suitable food.	Distribute advisory information twice a year. Liaise with schools or kindergartens where required.	EHA in contact with schools and kindergartens on upcoming events. Notification form completed by event co-ordinators and stall holders.  Information on safe food handling practices and presentation to stall holders provided prior to events.
5.18 Participate in the Environmental Health Australia "Food Safety" Special Interest Group (SIG) to promote uniformity, professional consistency and to discuss the latest information in relation to food safety issues affecting local government.	Attend and actively participate at SIG meetings.	SIG meetings attended by staff.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
5.19 Actively communicate updates from SA Health and FZSANZ to food premises.	Provide updated information to food businesses as required.	Communication updates/advice from SA Health forwarded to food businesses included: <ul style="list-style-type: none"> <li>- potentially hazardous foods following recall dissemination (bean sprouts, rockmelon)</li> <li>- home based businesses</li> <li>- managing food safety during power outages</li> <li>- allergen awareness</li> </ul>

### Summary

A total number of 862 routine inspections were conducted during the year, a 25% increase compared to the previous year. The increase was attributed to the availability of staff. While there was an increase in the number of routine inspections conducted, the number of follow-up inspections (567) was comparable to the previous year.

EHA's Enforcement Policy allows for a graduated and proportionate response to be applied, with businesses issued with Prohibition Orders or Expiation Notices having had a significant history of non-compliance. There was an increase in the number Improvement Notices, Expiation Notices and Prohibition Orders issued this year. Improvement Notices continues to account for the majority of enforcement action taken with a total of 139 Improvement Notices issued to 92 food businesses. A total of 33 businesses received more than one Improvement Notice during the year, with one business receiving five Improvement Notices.

During the year a significant proportion of Officers time was spent investigating food business that introduced extended shelf life cook-chill processing. An investigation undertaken by EHA sparked SA Health to initiate a state-wide industry survey of all extended shelf life cook-chill manufacturers in South Australia. EHA has identified 12 food businesses that have moved into extended shelf life cook-chill processing.

Ten Prohibition Orders were issued to food businesses, seven more when compared to the previous two years. Prohibition Orders were issued for serious offences relating to significant vermin and cockroach activity; very poor standard of cleanliness; cold storage facilities storing significant amounts of PHF out of temperature control; equipment and general design construction of the premises being unfit for intended; very poor standard of cleanliness and inadequate sanitising.

Expiations were issued to 15 businesses. A total of 43 offences were committed under the *Food Act, 2001* an increase when compared to 39 offences in the previous year.

EHA received a total of 80 complaints relating to food during 2016-17. There has been a continual decrease in the number of complaints received over the last three years. Alleged food poisoning accounted for the majority of complaints. Following the investigation of these complaints only 4 of the 20 alleged food poisoning complaints were justified. A total of 55 scheduled food safety audits and 3 follow-up audits were conducted within EHA's jurisdiction during the year. By request, a total of 33 audits were conducted outside EHA's council areas. There was an increase in the number of audits compared to previous years due to new businesses requesting our services and availability of accredited food safety auditors.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### Objective 6 Promote a safe and home-like environment for residents by ensuring quality of care in supported residential facilities

Actions	Performance Measures	Result
6.1 Assess applications for new licences, licence renewals and transfer of licence with regard to SRF legislation and guidelines within legislative timeframes.	Applications processed within legislative timeframes.	Applications for new licences, licence renewals and transfer of licence were processed within legislative timeframes.
6.2 Assess applications for manager and acting manager with regard to SRF legislation and guidelines	Applications processed within legislative timeframes.	Applications for managers and acting managers were processed within legislative timeframes.
6.3 Conduct relicensing audits of facilities against SRF legislation and include conditions where necessary based on the findings of the audits conducted during the year and fire safety advice. .  Take advice of the appropriate Fire Safety requirements from the Constituent Councils Building Fire and Safety Officers.	Unannounced audits conducted at all facilities.  Fire safety advice obtained annually.  Issue licences annually with conditions where required.	All SRF's were audited in accordance with the audit process. Audits were unannounced and follow-up inspections were announced.  A total of 19 unannounced routine audits and 13 follow-up visits undertaken.  Fire Safety reports received prior to re-licensing.  All facilities' Licences were issued with conditions where required.
6.4 Conduct ongoing inspections to ensure facilities continue to operate at satisfactory standards in in accordance with the legislation.  Conduct inspections of facilities to ascertain compliance with licence conditions throughout the year.	Unannounced inspections and follow-ups conducted at SRFs.	All SRF's were inspected to ensure satisfactory standards in accordance with the legislation and to ascertain compliance with licence conditions when required.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
6.5 Respond to enquiries/complaints in relation to SRFs	Respond to all enquiries and complaints in accordance with the customer service standards.	Three complaints received and investigated in accordance with the customer service standards. The number of complaints was comparable to the previous two years.
6.6 Liaise with service providers to ensure residents receive appropriate levels of care.	Liaise where required.	Quarterly Eastern Region SRF network meetings attended by Officers.  Ongoing liaison with DCSI, Office of the Public Advocate and Public Trustee.
6.7 Participate in the Environmental Health Australia 'SRF' Special Interest Group to promote uniformity, professional consistency and to discuss the latest information in relation to SRF issues affecting local government.	Attend and actively participate at SRF SIG meetings.	EHA Officer is the co-convenor of the SRF SIG. Officers attended and participated in the SRF SIG.
6.8 Liaise with Department of Communities and Social Inclusion and Constituent Councils on the potential for SRF closures in the area, strategic management options and appropriate alternative accommodation options.	Issues investigated and reported to Board of Management and relevant council as necessary.	No closures undertaken during the year.
6.9 Lobby State Government to ensure legislation applicable to SRFs is appropriate and that local government receives appropriate support for its licensing role.	Initiate discussion with LGA regarding these issues.	The SIG and Environmental Health Australia Board continues to pursue this matter.
6.10 Act as the Licensing Authority pursuant to the <i>Supported Residential Facilities Act 1992</i> for the City of Unley on a fee for service basis.	Maintain contract.	City of Unley resumed as the Licensing Authority pursuant to the <i>Supported Residential Facilities Act 1992</i> in December 2016.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
6.11 Provide written reports and attend meetings with The City of Unley in accordance with SRF licensing contract requirements.	Reports provided twice per year (as per agreement) and as required.	City of Unley resumed as the Licensing Authority pursuant to the <i>Supported Residential Facilities Act 1992</i> in December 2016. Final report was provided during hand over.
6.12 Ensure activities and outcomes are communicated to the Board of Management, Constituent Councils and state government bodies as required via: Reports to the Board of Management, Delegates Reports and Annual Report.	Board Reports and Annual Reports compiled and distributed.	Ongoing
6.13 Liaise with Constituent Councils to explore health promotion opportunities within SRF's.	Liaise with Constituent Councils.	Officers liaised with Constituent Councils during Eastern Region SRF meetings to understand the current health promotion provisions within SRFs. It was determined that EHA as the licensing authority will continue to monitor the activities provided by the facilities and the external providers.

### Summary

During the year the number of SRF's licensed by EHA decreased from 12 to 8 facilities. The decrease is attributed to the City of Unley's decision to undertake the licensing internally, which came into effect in December 2016.

Audits of SRF's continue to be unannounced. All SRF's were audited in accordance with a risk based audit schedule. This allowed Officers to provide further attention and advice to facilities that with ongoing non-conformances. All SRF's were audited at least once during the year, with three pension only facilities receiving three unannounced audited. A total of 19 unannounced routine audits and 13 follow-up visits were conducted during 2016-17.

Non-conformances identified at the unannounced audits throughout the year were collated and reviewed prior to the re-licensing of the facilities. Contrary to previous years and in order to facilitate a more expedient and efficient approach to managing minor non-conformances, Authorised Officers applied the use of legislative tools rather than imposing multiple licence conditions. Where long term action was required or there were significant or persistent issues, conditions were imposed on the facility's licence for 2018-19.

Two facilities were issued licences for one year with no conditions. Four facilities were issued licences for one year with conditions. Conditions related to staffing levels and designated outdoor smoking areas. All minor cleaning, maintenance and hygiene issues will continue to be monitored and managed during subsequent audits throughout the year.

## **Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017**

Two SRF licence transfers were received, processed and approved. One licence transfer application was a result the sale of a business. One application for a new supported residential facility was received during the year. The application is currently being processed and pending approval.

One manager application and three acting manager applications were received during the year, which was comparable to the previous year.

Three complaints were received which was comparable to the previous two years. Complaints related to cleanliness and hygiene in a resident's room; nutritional value of food; cooling and heating and the lack of privacy during medical consultations. The complaints were and where required relevant action was taken by the facilities to resolve the matters.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

### 7.0 - Emergency Management

#### Objective 7 Minimise the public health consequences of emergencies through a planned and prepared response

Actions	Performance Measures	Result
7.1 Liaise with the Constituent Councils and Eastern Adelaide Zone Emergency Management Committee to ensure integration of emergency management arrangements.	Attend and participate in committee meetings.	Two meetings attended by management staff.  Staff attended the Zone Emergency Management Symposium.
7.2 Conduct exercises with staff to test the Emergency Management Plan and Business Continuity Plan. Participate in any relevant exercises conducted within the region by other organisations.	Conduct or participate in one exercise a year.	Staff participated in the Local Government Team Spirit Exercise organised by the Local Government Association.
7.3 Review and update emergency management information on the website.	Review and update as required.	No updates undertaken.
7.4 Review and update the Emergency Management Plan and note any alternations on the amendments register. Review the status of actions arising from the Emergency Management Plan and Business Continuity Plan.	Review the plan and update where required.	Local Government Risk Services engaged to develop a documented Business Continuity Plan.  Draft Emergency Management Plan initiated to incorporate new State Emergency Management Plan.
7.5 Participate with Environmental Health Australia and state and local government authorities to review best practice standards and promote uniformity and professional consistency.	Staff to participate in the Disease Control SIG and other relevant committees.	Staff participated in the East Adelaide Zone Emergency Management Committee and Public Health SIG meetings.

## Business Plan Review - Progress Against Actions 1 July 2016 – 30 June 2017

Actions (continued)	Performance Measures	Result
7.6 Ensure activities and outcomes are communicated to the Board of Management, Constituent Councils and state government bodies as required via: Monthly statistical reports; Reports to the Board of Management and Annual Report under the <i>South Australian Public Health Act 2011</i> .	Statistical reports, Board Reports and Annual Reports where required.	Ongoing.
7.7 Emergency Management Plan strategies to be reflected in the Public Health Plan and Risk and Opportunity Management Policy and Framework to ensure consistency over the three strategic plans.	Emergency Management Plan incorporated in the Risk and Opportunity Management Policy and Framework. The Emergency Management Plan to be recognised during the public health planning process.	Emergency Management challenges and directions have been incorporated in the Regional Public Health Plan.  Emergency Management strategies reflected in the Risk and Opportunity Management Policy and Framework.

### Summary

Two Senior EHA staff and one Environmental Health Officer attended the quarterly Eastern Adelaide Zone Emergency Management Committee (EAZEMC) meetings.

During the year a new South Australian State Emergency Management Plan (SEMP) was developed, which sets out the state's emergency management arrangements. As part of the introduction of the new SEMP, EHA participated in an emergency management exercise organised by the Local Government Association and considered implications during the quarterly Eastern Adelaide Zone Emergency Management Committee meetings. A draft Emergency Management Plan has been initiated to incorporate the new SEMP and Local Government Risk Services have been engaged to develop a documented Business Continuity Plan.

## 6.6 2016/2017 FINANCIAL YEAR ANNUAL ENVIRONMENTAL HEALTH REPORT

Author: Nadia Conci  
Ref: AF16/80

### Summary

A report has been prepared on Eastern Health Authority's (EHA) performance under the *South Australian Public Health Act 2011* (the Act) for 2016/2017 and is provided for the Board's endorsement.

### Report

The purpose of the 2016/2017 Financial Year Annual Environmental Health report is to assist in the review of the *South Australian Public Health Act 2011* (the Act), and assist the Minister for Health and Ageing and the Chief Public Health Officer and their delegates to perform their functions under the following sections of the Act:

*s17(1) The Minister's functions in connection with the administration of this Act include the following (to be performed to such extent as the Minister considers appropriate):*

*(a) to further the objects of this Act by taking action to preserve, protect or promote public health within the State;*

*(b) to promote proper standards of public and environmental health within the State by ensuring that adequate measures are taken to give effect to the provisions of this Act and to ensure compliance with the Act.*

*s21(1) The Chief Public Health Officer's functions are as follows:*

*(b) to ensure that the Act, and any designated health legislation, are complied with;*

*s23(1) The Chief Public Health Officer is required to prepare a written report every 2 years about—*

*(a) public health trends, activities and indicators in South Australia*

On 26 July 2017, correspondence was received from SA Health requesting that enforcement agencies provide an annual report in accordance with the abovementioned sections of the *SA Public Health Act 2011*.

SA Health provided a pro-forma to act as a guide that contains indicators to assist local councils with reporting on the administration of the Act.

A report has been prepared in the required format and is provided as attachment 1. Upon the Board's endorsement of the annual report, a copy will be submitted to the Chief Public Health Officer.

## **RECOMMENDATION**

That:

1. The Report titled 2016/2017 Financial Year Annual Environmental Health Report is received.
2. The 2016/2017 Financial Year Annual Environmental Health Report provided as attachment 1 to this report is submitted to the Chief Public Health Officer.

## Eastern Health Authority

101 Payneham Road  
St Peters SA 5069  
Ph: 8132 3600 Fax:8132 3623  
www.eha.sa.gov.au

### 2016 / 2017 FINANCIAL YEAR ANNUAL ENVIRONMENTAL HEALTH REPORT Reporting period: 1 July 2016 to 30 June 2017 THE SOUTH AUSTRALIAN PUBLIC HEALTH ACT 2011

The aim of this report is to assist the Minister for Health and the Chief Public Health Officer and their delegates to perform their functions under the following sections of the *South Australian Public Health Act 2011*:

*s17(1) The Minister's functions in connection with the administration of this Act include the following (to be performed to such extent as the Minister considers appropriate):*

- (a) to further the objects of this Act by taking action to preserve, protect or promote public health within the State;*
- (b) to promote proper standards of public and environmental health within the State by ensuring that adequate measures are taken to give effect to the provisions of this Act and to ensure compliance with the Act.*

*s21(1) The Chief Public Health Officer's functions are as follows:*

- (b) to ensure that the Act, and any designated health legislation, are complied with;*

*s23(1) The Chief Public Health Officer is required to prepare a written report every 2 years about—*

- (a) public health trends, activities and indicators in South Australia*

**It is requested that all councils complete and submit this report by 30 September 2017.**

When completing this report, please add rows to tables as necessary.

## 1 ENVIRONMENTAL HEALTH WORKFORCE

### 1.1 Authorised officers (s44)

Please provide a list of all persons currently authorised by the authority pursuant to s44 of the Act on 30 June 2017 in the following format. This is requested to confirm that the Chief Public Health Officer's notification register is up to date.

Authorised officer's full name	Employment type (PFT, PPT, CE or CNE)	Date authorised	Approved qualification number	Environmental health experience ( years/months)	Average EH hours worked per week
Travis John	PFT	6 Aug 2014	8	9 yrs 6mths	38
Bradley Prosser	PFT	6 Sep 2013	9	4 yrs 3mths	38
Tina-Marie Aghiana	PPT	6 Sep 2013	8	13yrs 2mths	30.4
Nathan Emes	PFT	23 Nov 2015	9	1 yr 10mths	38
Vicki Burns	PFT	21 Mar 2016	21	6 yrs	38
Shraddha Adhikari	PFT	21 Mar 2016	9	1 yr 6mths	38
Luke Smith	PFT	21 Mar 2016	9	1 yr 6mths	38
Kate Fife	PFT	9 Jan 2017	9	3 yrs 4mths	38
Nadia Conci	PFT	6 Sep 2013	8	16 yrs 4mths	38
Michael Livori	PFT	6 Sep 2013	6	31 yrs	38

#### Notes:

**Employment type:** PFT: Permanent fulltime, PPT: Permanent part time, CE: Contract employee, CNE: Contract non-employee.

**Approved qualification number:**

Please refer to the list of approved qualifications for the appointment of local authorised officers.

[<ctrl+click here to follow link>](#)

**Average EH hours:** Please indicate the average number of hours the individual spends working on environmental health related tasks and activities (including food safety, administrative, strategic, management and policy related tasks) for council per week.

### 1.2 Were any environmental health positions vacant on 30 June 2017?

**No – proceed to section 1.3**

**Yes – complete the table below**

Please provide information on all authorised officer positions vacant on 30 June 2017 in the following format.

