



NOTICE OF MEETING

Members are advised that THE BAROSSA COUNCIL AUDIT COMMITTEE meeting will be held on Tuesday 8 January 2019 in the Committee Room, 43-51 Tanunda Road, Nuriootpa, commencing at 10.00am.

Martin McCarthy
CHIEF EXECUTIVE OFFICER
THE BAROSSA COUNCIL

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 - February or mid/late March 2019
- 15. **Close**

NOTE: Should any Member be unable to attend, please contact the Presiding Member, Peter Brass, with comments on the Agenda items, for discussion at the meeting.

AUDIT COMMITTEE

MANAGER FINANCIAL SERVICES

8 JANUARY 2019

4. ELECTION OF CHAIRPERSON B7455

PURPOSE

The Audit Committee, in accordance with its Terms of Reference, to appoint a Chairperson for the Committee.

RECOMMENDATION

That the Audit Committee appoints as its Chairperson until otherwise determined by the Committee.

REPORT

Appointment of Chairperson

Section 3.6 of the Audit Committee Terms of Reference states:

"The Committee shall, at its first meeting or at its first meeting following a Periodic Election, nominate a Chairperson, preferably from among the Independent Members. The nomination must be approved by Council. Should there be more nominations than required to fill the position, then all voting shall be by secret ballot."

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Nil

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

Legislative Requirements

Local Government Act 1999

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

There are no financial, resource or risk management considerations.

COMMUNITY CONSULTATION

Consultation is not required under legislation or Council policy.

AUDIT COMMITTEE

MANAGER FINANCIAL SERVICES

8 JANUARY 2019

5. MEETING PROCEDURES
B7455

PURPOSE

The Audit Committee to consider its meeting procedures pursuant to the Local Government Act 1999 and Local Government (Procedures at Meetings) Regulations 2013.

RECOMMENDATION

That the Audit Committee:

- (1) confirm that meetings will be conducted in accordance with the Local Government (Procedures at Meetings) Regulations 2013 ("the Regulations") (Parts 1 to 4), as per Clause 4.2 of its Terms of Reference;
- (2) determines, pursuant to S27 of the Regulations, that the Chairperson will have a deliberative vote on a matter arising for decision, but does not, in the event of a equality of votes, have a casting vote;
- (3) requests officers to undertake a review of the Terms of Reference for presentation to the next Audit Committee meeting.

REPORT

Introduction

Section 89 of the Local Government Act 1999 ("the Act") states:

89—Proceedings of council committees

- (1) Subject to this Act, the procedure to be observed in relation to the conduct of meetings of a council committee will be—
 - (a) as prescribed by regulation;
 - (b) insofar as the procedure is not prescribed by regulation—as determined by the council;
 - (c) insofar as the procedure is not prescribed by regulation or determined by the council—as determined by the council committee itself.

Discussion

The following statements are in the Audit Committee Terms of Reference (TOR) in relation to meetings and voting:

Clause 4.2 "The meetings of the Committee will be held in accordance with the Local Government (Procedures at Meetings) Regulations 2013 (the Regulations)."

Most formal committees are established under Parts 1, 3 and 4 of the Regulations. Part 2 has more onerous requirements. The Governance Advisor (GA) has provided clarification in relation to the Audit Committee.

Regulation 5 states:

5—Application of Part

The provisions of this Part apply to or in relation to—

- (a) the meetings of a council; and
- (b) the meetings of a council committee performing regulatory activities; and
- (c) the meetings of any other council committee if the council has, by resolution, determined that this Part should apply to that committee.

‘Regulatory activity’ is defined in the Local Government Act as ‘an activity which involves the making or enforcement of by-laws, orders, standards or other controls under this or another Act’.

With reference to the TOR, the GA’s view is that the Audit Committee makes or enforces ‘standards or other controls’ under the Local Government Act. Consequently, the meeting requirements/procedures prescribed under Part 2 of the Regulations must be followed. A copy of the Regulations is provided in Attachment 1 for information.

Clause 6.2 *“The Chairperson to have a determinative vote and a casting vote in the event of no majority being achieved.”*

The above clause requires amendment as the presiding member of the Committee has a deliberative vote only and not a casting vote. Refer Section 27(3) of the Regulations below:

27—Voting at committee meetings

- (1) Subject to the Act and these regulations, a question arising for decision at a meeting of a council committee will be decided by a majority of the votes cast by the members present at the meeting and entitled to vote on the question.
- (2) Each member of a council who is a member of a council committee and who is present at a meeting of the committee must, subject to a provision of the Act to the contrary, vote on a question arising for decision at that meeting.
- (3) The presiding member of a council committee has a deliberative vote on a question arising for decision at the meeting but does not, in the event of an equality of votes, have a casting vote.

Clause 6.3 *“Members present must vote on all resolutions of the Committee. Proxy votes are not permitted.”*

Advice to Officers has been that “all Members can move/second and should be voting, including the Chair”. The Act and Regulations are silent in relation to the presiding member moving or seconding a motion. This process can be decided by the committee and recorded in the Minutes.

Summary and Conclusion

Officers recommend that the Terms of Reference be reviewed for discussion at the next Audit Committee meeting.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: The Local Government (Procedures at Meetings) Regulations

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS



Corporate Plan

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

Legislative Requirements

Local Government Act 1999

Local Government (Procedures at Meetings) Regulations 2013

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

There are no financial, resource or risk management considerations.

COMMUNITY CONSULTATION

Consultation is not required under legislation or Council policy.

South Australia

Local Government (Procedures at Meetings) Regulations 2013

under the *Local Government Act 1999*

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Legislative history

Part 1—Preliminary

1—Short title

These regulations may be cited as the *Local Government (Procedures at Meetings) Regulations 2013*.

2—Commencement

These regulations will come into operation on 1 January 2014.

3—Interpretation

- (1) In these regulations, unless the contrary intention appears—

Act means the *Local Government Act 1999*;

clear days—see subregulations (2) and (3);

deputation means a person or group of persons who wish to appear personally before a council or council committee in order to address the council or committee (as the case may be) on a particular matter;

formal motion means a motion—

- (a) that the meeting proceed to the next business; or
- (b) that the question be put; or
- (c) that the question lie on the table; or
- (d) that the question be adjourned; or
- (e) that the meeting be adjourned¹;

Guiding Principles—see regulation 4;

member means a member of the council or council committee (as the case may be);

point of order means a point raised to draw attention to an alleged breach of the Act or these regulations in relation to the proceedings of a meeting;

presiding member means the person who is the presiding member of a council or council committee (as the case may be) and includes any person who is presiding at a particular meeting;

written notice includes a notice given in a manner or form determined by the council.

- (2) In the calculation of *clear days* in relation to the giving of notice before a meeting—
 - (a) the day on which the notice is given, and the day on which the meeting occurs, will not be taken into account; and
 - (b) Saturdays, Sundays and public holidays will be taken into account.
- (3) For the purposes of the calculation of *clear days* under subregulation (2), if a notice is given after 5 p.m. on a day, the notice will be taken to have been given on the next day.
- (4) For the purposes of these regulations, a vote on whether *leave of the meeting* is granted may be conducted by a show of hands (but nothing in this subregulation prevents a division from being called in relation to the vote).

Note—

- 1 See regulation 12 for specific provisions about formal motions.

4—Guiding Principles

The following principles (the *Guiding Principles*) should be applied with respect to the procedures to be observed at a meeting of a council or a council committee:

- (a) procedures should be fair and contribute to open, transparent and informed decision-making;
- (b) procedures should encourage appropriate community participation in the affairs of the council;
- (c) procedures should reflect levels of formality appropriate to the nature and scope of responsibilities exercised at the meeting;
- (d) procedures should be sufficiently certain to give the community and decision-makers confidence in the deliberations undertaken at the meeting.

Part 2—Meetings of councils and key committees

Division 1—Preliminary

5—Application of Part

The provisions of this Part apply to or in relation to—

- (a) the meetings of a council; and
- (b) the meetings of a council committee performing regulatory activities; and
- (c) the meetings of any other council committee if the council has, by resolution, determined that this Part should apply to that committee.

6—Discretionary procedures

- (1) Subject to the requirements of the Act, if a provision of this Part is expressed to be capable of being varied at the discretion of the council pursuant to this regulation, then a council may, by a resolution supported by at least two-thirds of the members of the council entitled to vote on the resolution, determine that a code of practice prepared or adopted by the council that establishes its own procedures for the relevant matter or matters will apply in substitution for the relevant provision (and such a determination will have effect according to its terms).

- (2) A council should, at least once in every financial year, review the operation of a code of practice under this regulation.
- (3) A council may at any time, by resolution supported by at least two-thirds of the members of the council entitled to vote on the resolution, alter a code of practice, or substitute or revoke a code of practice.
- (4) A council must, in considering the exercise of a power under this regulation, take into account the Guiding Principles.
- (5) A person is entitled to inspect (without charge) the code of practice of a council under this regulation at the principal office of the council during ordinary office hours.
- (6) A person is entitled, on payment of a fee fixed by the council, to a copy of the code of practice.
- (7) Regulation 12(4) does not apply to a motion under subregulation (3).
- (8) This regulation does not limit or derogate from the operation of regulation 20¹.