Position title	Employment type (PFT, PPT, CE or CNE)	Average EH hours per week	Term of contract (if applicable)	Duration position has been vacant

### 1.3 Any additional comments relating to environmental health workforce

## **2 SA PUBLIC HEALTH ACT & REGULATIONS - ENFORCEMENT**

**2.1 Were any section 92 notices issued under the Act during the reporting period?**

- No – proceed to section 2.2  
 Yes – proceed to section 2.1.1

**2.1.1 In total, how many section 92 notices were issued during the reporting period (not including preliminary notices).**

- 1 x Compliance Notice (Clandestine Drug Laboratory)**  
**2 x Compliance Notice (Swimming Pool)**  
**1 x Emergency Notice (Severe Domestic Squalor)**  
**4 x General Duty Notice (Severe Domestic Squalor)**

**2.1.2 Please provide a summary of the matters that section 92 notices were issued to deal with.**

**Compliance Notice - (Clandestine Drug Lab)** – Category C Clandestine Drug Laboratory was issued to a premises which was under construction to become a food business. Chemical analysis undertaken confirmed no risk to public health. This was the second Clandestine Drug Laboratory operating at this business in three years.

**Compliance Notice - (Swimming Pool)** - Recurring non-compliance of significantly high combined chlorine levels, inadequate record keeping and inadequate skills and knowledge of the pool operators. The recurrence of these non-compliances and immediate risk to public health resulted in a Compliance Notice issued under Section 92 of the *SA Public Health Act 2011*. The pool operator was instructed to close the pool and undertake the necessary corrective actions. Pool operator engaged pool maintenance company to rectify the issues. Multiple follow-up inspections were undertaken to confirm compliance with the Notice prior to the pool reopening for public use.

A Compliance Notice issued under Section 92 of the *SA Public Health Act, 2011* requiring the closure of the fourth pool site. The ongoing total residual free chlorine and pH outside the required levels and absence of the automatic equipment of three display spa pools, required all spa pools to be immediately emptied. The re-filling of the display spa pools was subject to the connection to automatic dosing equipment.

**Emergency Notice - (Severe Domestic Squalor)** – Following the request from Housing SA a joint investigation was undertaken at a Housing SA home. An investigation of the property identified a serious state of domestic squalor at a Housing SA home. An Emergency Notice was issued under Section 92 of the *South Australian Public Health Act, 2001*. The application of the Guidelines allowed for a multi-disciplinary approach to be taken by EHA and other Government and non-Government agencies. This approach not only ensured the requirements within the Notice complied but the person received the required support and care.

**General Duty Notice (Severe Domestic Squalor) –**

Three severe domestic squalor and one hoarding matter were determined to be a breach of the General Duty under the *SA Public Health Act, 2011*.

Officers conducted an inspection of the properties and completed a Severe Domestic Squalor Assessment Scale that revealed a total score which was indicative of severe domestic squalor.

The Guidelines was a useful tool to allow for a multi-disciplinary approach to be taken by EHA, Government and non-Government agencies during the management of the cases. As of the 30 June 2017 two of the properties met the requirements within the Notice.

EHA along with the key Government and non-Government agencies will continue to monitor the remaining two properties to meet requirements within the respective Notices.

**2.1.3 Was action taken on non-compliance with any section 92 notices issued (s.93)?**

- No – proceed to section 2.1.4**
- Yes – complete the table below**

Details of action taken	Costs recoverable

**2.1.4 Were any expiation notices issued or prosecutions commenced for failure to comply with a section 92 notice (s.92.10)?**

- No – proceed to section 2.1.5**
- Yes – complete the tables below**

**Expiation notices issued**

Date expiation notice issued (when)	Details of the failure to comply	Was the expiation notice paid, withdrawn or did the recipient elect to be prosecuted?

**Prosecutions commenced**

Date prosecution commenced (when)	Details of the failure to comply	Details and outcome of prosecution

**2.1.5 Were any section 92 notices reviewed or appealed (s.95-96)?**

- No – proceed to section 2.1.6**
- Yes – complete the table below**

Review or appeal?	Summary of findings/outcome of review or appeal

**2.1.6 Any additional comments relating to section 92 notices issued**

**2.2 Were any expiation notices issued or prosecutions commenced for material or serious risks to public health during the reporting period?**

**No – proceed to section 2.3**

**Yes – complete tables 2.2.1 - 2.2.3 below**

Please provide details on all expiation notices issued and prosecutions commenced by the authority on persons causing material or serious risks to public health between 1 July 2016 and 30 June 2017 in the following format.

**2.2.1 s57 – Material risk to public health – expiation notices issued (\$750)**

Date notice issued (when)	Details of the material risk to public health (what)	Was the expiation notice paid, withdrawn or did the recipient elect to be prosecuted?

**2.2.2 s57 – Material risk to public health – prosecutions**

Date of offence	Person prosecuted (who)	Details of the material risk to public health (what)	Details and outcome of prosecution

**2.2.3 s58 – Serious risk to public health – prosecutions**

Date of offence	Person prosecuted (who)	Details of the serious risk to public health (what)	Details and outcome of prosecution

**2.2.4 Any additional comments relating to material or serious risks to public health**

**2.3 Were any other expiation notices issued or prosecutions not previously covered commenced for breaches of the Act during the reporting period?**

**No – proceed to section 2.4**

**Yes – complete the table below**

Please provide details on all expiation notices issued and prosecutions commenced by the authority during the reporting period.

Section.	Type	No. of expiations issued	No. of prosecutions commenced	Comments
46(4)	Authorised officer identity card – failure to surrender	N/A		
47(6)	Hindering or obstructing an authorised officer	N/A		
49(2)	Failure to provide information			
92(11)	Hindering or obstructing a person complying with a notice	N/A		
104	Provision of false or misleading information	N/A		
<b>Totals</b>				

## 2.4 South Australian Public Health (General) Regulations 2013

### 2.4.1 How many known premises with public pools and/or spas are there in your council area?

45 pools at 28 sites

### 2.4.2 Please complete the table below to indicate routine inspections of public pools and spas conducted during the reporting period to confirm compliance with the regulations and to minimise the incidence of water borne illness.

Type of public pool	No. of known public pools and spas in council area. Please count each pool separately at premises with more than one pool.	No. of pools inspected at least once for compliance	Please provide details of any regularly encountered non-compliance issues
Swimming pool	35	35	Recurring non-compliance of significantly high combined chlorine levels, inadequate free chlorine levels, record keeping and skills and knowledge of the pool operators.
Spa pool	8	8	Ongoing total residual free chlorine and pH outside the required levels and absence of the automatic dosing equipment to display spa pools.  Inadequate disinfection levels of a spa pool, which was available for use by vulnerable populations.
Hydrotherapy pool	2	2	
Waterslide	0	0	
Other	0	0	
<b>Totals</b>	<b>45</b>	<b>45</b>	

### 2.4.3 Were any expiation notices issued or prosecutions commenced under the General Regulations during the reporting period?

**No – proceed to section 2.4.4**

**Yes – complete the table below**

Please provide details on all expiation notices issued and prosecutions commenced by the authority during the reporting period.

Reg. No.	Type	No. of expiations issued	No. of prosecutions commenced	Comments
7	Control of waste on premises			
8(6)	Public swimming pool requirements			
9(7)	Public spa pool requirements			
10	Obligations of public	N/A		
<b>Totals</b>				N/A

**2.4.4 Please provide feedback for consideration in relation to the review of the South Australian Public Health (General) Regulations 2013**

**2.4.5 Any additional comments relating to the South Australian Public Health (General) Regulations 2013**

**2.4.6 Are there any unregulated interactive fountains or water play areas using recirculated water within your council area?**

- No – proceed to section 2.5**
- Yes – provide details of the facilities/features in your area**

**2.5 South Australian Public Health (Wastewater) Regulations 2013**

**2.5.1 Were any applications for wastewater works approvals received during the current or previous reporting periods?**

- No – proceed to section 2.6**
- Yes – complete the table below**

No. of pending applications carried over from the previous reporting period	Number of new applications received during the reporting period.	No. of applications approved	No. of applications refused	No. of applications pending a decision	No. of inspections undertaken by an authorised officer in relation to wastewater works approvals
0	1	1	0	0	4

**2.5.2 Do you keep a wastewater works approval register compliant with the requirements of regulation 27 of the Wastewater Regulations?**

- No**
- Yes**

## 2.6 South Australian Public Health (Legionella) Regulations 2013

### 2.6.1 How many cooling towers are registered in your council area? Please provide the number of individual towers even when they are part of a single cooling water system.

Number of HRMWS Sites – 20

Number of HRMWS registered - 43

### 2.6.2 Please complete the table below to indicate inspections of high risk manufactured water systems conducted during the reporting period to confirm compliance with the regulations and to minimise the incidence of legionellosis.

Type of registered system	No. of systems on council's register	No. of systems inspected at least once for compliance by an authorised council officer. Reg. 15(1)	No. of systems inspected at least once for compliance by an independent competent person. Reg. 15(2)	No. of follow-up inspections by an authorised officer due to non compliance issues	No. of additional inspections due to complaints and disease investigations	Total no. of inspections conducted
Cooling water systems*	22	22	0	2	0	24
Warm water systems	21	21	0	0	0	24 (incl 2 warm water sites on six month frequency)
<b>Total</b>						

\* A cooling water system may include an individual cooling tower, or a number of interconnected cooling towers that utilise the same recirculating water.

### 2.6.3 Please provide details of any regularly encountered HRMWS compliance issues.

A total of 48 routine inspections were undertaken at 20 HRWMS sites. All sites were inspected at least annually with two warm water systems inspected twice during 2016-17.

### 2.6.4 Were any expiation notices issued or prosecutions commenced under the Legionella Regulations during the reporting period?

No – proceed to section 2.6.5

Yes – complete the table below

Please provide details on all expiation notices issued and prosecutions commenced by the authority during the reporting period.

Reg. No.	Type	No. of expiations issued	No. of prosecutions commenced	Comments
5(2)	Unregistered system			
6(4)	Notification of change to registration particulars.			
6(5)	Notification of permanent decommissioning or removal			
7	Automatic biocide dosing device			
8(1)	Drift eliminators			
9	Commissioning			
10(1)	System plans			
10(3)	Operation and maintenance manuals	1 (1 expiation for 2 offences)	0	Failing to maintain reports of decontamination in the maintenance log books.
11	Operation and maintenance by a competent person	N/A		
12	Maintenance of cooling water system			
13	Maintenance of warm water systems			
14(1)	Log books			
14(2)	Retain log books			
17(1)	Failure to shut down or decontaminate system			
17(2)	Reporting of notifiable results within 24 hours	1 (1 expiation for 2 offences)	0	Failing to notify EHA within 24 hours of a number of significant high counts of <i>Legionella</i> . Previous warnings had been issued relating to this offence.
18(4)	Contravention of a condition of a determination or approval			
19	False or misleading statement	N/A		
<b>Totals</b>		1 expiation – 2 Offences	0	N/A

**2.6.5 Were any notices issued under the Legionella Regulations during the reporting period?**

**No – proceed to section 2.6.6**

**Yes – complete the table below**

Reg. No.	Notice type	No. of notices issued	No. of notices complied with by specified date/time	No. of notices not complied with by specified date/time	No. of expiations/prosecutions for failing to comply with notice (provide details)
15(2)	Independent inspection				
16	Requirement for microbiological testing				

**2.6.6 Please provide feedback for consideration in relation to the review of the South Australian Public Health (Legionella) Regulations 2013**

**2.6.7 Any additional comments relating to the Legionella Regulations**

Two *Legionella* investigations undertaken during the year detected *Legionella* in the water samples taken from dental chair spittoon rinsers.

The investigations highlighted inadequate skills and knowledge presented by the dental practices during the investigations and the need to educate and increase awareness of the associated risks of *Legionella* and dental chair units (DCU's).

The Regulations fail to recognise the risk associated to *Legionella* not only to DCU's, but to ice machines, humidifiers, nebulisers and water drinking fountains. Better guidance to both the industry and EHO's is required to improve awareness to manage the potential risks of *Legionella*.

### **3 South Australian Public Health (Severe Domestic Squalor) Policy 2013**

**3.1 Were any cases of hoarding and/or domestic squalor investigated in your area during the reporting period?**

- No – proceed to section 4.1  
 Yes – complete the table below

**Please provide the following details on the cases of hoarding and/or domestic squalor investigated during the reporting period.**

Total number of cases investigated	Total number of Preliminary Notices issued under Section 92(2)(b)	Total number of General Duty Notices issued under Section 92(1)(a)	Total number of Risk to Health Notices issued under Section 92(1)(b)
27	3	4	1

**3.2 Is the South Australian Severe Domestic Squalor Scale (Appendix 2 – A Foot in the Door) used for the assessment of cases of domestic squalor?**

- Yes – proceed to section 3.3  
 No – describe what other processes or tools are used.

**3.3 Are you involved in an interagency squalor group?**

- No – proceed to section 3.4  
 Yes – provide details on the group and the agencies involved.

Adelaide Hills Council	Eastern Health Authority
Campbelltown City Council	Housing SA
Centacare	Hutt Street Centre
City of Burnside	Junction Australia
City of Norwood, Payneham, St Peters	MIFSA
City of Mitcham	NEAMI National
City of Prospect	Red Cross
City of Tea Tree Gully	Relationships Australia
City of Unley	Uniting Communities
Clearspace	SAMFS
District Council of Mount Barker	SAPOL
DCSI	

**3.4 In instances of severe domestic squalor where a breach of the general duty or a risk to public health has been identified, what public health risks have been associated with these cases?**

Severe Domestic Squalor - items soiled with biological fluids and faeces, rotting food and suspected dangerous poisons, no access to running water.

Breach of the General Duty - general hoarding, hoarding of food, vermin activity, no access to running water,

**3.5 Have situations of hoarding and/or domestic squalor been encountered where the application of the Act has been deemed inappropriate?**

**No – proceed to section 3.6**

**Yes – What alternative approaches or legislation were used in these cases?**

**3.6 Has the South Australian Public Health (Severe Domestic Squalor) Policy 2013 and associated guideline ‘A Foot in the Door’ assisted you in the administration of the Act and in the resolution of cases of severe domestic squalor?**

**Yes**

**No – provide an overview of your experiences**

**3.7 Any additional comments on the South Australian Public Health (Severe Domestic Squalor) Policy 2013?**

The Policy recognises that Government and non-government agencies are ‘key’ in supporting Local government in taking a holistic approach when resolving cases of severe domestic squalor and addressing the underlying cause rather than just the symptom.

Whilst a multi-disciplinary approach is often taken to address matters involving severe domestic squalor and hoarding, Local Government authorities in particular Environmental Health are left to co-ordinate and prompt these Government and non-government agencies to take action.

#### 4 The South Australian Public Health (Clandestine Drug Lab) Policy 2016

##### 4.1 Were any clandestine drug laboratories reported and/or investigated in your area during the reporting period?

- No – proceed to section 5.0  
 Yes – complete the table below

Please provide details on all clandestine drug laboratories reported and/or investigated during the reporting period.

Total number of clan labs notified	Total number of clan labs assessed		Total number of clan labs completely remediated		Total number of clan labs currently being remediated		Total number of clan labs declared unfit for human habitation	Total number of clan labs demolished
	Through agreement	Through Notice (s.92)	Through agreement	Through Notice (s.92)	Through agreement	Through Notice (s.92)		
1	0	1	0	0	0	0	0	0

##### 4.2 Was a site inspection undertaken of any of the clandestine drug labs listed above?

**Yes - total number of inspections undertaken** – Officers visited the property however, did not enter the premises. The purpose of the inspection was to confirm that the premises was closed and fix appropriate signage to doors and windows advising the public that access to the property was prohibited.

- No – proceed to section 4.3

##### 4.3 Has the South Australian Public Health (Clandestine Drug Laboratory) Policy 2016 and the associated 'Practice Guideline for the Management of Clandestine Drug Laboratories' assisted you in the administration of the Act and in the remediation of clandestine drug laboratories?

- Yes  
 No – provide an overview of your experiences

##### 4.4 Any additional comments on the South Australian Public Health (Clandestine Drug Laboratory) Policy 2016?

## 5 Environmental Health Complaints/Customer Requests

Please complete the table below to indicate the number of environmental health complaints and customer requests received and actioned during the reporting period. Please change category names or add new categories according to council's complaint/customer request recording system.

### *Public Health Complaints 2016/17*

<b>Category</b>	<b>Sub Category</b>	<b>Total</b>
Public Health - Air Quality		4
Public Health - Animal Keeping		10
Public Health - Hazardous Substances		4
Public Health - Notifiable Disease	Salmonella	9
Public Health - Notifiable Disease	Norovirus	2
Public Health - Notifiable Disease	Legionella	10
Public Health - Notifiable Disease	Gastrointestinal Outbreak	7
Public Health - Notifiable Disease	Cryptosporidium	2
Public Health - Notifiable Disease	Campylobacter	7
Public Health - Sanitation	Swimming Pools	1
Public Health - Sanitation	Sewerage	2
Public Health - Sanitation	Severe Domestic Squalor	15
Public Health - Sanitation	Hoarding	12
Public Health - Sanitation	General	18
Public Health - Sanitation	Beauty/Skin Penetration	5
Public Health - Sanitation	Accommodation Standards	2
Public Health - Stormwater discharge		11
Public Health - Vector Control	Rats/Mice	91
Public Health - Vector Control	Pigeons	8
Public Health - Vector Control	Mosquitoes	11
		<b>Grand Total: 230</b>

Person to contact regarding the contents of this report:

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Name	Date	Signature
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Endorsed by Chief Executive Officer/delegated person:

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Name	Date	Signature
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**Please submit your completed report by 30<sup>th</sup> September 2017 in electronic copy emailed to:**

**[HealthProtectionPrograms@health.sa.gov.au](mailto:HealthProtectionPrograms@health.sa.gov.au)**

**This template will be reviewed annually.**

## 6.7 FOOD ACT ANNUAL REPORT 2016/2017

Author: Nadia Conci  
Ref: AF11/205

### Summary

Section 93 of the *Food Act 2001* (the Act) requires the head of an enforcement agency to report each year to SA Health. A report has been prepared on Eastern Health Authority's (EHA) performance under the Act for 2016/2017 and is provided for the Board's endorsement.