Note—

- 1 Furthermore, if a matter is not dealt with by the Act or these regulations (including under a code of practice under this regulation), then the relevant procedure will be—

- (a) as determined by the council; or
- (b) in the case of a council committee where a determination has not been made by the council—as determined by the committee.

(See sections 86(8) and 89(1) of the Act.)

Division 2—Prescribed procedures

7—Commencement of meetings and quorums

- (1) A meeting will commence as soon after the time specified in the notice of meeting as a quorum is present.
- (2) If the number of apologies received by the chief executive officer indicates that a quorum will not be present at a meeting, the chief executive officer may adjourn the meeting to a specified day and time.
- (3) If at the expiration of 30 minutes from the time specified in the notice of meeting as the time of commencement a quorum is not present, the presiding member or, in the absence of a presiding member, the chief executive officer, will adjourn the meeting to a specified day and time.
- (4) If a meeting is adjourned for want of a quorum, the chief executive officer will record in the minute book the reason for the adjournment, the names of any members present, and the date and time to which the meeting is adjourned.
- (5) If a meeting is adjourned to another day, the chief executive officer must—
 - (a) give notice of the adjourned meeting to each member setting out the date, time and place of the meeting; and
 - (b) give notice of the adjourned meeting to the public by causing a notice setting out the date, time and place of the meeting to be placed on display at the principal office of the council.

8—Minutes

- (1) The minutes of the proceedings at a meeting must be submitted for confirmation at the next meeting or, if that is omitted, at a subsequent meeting.
- (2) No discussion on the minutes may occur before confirmation, except as to the accuracy of the minutes as a record of proceedings.
- (3) On the confirmation of the minutes, the presiding member will—
 - (a) initial each page of the minutes, which pages are to be consecutively numbered; and
 - (b) place his or her signature and the date of confirmation at the foot of the last page of the minutes.
- (4) The minutes of the proceedings of a meeting must include—
 - (a) the names of the members present at the meeting; and
 - (b) in relation to each member present—
 - (i) the time at which the person entered or left the meeting; and
 - (ii) unless the person is present for the whole meeting, the point in the proceedings at which the person entered or left the meeting; and
 - (c) each motion or amendment, and the names of the mover and seconder; and
 - (d) any variation, alteration or withdrawal of a motion or amendment; and
 - (e) whether a motion or amendment is carried or lost; and
 - (f) any disclosure of interest made by a member; and
 - (g) an account of any personal explanation given by a member; and
 - (h) details of the making of an order under subsection (2) of section 90 of the Act (see subsection (7) of that section); and
 - (i) a note of the making of an order under subsection (7) of section 91 of the Act in accordance with the requirements of subsection (9) of that section; and
 - (j) details of any adjournment of business; and
 - (k) a record of any request for documents to be tabled at the meeting; and
 - (l) a record of any documents tabled at the meeting; and
 - (m) a description of any oral briefing given to the meeting on a matter of council business; and
 - (n) any other matter required to be included in the minutes by or under the Act or any regulation.

9—Questions

- (1) A member may ask a question on notice by giving the chief executive officer written notice of the question at least 5 clear days before the date of the meeting at which the question is to be asked.

- (2) If notice of a question is given under subregulation (1)—
 - (a) the chief executive officer must ensure that the question is placed on the agenda for the meeting at which the question is to be asked; and
 - (b) the question and the reply must be entered in the minutes of the relevant meeting.
- (3) A member may ask a question without notice at a meeting.
- (4) The presiding member may allow the reply to a question without notice to be given at the next meeting.
- (5) A question without notice and the reply will not be entered in the minutes of the relevant meeting unless the members present at the meeting resolve that an entry should be made.
- (6) The presiding member may rule that a question with or without notice not be answered if the presiding member considers that the question is vague, irrelevant, insulting or improper.

10—Petitions

- (1) A petition to the council must—
 - (a) be legibly written or typed or printed; and
 - (b) clearly set out the request or submission of the petitioners; and
 - (c) include the name and address of each person who signed or endorsed the petition; and
 - (d) be addressed to the council and delivered to the principal office of the council.
- (2) If a petition is received under subregulation (1), the chief executive officer must ensure that the petition or, if the council has so determined as a policy of the council, a statement as to the nature of the request or submission and the number of signatures or the number of persons endorsing the petition, is placed on the agenda for the next ordinary meeting of the council or, if so provided by a policy of the council, a committee of the council.
- (3) Subregulation (2) may be varied at the discretion of the council pursuant to regulation 6.

11—Deputations

- (1) A person or persons wishing to appear as a deputation at a meeting must deliver (to the principal office of the council) a written request to the council.
- (2) The chief executive officer must transmit a request received under subregulation (1) to the presiding member.
- (3) The presiding member may refuse to allow the deputation to appear at a meeting.
- (4) The chief executive officer must take reasonable steps to ensure that the person or persons who requested a deputation are informed of the outcome of the request.
- (5) If the presiding member refuses to allow a deputation to appear at a meeting, the presiding member must report the decision to the next meeting of the council or council committee (as the case may be).

- (6) The council or council committee may resolve to allow a deputation to appear despite a contrary ruling by the presiding member.
- (7) A council may refer the hearing of a deputation to a council committee.

12—Motions

- (1) A member may bring forward any business in the form of a written notice of motion.
- (2) The notice of motion must be given to the chief executive officer at least 5 clear days before the date of the meeting at which the motion is to be moved.
- (3) A motion the effect of which, if carried, would be to revoke or amend a resolution passed since the last general election of the council must be brought by written notice of motion.
- (4) If a motion under subregulation (3) is lost, a motion to the same effect cannot be brought—
 - (a) until after the expiration of 12 months; or
 - (b) until after the next general election,whichever is the sooner.
- (5) Subject to the Act and these regulations, a member may also bring forward any business by way of a motion without notice.
- (6) The presiding member may refuse to accept a motion without notice if, after taking into account the Guiding Principles, he or she considers that the motion should be dealt with by way of a written notice of motion.
- (7) The presiding member may refuse to accept a motion if the subject matter is, in his or her opinion, beyond the power of the council or council committee (as the case may be).
- (8) A motion will lapse if it is not seconded at the appropriate time.
- (9) A member moving or seconding a motion will speak to the motion at the time of moving or seconding the motion.
- (10) A member may only speak once to a motion except—
 - (a) to provide an explanation in regard to a material part of his or her speech, but not so as to introduce any new matter; or
 - (b) with leave of the meeting; or
 - (c) as the mover in reply.
- (11) A member who has spoken to a motion may not at a later stage of the debate move or second an amendment to the motion.
- (12) A member who has not spoken in the debate on a question may move a formal motion.
- (13) A formal motion must be in the form of a motion set out in subregulation (14) (and no other formal motion to a different effect will be recognised).

- (14) If the formal motion is—
- (a) that *the meeting proceed to the next business*, then the effect of the motion, if successful, is, in the case of an amendment, that the amendment lapses and the meeting proceeds with the consideration of the motion before the meeting without further reference to the amendment and, in the case of a motion, that the motion lapses and the meeting proceeds to the next item of business; or
 - (b) that *the question be put*, then the effect of the motion, if successful, is that debate is terminated and the question put to the vote by the presiding member without further debate; or
 - (c) that *the question lie on the table*, then the effect of the motion, if successful, is that the meeting immediately moves to the next item of business and the question can then only be retrieved at a later time by resolution (and, if so retrieved, debate is then resumed at the point of interruption); or
 - (d) that *the question be adjourned*, then the effect of the motion, if successful, is that the question is disposed of for the time being but debate can be resumed at the later time (at the point of interruption); or
 - (e) that *the meeting be adjourned*, then the effect of the motion, if successful, is that the meeting is brought to an end immediately without the consideration of further business.
- (15) If seconded, a formal motion takes precedence and will be put by the presiding member without discussion unless the motion is for an adjournment (in which case discussion may occur (but only occur) on the details for resumption).
- (16) A formal motion does not constitute an amendment to a substantive motion.
- (17) If a formal motion is lost—
- (a) the meeting will be resumed at the point at which it was interrupted; and
 - (b) if the formal motion was put during debate (and not at the end of debate) on a question, then a similar formal motion (ie a motion to the same effect) cannot be put until at least 1 member has spoken on the question.
- (18) A formal motion for adjournment must include the reason for the adjournment and the details for resumption.
- (19) Any question that lies on the table as a result of a successful formal motion under subregulation (14)(c) lapses at the next general election.
- (20) The chief executive officer must report on each question that lapses under subregulation (19) to the council at the first ordinary meeting of the council after the general election.
- (21) Subregulations (9), (10) and (11) may be varied at the discretion of the council pursuant to regulation 6.

13—Amendments to motions

- (1) A member who has not spoken to a motion at an earlier stage of the debate may move or second an amendment to the motion.
- (2) An amendment will lapse if it is not seconded at the appropriate time.

- (3) A person who moves or seconds an amendment (and, if he or she chooses to do so, speaks to the amendment) will, in so doing, be taken to have spoken to the motion to which the amendment relates.
- (4) If an amendment is lost, only 1 further amendment may be moved to the original motion.
- (5) If an amendment is carried, only 1 further amendment may be moved to the original motion.
- (6) Subregulations (1), (3), (4) and (5) may be varied at the discretion of the council pursuant to regulation 6.

14—Variations etc

- (1) The mover of a motion or amendment may, with the consent of the seconder, request leave of the meeting to vary, alter or withdraw the motion or amendment.
- (2) The presiding member must immediately put the question for leave to be granted and no debate will be allowed on that question.

15—Addresses by members etc

- (1) A member must not speak for longer than 5 minutes at any 1 time without leave of the meeting.
- (2) A member may, with leave of the meeting, raise a matter of urgency.
- (3) A member may, with leave of the meeting, make a personal explanation.
- (4) The subject matter of a personal explanation may not be debated.
- (5) The contribution of a member must be relevant to the subject matter of the debate.
- (6) Subregulations (1) and (2) may be varied at the discretion of the council pursuant to regulation 6.

16—Voting

- (1) The presiding member, or any other member, may ask the chief executive officer to read out a motion before a vote is taken.
- (2) The presiding member will, in taking a vote, ask for the votes of those members in favour of the question and then for the votes of those members against the question (and may do so as often as is necessary to enable him or her to determine the result of the voting), and will then declare the outcome.
- (3) A person who is not in his or her seat is not permitted to vote.
- (4) Subregulation (3)—
 - (a) may be varied at the discretion of the council pursuant to regulation 6; and
 - (b) does not apply in relation to a member participating in a council committee meeting by telephone or electronic means approved in accordance with procedures determined by the council or council committee for the purposes of section 89 of the Act.

17—Divisions

- (1) A division will be taken at the request of a member.

- (2) If a division is called for, it must be taken immediately and the previous decision of the presiding member as to whether the motion was carried or lost is set aside.
- (3) The division will be taken as follows:
 - (a) the members voting in the affirmative will, until the vote is recorded, stand in their places;
 - (b) the members voting in the negative will, until the vote is recorded, sit in their seats;
 - (c) the presiding member will count the number of votes and then declare the outcome.
- (4) The chief executive officer will record in the minutes the names of members who voted in the affirmative and the names of the members who voted in the negative (in addition to the result of the vote).
- (5) Subregulation (3) may be varied at the discretion of the council pursuant to regulation 6.

18—Tabling of information

- (1) A member may require the chief executive officer to table any documents of the council relating to a motion that is before a meeting (and the chief executive officer must then table the documents within a reasonable time, or at a time determined by the presiding member after taking into account the wishes of the meeting, and if the member who has required the tabling indicates that he or she is unwilling to vote on the motion until the documents are tabled, then the matter must not be put to the vote until the documents are tabled).
- (2) The chief executive officer may, in tabling a document, indicate that in his or her opinion consideration should be given to dealing with the document on a confidential basis under section 90 or 91 of the Act.

19—Adjourned business

- (1) If a formal motion for a substantive motion to be adjourned is carried—
 - (a) the adjournment may either be to a later hour of the same day, to another day, or to another place; and
 - (b) the debate will, on resumption, continue from the point at which it was adjourned.
- (2) If debate is interrupted for want of a quorum and the meeting is then adjourned, the debate will, on resumption, continue from the point at which it was interrupted.
- (3) Business adjourned from a previous meeting must be dealt with before any new business at a subsequent meeting.
- (4) The provisions of this regulation may be varied at the discretion of the council pursuant to regulation 6.

20—Short-term suspension of proceedings

- (1) If the presiding member considers that the conduct of a meeting would benefit from suspending the operation of all or some of the provisions of this Division for a period of time in order to allow or facilitate informal discussions, the presiding member may, with the approval of at least two-thirds of the members present at the meeting, suspend the operation of this Division (or any part of this Division) for a period determined by the presiding member.
- (2) The Guiding Principles must be taken into account when considering whether to act under subregulation (1).
- (3) If a suspension occurs under subregulation (1)—
 - (a) a note of the suspension, including the reasons for and period of suspension, must be entered in the minutes; and
 - (b) the meeting may proceed provided that a quorum is maintained but, during the period of suspension—
 - (i) the provisions of the Act must continue to be observed¹; and
 - (ii) no act or discussion will have any status or significance under the provisions which have been suspended; and
 - (iii) no motion may be moved, seconded, amended or voted on, other than a motion that the period of suspension should be brought to an end; and
 - (c) the period of suspension should be limited to achieving the purpose for which it was declared; and
 - (d) the period of suspension will come to an end if—
 - (i) the presiding member determines that the period should be brought to an end; or
 - (ii) at least two-thirds of the members present at the meeting resolve that the period should be brought to an end.

Note—

- 1 See particularly Part 4 of Chapter 5, and Chapter 6, of the Act.

21—Chief executive officer may submit report recommending revocation or amendment of council decision

- (1) The chief executive officer may submit a report to the council recommending the revocation or amendment of a resolution passed since the last general election of the council.
- (2) The chief executive officer must ensure that the report is placed on the agenda for the meeting at which the report is to be considered.
- (3) The provisions of this regulation may be varied at the discretion of the council pursuant to regulation 6.

Part 3—Meetings of other committees

22—Application of Part

The provisions of this Part apply to or in relation to the meetings of any council committee that is not subject to the operation of Part 2.

23—Notice of meetings for members

Pursuant to section 87(15) of the Act, section 87 is modified in its application in relation to the meetings of a committee to which this Part applies as if subsections (4) and (7) to (10) of that section provided as follows:

- (a) that notice of a meeting of the committee may be given in a form determined by the committee after taking into account the nature and purpose of the committee;
- (b) that notice need not be given for each meeting separately;
- (c) that if ordinary meetings of the committee have a set agenda then notice of such a meeting need not contain, or be accompanied by, the agenda for the meeting;
- (d) that it is not necessary for the chief executive officer to ensure that each member of the committee at the time that notice of a meeting is given is supplied with a copy of any documents or reports that are to be considered at the meeting.

24—Public notice of committee meetings

Pursuant to section 88(7) of the Act, section 88 is modified in its application in relation to the meetings of a committee to which this Part applies as if subsections (2), (3) and (4) provided as follows:

- (a) that public notice need not be given for each meeting separately; and
- (b) that public notice may be given by displaying a notice and agenda in a place or places determined by the chief executive officer after taking into account the nature and purpose of the committee.

25—Minutes

- (1) The minutes of the proceedings of a meeting must include—
 - (a) the names of the members present at the meeting; and
 - (b) each motion carried at the meeting; and
 - (c) any disclosure of interest made by a member; and
 - (d) details of the making of an order under subsection (2) of section 90 of the Act (see subsection (7) of that section); and
 - (e) a note of the making of an order under subsection (7) of section 91 of the Act in accordance with the requirements of subsection (9) of that section.
- (2) The minutes of the proceedings at a meeting must be submitted for confirmation at the next meeting or, if that is omitted, at a subsequent meeting.

Part 4—Miscellaneous

26—Quorum for committees

- (1) The prescribed number of members of a council committee constitutes a quorum of the committee and no business can be transacted at a meeting unless a quorum is present.
- (2) For the purposes of this regulation, the *prescribed number* of members of a council committee is—
 - (a) unless paragraph (b) applies—a number ascertained by dividing the total number of members of the committee by 2, ignoring any fraction resulting from the division, and adding 1; or
 - (b) a number determined by the council.

Note—

See also section 41(6) of the Act.

27—Voting at committee meetings

- (1) Subject to the Act and these regulations, a question arising for decision at a meeting of a council committee will be decided by a majority of the votes cast by the members present at the meeting and entitled to vote on the question.
- (2) Each member of a council who is a member of a council committee and who is present at a meeting of the committee must, subject to a provision of the Act to the contrary, vote on a question arising for decision at that meeting.
- (3) The presiding member of a council committee has a deliberative vote on a question arising for decision at the meeting but does not, in the event of an equality of votes, have a casting vote.

28—Points of order

- (1) The presiding member may call to order a member who is in breach of the Act or these regulations.
- (2) A member may draw to the attention of the presiding member a breach of the Act or these regulations, and must state briefly the nature of the alleged breach.
- (3) A point of order takes precedence over all other business until determined.
- (4) The presiding member will rule on a point of order.
- (5) If an objection is taken to the ruling of the presiding member, a motion that the ruling not be agreed with must be moved immediately.
- (6) The presiding member is entitled to make a statement in support of the ruling before a motion under subregulation (5) is put.
- (7) A resolution under subregulation (5) binds the meeting and, if a ruling is not agreed with—
 - (a) the ruling has no effect; and
 - (b) the point of order is annulled.