### Report

Under Section 109 of the *Food Act 2001* (the Act), SA Health is required to submit a report to the Minister on the administration of the Act each year. Local Councils, as enforcement agencies, have an essential role in the administration of the Act. Therefore, information provided by local government forms an important component of SA Health's annual report.

On 31 May 2017, SA Health requested that enforcement agencies provide an annual report in accordance with section 93 of the *Food Act 2001*.

SA Health provided a pro-forma to act as a guide that contains indicators to assist local councils with reporting on the administration of the Act.

The completed questionnaire is provided as attachment 1 of this report and is a statistical review of the work undertaken during 2016/2017.

Statistics detailed in the report are reflective of the Authorised Officers concerted effort to conduct thorough routine and follow-up inspections and apply a graduated and proportionate enforcement response to either re-occurring or very serious food safety breaches.

For further detail, Board Members are referred to the Food Act Annual Report 2016/17.

### RECOMMENDATION

That:

The report titled Food Act Annual Report 2016/17 (attachment 1) be received and endorsed.

## FOOD ACT 2001 - ANNUAL REPORT QUESTIONNAIRE

Information on Local Government Administration of the Food Act for the period 1st July 2016 to 30th June 2017

**Council Name :** Eastern Health Authority(EHA)

### 1. Authorised Officers

Name of Authorised Officer	Position Title	Contact Details (phone, fax, mobile, email)	Full time or Part Time appointment	**If Part Times . Record the FTE (Full time Equivalent)	Does the authorised officer work for more than one council?	Name the other councils	Percentage of time spent on food related matters (including routine, follow-up and complaints)	
							Inspections	Audits
Tina-Marie Aghiana	EHO	w: 8132 3640 m:0413239036 taghiana@eha.sa.gov.au	Part Time	0.8	No	n/a	0.00%	35.00%
Travis John	EHO	w: 8132 3631 m: 0481033817 tjohn@eha.sa.gov.au	Full Time	1	No	n/a	30.00%	11.00%
Bradley Prosser	EHO	w: 8132 3630 m: 0413238906 bprosser@eha.sa.gov.au	Full Time	1	No	n/a	30.00%	10.00%
Nathan Emes	EHO	w: 8132 3617 m: 0413239015 nemes@eha.sa.gov.au	Full Time	1	No	n/a	45.00%	0.00%
Vicki Burns	EHO	w: 8132 3614 m: 0413238830 vburns@eha.sa.gov.au	Full Time	1	No	n/a	30.00%	0.00%
Charlotte Adhikari	EHO	w: 8132 3624 m: 0413238978 cadhikari@eha.sa.gov.au	Full Time	1	No	n/a	45.00%	0.00%
Luke Smith	EHO	w: 8132 3660 m: 0413238894 lsmith@eha.sa.gov.au	Full Time	1	No	n/a	45.00%	0.00%
Kate Fife	EHO	w: 8132 3616 m: 0412 891 993 kfife@eha.sa.gov.au	Full Time	1	No	n/a	60.00%	0.00%
Nadia Conci	Team Leader	w: 8132 3626 m: 04132 38927 nconci@eha.sa.gov.au	Full Time	1	No	n/a	30.00%	5.00%
Michael Livori	CEO	w: 8132 3611 m: 0400102077 mlivori@eha.sa.gov.au	Full Time	1	No	n/a	20.00%	0.00%
<b>TOTAL %</b>							<b>335.00%</b>	<b>61.00%</b>

\*\* FTE = Part time working hrs per week/ Full time working hours per week

For example: Officer working 15 hrs a week. Fulltime hours for the week = 37.5. FTE= 15/37.5 which is 0.4 FTE

## 2. Inspections & Audits of Food Premises

### 2A. Food Audits

The Food Act requires businesses that service “Vulnerable Populations” to have a Food Safety Programme and are subject to an audit in order to verify compliance with Standard 3.2.1. Please complete the following table with respect to your council area only (if you audit outside your council area, these details will be captured by the respective council). If these businesses were also inspected during the financial year, please provide this information as well.

Business Type- Vulnerable Population	No. of Businesses	Routine Audits (Standard 3.2.1, 3.2.2 & 3.2.3)		Routine Inspections (Standard 3.2.2 & 3.2.3)	
		No. of audits conducted by your council	No. of audits conducted by other councils (In your area)	No. of inspections conducted	No. of follow-up inspections conducted
Child Care Centers	33	26	1	31	3
Aged Care Facilities	31	20	9	28	4
Private Hospitals	7	6	1	6	0
Other	7	1	6	7	1
<b>TOTAL</b>	<b>78</b>	<b>53</b>	<b>17</b>	<b>72</b>	<b>8</b>

\* “Vulnerable Populations” are those types of businesses as defined in Standard 3.3.1 and are required to be audited.

### 2B. Food Inspections

All food businesses in South Australia are required to comply with the Food Act 2001, Regulations and Food Safety Standards. Please complete the following table with respect to your Council; however EXCLUDE businesses that service “Vulnerable Populations” which were reported in section 2A of this report.

Businesses Inspections Information as per Priority Risk Classification				
Risk Classification	Number of Businesses	Routine Inspections Conducted	Follow up Inspections	No. of Inspection resulting from complaints
<b>P1</b> (please exclude businesses that service “Vulnerable Populations”)	661	497	454	60
<b>P2</b>	408	258	102	13
<b>P3</b>	113	31	2	1
<b>P4</b>	200	4	0	0
<b>Total</b>	<b>1382</b>	<b>790</b>	<b>558</b>	<b>74</b>

**3. Food Audit and Inspection Fees**

**3A. Food Audit fees**

Councils are able to charge for audits conducted by Authorised Officers.

Does your council conduct Food Audits?

Yes

If you answered NO to the above question go to Q3B.

Does your council charge fees for conducting Food Audits?

Yes

If you answered NO to the above question go to Q3B.

Please advise the fees currently charged by your council for auditing purposes and clearly specify whether this is an hourly rate or flat fee structure.

Audit Type/parameters	Audit Charge (\$)/unit* (if no fees are charged please write N/A)
<b>Desktop Audit (offsite)</b>	\$80.00/hr
<b>Routine Audit (onsite)</b>	\$180.00/hr
<b>Follow up Audit</b>	\$180.00/hr
<b>Travel Cost</b>	\$86.00/hr
<b>Other</b> _____	Audit Preparation /Administration \$80.00/hr Desktop conducted on-site during audit \$180.00/hr Community - 20% discount
<b>If there is a cap on the maximum cost of an audit? Please advise.</b>	No maximum cost. Maximum time charged is 4hrs for an on-site audit.

\*Unit - please specify in your response, for example "per audit" OR "per hour"

**3B. Food Inspection fees**

Councils are able to charge for inspections conducted by Authorised Officers.

Does your council charge fees for conducting food premises inspections?

Yes

If you answered NO to the above question go to Q4.

Please advise the fees currently charged by your council for inspection purposes.

Inspection Type	Inspection Charge (\$)/unit* (if no fees are charged please write N/A)
Routine Inspection	Small (< 20FTE) \$85.50 In any other case (>20FTE) \$214.00
Follow up Inspection	N/A Fee applicable if second f/up insepection is required.
Complaint Inspection	N/A
Home Activity Inspection	\$85.50
Other _____	N/A

\*Unit - please specify in your response, for example "per inspection" OR "per hour"

#### 4. Food Act Enforcement

##### 4A Enforcement Activities

Please complete the following table indicating the enforcement activities undertaken by your councils during financial year 2016-2017.

Table 4A

Business Sector	Risk Level	No. of Business	No. of business Inspected	No. of business requiring enforcement action	No. of written warnings issued	No. of improvement notices issued	No. of prohibition orders issued	No. of expiations issued		No. of prosecutions	Percent Compliance - Inspected Businesses
								Body Corporate	Natural person		
<b>Retailer</b>											
Alcoholic beverages packaged	P4										#DIV/0!
Bakery products	P3	7	3	0	0	0	0	0	0	0	100%
Bakery products Perishable fillings*	P2	6	8	1	0	1	1	0	0	0	88%
Continental Type Delicatessen food	P2	8	6	1	0	1	0	0	0	0	83%
High risk food - perishable	P2	87	65	3	1	4	0	2	0	0	95%
Low risk packaged food	P4	198	3	0	0	0	0	0	0	0	100%
Medium risk food - perishable	P3	28	13	0	0	0	0	0	0	0	100%
Raw Meat & Poultry	P2										#DIV/0!
Seafood(excludes Processing of Bivalve mollusc)	P2	1	0	0	0	0	0	0	0	0	#DIV/0!

Comments: Alcoholic beverages included in low risk packaged food.

\*'Bakery Products Perishable Fillings' - number of inspections (8) was higher than the number of businesses (6). This was due to two businesses closing and re-opening during the reporting year, requiring an additional routine inspection.

<b>Food Service</b>											
Catering offsite activity	P1	20	12	1	0	1	0	0	0	0	92%
Catering onsite	P1	109	99	5	1	5	0	0	0	0	95%
Medium risk foods perishable	P3	8	3	0	0	0	0	0	0	0	100%
Restaurants and takeaway RTE Food- Prepared in advance	P1	545	415	73	9	109	8	9	7		82%
Restaurants and Takeawayfood RTE food - Express order	P2	170	104	1	0	1	0	0	0	0	99%
Restaurants and takeaway RTE Food-no raw preparation	P2	89	56	3	0	2	0	0	0	0	95%

Comments: Ten businesses also processed 'cook chill' products. Detailed inspections and sampling with the assistance from SA Health were undertaken at the majority of these food businesses to monitor safe cook chill processing practices.

Business Sector	Risk Level	No. of Business	No. of business Inspected	No. of business requiring enforcement action	No. of written warnings issued	No. of improvement notices issued	No. of prohibition orders issued	No. of expiations issued		No. of prosecutions	Percent Compliance - Inspected Businesses
								Body Corporate	Natural person		
<b>Processor/ Manufacturer</b>											
Bakery products Perishable fillings processing	P1	33	26	5	1	7	0	0	0	0	81%
Baby Food processing	P2										#DIV/0!
Beverage processing	P3	6	1	0	0	0	0	0	0	0	100%
Canned food processing	P2										#DIV/0!
Canned food processing very small producer & high acid food	P3	1	0	0	0	0	0	0	0	0	#DIV/0!
Chocolate processing	P2										#DIV/0!
Chocolate processing small producer	P3	1									#DIV/0!
Cereal processing	P3	54	12	0	0	0	0	0	0	0	100%
Confectionary processing	P3	13	5	0	0	0	0	0	0	0	100%
Cook-Chill food Short shelf-life processing	P2	2	0	0	0	0	0	0	0	0	#DIV/0!
Cook-chill food extended shelf life processing;	P2										#DIV/0!
Cook-frozen food processing	P2	1	1	1	0	3	0	0	0	0	0%
Dairy processing (not including soft cheese)	P2	7	4	0	0	0	0	0	0	0	100%
Dairy processing - Soft cheese processing	P1										#DIV/0!
Egg Processing	P2										#DIV/0!
Fruit and Vegetables processing	P1	2	1	0	0	0	0	0	0	0	100%
Fruit and vegetable processing frozen	P2										#DIV/0!
Fruit and vegetable processing frozen Blanch/small producer	P3										#DIV/0!
Fruit and vegetable Juice Unpasteurises processing	P1	1	1	1	0	2	0	0	0	0	0%
Fruit juice, Pasteurisation processing, Shelf stable processing	P2										#DIV/0!
Fruit and vegetable processing Frozen Blanch /Small producer	P3										#DIV/0!
Infant formula product processing	P1										#DIV/0!
Meat Processing, Abattoir/ Boning Room	P2										#DIV/0!
Meat Processing, Fermented meat Processing, Small Goods Processing	P1										#DIV/0!
Oils and fats processing	P3										#DIV/0!
Peanut Butter processing	P2										#DIV/0!
Peanut Butter processing Small Producer	P2										#DIV/0!
Poultry processing	P1										#DIV/0!
Prepared not ready to eat food processing	P2	2	2	0	0	0	0	0	0	0	100%
Prepared ready to eat food processing	P1	27	16	2	0	3	1	0	0	0	88%
Seafood processing	P2	5	3	0	0	0	0	0	0	0	100%
Seafood processing RTE and shelf stable	P2	1	0	0	0	0	0	0	0	0	#DIV/0!
Seafood processing -Mollusc processing	P1										#DIV/0!
Snack chips processing	P3										#DIV/0!
Spices and dried herbs processing	P2	2	0	0	0	0	0	0	0	0	#DIV/0!
Spices and dried herbs processing small producer	P3										#DIV/0!
Sprout processing	P1										#DIV/0!
Sushi processing	P1	1									#DIV/0!
Vegetables in oil processing	P1	5	2	0	0	0	0	0	0	0	100%
Comments:											

Business Sector	Risk Level	No. of Business	No. of business Inspected	No. of business requiring enforcement action	No. of written warnings issued	No. of improvement notices issued	No. of prohibition orders issued	No. of expiations issued		No. of prosecutions	Percent Compliance - Inspected Businesses
								Body Corporate	Natural person		
<b>Food Transporter</b>											
Bulk flour storage distributor	P3										#DIV/0!
Bulk milk collection distributor	P2										#DIV/0!
Dairy produce distributor	P3	2	1	0	0	0	0	0	0	0	100%
Dry goods and beverages distributor	P4	3	1	0	0	0	0	0	0	0	100%
Frozen food distributor	P3										#DIV/0!
Fruit and vegetables distributor	P3										#DIV/0!
Perishable ready to eat, packaged, medium risk food distributor	P3	2	1	0	0	0	0	0	0	0	100%
Perishable, ready to eat, packaged, high risk food distributor	P2	7	4	0	0	0	0	0	0	0	100%
Processed meat distributor	P2										#DIV/0!
Seafood distributor	P2										#DIV/0!

Comments:

Table 4C.

Reason for enforcement activity	Written warnings	Improvement notices	Prohibition Orders	Expiations	Prosecutions
<b>Standard 3.2.1 (Food Safety Program)</b>					
FSP not prepared, implemented, maintained and monitored	0	1	0	0	0
FSP not audited at the frequency determined by the auditor	0	0	0	0	0
FSP not revised so as to comply with the regulations	0	0	0	0	0
FSP audit report not retained by business for four years	0	0	0	0	0

## 5. Food related complaints

### 5A. Food Complaints

Please complete the following table indicating the complaints received and actioned by your councils during financial year 2016-2017.

Complaint Type	Total No. received	No. Justified/ Confirmed	% Overall Justified
Food unsuitable/unsafe due to foreign matter	10	3	30.00%
Food unsuitable/unsafe due to microbial contamination / growth	8	3	37.50%
Food unsuitable/unsafe due to presence unapproved or excessive chemical residues	1	0	0.00%
Alleged food poisoning	20	4	20.00%
Unclean premises	6	1	16.67%
Poor personal hygiene or poor food handling practices	15	7	46.67%
Vermin / insects / pests observed in premises	7	2	28.57%
Refuse storage	11	5	45.45%
Labelling Issues	1	1	100.00%
Other ( please state)	0	0	#DIV/0!
<b>TOTAL</b>	<b>79</b>	<b>26</b>	<b>32.91%</b>

## 6. Proactive projects, surveys and sampling programs

**Food Safety Week** - EHA participated in Food Safety Week held between 7-11 November 2016 with the theme 'Raw and Risky Food'. In supporting the week, EHA held information stalls at Burnside and Campbelltown Libraries. Authorised Officers engaged the public with a quiz, information pamphlets and brochures to promote safe food handling practices of these foods. The Food Safety Week initiative engaged the public and was well received. Many of the participants advised that they were unaware of the risks involved and with 'raw and risky foods'.

**New Food Business Checklist** - Following notification of a new food business, an 'EHA Welcome Pack' is sent to the Proprietor. This pack includes a variety of information to assist businesses with understanding and being aware of safe food handling and hygiene practices. The Welcome Pack was reviewed and updated during the year which identified the need to create a 'new food business checklist'. This checklist aims to encourage new businesses to assess their premises and practices to pro-actively identify and address any 'non-compliances' with the Food Safety Standards. The checklist includes questions relating to suitability of equipment; structural suitability of the premises; notification to all relevant authorities; food safety practices ie. cold storage, cooling of PHF etc and good hygiene practices.