29—Interruption of meetings by members

- (1) A member of a council or council committee must not, while at a meeting—
 - (a) behave in an improper or disorderly manner; or
 - (b) cause an interruption or interrupt another member who is speaking.
- (2) Subregulation (1)(b) does not apply to a member who is—
 - (a) objecting to words used by a member who is speaking; or
 - (b) calling attention to a point of order; or
 - (c) calling attention to want of a quorum.
- (3) If the presiding member considers that a member may have acted in contravention of subregulation (1), the member must be allowed to make a personal explanation.
- (4) Subject to complying with subregulation (3), the relevant member must leave the meeting while the matter is considered by the meeting.
- (5) If the remaining members resolve that a contravention of subregulation (1) has occurred, those members may, by resolution—
 - (a) censure the member; or
 - (b) suspend the member for a part, or for the remainder, of the meeting.
- (6) A member who—
 - (a) refuses to leave a meeting in contravention of subregulation (4); or
 - (b) enters a meeting in contravention of a suspension under subregulation (5),is guilty of an offence.
Maximum penalty: \$1 250.

30—Interruption of meetings by others

A member of the public who is present at a meeting of a council or council committee must not—

- (a) behave in a disorderly manner; or
- (b) cause an interruption.

Maximum penalty: \$500.

Schedule 1—Revocation of *Local Government (Procedures at Meetings) Regulations 2000*

The *Local Government (Procedures at Meetings) Regulations 2000* are revoked.

Legislative history

Notes

- For further information relating to the Act and subordinate legislation made under the Act see the Index of South Australian Statutes or www.legislation.sa.gov.au.

Principal regulations

Year	No	Reference	Commencement
2013	278	<i>Gazette 12.12.2013 p4642</i>	1.1.2014; r 2



TheBarossaCouncil

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE
OF THE BAROSSA COUNCIL**

held on Tuesday 30 October 2018, commencing at 10.31am in the
Council Chamber, 43-51 Tanunda Road, Nuriootpa

1. **WELCOME**

The Chair, Mr Peter Brass, declared the meeting open at 10.31am.

2. **MEMBERS PRESENT**

Mr Peter Brass, Mr Ian Swan, Cr John Angas, Cr Scotty Milne

Invited Staff Members

Mr Martin McCarthy, Chief Executive Officer

Mr Mark Lague, Manager Financial Services

Ms Nicole Rudd, Internal Control Compliance Officer

Ms Vicky Rohrlach, Senior Accountant

Ms Elizabeth Waters, Accountant

Mr Derek Jones, Risk Advisor (11.01am)

Ms Annette Randall, Executive Assistant (Minute Secretary)

In Attendance

Mr David Papa and Mr Matthew Brunato from Bentleys SA Pty Ltd
(External Auditor)

3. **APOLOGIES**

Ms Tanya Johnston

4. **CONFIRMATION OF MINUTES FROM PREVIOUS MEETING**

MOVED Mr Swan that the Minutes of the Audit Committee Meeting held 22 May 2018
be confirmed as a true and correct record of the proceedings of that meeting.

Seconded Cr Angas

CARRIED 2018-19/1

5. **BUSINESS ARISING FROM PREVIOUS MINUTES**

Nil

6. **CONSENSUS AGENDA**

6.1 **ITEMS FOR EXCLUSION FROM THE CONSENSUS AGENDA**

Nil

7. **ADOPTION OF CONSENSUS AGENDA**

7.1 **RECEIPT OF CONSENSUS AGENDA**

Not Confirmed

MOVED Cr Angas that the Consensus Agenda reports be received and any recommendations contained therein be adopted.

Seconded Cr Milne

CARRIED 2018-19/2

Mr Brass requested that officers prepare an action plan to record each matter identified in the Audit Committee Annual Self-Assessment and that actions taken be reported to the Audit Committee.

8. DEBATE AGENDA

With the leave of the Audit Committee Mr Brass approved the bringing forward of the Debate Reports 8.1.2 and 8.1.3 to allow the External Auditors to address the Committee and leave for their next appointment.

8.1.2 NURIOOTPA CENTENNIAL PARK AUTHORITY – 2017/18 ANNUAL FINANCIAL STATEMENTS

B7455

Mr Lague spoke to the highlights of the report and answered Members questions, advising that the Nuriootpa Centennial Park Authority (NCPA) Audit Committee approved the NCPA Financial Statements at their meeting on 25 October 2018 and a signed copy has been provided to Council.

MOVED Mr Swan that the 2017/18 Annual Financial Statements for the Nuriootpa Centennial Park Authority be endorsed and presented to Council for adoption.

Seconded Cr Angas

CARRIED 2018-19/3

PURPOSE

To provide a copy of the audited final signed Nuriootpa Centennial Park Authority Annual Financial Statements (FS) for the year ended 30 June 2018. (Refer Attachment 1).

REPORT

Introduction

In accordance with Section 126(4) of the Local Government Act 1999, the Committee must review the Annual Financial Statements to ensure that they present fairly the state of affairs of the Council.

Discussion

The Council Auditors commenced their Balance Date Audit on 8 -10 and 12 October 2018.

The NCPA Audit Committee Meeting to be held on 25 October 2018 will consider the NCPA FS and if approved, present for adoption to the NCPA Board to their November meeting.

Council officers have provided information to the Auditors to ensure they were able to conduct their audit and have made necessary adjustments to the report as required. The Auditors have reviewed the Financial Statements and have provided Council with a draft Independent Auditor's Report (refer Attachment 2).

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Nuriootpa Centennial Park Authority Annual Financial Statements for the year ended 30 June 2018

Attachment 2: Draft Independent Auditor's Report – Financial Statements 2017/18

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan



How We Work – Good Governance

Not Confirmed

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.
- 6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.
- 6.9 Provide access to Council's plans, policies and processes and communicate with the community in plain English.
- 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Local Government Act 1999 – Section 126(4)

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial

The financial statements have been incorporated into Council's consolidated Financial Statements.

COMMUNITY CONSULTATION

No separate consultation is required under Council's Public Consultation Policy. The Statements are public documents, accessible to the community via Council's website.

8.1.3 THE BAROSSA COUNCIL 2017/18 ANNUAL FINANCIAL STATEMENTS

B7455

Mr Lague spoke to the highlights of the report and answered questions from the Members. (Noted that the "175" appearing in the table at the bottom of page 175 of the Agenda [being page 45 of the Financial Statements] was in fact, the page number in the footer and not a figure in the Financial Statements.)

Mr Papa and Mr Brunato provided a brief summary of Bentleys Final Report on Audit Findings.

MOVED Cr Milne that subject to final confirmation with Council auditors, the 2017/18 Annual Financial Statements be endorsed and presented to Council for adoption.

Seconded Cr Angas

CARRIED 2018-19/4

PURPOSE

To provide a copy of the Annual Financial Statements for the year ended 30 June 2018 for review. (Refer Attachment 1).

REPORT

Introduction

In accordance with the Local Government Act 1999, Section 126(4) the Committee must "...review the adequacy of the financial management systems and practices of the Council...". This is to ensure that they present fairly the state of affairs of the Council.

As required in the Terms of Reference "the Committee shall monitor the integrity of the financial statements of the Council, including its annual report, reviewing significant financial reporting issues and judgements they contain".

Discussion

The Council Auditors conducted their Balance Day Audit on 8 - 10, and 12 October 2018. Council Officers have provided information to the Auditors to ensure they were able to conduct their audit and have made necessary adjustments to the report as required.

The Auditors have reviewed the financial statements and have provided Council with the following:

- an Audit Completion Report for the Financial Year Ended 30 June 2018 (Attachment 2)

Not Confirmed

- A draft Independent Auditor's Report – Financial Statements 2017/18 ([Attachment 3](#))
- A draft Independent Auditor's Report – Internal Controls 2017/18 ([Attachment 4](#))
- Letter regarding completion of the Audit ([Attachment 5](#))

A final copy of the financial statements will be presented to Council at a meeting on 6 November 2018.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Draft - The Barossa Council 2017/18 Annual Financial Statements.
Attachment 2: Final Report on Audit Findings Financial Year Ended 30 June 2018
Attachment 3: Draft - Independent Auditor's Report – Financial Statements 2017/18
Attachment 4: Draft - Independent Auditor's Report – Internal Controls 2017/18
Attachment 5: Letter Bentleys SA – Financial Statements Audit 2018

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan



How We Work – Good Governance

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.
- 6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.
- 6.9 Provide access to Council's plans, policies and processes and communicate with the community in plain English.
- 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Section 126(4) of the Local Government Act 1999
Local Government (Financial Management) Regulations 2011

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial

All known financial and resourcing requirements as at 30 June 2018 have been included in the financials.

Risk Management

Risk management issues are considered by Management throughout the financial year and communicated to Council as required.

COMMUNITY CONSULTATION

No separate consultation is required under Council's Public Consultation Policy. The Statements are public documents, accessible to the community via Council's website.

Mr Papa and Mr Brunato left the meeting at 11.16am.

8.1.1

THE BAROSSA COUNCIL QUARTER 4 – 2017/18 PERFORMANCE & ACTIVITY REPORT **B3865**

MOVED Cr Angas that the Audit Committee receives and notes The Barossa Council Quarter 4 – 2017/18 Performance & Activity Report.

Seconded Mr Swan

CARRIED 2018-19/5

Not Confirmed

PURPOSE

To provide Council's Quarter 4 – 2017/18 Performance and Activity Report on measures adopted within the Barossa Council Corporate Plan 2016/17 to 2019/20 (refer Attachment).

REPORT

Background

Since November 2016, Council and the Audit Committee have been presented with Quarterly Performance Reports on measures adopted within the Corporate Plan. The Barossa Council Quarter 4 – 2017/18 Performance and Activity Report (the Report) was presented to the 21 August 2018 Council meeting.

Introduction

The Report provides performance results against Corporate Plan measures as at 30 June 2018. It also includes a suite of activity measures, providing a snapshot of activity undertaken over the quarter in the delivery of key internal and external Council services under each Community Plan Theme.

Discussion

During the fourth quarter, operational use of Council's holistic enterprise level strategic planning and reporting software (Magiq) has continued. The solution has allowed better access to a broader range of data and improved the efficiency and effectiveness of data analysis in preparing reports during 2017/18.

With the ongoing implementation of Magiq Software, officers are continuing to refine counting rules and formulas for the extraction and analysis of data, which may result in the revision of previously reported results where the data has been refined or cleansed. Where this is the case, the report will include a disclaimer regarding the nature of any changes implemented and its impact on the data.

Additionally, where justification exists, performance targets may be amended to reflect a more realistic figure. As above, where this is the case, the report will include an explanation of the nature of and justification for any changes implemented and its impact on the data.

Overall, it is anticipated that comparison data reported will become more longitudinal as the reporting system grows and allow the representation of trends over time. It is anticipated that this will facilitate an increase in evidence based strategic policy decision making by Council and the executive team.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

The Barossa Council Quarter 4 – 2017/18 Performance & Activity Report.

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

A6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.

Legislative Requirements

Nil

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Current resources are sufficient to provide ongoing quarterly reporting.

COMMUNITY CONSULTATION

Community consultation is not required under the Act or Council's Public Consultation Policy.

8.1.4 REPORT ON FINANCIAL RESULTS 2017/2018 (AS AT 30 JUNE 2018)

B7455

Mr Lague spoke to the Report, advising that an updated version with corrected graph (page 29) and typos, will be presented to the 6 November 2018 Council Meeting.

MOVED Mr Swan that the Report on Financial Results for 2017/2018 be endorsed and presented to Council for adoption.

Seconded Cr Angas

CARRIED 2018-19/6

PURPOSE

To provide a copy of the Report on Financial Results for 2017/2018 (as at 30 June 2018) for review. (Refer [Attachment 1](#)).

REPORT

Discussion

The Report on Financial Results is prepared following the completion of the Financial Statements. This report provides a final variance report for the actual results as compared to the adopted budget, along with suggested carried forward adjustments to the 2018/2019 financial year.

The report provides information as to the financial position of Council, containing: Executive Summary, Uniform Presentation of Finances, Key Performance Indicators, Financial Statements with Variance Reporting as compared to the original budget and compared to last year actual results.

The report also provides a list of proposed Operating and Capital Budget carried forward adjustments. Many of these adjustments are for projects not completed by 30 June 2018 for various reasons and/or are attached to grant funding/contributions for programs in 2018/2019.

For further analysis, reference should be made to the Annual Financial Statements 2017/2018, attached to Agenda item 8.1.3.

The report also includes capital expenditure and new initiatives review.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Report on Financial Results 2017/2018

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan



How We Work – Good Governance

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.
- 6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.
- 6.9 Provide access to Council's plans, policies and processes and communicate with the community in plain English.
- 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Section 126(4) of the Local Government Act 1999

Local Government (Financial Management) Regulations 2011

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Not Confirmed

Financial

To enable Council to make effective and strategic financial decisions, a regular up to date high level financial report is provided. This report contains budget adjustments for decisions Council has made since the last review and other adjustments to meet financial changes in capital and/or operational areas. The document contains comments and implications for the Long Term Financial Plan as a result of this review.

At the 27 June 2018 Special Council Meeting, Council approved for continuation of works in progress estimated at over \$2.1m. These capital expenditure projects, along with a number of others and operating items, are included within this report as carried forward to the 2018/19 financial year for Council consideration and approval at their next meeting.

COMMUNITY CONSULTATION

Community Consultation was part of the original budget adoption process in June 2017, as per legislation.

8.1.5

INTERNAL FINANCIAL CONTROL REPORT

B7455

Ms Rudd introduced the Report and officers provided further information on the Business Continuity Plan and Delegations of Authority.

MOVED Cr Milne that the report from the Coordinator Internal Control on the status of Internal Financial Control work, be received and noted.

Seconded Mr Swan

CARRIED 2018-19/7

PURPOSE

To provide an update on the status of Internal Financial Control work.

REPORT

Attached is a copy of the Internal Financial Control Report for April to August 2018.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Nil

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

How We Work – Good Governance

- 6.2 Ensure that Council's policies and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.

Legislative Requirements

Local Government Act 1999 – Section 125, 126, 129 (1) (b)

Local Government (Financial Management) Regulations 2011, 14(e)

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

The regular monitoring and review of Council's financial internal controls and risk assessments will significantly facilitate the on-going safeguarding of Council assets. The control and review of risks is a core officer function and responsibility.

COMMUNITY CONSULTATION

Not required under legislation or Council's Public Consultation Policy.

8.1.6

UPDATE – RISK MANAGEMENT PROGRAMS AND PROJECTS

B7531

Mr Jones spoke to the Report and answered questions from the meeting.

MOVED Cr Angas that the Audit Committee:

- (1) receives and notes the report on the progress of Risk Management Programs and Projects;
- (2) endorses The Barossa Council Strategic Risk Register, Consequence and Likelihood Tables and Risk Matrix.

Seconded Cr Milne

CARRIED 2018-19/8

PURPOSE

- To present a quarterly report on the progress of Risk Management programs and projects.
- To seek endorsement of the Consequence and Likelihood Tables, Risk Matrix and Strategic Risk Register is requested.

REPORT

Risk Management

Risk Services has drafted the "Risk Plan 2019 – 2021". The Plan is made up of 2 Programs and 4 Projects. The Risk Team has aligned the Plan with active programs and projects to gain leverage from and for the existing plans. The Plan has been submitted to the Corporate Management Team (CMT) for review. Further consultation with CMT/CEO is required before endorsement can be sought. Risk and CMT are committed to having the plan endorsed by 30 October 2018.

Programs

1. Community Resilience and Emergency Management
2. Change Management
 - a. As the program relates to Risk and Safety
 - b. Process Review, simplification and improvement
 - c. Organisational Risk

Projects

1. Contractor Monitoring and Support
2. Hazard management – Plant
3. Health management – fit for work, drug and alcohol, aging workforce, mental health
4. Volunteer integration – training support, consultation and skills matching

Risk Management Action Plan

The 2018 Risk Management Action Plan, derived from the LGA Mutual Liability Scheme Risk Evaluation criteria, is complete in readiness for the risk evaluation to be conducted by LGAMLS over 3 days from 30 October 2018.

The 2019 - 2021 Risk Plan and proposed LGAMLS evaluation criteria will feed into the development of the 2019 Risk Management Action Plan.

Strategic Risk Management

Audit Committee endorsement of the Consequence and Likelihood Tables and Risk Matrix (*Attachment 1*) and Strategic Risk Register (*Attachment 2*) is requested.

CMT has endorsed the revision of the Consequence and Likelihood Tables, Risk Matrix and Strategic Risk Register. The Strategic Risk Register has been assessed by CMT and Risk Services. All risk items have either been accepted with the routine processes and any control already in place, or where appropriate, additional controls have been recommended.

The next phase will be to create an action plan to ensure the controls are implemented and reviewed for effectiveness.

Risk Services has looked at how other councils manage their Risk Register with the intention of making it a valuable working document. Options will be presented to CMT for consideration.

Not Confirmed

KPI Action Plan for 2018

The 2018 Key Performance Indicator Action Plan (KPI Action Plan), driven by LGAWCS, commenced in January 2018, closing in September 2018. An extension was granted by LGAWCS until 30 October 2018. Risk Services is of the opinion that the regional risk coordinator, Rob Castle, will assess us as 90% -100% complete on these set actions.