**New EHA Website** - During the year EHA launched their new website. The upgrade to the website has allowed for clear and concise information regarding safe food handling to be accessed. The website not only focuses on food safety within a food business, but provides useful information regarding safe food handling within the home, food poisoning and temporary events.

**Introduction of 'Open Office Mobile Health' and use of the 'Food Star Rating Scheme' template** - The introduction of 'Open Office Mobile Health' at scheduled and follow-up food safety inspections has allowed EHO's to be fully mobilised in the field by using a Tablet PC. The 'Open Office Mobile Health' system has improved administration efficiencies and productivity within both the Environmental and Administration teams. The system has also improved our communication with the food businesses by providing easy to read electronic reports via email. Standard phrases are used within these reports ensuring our communication is consistent amongst the EHO's.

At the same time of the launch of Open Office Mobile Health, the SA Health Food Safety Rating Scheme inspection checklist was introduced. EHA has not committed to the scheme, however, results are communicated to the food business in their food safety report. This allows EHA to undertake inspections consistent with the majority of local authorities across the state, monitor rating results and common non-compliances and encouraging food businesses to continually improve.

## **6.8 INFORMATION REPORT TO EASTERN HEALTH AUTHORITY CONSTITUENT COUNCILS REGARDING THE LOCAL NUISANCE AND LITTER CONTROL ACT 2016.**

Author: Michael Livori  
Ref: AF17/63

### **Summary**

Eastern Health Authority's Constituent Councils have each separately written to EHA's administration requesting that they be provided with an indication of the resourcing and administrative implications, together with estimated costs, of undertaking the local nuisance related functions of the *Local Nuisance and Litter Control Act 2016* (the Act) on their collective behalf.

### **Report**

At its meeting held on 23 March 2017, the Eastern Region Alliance (ERA) Chief Executive Officers Group discussed the possibility of EHA taking on the responsibilities of the Constituent Councils in respect to responding to local nuisance complaints. A regional compliance approach was considered advantageous for promoting consistency of enforcement across the Eastern Region of metropolitan Adelaide.

Subsequent to this meeting, all five of EHA's Constituent Councils resolved that EHA administer and enforce (or consider administering and enforcing) the local nuisance related functions of the Act. Correspondence was sent by each Constituent Council to EHA (received between 18 April 2017 and 8 June 2017) requesting that they were provided with an indication of the resourcing and administrative implications together with an estimated cost relating to this role.

An 'Information Report' regarding the nuisance provisions of the *Local Nuisance and Litter Control Act 2016* detailing EHA's response to the Constituent Councils' request was subsequently developed. The report was provided to each of EHA's Constituent Councils on 27 July 2017 and is provided as attachment 1.

### **Recommendation**

That:

The Information Report to Eastern Health Authority Constituent Councils regarding the *Local Nuisance and Litter Control Act 2016* is received.

## INFORMATION REPORT TO EASTERN HEALTH AUTHORITY CONSTITUENT COUNCILS REGARDING THE *LOCAL NUISANCE AND LITTER CONTROL ACT 2016*.

Author: Michael Livori  
Ref: AF17/63

### 1. Summary

Eastern Health Authority's Constituent Councils have each separately written to EHA's administration requesting that they be provided with an indication of the resourcing and administrative implications, together with estimated costs, of undertaking the local nuisance related functions of the *Local Nuisance and Litter Control Act 2016* on their collective behalf.

Eastern Health Authority subsequently engaged Healthy Environs to research and assist in developing an 'Information Report' on the nuisance provisions of the *Local Nuisance and Litter Control Act 2016*. The complete report by Healthy Environs is provided as attachment 1 has been relied on heavily to provide the contextual information contained within this report. It should be noted that Healthy Environs were not engaged to consider complaints forecasting, resource impact modelling and resource options investigations and that these issues were researched and considered by EHA Management.

### 2. Background

The *Local Nuisance and Litter Control Act 2016* (the Act) aims to help communities resolve local environmental nuisance matters. Under the Act, Councils have inherited an array of functions and responsibilities to regulate local nuisance and littering within their area. The nuisance provisions of the Act commenced on 1 July 2017.

The Eastern Health Authority's (EHA) Constituent Councils have considered Council responsibilities under the Act and the various impacts on Council administration and the roles of Council Officers. There are some synergies with the Act's requirements which overlap with the current activities of Council Officers and EHA's Environmental Health Officers. However, the Constituent Councils recognise that there is a significant body of work which does not currently fall into the functions which either Council or EHA currently undertake.

At its meeting held on 23 March 2017, the Eastern Region Alliance (ERA) Chief Executive Officers Group discussed the possibility of EHA taking on the responsibilities of the Constituent Councils in respect to responding to local nuisance complaints. A regional compliance approach was considered advantageous for promoting consistency of enforcement across the Eastern Region of metropolitan Adelaide.

Subsequent to this meeting, all five of EHA's Constituent Councils resolved that EHA administer and enforce (or consider administering and enforcing) the local nuisance related functions of the Act. Correspondence was sent by each Constituent Council to EHA (last correspondence received 20 June 2017) requesting that they were provided with an indication of the resourcing and administrative implications together with an estimated cost relating to this role. A copy of the correspondence received from councils is provided as attachment 2.

This report details Local Government's nuisance management responsibilities under the Act and hence the likely immediate as well as ongoing requirements of EHA in administering the Act on behalf of the Constituent Councils.

### 3. Objects of the *Local Nuisance and Litter Control Act 2016*

The Act primarily aims to reduce and resolve the impacts of activities that cause environmental nuisance on local communities.

Part 2, Section 4 details the following objects of the Act:

- a) protect individuals and communities from local nuisances, and
- b) to prevent littering, and
- c) to improve the amenity value of local areas, and
- d) to promote the creation and maintenance of clean and healthy environments.

The Act has amalgamated several environmental, public health, amenity and litter controls and has synergies with legislation such as the previous *Development Act 1993* (now repealed by the *Planning, Development and Infrastructure Act 2016*), the *SA Public Health Act 2011*, the *Dog and Cat Management Act 1995*, the *Local Government Act 1999* and certain provisions of the *Environment Protection Act 1993*.

Through formalising the role of Local Government in managing local nuisance, the Act aims to help local communities more efficiently and consistently resolve local environmental nuisance matters.

#### 3.1 Defining Nuisance

Local nuisance is defined in Section 17 of the Act and relates to nuisances which impact on the amenity of an area, such as noise, odour, fumes, aerosols, dust, animals (whether dead or alive), insanitary conditions and unsightly conditions.

Contravention of an Environment Protection Policy under the *Environment Protection Act 1993* is also captured under the definition of nuisance.

Some common examples of activities that may be considered a local nuisance include:

- noise emanating from fixed and non-fixed domestic machines such as air conditioner compressors, swimming pool pumps, lawnmowers and power tools
- dust and activity noise from development and construction sites – building or maintenance and repair work
- smoky wood heaters
- excessive or unconstrained rubbish, waste or vegetation
- stockpiled, excessive or unconstrained disused or derelict items
- graffiti (other than authorised graffiti)
- buildings on premises left partially demolished or in a state of disrepair, dilapidation or damage.

#### **4. Council Responsibilities to Manage Nuisance**

The Act delineates responsibilities between Councils and the Environment Protection Authority (EPA) for local nuisance issues, specifying that Councils will have responsibility for nuisance matters that are not associated with activities of environmental significance.

The Act specifies that the Council is the principal authority for dealing with local nuisance and littering in its area (Section 7). As the principal authority, Councils must have regard to and seek to further, the objects of the Act.

The following functions are conferred on a Council by the Act (Section 7 (2)):

- a) to take action to manage local nuisance and littering within its area
- b) to cooperate with any other person or body involved in the administration of this Act
- c) to provide, or support the provision of, educational information within its area to help detect, prevent and manage local nuisance and littering
- d) such other functions as are assigned to the Council by this Act.

Further Section 7 (3) of the Act requires that a Council must in performing its functions under this Act, have regard to:

- a) the guidelines adopted or prescribed by regulation for managing unreasonable complainant conduct
- b) any other guidelines adopted or prescribed by regulation to assist Councils in performing their functions.

The EPA will continue to be responsible for all complaints and enquiries regarding:

- all licensed sites and activities
- incidences on non-licensed sites that have potential for serious or material environmental harm.

The EPA has committed to providing operational support to Councils regarding difficult complaints and training to assist their response to these types of complaints.

#### **5. Summary of Key Functions Involved in Administering Nuisance Provisions**

Under the Act a Council is required to deal with local nuisance through the following key functions:

- administering the Offences provisions dealing with nuisances (Part 4, Division 1)
- exempting persons from the nuisance provisions (Section 19)
- utilising nuisance abatement notices to address and secure compliance with the nuisance provisions (Part 5, Sections 30-32)
- educating the local community on nuisance abatement and mitigation (Part 3 Division 1).

Figure 1 – Local Nuisance Management – Summary Functions

Administering Offence Provisions	Exempting Persons from Nuisance Provisions	Securing Compliance - Abatement Notices	Community Education
<ul style="list-style-type: none"> <li>• Complaint receipt</li> <li>• Complaint investigation</li> <li>• Follow up as per Enforcement Hierarchy</li> </ul>	<ul style="list-style-type: none"> <li>• Nuisance Management Plan receipt</li> <li>• Plan assessment</li> <li>• Assessment notification and advertisement (website)</li> </ul>	<ul style="list-style-type: none"> <li>• Notice drafting</li> <li>• Notice issuing</li> <li>• Verbal issuing</li> <li>• Legal advice/services</li> </ul>	<ul style="list-style-type: none"> <li>• Customer enquiries</li> <li>• Customer service</li> <li>• Fact sheets (LGA)</li> <li>• Business education</li> </ul>

These functions and examples of activities required to be undertaken by Councils in discharging their responsibilities together with other related matters are considered below.

### 5.1 Administering Nuisance Offence Provisions

Local Councils are responsible for responding to community complaints and enquiries regarding local nuisances in their area. Councils are empowered to administer the offence provisions of the Act relating to Part 4, Section 18 'Causing local nuisance'.

Local nuisance is defined in Section 17 of the Act (refer to Appendix A of Healthy Environs Report at Attachment 1) and relates to nuisances which impact on the amenity of an area, such as noise, odour, fumes, aerosols, dust, animals (whether dead or alive), insanitary conditions and unsightly conditions. It may also include anything declared by Schedule 1 of the Act to constitute local nuisance.

It is important to note that not all activity will be new to Councils. The Act now consolidates nuisance functions previously managed under other legislation, such as the *Dog and Cat Management Act 1995* and the *Local Government Act 1999*. Depending on the scale and nature of nuisance matters, there are potential synergies with the *Planning, Development and Infrastructure Act 2016* and *SA Public Health Act 2011*.

Section 12 of the Act empowers Councils to appoint specified Officers or employees of the Council to be Authorised Officers for the purposes of the Act. The Act has no express requirements on the 'qualifications' of Authorised Officers.

### 5.2 Exempting Persons from the Nuisance Provisions

The Act allows Councils to consider the granting of an exemption from local nuisance-causing activities. Applications must be accompanied by a nuisance management plan describing the steps that will be taken to prevent, minimise or address any adverse effects on the amenity value of the area concerned. Exemptions may be reasonable for short-term activities - such as festivals, events or major construction activities - where some level of local nuisance is likely to be unavoidable.

Councils will be responsible for assessing nuisance management plans and exemption applications. The requirements for site nuisance management plans are outlined in the *Local Nuisance and Litter Control Regulations 2017* and a factsheet summarising the process is available on the SA LGA website. Councils may set fees for the application process in accordance with section 188(1)(g) of the *Local Government Act 1999*.

In administering the Act on behalf of Constituent Councils, EHA would need to consider responsibilities for nuisance management plan assessment managing community advertisement and complaint processes for exempted activities. This is also a process that will require effective communication between Council teams and EHA officers responsible for the legislation who may not have local knowledge of the potential impact to the community of granting an exemption.

### **5.3 Utilising Nuisance Abatement Notices to Address and Secure Compliance**

Section 30 of the *Act* contains provisions that enable the issuing a 'Nuisance Abatement Notice' to gain compliance with the Act.

An Abatement Notice can direct a person(s) to:

- discontinue or not commence an activity indefinitely or for a specified time
- limit an activity to specified times
- take specified action
- undertake specified monitoring or testing
- make good any damage created by a contravention of the Act
- furnish results or reports as requested
- develop a plan of action to secure compliance.

If, in the opinion of an Authorised Officer, urgent action is required to secure compliance, the Officer may verbally issue an emergency notice. Notice issuing procedures and templates are available to Councils on the LGA website.

### **5.4 Community Education to Prevent and Manage Local Nuisance**

Section 7 of the Act (Functions of Councils) highlights the requirement for Councils to 'provide or support the provision of educational information within its area to help detect, prevent and manage local nuisance and littering'. An educational approach would facilitate the prevention of nuisance.

A range of community educational resources are available for Council use on the LGA website. Community factsheets are available detailing the Acts requirements for various types of nuisance and measures for mitigating nuisance.

The role of EHA and Constituent Councils in pro-actively educating the community and local businesses on the nuisance requirements should be considered within the resourcing model for the region.

## **5.5 Investigation Approach**

Councils will need to consider their investigative methodology in responding to complaints or referrals regarding local nuisance-causing activities. As acknowledged by a number of Constituent Councils in legislative submissions, the methodology employed by the EPA to deal with these matters in the past are unlikely to be acceptable to our local communities.

### **5.5.1 The EPA's Investigation Approach**

The EPA's approach to responding to environmental complaints involves a three-tiered response dependent on the nature of the complaint and the associated risk. An educative approach, through standard correspondence, is taken for low risk complaints, telephone consultation and modified correspondence is used for medium risk complaints and immediate action is taken as appropriate for high-risk complaints. The EPA have indicated that out of all of the nuisance type complaints that they received in the past they visited only 5%.

### **5.5.2 Investigation Approach – Considerations for Councils**

The EPA investigative approach detailed above is unlikely to be acceptable to the general community. A more resource intensive on-ground investigative approach would be expected and required. This on-ground approach is consistent with the current standards of service provided to the community when complaints in relation to other legislation that local government have a responsibility to enforce are investigated.

For EHA the approach to investigating nuisance would consider:

- expected standards of service to the community
- informed risk assessment and adequate evidence gathering in the early phase
- methods considered most effective for achieving compliance
- consistency of approaches with other relevant legislation managed across the EHA Constituent Councils
- consistency of enforcement approaches across the Eastern region.

Investigations, particularly those that proceed to legal action will incur legal costs and will require adequate resourcing. In the short term, in the absence of legal precedents, legal costs may be exaggerated.

## 6. Professional Resource Considerations for Councils

Enquiries at a range of metropolitan councils have found a number of differing models for allocation of responsibilities to fulfil council's obligations under the legislation. Figure 2 which follows details the range of local government professionals generally found to be involved in discharging councils responsibilities when enquiries were made at these councils.

Figure 2 –Professional Expertise for Nuisance Management – Example Framework



Generally it was found (at other councils contacted) that experienced local government inspectorate officers will be (have been) engaged to respond to nuisance matters in the first instance (stage 1 of the investigation). These officers who have community education, mediation and compliance enforcement skills are considered able to appropriately assess low/medium risk nuisance complaints. Nuisance response workflow procedures were found to be in various stages of development to clarify where inspectorate staff would need to consult other Council officers, such as Planning Officers (for nuisance associated with development sites), Special Event Co-ordinators (for assessment of council organised events), Officers that manage the leasing of council private facilities (for assessment of private organised events) and Environmental Health Officer's (where overlaps with public health impacts are evident).

Customer service staff will play an important role in initial nuisance education as they are the first point of call for people with concerns. Training customer service teams in respect to the key 'responsibility' changes is imperative to ensure they can effectively triage the enquiries to the most appropriate department within council or other organisations. To further assist staff will have access to various fact sheets available through the LGA and educational material prepared specifically for the region.

Defining the roles and responsibilities of Council staff is an important consideration for managing nuisance complaint and developing appropriate process workflows. Minimising duplication and ensuring the use of the most appropriate legislation in responding to a nuisance report is extremely important. Clear procedures and mechanisms for effective communication across Council teams (and potentially between EHA and its Constituent Councils) will be important for efficiently responding to nuisance complaints.

## 7. Professional Resource Considerations for the Eastern Health Authority

EHA's current staffing resources are consumed by meeting its Constituent Council's public health protection obligations which by nature pose a greater risk to the community than environmental nuisance.

Due to the structure of EHA and its current resource levels, the staff employed to be authorised to undertake the nuisance provisions will need to be competent self-starters who have the ability to anticipate the need to brief their managers rather than be supervised directly. The staff employed will need to work as an independent unit as they will not be able to draw on resources from other areas of EHA.

It is anticipated that after hour's activities will also be a requirement of the position to effectively investigate certain complaints.