Risk Services will draft a proposed KPI Plan for next year, drawing from the 2019 – 2021 Risk Plan. It is hoped the KPI Plan will be drafted before the close of the calendar year.

Risk Management Quarterly Report

Council's Risk Management Quarterly Reports for the fourth quarter of 2017/18 and the first quarter 2018/19 (*Attachment 3*) provide details on Risk Management, Work Health Safety and Insurance.

Emergency Management and Community Resilience

All Council facilities that require emergency management plans and instructions have been assessed and the majority have been provided with updated and compliant "you are here" maps showing exits, emergency equipment and assembly areas. The exceptions have been the locations identified for structural changes as part of the "Big Project".

The Risk Advisor, Derek Jones, has been engaging with the LGA Functional Support Group and LG Emergency Management Planning, with the view to progress the work that Barossa and the surrounding regions have already done in this space.

Ten LIFEPAK CR2, Automatic External Defibrillators (AEDs), have been purchased by Council with the funds made available through the LGAMLS and LGAWCS incentive program, one from funds raised by the Friends of the Library, and a Phillips AED donated by The Woman of the Barossa (CWA) and already installed at the CWA Hall in Tanunda. A gap analysis of the known locations of AEDs throughout The Barossa Council has informed a draft plan for 24 hour public access locations servicing the following townships:

- Stockwell
- Nuriootpa
- Angaston
- Tanunda
- Eden Valley
- Lyndoch
- Williamstown
- Mount Pleasant
- Springton

Business Continuity Plan (BCP)

All levels of service that Council provides were reviewed to identify critical services. The review utilised the drafted Risk Matrix (Consequence and Likelihood Tables) to identify the incidents that would prevent Council from providing those services. It then looked at what the community response might be if those services are not available for a period of time, to determine the critical functions.

This work was recently revised by the Organisational Development & Risk team to align it with the Services Review.

The BCP will be provided to the Organisational Management Group for review, and then back to Paul Kerrish from JLT to develop the critical function sub plans.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Risk Matrix; Likelihood and Consequence Tables (18/42058*)

Attachment 2: The Barossa Council Strategic Risk Register (18/40117*)

Attachment 3: Risk Management Quarterly Reports:

- Fourth Quarter 2017/18 (18/45849)
- First Quarter 2018/19 (18/72915)

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan

Not Confirmed



How We Work – Good Governance

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.

Legislative Requirements

Local Government Act 1999

Work Health Safety Act 2012

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Addressed within the Report.

COMMUNITY CONSULTATION

Not required under legislation or Council's Public Consultation Policy.

8.1.7

CHANGE PROGRAM

B7455

Mr McCarthy provided a presentation on The Barossa Council Change Program.

MOVED Mr Swan that the Change Program presentation be received and noted.

Seconded Cr Milne

CARRIED 2018-19/9

PURPOSE

To table the Change Program with the Audit Committee.

REPORT

Background

Council and its executive team, over the past 18 or so months, has undertaken a Service Review and from that, various sub-level reviews of the organisation.

Introduction

As a result of the service and sub-level review work undertaken, a change program has been established to deliver process, people and technology change.

Discussion

At the meeting the Chief Executive Officer will provide a presentation on the change program and status.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Nil

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

- 6.5 Implement compliant and contemporary risk management initiatives.
- 6.6 Define and deliver on agreed Customer Service Standards for Council service delivery.
- 6.10 Embed a culture of continuous improvement across Council, with tools, processes and systems being used to achieve business efficiencies and customer service improvements.
- 6.11 Maximise the use and integration of Information and Communications Technology systems to enhance external and internal customer service outcomes.

Not Confirmed

- 6.12 Ensure that our people (workers including employees, volunteers and contractors) have the skills, resources and understanding of organisational processes to do their job.
- 6.14 Pursue organisational excellence including shared services or other collaboration initiatives to reduce operating costs.

Legislative Requirements

Nil

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Resources have been applied in the 2018/19 draft budget to support the high priority work.

COMMUNITY CONSULTATION

Community consultation is not required under the Act or Council's Public Consultation Policy.

8.1.8

DRAFT ANNUAL REPORT FOR THE BAROSSA COUNCIL - 2017/18 FINANCIAL YEAR

B8473

MOVED Cr Milne that the Audit Committee, having reviewed The Barossa Council Annual Report for the 2017/18 financial year, endorse the Report.

Seconded Mr Swan

CARRIED 2018-19/10

PURPOSE

To review and endorse The Barossa Council Annual Report for the 2017/18 financial year.

REPORT

Council is required to prepare an Annual Report in accordance with Section 131 of the Local Government Act and adopt the report by 30 November 2018.

The draft Report, excluding the consolidated financial statements, which in draft form are also presented under another Agenda item for the Audit Committee, is provided at the Attachment. The Report provides pertinent and legislative disclosure requirements.

The Audit Committee has a role in reviewing the Report to review Council performance against goals and the efficiency and economy aspects of service delivery which are encased within the Report.

Clause 2.2.2 of its Terms of Reference requires the Committee to "*Review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management.*"

Committee members are asked to review the document and provide any comments or suggested changes at the meeting.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Draft Annual Report for 2017/18 Financial Year

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

- 6.1 Ensure that the community has access to information regarding the discussions held and decisions made by Elected Members.
- 6.7 Implement strategies for the community to be actively engaged in Council decision making through sound information and communication.

Not Confirmed

- 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Section 131 of the Local Government Act

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Existing resources are adequate. There are no risk management considerations.

COMMUNITY CONSULTATION

No consultation is required or proposed to be undertaken. The Report once completed, will be made publicly available.

8.1.9

DRAFT ANNUAL REPORT OF AUDIT COMMITTEE'S ACTIVITIES 2017-18

B7455

MOVED Cr Angas that the draft Annual Report of Audit Committee's Activities for 2017-18 be approved for submission to Council.

Seconded Mr Swan

CARRIED 2018-19/11

PURPOSE

A draft Annual Report of the Audit Committee's activities is attached for approval.

REPORT

Introduction

One of the activities of an Audit Committee identified in the LGA Information Paper 14 'Model Work Program for Council Audit Committees' is its annual reporting to Council. Subsequent Information Paper 19 'Audit Committee Reporting' presents a 'best practice' approach for Council's to adopt.

Discussion

The Chairman's draft report follows the model template set out in the Information Paper. The Chairman will present his report to a future Council meeting.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Draft Annual Report of Audit Committee's Activities 2017-18

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.
- 6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.
- 6.9 Provide access to Council's plans, policies and processes and communicate with the community in plain English.
- 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Not Confirmed

Local Government Act – Section 126

LGA Information Paper 19 'Audit Committee Reporting'

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Council's Audit Committee has a key role in its good governance framework. Good communication between the Committee and the Council will ensure that financial and risk management issues raised receive appropriate consideration and attention.

COMMUNITY CONSULTATION

Council's Audit Committee Annual Report on Activities for 2017-18 will be available to the public via Council's website.

8.2 POLICIES FOR REVIEW

8.2.1

ELECTED MEMBERS' ALLOWANCES AND BENEFITS POLICY

B1485

MOVED Cr Angas that the Audit Committee endorses in principle, the draft updated Elected Members' Allowances and Benefits Policy.

Seconded Cr Milne

CARRIED 2018-19/12

PURPOSE

The current Elected Members' Allowances and Benefits Policy was approved by Council on 19 April 2016. An updated draft version ([Attachment 1](#)) is presented for review and comment by the Audit Committee.

REPORT

Introduction

The Elected Members' Allowances and Benefits Policy sets out the allowances, reimbursement of expenses and the provision of benefits by Council to the Elected Members. The Policy lapses upon the general elections and is required to be reviewed and presented to Council following an election.

Discussion

The Policy has been updated to:

- include updated financial figures released by the Remuneration Tribunal (links provided in the comments section of the document);
- implement improved process changes;
- allow for Council to make policy decisions; and
- make minor corrections

In order to ensure that the Policy is reviewed in a timely manner, contemporaneously to review of the draft Policy by the Audit Committee, relevant officers will be consulted on the draft Policy, pursuant to Council's Policy Framework. All comments and changes will then be incorporated to the document and presented to the Corporate Management Team for final consultation/review before being presented to the first Council Meeting following the Elections.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Draft Elected Members' Allowances and Benefits Policy

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS



How We Work – Good Governance

Corporate Plan

Not Confirmed

6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.

Legislative Requirements

Local Government Act 1999

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial – There will be an earlier payment of Elected Members following the next periodic election ie from the end of the periodic election rather than from the first meeting of the new council.

Resource – Nil

Risk is reduced by the transparency and accountability provisions provided in the Local Government Act 1999 and this Policy.

COMMUNITY CONSULTATION

No community consultation is required under legislation or Council's Public Consultation Policy.

8.2.2

DISPOSAL OF LAND AND OTHER ASSETS POLICY

B2247

Mr Lague spoke to the Report. Mr Brass suggested including a statement in relation to charitable status in the Definition of "Non-profit association".

MOVED Mr Swan that the Audit Committee endorses in principle, the draft updated Disposal of Land and Other Assets Policy.

Seconded Cr Angas

CARRIED 2018-19/13

PURPOSE

The current Disposal of Land and Other Assets Policy was approved by Council on 10 September 2014. An updated draft version (Attachment 1) is presented for review and comment by the Audit Committee.

REPORT

Introduction

The Disposal of Land and Other Assets Policy sets out the methods by which Land and Other Assets are disposed of and is required to be reviewed every four years.

Discussion

The Policy has been updated to include the following changes:

- Minor updates to the various definitions including Other Assets, Community Land, Not for Profit and Volunteers of The Barossa Council.
- Clarification of 4.4 Accounting for Disposal of Attractive Assets.
- Tidy up of clause 4.4.1 Land Disposal.

The relevant officers have been consulted on the draft Policy, pursuant to Council's Policy Framework and all changes are incorporated in (Attachment 1). The Corporate Management Team have reviewed the document and it is now ready for review by the Audit Committee prior to being put to Council.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Draft Disposal of Land and Other Assets Policy

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS



Corporate Plan

6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.

Legislative Requirements

Local Government Act 1999

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial - Nil

Resource – Nil

Risk is reduced by the transparency and accountability provisions provided in the Local Government Act 1999 and this Policy.

COMMUNITY CONSULTATION

No community consultation is required under legislation or Council's Public Consultation Policy.

9. OTHER BUSINESS

9.1 Query – Informal Gathering

Cr Angas queried whether a gathering of Council or Committee Members for a meal following a formal meeting was considered as an 'Informal Gathering'. Mr McCarthy advised that it was not the original intent of the legislation, but will investigate and provide an answer to the Members.

9.2 Cr Milne

Cr Milne advised that today was his last Audit Committee meeting as he was not standing for re-election in the current Local Government Elections. He has enjoyed his time on the Committee and thanked everyone for their support.

9.3 Thanks to Finance Team

Mr McCarthy wished to recognise the excellent work of the Finance Team in producing the Financial Statements for The Barossa Council and the Nuriootpa Centennial Park Authority. Mr Brass concurred with his comments.

10. NEXT MEETING

To be advised.

11. CLOSURE OF MEETING

There being no further business, Mr Brass thanked Cr Milne for his service to the Committee and closed the meeting at 12.25pm.

Confirmed:

Chairman:

Date:

AUDIT COMMITTEE

CONSENSUS

8 JANUARY 2019

9.1 REPORTS FOR INFORMATION

9.1.1 AUDIT COMMITTEE WORK PLAN 2017/18

The Audit Committee Work Plan (*attached*) has been updated.

9.1.2 RECEIVE FINAL ADOPTED 2017/18 ANNUAL FINANCIAL STATEMENTS

Further to Report 8.1.3 from the 30 October 2018 Audit Committee meeting, the final adopted 2017/18 Annual Financial Statements were adopted by Council on 6 November 2018, and are available on Council's website – www.barossa.sa.gov.au

9.1.3 RECEIVE ADOPTED QUARTERLY BUDGET UPDATE AS AT 30 SEPTEMBER 2018

The quarterly budget update as at 30 September 2018 was adopted by Council on 26 November 2018 and is available on Council's website.

9.1.4 THE BAROSSA COUNCIL ANNUAL REPORT

Further to Report 8.1.8 from the 30 October 2018 Audit Committee meeting, The Barossa Council Annual Report 2017/18 was adopted by Council on 6 November 2018 and is available on Council's website.

9.1.5 LOCAL GOVERNMENT (RATEPAYER PROTECTION AND RELATED MEASURES) AMENDMENT BILL 2018

A Bill for an Act to amend the Local Government Act 1999. SA Labour introduced the Bill into the Legislative Council in November 2018 as an alternative to the Government's rate capping bill. The LGA prepared a preliminary analysis of the Bill (copy *attached*) and requested feedback from councils by 30 November (Circular 45.7). Page 11/12 contains comments in relation to Amendment of section 126 – Audit Committees. The Audit Committee may consider it appropriate to provide comments or feedback to Council on the proposed reforms. The current inclusion of the Elected Members as members in the Audit Committee enables a direct relationship to Council and its discussions and detailed review at Financial, Governance, Audit and Risk areas. The Bill has passed the Upper House and is now subject to consideration in the Lower House where the Government has the majority numbers.

RECOMMENDATION:

That Reports for Information items 9.1.1 to 9.1.5 be received.

The Barossa Council Audit Committee Work Plan 2018/19

(4 meetings each financial year - October, December, February, June)

Activity	Responsible Officer	Estimated Timing	Frequency	Current Status		Date Completed	Comments
						2018/19	
Financial Reporting							
Review and establish Audit Committee budget	Manager Financial Services	Feb Meeting	Annually				Suggest the meeting is held mid-late March as December meeting postponed until January
Review draft AB&BP document which includes the LTFP	Manager Financial Services	June meeting	Annually				
Review Treasury Management performance	Senior Accountant	Feb Meeting	Annually				
Review Budget Update – Quarterly as at 31 March	Manager Financial Services	June meeting	Annually				
Review Budget Update – Quarterly as at 30 September	Manager Financial Services	Dec meeting	Annually				Refer Agenda item 9.1.3
Review Mid – year Budget Review – Quarterly as at 31 December	Manager Financial Services	Feb Meeting	Annually				
Receive draft Financial Statements for last financial year - Council and Nuriootpa Centennial Park Authority including Auditor attendance	Manager Financial Services	Oct meeting	Annually			30/10/2018	
Draft Report on Financial Results, including carry forwards	Manager Financial Services	Oct meeting	Annually			30/10/2018	
Receive adopted Financial Statements and Report on Financial Results for last year - Council and Nuriootpa Centennial Park Authority	Manager Financial Services	Dec meeting	Annually				Refer Agenda item 9.1.2
Review of Finance / Accounting Policies	Manager Financial Services		As required			30/10/2018	
Internal Controls and Risk Management Systems							
Review and recommend the approval of statements to be included in the annual report on internal control (Audit Committee TOR requirement)	Coordinator Internal Controls	Oct Meeting	Annually			30/10/2018	

Activity	Responsible Officer	Estimated Timing	Frequency	Current Status		Date Completed	Comments
Receive Internal Financial Controls Compliance report from Internal Control Co-ordinator	Coordinator Internal Controls	Each normal meeting	Quarterly			30/10/2018	
Review and recommend the approval of statements to be included in the annual report on risk management.	Risk Manager	Oct Meeting	Annually			30/10/2018	
Receive quarterly Performance and Activity Reports	CEO	Each normal meeting	Quarterly			- 30/10/18	Refer Agenda item 11.1.1
Receive Risk Management report from Risk Manager - Reports regarding WHS Planning Review, in particular, improvements made to the Organisational Risk Register	Risk Manager	Each normal meeting	Quarterly			- 30/10/18	Refer Agenda item 11.1.2 The regular reporting requirement reinforced from Audit Committee Self Assessment 2018
Receive directorate risk reports showing relevant risks and how they are being managed	CMT Members / Risk Manager		As required				Target is one directorate reports on a quarterly basis - will commence once the final corporate risk registers completed.
Report on Local Government Mutual Liability Risk Management Review	Risk Manager		As required				
Review decisions on interpretations of accounting standards taking into account the views of management and the external auditors.	Manager Financial Services		As required			30/10/2018	
External Audit							
Review any representation letter(s) requested by the external auditors	Manager Financial Services		As required			30/10/2018	
Discuss with management and/or external auditors any matters arising from the interim audits	Manager Financial Services		As required			30/10/2018	
Discuss with management and/or external auditors any matters arising from the year end audit	Audit Committee	Oct Meeting	Annually			30/10/2018	
Oversee the selection process for new auditors or reappointment of existing auditors	Audit Committee	prior to 30/6/17	By 30/6/17 and as required	Completed		4/05/2017	

Activity	Responsible Officer	Estimated Timing	Frequency	Current Status		Date Completed	Comments
Reporting Responsibilities							
Establish meeting schedule and work plan	Manager Financial Services	June Meeting	Annually				
Propose and provide information relevant to the review of Council's Strategic Management Plans	CEO		As required				
Risk Management/ Governance/Strategic/Finance policies review as required	Various Officers		As required				
Annual report on Audit Committee activities to Council	Audit Committee Chairperson	Oct meeting	Annually			30/10/2018	
Chairperson to present Audit Committee Annual Report to Council	Audit Committee Chairperson	Nov/Dec Council meeting	Annually			18/12/2018	
Review Council Annual Report	CEO	Oct Meeting	Annually			30/10/2018	
Complete Audit Committee annual self-assessment	Audit Committee	Dec meeting	Annually			30/10/2018	
Business Continuity Plan update	Risk Manager		As required			30/10/2018	
The annual LGAWCS KPI Audit Report	Risk Manager		Annually				
Other							
Appointment of Independent Members (2 year terms) Mr Brass - to 27 Jan 2019 Ms Johnston - to 27 Jan 2019 Mr Swan - 28/1/18 to 27/1/20	Manager Financial Services		As required				Refer Agenda item 11.1.3
From Audit Committee Self Assessment 2018							
Induction/training of new Committee members							1 new Elected Member and new Independents to be enrolled n LGA Audit Committee training (Next scheduled date available 22 March 2019) Refer Attached.