The Authorised Officers (collectively) will need to have the knowledge, experience and skills which enable them to:

- manage a wide range of nuisance matters with various degrees of associated risk
- effectively deal with all aspects of the complex legislative framework relating to nuisance (i.e. the Act and regulations, Air Quality Policy, Noise Policy and associated/overlapping legislation)
- undertake complex enforcement investigations and assessments
- collect evidence for enforcement including prosecutions and appear as a witness
- have excellent decision making abilities
- undertake noise measurements
- manage Nuisance Exemption Applications
- assess Site Nuisance Management Plans
- draft and serve Nuisance Abatement Notices
- manage nuisance reduction education strategies
- produce periodic / annual reports
- contribute to the implementation of new systems, guidance, practices and procedures to facilitate the continuous improvement of the service
- have excellent customer service skills
- self manage workloads
- monitor staff.

The physical size and population of the area to be serviced must also be considered when considering resource requirements. Services will need to be provided across five councils whose collective size is almost 80 square kilometres. The population required to be serviced is approximately 160,000 and there are approximately 75,000 rateable properties in the area.

The ability to provide continuity of service to the 160,000 residents located in the area covered is also an extremely important consideration. Allowance for cover for flexitime, sick and annual leave, training etc. will be required, together with having an ability to maintain service levels if a staff member leaves the organisation.

To ensure that the area can be effectively serviced with continuity of service there will need to be a minimum of 2.0 FTE Authorised Officers employed to undertake the field work associated with this function.

Having two officers employed will also assist in ensuring an appropriate level of corporate knowledge is maintained within the organisation in the event of a staff member leaving EHA.

From a Work Health and Safety perspective it will also be necessary at times to have two officers attend issues where there may be concerns regarding the premise they need to assess and when undertaking after hours work.

At least one of these officers will need to demonstrate supervisory competencies and be a competent strategic thinker who is capable of complex administrative/enforcement work.

In addition to the Authorised Officers required to undertake this function, customer service/administrative support will be required. This will be particularly critical in the start-up phase when procedures, processes and systems are being developed.

## **8. Preparing for the Act's Administration**

Resourcing administration of the Act will require initial set-up tasks, training and administrative preparation in the early phases of the Act's administration. Support through the LGA and EPA is being provided to Councils to assist in the transition to the new legislation and the effective administration of the Act, including:

- EPA staff (one located at the LGA and three at the EPA) to assist Councils with transitioning to the new Act and responding to difficult complaints
- community fact sheets and education resources
- standard procedures and templates for adoption by Councils
- compliance training for Council staff
- loan of environmental monitoring equipment.

There are a range of internal considerations for Councils (and potentially EHA) in transitioning to the new legislation, including:

### ***8.1 Workflow Procedures and Information Technology Platforms***

Councils will need to assess the most appropriate means of assessment and enforcement on a case-by-case basis. A challenge facing EHA and/or its Constituent Councils in managing the provisions of this new Act is applying resources efficiently and managing overlaps in the vast array of legislation already administered by different teams across Councils (General Inspectorate, Building, Planning and Environmental Health).

A workflow procedure detailing the various types of nuisance under the Act and the potential interfaces with other legislation administered by the Constituent Councils would need to be developed to assist in:

- managing nuisance response workflow
- allocating the appropriate skilled staff resources to the initial and subsequent investigations
- managing communication across teams (and between EHA and the Constituent Councils) for scenarios where multiple legislative non-conformances are apparent
- managing communication with external agencies such as the EPA, SAPOL and East Waste
- providing clarity and minimising duplication in responding to nuisance matters in the Eastern region

This workflow procedure would be necessary whether EHA undertakes the nuisance function or it is retained by Council. It would assist in formalising the agreed response to nuisance in the Eastern Region which was considered in recent Constituent Council Reports on the Act.

Council IT platforms and/or EHA's Health Manager Platform would need to be updated to include nuisance complaint categories and reporting mechanisms.

### **8.2 Training for Council/EHA Staff**

The Environment Protection Authority is offering 'Nuisance Provision Practitioner Training' on the Act in collaboration with the LGA. Councils need to consider staff responsibilities and attendance at the one day training.

Measuring noise, dust, odour, fumes aerosols etc. will require specific equipment and training for staff in calibrating and operating the equipment, recording results and the legislation itself.

Training for customer service officers will also be important to support their role in providing initial education on nuisance management to the community.

### **8.3 Policies and Bylaws**

Internal Council policies and bylaws should be reviewed to ensure reference to the new Act and alignment with the Act's requirements. Council policies and strategies should also be reviewed to ensure that they support the mitigation of nuisance.

### **8.4 Fee Setting**

Fees for elements of the Act need to be established in accordance with the Act and Regulations. For example, Councils may set fees for the nuisance exemption application process in accordance with section 188(1)(g) of the *Local Government Act 1999*.

### **8.5 Community and Business Education**

Councils should consider their approach towards pro-active community and business education. There is the potential to integrate such education with other Council functions such as waste management, sustainability education and economic development. EHA's role in nuisance mitigation education needs to be considered in the resource model and budget proposed.

### **8.6 Governance and Reporting**

Administration of the Act by EHA would require amendments to the EHA Charter. Currently the purpose of EHA at Section 1.4 is specifically to provide public and environmental health services. Amendment would be required to include management of environmental nuisance.

Section 1.5 of the Charter details EHA functions, all of which are currently related to public and environmental health services. Amendment would be required to include management of environmental nuisance.

From an overall governance perspective the EHA Board of Management is responsible for managing all activities of EHA which would also include nuisance management if these changes were made.

Section 12.3 requires that any amendment to the Charter is via unanimous resolution of the Constituent Councils. There may potentially be some timing issues associated with this requirement as demonstrated by the most recent Charter review process

Section 7.4 of the Charter considers how EHA is funded by its Constituent Councils. A separate funding contribution calculation formula will need to be developed. Two possible models have been detailed in the Section 10 of the report which deals with costs to undertake the activity.

Instruments of delegations in relation to the powers and duties contained within the act will need to be developed. Delegations from Constituent Councils to EHA will be required to be adopted by each council and EHA will subsequently need to sub delegate the powers and duties to appropriate staff.

Section 8 of the Act requires that councils must, in its annual report pursuant to section 131 of the *Local Government Act 1999* include details of the performance of its functions under the Act. Consideration will need to be made as to whether the content required in the annual report is required on an individual basis or whether it could be integrated (on a collective basis) within the EHA Annual Report.

EHA's Board of Management currently receives periodic operational reports in relation to public and environmental health services at its regular meetings and there is no reason why reports in relation to nuisance management could not be similarly considered.

### **8.7 Equipment**

Standard equipment within the office and in the field will be required such as office computers and phones, associated IT program licences, mobile phones, field tablet, cameras, WHS equipment and vehicles. Equipment may also be required to measure certain types of nuisance such as noise. Whilst the EPA have offered to loan noise meters to local government it would be preferable to purchase equipment so that is accessible and familiar to authorised officers.

## **9. Minimum Resource Requirements for EHA to Undertake Environmental Nuisance Management**

Determining the minimum resource implications for councils to fulfill their obligations under the Act by complaint forecasting is extremely difficult. Even if it was possible to forecast complaint numbers accurately, this alone is not necessarily a direct measure of the total resources required to fulfil the function.

In 2001/02 three councils were directly funded by the EPA to undertake Environmental Nuisance activities. A subsequent review by Bruun and Lawson "Administering Agency Project" (2009) and a report by Starr Solutions (2009) found amongst their findings that:

- complaint numbers increased as the community realised that Councils were addressing their concerns
- many of the issues required significant resources to address, and there was uncertainty about the overall size of the problem
- assistance from the EPA was at times inconsistent
- councils are generally not structured to provide the out of hours attendance which may be required for noise complaints monitoring
- the processes which must be undertaken are not simple, require negotiation and subjective judgement
- it was not possible for councils to accurately identify the resource implications (net additional resources) of taking on the role of an administering agency.

Based on the above findings and anecdotal evidence, at the outset, it is anticipated that there will be a significant spike in complaints, particularly in relation to noise. It is also expected that the level of complaints to Constituent Councils will exceed the level of complaints made to the EPA, on the basis that Local Government tends to be a more accessible level of Government than the State Government.

All constituent councils have acknowledged that there will be a significant cost implication associated with the administration of the Act, irrespective of whether it is undertaken by Council or EHA.

They have also acknowledged that EHA does not currently have the resources to undertake their collective obligations under the Act. EHA's current resources are consumed by meeting its Constituent Council's public health protection obligations which by nature pose a far greater risk to the community than environmental nuisance.

As detailed in Section 7 - Professional Resource Considerations for the Eastern Health Authority, a minimum staffing level is required to maintain this discrete service at EHA.

Whilst there is the potential for these resources to increase, it is highly unlikely that the resource requirement would be able to be decreased due to size and population of the area to be serviced, the service continuity requirements and Work Health and Safety issues detailed in Section 7.

EHA currently has the physical office space (including functional workstations) to house the additional staff required, however it will be necessary to purchase required IT equipment.

## 10. Estimated Costings

An estimate of costs for EHA undertaking the “nuisance” aspects of the Act on the collective behalf of its Constituent Councils, and based on consideration of the information contained within this report is provided in the following table. Estimated costs have been calculated for the first (start-up year) and for subsequent years.

Table 1 – Estimate of Costs

<b>Ongoing Salary Cost Estimate</b>	
Administration/Customer Service Officer (0.5FTE)	\$ 36,941
Inspectorate Officers X 2 (L4/6) combination	\$ 196,455
Overtime	\$ 16,581
<b>Total Salary Costs</b>	<b>\$ 249,977</b>
<b>Ongoing Operational Cost Estimate</b>	
Vehicle (2) Lease/Maintenance	\$ 20,000
Ongoing IT Licencing	\$ 5,000
Printing/Stationery/Postage	\$ 5,000
Phone	\$ 3,000
Legal	\$ 20,000
Training	\$ 5,000
WHS	\$ 2,000
Sundry	\$ 5,000
Education and Promotion	\$ 10,000
<b>Total Ongoing Operational Costs</b>	<b>\$ 75,000</b>
<b>Grand Total Ongoing Costs</b>	<b>\$ 324,977</b>
<b>Operational Set up Cost Estimate</b>	
IT Equipment - PC - Phone - Tablet Including Setup	\$ 9,000
Noise meter	\$ 5,000
Other Equipment/ Safety Gear	\$ 2,000
Development of Customer Service Complaints/ Reporting Module	\$ 20,000
<b>Total Set Up Costs</b>	<b>\$ 36,000</b>
<b>Grand Total Ongoing Costs plus set up costs</b>	<b>\$ 360,977</b>

As can be seen in the table above it is estimated that the costs in the first year will be \$360,977 and that ongoing costs will be \$324,977.

### 10.1 Allocation of Costs to Constituent Councils

A method or formula for allocating costs to Constituent Councils will need to be agreed. In the absence of any empirical data it is considered that the best method to determine proportional cost would be by the use of either population or rateable property numbers. Table 2 below details the council proportions based on these categories.

Table 2 – Costing Proportion Data

<b>Costing Proportion Data (subject to recent changes to data)</b>						
	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Rateable properties	20558	22671	19352	9624	3506	75711
	27.15%	29.94%	25.56%	12.71%	4.63%	
Population of council	44734	51344	36600	20910	7345	160933
	27.80%	31.90%	22.74%	12.99%	4.56%	

It is also considered that it would be appropriate to apply a shared administrative charge equal to 20% of the total cost in the proposed formula due to the quantum of administrative work that would be required by any individual council undertaking the role.

In summary, it is proposed that 20% of costs are shared equally, while the remaining 80% of costs are shared proportionally.

The table below (table 3) details the share of costs for each constituent council in the first year. One set of figures is based on rateable property numbers and the other on population numbers. For the purposes of the 2017/2018 budget these costs will be required to be reconsidered depending on the timing of the commencement of work.

Table 3 – First Year Costs for Each Council

First Year Costs						
Individual Council Share of First Year Costs by <b>Rateable Property</b>						
	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Administration (shared evenly)	\$ 14,439	\$ 14,439	\$ 14,439	\$ 14,439	\$ 14,439	\$ 72,195
Rateable Property (shared proportionally)	\$ 78,414	\$ 86,473	\$ 73,814	\$ 36,708	\$ 13,373	\$ 288,782
	\$ 92,853	\$ 100,912	\$ 88,253	\$ 51,148	\$ 27,812	\$ 360,977
Individual Council Share of First Year Costs by <b>Population</b>						
	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Administration (shared evenly)	\$ 14,439	\$ 14,439	\$ 14,439	\$ 14,439	\$ 14,439	\$ 72,195
Population (shared proportionally)	\$ 80,272	\$ 92,133	\$ 65,676	\$ 37,521	\$ 13,180	\$ 288,782
	\$ 94,711	\$ 106,572	\$ 80,115	\$ 51,960	\$ 27,619	\$ 360,977

The table below (table 4) details the share of costs for each Constituent Council in subsequent years. Again, one set of figures is based on rateable property numbers and the other on population numbers.

Table 4 – Ongoing Costs for Each Council

Ongoing Costs						
Individual Council Share of Ongoing Costs by <b>Rateable Property</b>						
	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Administration (shared evenly)	\$ 12,999	\$ 12,999	\$ 12,999	\$ 12,999	\$ 12,999	\$ 64,995
Rateable Property (shared proportionally)	\$ 70,594	\$ 77,849	\$ 66,452	\$ 33,048	\$ 12,039	\$ 259,982
	\$ 83,593	\$ 90,848	\$ 79,451	\$ 46,047	\$ 25,038	\$ 324,977
Individual Council Share of Ongoing Costs by <b>Population</b>						
	Burnside	Campbelltown	NPSP	Prospect	Walkerville	Total
Administration (shared evenly)	\$ 12,999	\$ 12,999	\$ 12,999	\$ 12,999	\$ 12,999	\$ 64,995
Population (shared proportionally)	\$ 72,266	\$ 82,945	\$ 59,126	\$ 33,779	\$ 11,866	\$ 259,982
	\$ 85,265	\$ 95,944	\$ 72,125	\$ 46,778	\$ 24,865	\$ 324,977

## 11. Commencement of Activities

It is difficult to estimate a precise date for the transition of responsibilities to EHA if the Constituent Councils unanimously agree that EHA undertakes the local nuisance related functions of the Act. The date will be dependent upon the time taken for constituent council to consider this report and make a unanimous decision in relation to this matter. If a decision is made for EHA to undertake the service, the recruitment, induction and training of new staff will be required before operations could commence. A rough target estimate, dependent on the above would be January 2018.



Information Report on the Nuisance Provisions of the Local Nuisance and Litter Control Act 2016

**Client - Eastern Health Authority**



**Information Report**  
**Nuisance Provisions of the Local Nuisance and Litter Control Act 2016**

Status - **Final**

Date of Issue – 5<sup>th</sup> July 2017

This report has been prepared by Healthy Environs for the Eastern Health Authority. The report is based on the agreed scope of research with the Eastern Health Authority. Healthy Environs and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein. This report does not purport to give legal advice, which can only be provided by legal practitioners.

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## 1. Introduction

The *Local Nuisance and Litter Control Act 2016* aims to help communities resolve local environmental nuisance matters. Under the Act, Councils will inherit an array of functions and responsibilities to regulate local nuisance and littering within their area. The litter provisions of the Act came into effect on the 1st February 2017 and the nuisance provisions of the Act commenced on the 1st July 2017.

The Eastern Health Authority (EHA) engaged Healthy Environs Pty Ltd to research and develop this 'Information Report' on the nuisance provisions of the *Local Nuisance and Litter Control Act 2016*. This information report details the following aspects related to the Local Nuisance and Litter Control Act:

- The scope and purpose of the Act.
- Council responsibilities under the Act, specifically relating to nuisance management.
- Types of nuisance matters to be investigated by Councils under the legislation.
- Requirements for Authorised Officers and the relevant skills that Officers should acquire, relating to the nuisance management provisions of the Act.
- Requirements for Councils in terms of 1) ongoing implementation of the Act 2) preparing the workforce, systems and procedures for the Act's administration.

*It should be noted that complaints forecasting, resource impact modelling and resource options investigation was not sought by EHA as part of the research scope at this stage.*

## 2. Background

The Eastern Health Authority Constituent Councils have considered Council responsibilities under the *Local Nuisance and Litter Control Act 2016* and the various impacts on Council administration and the roles of Council Officers. There are some synergies with the Act's requirements which overlap with the current activities of Council Officers and EHA's Environmental Health Officers. However, the Constituent Councils recognise that there is a significant body of work which does not currently fall into the functions which either Council or EHA currently undertake<sup>1</sup>.

At its meeting held on 23<sup>rd</sup> March 2017, the Eastern Region Alliance (ERA) Chief Executive Officers Group discussed the possibility of EHA taking on the responsibilities of the Constituent Councils in respect to responding to local nuisance complaints. A regional compliance approach was considered advantageous for promoting

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<sup>1</sup> City of Norwood, Payneham and St Peters. Minutes of the Meeting of Council held on 1 May 2017. Report 11.7 Local Nuisance and Litter Control Act 2017 and Town of Walkerville Local Nuisance and Litter Control Act Council Report dated 18 April 2017. City of Burnside Local Nuisance and Litter Control Act Report dated 11 April 2017.

consistency of enforcement across the Eastern Region of metropolitan Adelaide. The Constituent Councils recently resolved that EHA administer and enforce the local nuisance related functions of the *Local Nuisance and Litter Control Act 2016* and sought that the 'Chief Executive Officer of the Eastern Health Authority provide the Councils with an indication of the cost, resourcing and administrative implications of this additional service being provided by EHA'.

This report details Council nuisance management responsibilities under the *Local Nuisance and Litter Control Act 2016* and hence the likely immediate as well as ongoing requirements of EHA in administering the Act on behalf of the Constituent Councils.

The resource and cost implications of administering the Act is being investigated separately by EHA Management.

### 3. The Purpose of the Local Nuisance and Litter Control Act 2016

The *Local Nuisance and Litter Control Act 2016* aims to reduce and resolve the impacts of littering and activities that cause environmental nuisance on local communities<sup>2</sup>.

More specifically, the Act will<sup>3</sup>:

- Ensure more effective regulation of local nuisances.
- Establish a modern legislative scheme for litter control in South Australia (including tiered offences depending on the type of litter).
- Improve the use of surveillance for evidence gathering in the case of illegal dumping (linking an offence to the registered owner of a vehicle).
- Allow other agencies to undertake compliance activities.
- Allow for the implementation of a 'dob in a litterer' scheme which is currently already operating in some other Australian states.

The Act has amalgamated several environmental, public health, amenity and litter controls and has synergies with legislation such as the previous *Development Act 1993* (now repealed by the *Planning, Development and Infrastructure Act 2016*), the *SA Public Health Act 2011*, the *Dog and Cat Management Act 1995*, the *Local Government Act 1999* and certain provisions of the *Environment Protection Act 1993*.

Through formalising the role of Local Government in managing local nuisance, the Act aims to help local communities more efficiently and consistently resolve local environmental nuisance matters.

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<sup>2</sup> Environmental Protection Authority. *Local Nuisance and Litter Control Bill – Public Consultation Report*; 2015.

<sup>3</sup> Environment Protection Authority. *An Introduction to the Local Nuisance and Litter Control Act 2016*.

**Clause 4 details the following objects of the Act:**

- a) *'protect individuals and communities from local nuisances; and*
- b) *to prevent littering, and*
- c) *to improve the amenity value of local areas, and*
- d) *to promote the creation and maintenance of clean and healthy environments'.*

## **Defining Nuisance**

Local nuisance is defined in Section 17 of the Act and relates to nuisances which impact on the amenity of an area, such as noise, odour, fumes, and insanitary or unsightly conditions.

**Examples of nuisance:**

Some common examples of activities that may be considered a local nuisance include:

- Noise emanating from fixed and non-fixed domestic machines such as air conditioner compressors, swimming pool pumps, lawnmowers and power tools
- Dust and activity noise from development and construction sites – building or maintenance and repair work
- Smoky wood heaters<sup>4</sup>

Local nuisance within the community can also be caused by insanitary conditions or unsightly conditions on premises caused by human activity, such as:

- Excessive or unconstrained rubbish, waste or vegetation.
- Stockpiled, excessive or unconstrained disused or derelict items.
- Graffiti (other than authorised graffiti).
- Buildings on premises left partially demolished or in a state of disrepair, dilapidation or damage.

Nuisance also captures contravention of an Environment Protection Policy under the *Environment Protection Act 1993*. The full definition of nuisance (Section 17) is provided in Appendix A.

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<sup>4</sup> LGA. Local Nuisance and Litter Control Act 1996. Fact Sheet 19 – Nuisance Management Plan. 2016

## A New Legislative Scheme for Litter Control

The Act introduces a new legislative scheme for litter control in South Australia, including tiered offences, increased penalties and enforcement options, as well as new provisions for the use of surveillance for evidence gathering in the case of illegal dumping<sup>5</sup>. Provisions facilitate the establishment of a 'dob in a litterer' scheme in South Australia.

Note – It is understood that the EHA Constituent Councils have requested that EHA administer the nuisance provisions of the Act on the proviso that Council regulatory services staff and/or casual officers will administer the litter control and bill posting elements of the legislation.

## 4. Council Responsibilities to Manage Nuisance

The *Local Nuisance and Litter Control Act 2016 (the Act)* specifies that the Council is the principal authority for dealing with local nuisance and littering in its area (Section 7). As the principal authority, Councils must have regard to and seek to further, the objects of the Act.

The following functions are conferred on a Council by the Act (Section 7 (2)):

- a) to take action to manage local nuisance and littering within its area;
- b) to cooperate with any other person or body involved in the administration of this Act;
- c) to provide, or support the provision of, educational information within its area to help detect, prevent and manage local nuisance and littering;
- d) such other functions as are assigned to the Council by this Act.

Further a Council must, in performing its functions under this Act, have regard to—

- a) the guidelines adopted or prescribed by regulation for managing unreasonable complainant conduct; and
- b) any other guidelines adopted or prescribed by regulation to assist Councils in performing their functions.

If the Eastern Health Authority were to administer the *Local Nuisance and Litter Control Act 2016* on behalf of its Constituent Councils, this would need to be undertaken in accordance with Section 43 of the Local Government Act 1999 and through an amendment to the Eastern Health Authority Charter<sup>6</sup>.

### Council and Environment Protection Authority Responsibilities

The *Local Nuisance and Litter Control Act 2016* delineates responsibilities between Councils and the Environment Protection Authority (EPA) for local nuisance issues,

<sup>5</sup> Environmental Protection Agency. *Local Nuisance and Litter Control Bill 2015 explanatory report*; 2015.

<sup>6</sup> Eastern Health Authority Charter 2016.

specifying that Councils will have responsibility for nuisance matters that are not associated with activities of environmental significance.

The EPA will continue to be responsible for all complaints and enquiries regarding:

- All licensed sites and activities.
- Incidences on non-licensed sites that have potential for serious or material environmental harm.

The EPA will provide operational support to Councils regarding difficult complaints and will provide Councils with necessary training to assist their response to these types of complaints.<sup>7</sup>

**Figure 1 - Delineation of Responsibilities Between Councils and the EPA**

Not EPA Licensed Potential or actual serious or material environmental harm  EPA	EPA Licensed Potential or actual serious or material environmental harm  EPA
Not EPA Licensed Local Nuisance  Councils	EPA Licensed Local Nuisance  EPA

Environmental Protection Agency. *Local Nuisance and Litter Control Bill – Public Consultation Report*; 2015.

## 5. Summary of Functions in Administering the Nuisance Provisions

Under the *Local Nuisance and Litter Control Act 2016* a Council is empowered to deal with local nuisance through the following key functions:

- Administering the offence provisions dealing with nuisances (Part 4, Division 1).
- Exempting persons from the nuisance provisions (Section 19).
- Utilising nuisance abatement notices to address and secure compliance with the nuisance provisions (Part 5).
- Educating the local community on nuisance abatement and mitigation.

<sup>7</sup> Environment Protection Authority. *An Introduction to the Local Nuisance and Litter Control Act 2016*.

**Figure 2 – Local Nuisance Management – Summary Functions**

Administering Offence Provisions	Exempting Persons from Nuisance Provisions	Securing Compliance - Abatement Notices	Community Education
<ul style="list-style-type: none"> <li>•Complaint receipt</li> <li>•Complaint investigation</li> <li>•Follow up as per Enforcement Hierarchy</li> </ul>	<ul style="list-style-type: none"> <li>•Nuisance Management Plan receipt</li> <li>•Plan assessment</li> <li>•Assessment notification and advertisement (website)</li> </ul>	<ul style="list-style-type: none"> <li>•Notice drafting</li> <li>•Notice issuing</li> <li>•Verbal issuing</li> <li>•Legal advice/services</li> </ul>	<ul style="list-style-type: none"> <li>•Customer enquiries</li> <li>•Customer service</li> <li>•Fact sheets (LGA)</li> <li>•Business education</li> </ul>

These functions and examples of activities to be undertaken by Councils are described in the following Sections.

### Administering Nuisance Offence Provisions

Local Councils will be responsible for responding to community complaints and enquiries regarding local nuisances in their area. Councils will be empowered to administer the offence provisions of the Act relating to Part 4, Section 18 'causing local nuisance'.

Local nuisance is defined in Section 17 of the Act (refer to Appendix A) and relates to nuisances which impact on the amenity of an area, such as noise, vibration, odour, fumes, dust and insanitary or unsightly conditions. It may also include anything declared by Schedule 1 to constitute local nuisance.

It is important to note that not all activity will be new to Councils. The Act now consolidates nuisance functions previously managed under other legislation, such as the *Dog and Cat Management Act 1995* and the *Local Government Act 1999*. Depending on the scale and nature of nuisance matters, there are potential synergies with the *SA Public Health Act 2011* and the *Planning, Development and Infrastructure Act 2016*.

Councils would need to assess the most appropriate means of assessment and enforcement on a case-by-case basis. A challenge facing EHA and its Constituent Councils in managing the provisions of this new Act is applying resources efficiently and managing overlaps in the vast array of legislation already administered by different teams across Councils (General Inspectorate, Planning and Environmental Health).

A procedure detailing the various types of nuisance under the *Local Nuisance and Litter Control Act 2016* and the potential interfaces with other legislation administered by the Constituent Councils, would assist in:

- Managing nuisance response workflow.

- Allocating the appropriate skilled staff resources to the initial and subsequent investigations.
- Managing communication across teams (and between EHA and the Constituent Councils) for scenarios where multiple legislative non-conformances are apparent.
- Managing communication with external agencies such as the EPA, SAPOL and East Waste.
- Providing clarity and minimising duplication in responding to nuisance matters in the Eastern region.

This procedure may formalise the agreed response to nuisance in the Eastern Region in accordance with 'Table 1 – Dealing with Local Nuisance Complaints' documented within recent Constituent Council Reports on the Local Nuisance and Litter Control Act 2016.<sup>8</sup>

### *Investigation Approach*

Councils need to consider their investigation approach in responding to nuisance and litter.

#### *The EPA's Investigation Approach*

The EPA's approach to responding to environmental complaints involves a three-tiered response dependent on the nature of the complaint and the associated risk. An educative approach, through standard correspondence, is taken for low risk complaints, telephone consultation and modified correspondence is used for medium risk complaints and immediate action is taken as appropriate for high-risk complaints.

#### *Investigation Approach – Considerations for Councils*

In preparing for the Act's administration, Councils would benefit from a workflow procedure outlining their staged approach to investigating and managing nuisance. It is probable that to maintain expected standards of service to the community, that EHA would need to adopt an on-ground investigative approach to nuisance complaints at an earlier stage.

For EHA their approach to investigating nuisance should consider:

- Standards of service to the community.
- Methods considered most effective for achieving compliance.
- Enabling informed risk assessment and adequate evidence gathering in the early phase.
- Consistency of approaches with other relevant legislation managed across the EHA Constituent Councils.
- Consistency of enforcement approaches across the Eastern region.

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<sup>8</sup> City of Norwood, Payneham and St Peters. Minutes of the Meeting of Council held on 1 May 2017. Report 11.7 Local Nuisance and Litter Control Act 2017 and Town of Walkerville Local Nuisance and Litter Control Act Council Report dated 18 April 2017. City of Burnside Local Nuisance and Litter Control Act Report dated 11 April 2017.

Offence provisions and action should to be taken based on the circumstances identified and consideration of the Constituent Council's (or EHA's) Enforcement Policy. Investigations that proceed to legal proceeding will incur legal costs, which needs to be considered in the overall resource model and budget proposed for the Act's administration.

### **Exempting Persons from the Nuisance Provisions**

The Act allows Councils to consider the granting of an exemption from local nuisance-causing activities. Applications must be accompanied by a nuisance management plan describing the steps that will be taken to prevent, minimise or address any adverse effects on the amenity value of the area concerned.<sup>9</sup> Exemptions may be reasonable for short-term activities - such as festivals, events or major construction activities - where some level of local nuisance is likely to be unavoidable.

Councils will be responsible for assessing nuisance management plans and exemption applications. The requirements for site nuisance management plans are outlined in the *Local Nuisance and Litter Control Regulations 2017* and a factsheet summarising the process is available of the SA LGA website<sup>7</sup>. Councils may set fees for the application process in accordance with section 188(1)(g) of the *Local Government Act 1999*.

In administering the Act on behalf of Constituent Councils, EHA would need to consider responsibilities for nuisance management plan assessment, associated fees and managing community advertisement and complaint processes for exempted activities. This is also a process that may require effective communication between Council teams. For example, in the case of development activities, Officers responsible for the assessment process may need to liaise with Development assessment staff.

### **Utilising Nuisance Abatement Notices to Address and Secure Compliance**

Section 30 of the Local Nuisance and Litter Control Act 2016 contains provisions that enable the issuing of either a 'Nuisance Abatement Notice' to gain compliance with the Act.

An Abatement Notice can, for example, direct a person(s) to:

- Discontinue or not commence an activity indefinitely or for a specified time • limit an activity to specified times
- Take specified action
- Undertake specified monitoring or testing
- Make good damage or clean up litter
- Furnish results or reports as requested
- Develop a plan of action to secure compliance

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<sup>9</sup> LGA. Local Nuisance and Litter Control Act 1996. Fact Sheet 19 – Nuisance Management Plan. 2016

If, in the opinion of an Authorised Officer, urgent action is required to secure compliance, the Officer may verbally issue an emergency notice. Notice issuing procedures and templates are available to Councils on the LGA website.

### **Community Education to Prevent and Manage Local Nuisance**

Section 7 of the *Local Nuisance and Litter Control Act 2016* (Functions of Councils), highlights the requirement for Councils to ‘provide or support the provision of educational information within its area to help detect, prevent and manage local nuisance and littering’. An educational approach would facilitate the prevention of nuisance.

A range of community educational resources are available for Council use on the LGA website. Community factsheets are available detailing the Acts requirements for various types of nuisance and measures for mitigating nuisance.<sup>10</sup>

The role of EHA and Constituent Councils in pro-actively educating the community and local businesses on the nuisance requirements should be considered within the resourcing model for the region.

## **6. Authorised Officer Requirements**

Section 12 of the Act empowers Councils to appoint specified Officers or employees of the Council to be Authorised Officers for the purposes of the Act. The Act has no express requirements on the ‘qualifications’ of Authorised Officers. However, the Authorised Officer provisions of the Act have been drafted to align to powers of Authorised Officers under the *South Australian Public Health Act 2011*<sup>11</sup>.

It is advisable that the level of skill and qualifications to address nuisance matters considers the complaint nature, its associated risk and the previous experience of Council staff. The level of follow-up and enforcement will also dictate the level of staff seniority and qualifications needed.

Within a standard Council setting, it is possible that the effective Administration of the Act involves a range of local government professionals with varying expertise (as depicted in Figure 3).

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<sup>10</sup> <https://www.lga.sa.gov.au/nuisanceandlitter>

<sup>11</sup> Environmental Protection Agency. *Local Nuisance and Litter Control Bill 2015 explanatory report*; 2015

**Figure 3 –Professional Expertise for Nuisance Management – Example Framework**

The roles and responsibilities of Council staff is an important consideration for managing complaint process workflows, minimising duplication and ensuring the use of the most appropriate legislation in responding to a nuisance report. Clear procedures and mechanisms for effective communication across Council teams (and in this case between EHA and its Constituent Councils) will be important for efficiently responding to nuisance complaints.

Specific external expert advice may also be required as part of nuisance investigation in some cases. Environmental monitoring and other specific expertise such as asbestos identification and removal would require specific skills and expertise either through trained staff or outsourced services.

### **Professional Resource Considerations for the Eastern Health Authority**

EHA understands (anecdotally) that a range of Councils are adopting an approach whereby experienced local government compliance officers will be engaged to respond to nuisance matters in the first instance (stage 1 of the investigation). Officers with community education, mediation and compliance enforcement skills would be able to appropriately assess low risk nuisance complaints. Customer service and administrative staff may also play an important role in initial nuisance education, utilising the various fact sheets available through the LGA and educational material prepared specifically for the region. EHA may consider compliance and community service staff in resourcing the Act's administration. However nuisance response procedures should clarify where inspectorate staff would need to consult other Council officers, such as Environmental Health Officer's (where overlaps with public health impacts are evident) and Planning Officers (for nuisance associated with development sites).

## 7. Preparing for the Act's Administration

Resourcing Council administration of the Act should consider initial set-up tasks, training and administrative preparation in the early phases of the Act's administration. Support through the LGA and EPA is being provided to Councils to assist in the transition to the new legislation and the effective administration of the Act, including:

- EPA staff (one located at the LGA and three at the EPA) to assist Councils with transitioning to the new Act and responding to difficult complaints.
- Community fact sheets and education resources.
- Standard procedures and templates for adoption by Councils.
- Compliance training for Council staff.
- Loan of environmental monitoring equipment.

There are a range of internal considerations for Councils (and in this case EHA) in transitioning to the new legislation, including:

- **Workflow Procedures and Information Technology Platforms**

A procedure detailing the various types of nuisance under the *Local Nuisance and Litter Control Act 2016* and the staged approach to nuisance investigation would assist in managing staff workflow, allocating resources and providing clarity in responding to nuisance matters in the Eastern region.

A nuisance investigation procedure for the Eastern region may consider:

- The agreed organisational structure for the Act's administration.
- Staff responsibilities (in particular where incidents involve non-conformances with various Acts).
- Customer service requirements and key performance indicators.
- Approach to handling vexatious complaints.
- Communication between council teams (and in this case between EHA and Constituent Councils) for scenarios where nuisance matters overlap with other legislative compliance functions.

Council IT platforms and EHA's Health Manager platform, would need to be updated to include nuisance complaint categories. This will aid in workflow management, property records and annual reporting of nuisance investigations.

- **Training for Council/EHA Staff**

The Environment Protection Authority is offering 'Nuisance Provision Practitioner Training' on the Act in collaboration with the LGA. Councils need to consider staff responsibilities and attendance at the one day training.

Training for customer service officers will also be important to support their role in providing initial education on nuisance management to the community.

- **Policies and Bylaws**

Internal Council policies and bylaws should be reviewed to ensure reference to the new Act and alignment with the Act's requirements. Council policies and strategies should also be reviewed to ensure that they support the mitigation of nuisance.

- **Fee Setting**

Fees for elements of the Act need to be established in accordance with the Act and Regulations. For example, Councils may set fees for the nuisance exemption application process in accordance with section 188(1)(g) of the Local Government Act 1999.

- **Community and Business Education**

Councils should consider their approach towards pro-active community and business education. There is the potential to integrate such education with other Council functions such as waste management, sustainability education and economic development. EHAs role in nuisance mitigation education needs to be considered in the resource model and budget proposed.

- **Governance and Reporting**

Administration of the Act by EHA would require amendments to the EHA Charter, in particular to the following Sections:

- 1.4 – Purpose
- 1.5 – Functions

The Act requires annual reporting of incidents within Council Annual Reporting. If undertaken through EHA, reporting should be integrated within the EHA Annual Report.

- **Equipment**

Equipment may be required to measure certain types of nuisance such as noise. It is understood that the EPA will provide some equipment for load such as noise meters and surveillance cameras and will provide training in their use. It is difficult to estimated the volume of complaints and access to monitoring equipment needed in the Eastern region. This may be monitored in the first year of the Act's implementation.

## 8. Summary and Recommendations

The Eastern Health Authority Constituent Councils have requested that EHA considers undertaking the administration of the *Local Nuisance and Litter Control Act 2016*, in respect to the 'nuisance provisions'. Whilst the Act has some minor synergies with the current functions of EHA, in particular where there are overlaps with community public health risks and the provisions of the *SA Public Health Act 2016*, it introduces various new aspects and functions to address nuisance management. EHA has adopted a risk-based approach to investigations under the *SA Public Health Act 2011*, enabling Officer resourcing and enforcement activity to be determined based on the level of public health risk to the community. The administration of the nuisance provisions of the *Local Nuisance and Litter Control Act 2016*, will likely require investigation of a greater volume of lower risk environmental amenity complaints, which have not previously been within the scope of EHAs activity.

To fulfil the nuisance provision requirements, there is the potential for Officers with inspectorate services and compliance experience (as opposed to qualified Environmental Health Officers), to be engaged to investigate nuisance matters (particularly in the first stage of the complaint investigation).

The Constituent Councils have requested a business case and budget proposal from EHA on the administration of the nuisance provisions. It is recommended that this business case consider the following elements detailed in this report:

- Ongoing administrative functions under the Act: nuisance investigation; exempting nuisance; securing compliance; community education and reporting.
- Initial set-up requirements: staff training, procedures and IT systems; updated relevant policies and bylaws and community and business education.

A clear procedure on nuisance complaint response in the Eastern Region, detailing the responsibilities of EHA, as well as other professional Officers in Councils, is recommended to:

- Manage nuisance complaint response workflow.
- Allocate the appropriately skilled staff to the initial and subsequent investigations.
- Manage communication across teams (and between EHA and the Constituent Councils) for scenarios where multiple legislative non-conformances are apparent.
- Manage communication with external agencies such as the EPA, South Australian Police and East Waste.
- Provide clarity and minimise duplication in responding to nuisance matters in the Eastern region.

## Appendix A

### 17—Meaning of local nuisance

(1) For the purposes of this Act, local nuisance is—

(a) any adverse effect on an amenity value of an area that—

(i) is caused by—

(A) noise, odour, smoke, fumes, aerosols or dust; or

(B) animals, whether dead or alive; or

(C) any other agent or class of agent declared by Schedule 1; and

(ii) unreasonably interferes with or is likely to interfere unreasonably with the enjoyment of the area by persons occupying a place within, or lawfully resorting to, the area; or

(b) insanitary conditions on premises that unreasonably interfere with or are likely to interfere unreasonably with the enjoyment of premises occupied by persons in the vicinity; or

(c) unsightly conditions, of a kind declared by Schedule 1, on premises caused by human activity or a failure to act; or

(d) a contravention of, or failure to comply with a provision of an environment protection policy, or of any other Act or law, declared by Schedule 1; or

(e) anything declared by Schedule 1 to constitute local nuisance, but does not include anything declared by Schedule 1 not to constitute local nuisance.

Note— Schedule 1 may be added to or amended by regulation—see section 51(2)(a) and (b).

(2) For the purposes of subsection (1)(b), conditions on premises will be taken to be insanitary if an authorised officer reasonably believes that—

(a) the premises are so filthy or neglected that there is a risk of infestation by rodents or other pests; or

(b) offensive material or odours are emitted from the premises.

File Number: S/46  
Enquiries To: Carlos Buzzetti  
Direct Telephone: 8366 4501



BY: .....



City of  
Norwood  
Payneham  
& St Peters

9 May 2017

Mr Michael Livori  
Chief Executive Officer  
Eastern Health Authority Inc.  
PO Box 275  
STEPNEY SA 5069

Dear Michael

**Local Nuisance and Litter Control Act 2017**

The Council considered a report on the *Local Nuisance and Litter Control Act 2016*, at its meeting held on Monday 1 May 2017, and resolved as follows:

1. *The Council resolves that the Eastern Health Authority is required to administer and enforce the local nuisance related functions of the Local Nuisance and Litter Control Act 2016, on behalf of the City of Norwood Payneham & St Peters and the other Eastern Health Authority Constituent Councils, specifically in respect to the following "nuisance" aspects contained in the Act:*
  - noise;
  - odour (and other airborne "nuisance");
  - dust;
  - smoke; and
  - any other nuisance related provisions of the Act which the Council's Chief Executive Officer believes would be better managed by the Eastern Health Authority.
2. *That the Chief Executive Officer of the Eastern Health Authority provide the Council with an indication of the cost, resourcing and administrative implications of this additional service being provided by EHA.*
3. *That the Council notes that the additional compliance role for the Eastern Health Authority under the Local Nuisance and Litter Control Act 2016, would be subject to amendments to the Eastern Health Authority Charter 2016, being unanimously endorsed by all Constituent Councils of the Eastern Health Authority.*
4. *That the Council notes that any additional compliance role for the Eastern Health Authority under the Local Nuisance and Litter Control Act 2016, would be undertaken at an additional cost to the Council and if progressed, would require an adjustment to the Council's 2017-2018 Budget.*

A copy of the report is attached for your consideration.

Can you please action the above resolutions as soon as is practicable and please let me know if you require any further information from the Council.

With kind regards

Carlos Buzzetti  
**GENERAL MANAGER**  
**URBAN PLANNING & ENVIRONMENT**

Att.

[http://onenpsp/sites/teams/upa/Executive Management/Correspondence/Letters/2017/EHA CEO Letter - Local Nuisance Act 20170509.docx](http://onenpsp/sites/teams/upa/Executive%20Management/Correspondence/Letters/2017/EHA%20CEO%20Letter%20-%20Local%20Nuisance%20Act%2020170509.docx)

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Ref. CR17/27740

08 June 2017

RECEIVED  
29 JUN 2017  
BY: .....

Michael Livori  
Eastern Health Authority  
PO Box 275  
STEPNEY SA 5069

Dear Michael,

### LOCAL NUISANCE AND LITTER CONTROL ACT

As you are aware, with the introduction and additional responsibilities imposed on the Local Government Sector by the Local Nuisance and Litter Control Act 2016, discussions have ensued on who is better placed to undertake matters pertaining to compliance, as it relates to this Act.

At a meeting held on 23 February 2017, the ERA CEOs Group discussed this matter and the possibility of the Eastern Health Authority (EHA) taking on the additional responsibilities. Following on from this, Council at its Ordinary meeting held on 18 April 2017, was presented with the attached report for consideration and resolved the following:

Item 19.9 Local Nuisance and Litter Control Act 2016 (Operational)  
Cr T Evans moved Cr K Barnett seconded

(1) That Council receives and notes the Local Nuisance and Litter Control Act 2016 (Operational) Report.

(2) That Council requests the Eastern Health Authority consider undertaking the compliance actions on behalf of City of Prospect, and other constituent Councils, in respect to the following "nuisance" aspects contained in the Local Nuisance and Litter Control Act 2016:

- 2.1 noise;
- 2.2 odour (and other airborne "nuisance");
- 2.3 dust;
- 2.4 smoke (except where it relates to the operations of the Fire Prevention Officers); and
- 2.5 any other specific aspect that the Administration believes would be better managed by the Eastern Health Authority.

I invite you to contact me on 8269 5355 should you have any questions.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Nathan Cunningham'.

**Nathan Cunningham**  
Director Community & Planning  
City of Prospect



**The Corporation of the Town of Walkerville**

ABN 49 190 949 882

66 Walkerville Terrace, Gilberton SA 5081  
PO Box 55, Walkerville SA 5081

File Number: 12.2.1

Please Quote Ref: OLT201716286

Contact Officer: Protocol, Compliance & Governance Officer, Deb Bria

Telephone: (08) 8342 7100

Facsimile: (08) 8269 7820

Email: [walkerville@walkerville.sa.gov.au](mailto:walkerville@walkerville.sa.gov.au)  
[/www.walkerville.sa.gov.au](http://www.walkerville.sa.gov.au)

19 April 2017

Michael Livori  
Eastern Health Authority  
PO Box 275  
Stepney SA 5069

**Via Email:** [mlivori@eha.sa.gov.au](mailto:mlivori@eha.sa.gov.au)

Dear Michael

**Re: Local Nuisance and Litter Control Act**

As you are aware, with the introduction and additional responsibilities imposed on the Local Government Sector by the Local Nuisance and Litter Control Act 2016, discussions have ensued on who is better placed to undertake matters pertaining to compliance, as it relates to this Act.

At a meeting held on 23 February 2017, the ERA CEOs Group discussed this matter and the possibility of the Eastern Health Authority (EHA) taking on the additional responsibilities. Following on from this, Council at its Ordinary meeting held on 18 April 2017, was presented with the attached report for consideration and resolved the following:

**CNC362/16-17**

1. *That Council receives and notes the Local Nuisance and Litter Control Act (request to EHA) report;*
2. *That Council requests that the Eastern Health Authority (EHA) consider undertaking the compliance actions on behalf of the Town of Walkerville, and other Constituent Councils, in respect to the following "nuisance" aspects contained in the Local Nuisance and Litter Control Act 2015:*
  - a) *noise;*
  - b) *odour (and other airborne "nuisance");*
  - c) *dust;*
  - d) *smoke (except where it relates to the operations of the Fire Prevention Officers); and*
  - e) *any other specific aspect that the Administration believes would be better managed by the EHA.*
3. *That EHA provides Council with an indication of the costs associated with undertaking the "nuisance" aspects contained in the Local Nuisance and Litter Control Act 2016, and*

once received a further report be provided to constituent Councils on the cost implications, prior to making a decision to proceed in terms of the proposal;

4. That the Council note that the additional compliance role for EHA under the Local Nuisance and Litter Control Act 2016 would be subject to amendments to the 'Eastern Health Authority Charter 2016';
5. That Council note that any additional compliance role for EHA under the Local Nuisance and Litter Control Act 2016, would be at a further cost to Council and if progressed, the 2017/18 budget would need to be adjusted accordingly."

I invite you to contact Kiki Magro on 8342 7100 should you have any questions.

Yours Sincerely



**Deb Bria**  
**Protocol, Compliance & Governance Officer**

NL:MdB  
Container Ref: B101/2

RECEIVED  
26 APR 2017

Enq: Nigel Litchfield  
Ph: 8366 9259

19 April 2017

BY: .....

Mr Michael Livori  
Chief Executive Officer  
Eastern Health Authority  
PO Box 275  
STEPNEY SA 5069

SCANNED  
27/6/17  
9c

Dear Mr Livori

### Local Nuisance and Litter Act 2016

I wish to advise that at its meeting held on Tuesday 18 April 2017 Council considered the Local Nuisance and Litter Act 2016 and requested Staff to write to the Authority to consider undertaking the compliance actions on behalf of the City of Campbelltown, and other constituent Councils, in respect to the following 'nuisance' aspects contained in the Act:

- a) noise
- b) odour (and other airborne 'nuisance')
- c) dust
- d) smoke (except where it relates to the operations of the Fire Prevention Officers), and
- e) any other specific aspect that the Administration believes would be better managed by the Authority

In addition, that the Authority provides Council with an indication of the costings associated with undertaking the 'nuisance' aspects contained in the Act, and once received a further report be provided to constituent Councils on the costs implications, prior to making a decision to proceed in terms of the proposal.

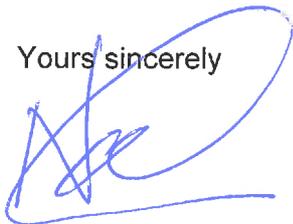
Further, Council noted that the additional compliance role for the Authority under the Local Nuisance and Litter Control Act 2016 would be subject to amendments to the 'Eastern Health Authority Charter 2016'

Council also noted that any additional compliance role for the Authority under the Act would be at a further cost to Council and if progressed, the 2017/2018 budget would need to be adjusted accordingly.

- 2 -

If you have any queries, please contact me on the above number.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Nigel Litchfield', written over the text 'Yours sincerely'.

Nigel Litchfield  
Manager Planning Services

## Mary Papageorgiou

---

**From:** Robert Dabrowski <RDabrowski@burnside.sa.gov.au>  
**Sent:** Thursday, 27 July 2017 2:03 PM  
**To:** Michael Livori  
**Subject:** Local Nuisance and Litter Control Act - request for EHA to undertake and support with compliance action

**Importance:** High

Dear Michael

I hope you are well. Magnus has contacted me and I am responding on his behalf on this occasion.

Council at the meeting held 11 April 2017 were briefed and provided with a report on the introduction and additional responsibilities imposed on the Local Government Sector by the *Local Nuisance and Litter Control Act 2016* with discussion ensuing as to who is better placed to undertake matters pertaining to compliance, as it relates to this Act.

The potentiality of the Eastern Health Authority (EHA) was noted and I confirm that the following was resolved:

### Local Nuisance and Litter Control Act 2016 (Operational) (14.10)

#### Recommendation:

C11123

1. That the Report be received.
2. That Council requests the Eastern Health Authority to undertake the compliance actions on behalf of City of Burnside, and other constituent Councils, in respect to the following "nuisance" aspects contained in the *Local Nuisance and Litter Control Act 2016*:
  - 2.1 noise;
  - 2.2 odour (and other airborne "nuisance");
  - 2.3 dust;
  - 2.4 smoke (except where it relates to the operations of the Fire Prevention Officers); and
  - 2.5 any other specific aspect that the Administration believes would be better managed by the EHA.
3. That the EHA provides Council with an indication of the costings associated with undertaking the "nuisance" aspects contained in the *Local Nuisance and Litter Control Act 2016* and once received a further report be provided to constituent Councils on the costs implications, prior to making a decision to proceed in terms of the proposal.

7

*Council Minutes*

*11 April 2017*

4. That the Council note that the additional compliance role for the Eastern Health Authority under the *Local Nuisance and Litter Control Act 2016* would be subject to amendments to the *Eastern Health Authority Charter 2016*.

Moved Councillor Osterstock, Seconded Councillor Piggott

CARRIED

If you have any further questions please liaise with Magnus direct in the first instance. We look forward to receiving the require information related to undertaking this function and the associated costings and financial implications in order to inform our Members.

Warm regards

Rob



**Robert Dabrowski** | Executive Officer to the CEO & Mayor  
City of Burnside | 401 Greenhill Road Tusmore SA 5065

P: 08 8366 4205 | F: 08 8366 4299  
[RDabrowski@burnside.sa.gov.au](mailto:RDabrowski@burnside.sa.gov.au)  
[www.burnside.sa.gov.au](http://www.burnside.sa.gov.au)

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This is one of Council's LA21 Sustainable Environmental Management initiatives.

## 6.9 REVIEW OF THE FOOD BUSINESS INSPECTION FEE POLICY

Author: Nadia Conci  
Ref: AF11/68

### Summary

On 27 June 2017 SA Health notified Eastern Health Authority of the Food Regulations 2017 (the Regulations), which replaces the current Food Regulations 2002 under the *Food Act 2001*. Operational changes to the Regulations were made including an increase to the prescribed maximum inspection fees that may be charged to food businesses. The new Regulations came into effect on 1 July 2017.

A review of the Food Business Inspection Fee Policy has been undertaken to reflect these new maximum fees and a revised policy is provided to the Board of Management for adoption.

### Report

The previous maximum inspection fees were set in 2002 at \$80.00 and have only recently increased in line with normal CPI to \$85.50. They were therefore out of step with other similar regulatory fees. The new Regulations increase the maximum fee as detailed below:

	Old maximum fee	New Maximum fee
Small business (20>FTE)	\$85.50	\$118.00
Large business	\$214.00	\$294.00

Following the new Regulations coming into effect on 1 July 2017, a review of the Food Business Inspection Fee Policy took place in July this year.

The current fee structure set by the Regulations is based on the Full Time Equivalent (FTE) of employees at a business. The number of FTE employees fails to reflect the true 'size', 'risk' and 'complexity' of a food business. It is these factors that represent the 'time' to undertake a routine food inspection.

The inspection fees detailed in the EHA policy also consider the 'priority risk rating' of a food business. This allows the inherent risk and time taken to undertake an inspection to be recognised.

As outlined in the new fee schedule below, the increase in inspection fees will apply to Priority 1 and 2 businesses. Priority 3 food businesses, due to their reduced risk will continue to be charged the current rate of \$85.50. Inspection fees will not be imposed upon P4 nominal risk businesses.

Classification	Small Business	Large Business
Priority 1 (P1) – Highest risk*	\$118.00	\$294.00
Priority 2 (P2)	\$118.00	\$294.00
Priority 3 (P3)	\$84.50	\$214.00
Priority 4 (P4) – Lowest risk	No fee	No fee

No additional alterations to the wording of the policy were required during this review. Only the amendments to the new maximum prescribed fees are considered necessary.

The number of non-council temporary events and food markets requiring an inspection are increasing within EHA's Constituent Councils. The 'type' and 'frequency' of these non-council events and markets vary considerably.

Currently, Section 4.4 'Inspection of Festivals, Fetes and Markets' of the Policy recognises that a 'negotiated' inspection fee will be charged to non-council temporary events, fetes and food markets. The 'generality' of this section of the Policy often results in 'non-council' events not being charged an inspection fee.

A review of an appropriate specified inspection fee structure for non-council temporary events, fetes and markets will be undertaken and presented to the Board at the November 2017 meeting.

The amended Policy (provided as attachment 1) shows marked up changes to the current policy. The alterations to the Policy are accepted in the copy provided as attachment 2.

## RECOMMENDATION

That:

1. The report regarding the review of the Food Business Inspection Fee Policy is received.
2. The Policy entitled Food Business Inspection Fee Policy, marked attachment 2 to this report, is adopted.

## FOOD BUSINESS INSPECTION FEE POLICY

1



## FOOD BUSINESS INSPECTION FEE POLICY

<u>Policy Reference</u>	<u>GOV04</u>	Formatted: Font: 12 pt
<u>Date of initial Board Adoption</u>	<u>12 February 2003</u>	Formatted: Font: 12 pt
<u>Minutes Reference</u>		Formatted: Font: 12 pt
<u>Date of Audit Committee endorsement (if applicable)</u>	<u>N/A</u>	Formatted: Font: 12 pt
<u>Date last reviewed by Eastern Health Authority Board of Management</u>	<u>28 June 2016</u>	Formatted: Font: 12 pt
<u>Applicable legislation</u>	<u>Memorandum of Understanding between The Minister for Health and Local Government Association (February 2009)</u> <u>Guidelines prepared by LGA for Councils - Inspection Fees, Food Act 2001,</u>	Formatted: Font: 12 pt, Not Italic
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## 1. Purpose

The Food Business Inspection Fee Policy (Policy) outlines the circumstances that fees are applied for the inspection of food businesses as provided by Regulation 11 of the *Food Regulations 2002* 2017.

To specify the rate at which inspection fees are charged.

## 2. Scope

This Policy applies to food businesses that are subject to inspection by authorised officers appointed by the Eastern Health Authority (EHA), an enforcement agency under the *Food Act 2001*.

## 3. Definitions

**‘Community or charitable organisation’** - any group, club or organisation that provides a community benefit and not for the personal financial gain of an individual person or

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**FOOD BUSINESS INSPECTION FEE POLICY****2**

group of people. Examples include Rotary, Lions, church groups, community sporting clubs and scouting groups.

(To determine if an organisation fit this category, an Australian Taxation Office certificate of 'Endorsement as a Tax Concession Charity' may be requested.)

**South Australian Food Business Risk Classification (FBRC)**

- **'Priority 1 (P1)' and 'Priority 2 (P2)'** – businesses that characteristically handle foods that support the growth of pathogenic micro-organisms and where such pathogens are present or could be present. The handling of food will involve at least one step at which control actions must be implemented to ensure safety of the food. P1 businesses are further characterised by known risk-increasing factors, such as potential for inadequate / incorrect temperature control. Due to the high risk nature of the foods and their practices regular and lengthy inspections are required.
- **'Priority 3 (P3)'** – Businesses that will characteristically handle only 'low risk' or 'medium risk' foods and will warrant an inspection.
- **'Priority 4 (P4)'** - businesses that will normally handle only 'low risk' foods, because they handle pre-packaged low risk food, and hence will not warrant regular or lengthy inspections. Examples include pharmacies, video stores and newsagents.

**'Re-inspection'** – an inspection carried out as a result of non-compliance that has been identified with the *Food Act 2001* or Food Safety Standards.

**'Routine Inspection'** - an inspection conducted at a scheduled frequency determined by the business' priority classification and performance history utilising Environmental Health Australia's Food Safety Standard of Practice and Australian Food Safety Assessment tool.

**'Small Business'** - a food business employing not more than 20 full-time equivalent food handling staff.

**4. Principles**

Regulation 11 of the *Food Regulations 2002-2017* provides for EHA as an enforcement agency to charge an inspection fee for the carrying out of any inspection that is required in connection with the operation or administration of the *Food Act 2001*.

Under the Regulations, the maximum fee for inspection is prescribed:

- for a **small business** – ~~\$85.50~~ **\$118.00** per inspection excl GST

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**FOOD BUSINESS INSPECTION FEE POLICY**

- in any other case - ~~\$214.00~~\$294.00 per inspection excl GST.

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Food safety inspection fees are listed under division 81 of the GST Act for exemption, and as a result GST will not apply to inspection fees set by EHA.

The Minister for Health, Department of Health (DH) and Local Government administer and enforce the *Food Act 2001*, with some functions exercised jointly and others exclusively performed by one authority or the other. The Memorandum of Understanding between the Minister for Health and Local Government Association of SA, adopted in February 2009, clarifies the allocation of responsibility for enforcement of specific areas of the Act.

EHA is responsible for ensuring compliance with Chapter 3 of the Food Standards Code (Food Safety Standards) and the safety and suitability of food sold. This is achieved by performing inspections of food businesses based on a priority classification system developed by Food Standards Australia New Zealand (FSANZ).

The priority categories of high, medium and low risk are determined by the type of food, activity of the business, method of processing and customer base. SA Health has developed the South Australian Food Business Risk Classification (FBRC) using the national food safety risk profiling framework that allocates food businesses into risk classifications, based on their likelihood of contributing to foodborne disease and the potential magnitude of that contribution.

The FBRC took effect from 1 July 2014. From this date EHA utilises SA FBRC system to determine the priority classifications and inspection frequencies for food businesses in accordance with the table below:

Classification	Frequencies (every x months)		
	Starting point (new business owners)	Maximum	Minimum
Priority 1 (P1) – Highest risk	6	3	12
Priority 2 (P2)	12	6	18
Priority 3 (P3)	18	12	24
Priority 4 (P4) – Lowest risk	Inspect on complaint or change to risk profile only	Inspect on complaint or change to risk profile only	

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**4.1 Routine Inspection**

An inspection fee will apply to **routine inspections** of food premises. The inspection fee is based on the 'priority risk rating' of a food business to recognise the inherent risk and time taken to undertake an inspection. The following fee schedule is outlined in the table below:

Classification	Small Business	Large Business
Priority 1 (P1) – Highest risk*	\$118.00	\$294.00
Priority 2 (P2)	\$118.00	\$294.00
Priority 3 (P3)	\$59.00	\$147.00

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**FOOD BUSINESS INSPECTION FEE POLICY**

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Priority 4 (P4) – Lowest risk	No fee	No fee
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\*A six month inspection frequency is applied to new P1 businesses within their first year of operation. Fees apply to these routine inspections.

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**4.2 Complaint Inspection**

An inspection fee will not be imposed for an inspection carried out in response to food safety related complaints received from the public.

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**4.3 Re-inspection**

An inspection fee will apply when more than one re-inspection is required in relation to a non-conformance which has not been adequately rectified within the agreed timeframe.

**4.4 Inspection of Festivals, Fetes and Markets**

An appropriate inspection fee will be negotiated with the organising body/host of non council events. Such a fee will be applied in lieu of inspection fees for individual stall-holders. The negotiated fee will reflect the cost of the inspections but will not exceed the maximum fee chargeable multiplied by the number of stall-holders.

**4.5 Inspection of Businesses with Food Safety Programs**

An inspection fee will apply for food businesses that have formal audited food safety programs in place.

**4.6 Exemptions****4.6.1 Community and Charitable Organisations**

Inspection fees will not be imposed upon community and charitable organisations.

**4.6.2 Schools and Educational Institutions**

Inspection fees will not be imposed for inspections of the canteen or out of school hours care service (OSHC) in schools and educational institutions unless the operator of the canteen / OSHC operates the service as a commercial concern for profit.

**4.6.3 Nominal Risk Businesses**

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**FOOD BUSINESS INSPECTION FEE POLICY****5**

Inspection fees will not be imposed upon nominal P4 risk businesses.

**4.6.4 Mobile Food Vans**

Inspection fees will not be imposed upon mobile food vans that can display evidence of having completed notification with an alternate local council.

**4.7 Cost of Inspection Fees**

Inspection fees will be charged at the following rate:

Small business - ~~\$85.50~~118.00 excl GST  
In any other case - ~~\$244.00~~294.00 excl GST

**5. Review of the Food Inspection Fee Policy**

Every 24 months or as needed.

**6. Statement of Adoption**

This Policy was adopted by the Board of the Eastern Health Authority on [12 February 2003](#).



## FOOD BUSINESS INSPECTION FEE POLICY

Policy Reference	GOV04
Date of initial Board Adoption	12 February 2003
Minutes Reference	
Date of Audit Committee endorsement (if applicable)	N/A
Date last reviewed by Eastern Health Authority Board of Management	28 June 2016
Applicable legislation	Memorandum of Understanding between The Minister for Health and Local Government Association (February 2009) Guidelines prepared by LGA for Councils - Inspection Fees, <i>Food Act 2001</i>

### 1. Purpose

The Food Business Inspection Fee Policy (Policy) outlines the circumstances that fees are applied for the inspection of food businesses as provided by Regulation 11 of the *Food Regulations 2017*.

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### 2. Scope

This Policy applies to food businesses that are subject to inspection by authorised officers appointed by the Eastern Health Authority (EHA), an enforcement agency under the *Food Act 2001*.

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### **South Australian Food Business Risk Classification (FBRC)**

- **'Priority 1 (P1)' and 'Priority 2 (P2)'** – businesses that characteristically handle foods that support the growth of pathogenic micro-organisms and where such pathogens are present or could be present. The handling of food will involve at least one step at which control actions must be implemented to ensure safety of the food. P1 businesses are further characterised by known risk-increasing factors, such as potential for inadequate / incorrect temperature control. Due to the high risk nature of the foods and their practices regular and lengthy inspections are required.
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**'Small Business'** - a food business employing not more than 20 full-time equivalent food handling staff.

## **4. Principles**

Regulation 11 of the *Food Regulations 2017* provides for EHA as an enforcement agency to charge an inspection fee for the carrying out of any inspection that is required in connection with the operation or administration of the *Food Act 2001*.

Under the Regulations, the maximum fee for inspection is prescribed:

- for a **small business** –\$118.00 per inspection excl GST
- in any other case - \$294.00 per inspection excl GST

Food safety inspection fees are listed under division 81 of the GST Act for exemption, and as a result GST will not apply to inspection fees set by EHA.

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#### 4.1 Routine Inspection

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Priority 3 (P3)	\$84.50	\$214.00
Priority 4 (P4) – Lowest risk	No fee	No fee

\*A six month inspection frequency is applied to new P1 businesses within their first year of operation. Fees apply to these routine inspections.

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## **4.2 Complaint Inspection**

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## **4.3 Re-inspection**

An inspection fee will apply when more than one re-inspection is required in relation to a non-conformance which has not been adequately rectified within the agreed timeframe.

## **4.4 Inspection of Festivals, Fetes and Markets**

An appropriate inspection fee will be negotiated with the organising body/host of non council events. Such a fee will be applied in lieu of inspection fees for individual stall-holders. The negotiated fee will reflect the cost of the inspections but will not exceed the maximum fee chargeable multiplied by the number of stall-holders.

## **4.5 Inspection of Businesses with Food Safety Programs**

An inspection fee will apply for food businesses that have formal audited food safety programs in place.

## **4.6 Exemptions**

### **4.6.1 Community and Charitable Organisations**

Inspection fees will not be imposed upon community and charitable organisations.

### **4.6.2 Schools and Educational Institutions**

Inspection fees will not be imposed for inspections of the canteen or out of school hours care service (OSHC) in schools and educational institutions unless the operator of the canteen / OSHC operates the service as a commercial concern for profit.

### **4.6.3 Nominal Risk Businesses**

Inspection fees will not be imposed upon nominal P4 risk businesses.

### **4.6.4 Mobile Food Vans**

Inspection fees will not be imposed upon mobile food vans that can display evidence of having completed notification with an alternate local council.

#### **4.7 Cost of Inspection Fees**

Inspection fees will be charged at the following rate:

Small business - \$118.00 excl GST

In any other case - \$294.00 excl GST

### **5. Review of the Food Inspection Fee Policy**

Every 24 months or as needed.

### **6. Statement of Adoption**

This Policy was adopted by the Board of the Eastern Health Authority on 12 February 2003.

## 7.1 CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW AND REMUNERATION REVIEW

Author: Cr Anne Monceaux  
Chair CEO Performance Review Committee

Ref: AF11/327

### RECOMMENDATION 1

That pursuant to Section 90(2) of the *Local Government Act 1999* the Board orders the public be excluded, with the exception of the Chief Executive Officer, Michael Livori, on the basis that it considers it necessary and appropriate to act in a meeting closed to the public in order to discuss and consider Item No 7.1 - in confidence. The Board is satisfied with the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to the matter under consideration because:

- The information is of the nature specified in Subsection 90(3)(a) of the *Local Government Act 1999*, being information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs, being the performance and remuneration of the Chief Executive Officer.

### RECOMMENDATION 3

In accordance with Section 91 (7) and (9) of the *Local Government Act 1999*, the Board of Management (Board) orders that in relation to the Chief Executive Officer Performance and Remuneration Review Report, all relevant documentation having been considered by the Board in confidence under Section 90 (3) (a) be kept confidential and not available for public inspection on the grounds that it involves information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of the Chief Executive Officer.

This order shall operate for a period of 12 months and will be reviewed annually.





In reply please quote: 2017/02515, #11622659  
Enquiries to Evan Woolford  
Telephone (08) 8226 8222

Mr Paul Deb  
Chief Executive Officer  
City of Burnside  
PO Box 9  
GLENSIDE SA 5065



OFFICE OF THE CHIEF  
EXECUTIVE

50 Flinders Street  
Adelaide SA 5000

GPO Box 1533  
Adelaide SA 5001

Telephone: 08 8343 2222  
Facsimile: 08 8343 2768

ABN 92 366 288 135

Dear Mr Deb

*GREENHILL ROAD, HAZELWOOD PARK – PEDESTRIAN CROSSING*

Thank you for your letter. The Chief Executive, Michael Deegan has asked me to respond to you on his behalf regarding a potential pedestrian actuated crossing (PAC) on Greenhill Road at Hazelwood Park.

The Department acknowledges there is pedestrian movement across Greenhill Road at Hazelwood Park and has undertaken three pedestrian surveys at different times of the year, during August, November 2016 and March 2017. All survey results did not meet the criteria necessary to warrant the installation of a PAC at this location.

To justify a PAC there needs to be approximately 60 pedestrians as a minimum, crossing the road during the busiest hour for pedestrians. The best survey results indicated 27 pedestrians crossing in one hour during the morning peak between 7.45 am and 8.45 am. The majority of pedestrians crossed at the existing refuge.

Confirmed crash statistics from 2010 – 2017 also indicate zero pedestrian related crashes along this stretch of Greenhill Road.

Taking the above factors into consideration, Council's proposal for a 50/50 cost share arrangement for this potential project is not supported by the Department, at this time.

Should you wish to discuss this matter further, please contact Evan Woolford on (08) 8226 8222.

Yours sincerely

Paul Gelston  
**CHIEF OPERATING OFFICER**  
SAFETY & SERVICE DIVISION

7 August 2017