Activity	Responsible Officer	Estimated Timing	Frequency	Current Status		Date Completed	Comments
Council to consider internal audit function expansion beyond financial controls							
Audit Committee Membership - recruiting to ensure appropriate skill set and ability							
Meeting Actions							
(12/6/13 and 8/6/16 meetings) Policy and Process for treatment of Attractive Assets and review of current controls to ensure they are adequate	MFS			Work in progress			Stocktakes held; ICT and Depot Registers started; work progressing but considered low priority.
(5/10/17 meeting) Strategic Corporate Risks - CEO continue to provide reports and updated risk assessments to the Audit Committee as works are undertaken.	CEO		Quarterly			30/10/2018	Audit Committee Self Assessment 2018: Strategic Risk Management and reporting to provide greater assurance on risks being adequately managed.
(5/10/17 meeting) Service Review and Continuous Improvement - CEO continue to provide reports and findings to the Audit Committee as works are undertaken.	CEO						
(22/5/18 meeting) MFS to prepare an action plan to record each matter identified in Bentley's draft report on Audit Findings, including the responsible person and date for completion, and that actions taken be reported to Council and the Audit Committee	MFS	2018/19 - various timelines		Work in progress			Refer to MFS response 24 May 18 on Audit Findings for action required, when, and by whom (TRIM 18/35531 & 18/73278)
(30/10/18 meeting) Officers prepare an action plan to record each matter identified in the Audit Committee Self-Assessment and that actions be reported to the Audit Committee	MFS						
(30/10/18 meeting) MFS to include a statement regarding "charitable status" in the Definition of "Non-profit association" in the draft updated Disposal of Land and Other Assets Policy	MFS					6/11/2018	Completed
(30/10/18 meeting) CEO to investigate whether a gathering of Council or Committee Members for a meal following a formal meeting is considered as an 'Informal Gathering' and advise members	CEO					14/12/2018	Answer - Is not an Informal Gathering

Audit Committees - General Overview

Duration: 9:30am to 12:30pm

Delivery Options: Face to face and webinar

For: Elected Members, audit committee members and council staff.

Course Overview:

Whether you are a member of an Audit Committee or not the role of the Audit Committee is important to understand.

This session provides a broad overview of the legislative and practical responsibilities of an Audit Committee as part of council's leadership and good governance obligations.

If you are an Audit Committee Member we recommend this additional training. **Audit Committees- for Audit Committee Members**. For further information please follow this link: <http://training.lga.sa.gov.au/index.cfm/course/?id=45483&type=w>

For further information about the content of this program or to enquire about having the content tailored to your specific council or regional needs please contact Liz O'Flynn at liz.oflynn@lga.sa.gov.au or on 8224 2044.

For further information about holding a session in-house at your council or at a hub in your region please contact Emma Urvan at emma.urvan@lga.sa.gov.au or on 8224 2035.

HALF DAY TRAINING	
\$330 + GST	Per participant
\$300 + GST	2 to 5 participants per council
\$285 + GST	6 to 10 participants per council
Contact us!	11 + participants
Training includes morning or afternoon tea	

Upcoming Dates

Audit Committees - General Overview LG House, 148 Frome St Adelaide 5000 22 Mar 2019 [Book Now](#)

[Register for Training Waitlist](#)

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Audit Committees - for Audit Committee Members

Duration: 1:00pm to 4:00pm

Delivery Options: Face to face and webinar

For: Elected Members, council staff and audit committee members

Course Overview:

This training provides a disciplined approach to evaluating and improving the effectiveness of council's financial management, risk management, internal controls and governance processes.

The session will provide practical information and discussion on being an effective Audit Committee member.

If you are new to Audit Committees we recommend attending **Audit Committees - General Overview**

For further information and to enrol in this session please follow this link:

<http://training.lga.sa.gov.au/index.cfm/course/?id=45482&type=w>

For further information about the content of this program or to enquire about having the content tailored to your specific council or regional needs please contact Liz O'Flynn at liz.oflynn@lga.sa.gov.au or on 8224 2044.

For further information about holding a session in-house at your council or at a hub in your region please contact Emma Urvan at emma.urvan@lga.sa.gov.au or on 8224 2035.

HALF DAY TRAINING	
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\$285 + GST	6 to 10 participants per council
Contact us!	11 + participants
Training includes morning or afternoon tea	

Upcoming Dates

Audit Committees - for Audit Committee Members | LG House, 148 Frome St Adelaide 5000 | 22 Mar 2019 | [Book Now](#)

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Audit Committees

Duration: 9:30am to 12:30pm

Delivery Options: LGA, Webinar and Regional – please email [Emma Urvan](#) to discuss details

For:

Members of Local Government Audit Committees (including independent members).

Course Overview:

The Local Government Act 1999 requires Councils to establish audit committees and Section 126 sets out the principal functions and extent of authority for audit committees.

This session will highlight the legislative responsibilities of audit committees and the critical role they play in the financial reporting framework of Councils. It will also deal with the relationship between Councils' finance committees (or similar) where they exist and audit committees.

Participants will gain an understanding of the audit committee's role in:

- Councils' financial reporting and its monitoring
- Internal controls and risk management systems
- Audit committee work programs and their construction
- Whistleblowers' policies and procedures
- Internal audit and the Committee deliberations
- External audit and its relationship with the committee
- Dealing with emerging risks

Further, the training will demonstrate how the following documents work together to provide an Audit Committee with the framework to deliver the activities and responsibilities listed above:

- Relevant extracts from the Local Government Act 1999 and associated Financial Regulations
- Example of Audit Committee Terms of Reference
- Example Template of an Audit Committee Work Program



The following training reference material will be used in this session (LGA Information Papers):

- No. 2 - An Overview of Audit Mechanisms
- No. 3 - Audit Committees
- No. 4 - Specifications for External Audit
- No. 5 - Efficiency and Economy Audits
- No. 21 - Internal Financial Controls
- No. 22 - Understanding Risk Management
- No. 23 - Financial Governance

These papers are available on the LGA website and will be provided at the face to face session at the LGA.

Presenter:

Rex Mooney is a Local Government Finance Specialist. He is a Chartered Accountant with over 30 years of experience in the not for profit sector, the last thirteen being spent in the Local Government Sector.

Rex has undertaken numerous projects across many SA & NT based Councils specialising in asset management planning, long-term financial planning, annual business planning & annual budgeting, annual financial statement preparation, budget reviews, financial performance reports, special purpose reporting, Audit Committee membership and management, economic modelling.

[Register for Training Waitlist](#)

Local Government (Ratepayer Protection and Related Measures) Amendment Bill 2018

Summary Comments

- The LGA has consulted with councils on a local government agenda and is supportive of reforms that will improve local government and deliver real and lasting benefits to ratepayers.
- Local government reform is most effective when it is based on sector-driven best practice models, rather than legislative compliance. However, local government requires support from the Parliament to progress legislative change that gives councils the regulatory tools they need to achieve best practice.
- Some of the reform proposals in the Bill are consistent with the LGA's key reform themes, and also consistent with contemporary governance and reporting practices that have been voluntarily adopted by some councils.
- However, some of the proposed reforms have been described by the LGA as excessive and create unfair and inequitable levels of scrutiny on local government compared to state and federal government.
- The costs to councils, and ratepayers, in complying with the proposed additional reporting requirements need to be carefully considered and weighed up against any benefits to the community.
- A formal position from the LGA can only be provided following extensive consultation with member councils, and a decision of the LGA Board.

Clause by Clause Analysis

Clause	Explanation	LGA Comment
1 – Short Title	If passed, this Act will be called the Local Government (Ratepayer Protection and Related Measures) Amendment Act 2018	Nil
2 – Commencement	<p>The Act will come into operation on the day on which it is assented to by the Governor.</p> <p>Sections of the Act related to performance measures, general duties and a new Local Government Commission would commence three months after assent.</p>	There may be several aspects of these reforms that would benefit from a delayed commencement as it will take time for the State Government and councils to establish the mechanisms needed for efficient and effective operation.
3 – Amendment provisions	Technical drafting matter	Nil
4 – Amendment of section 4 – Interpretation	New definition that established the Local Government Grants Commission as the 'Commission' or 'Local Government Commission'	<p>Feedback from members is sought about the proposed expansion of the role of the Local Government Grants Commission.</p> <p>The potential advantages of this proposal are that the Grants Commission already holds significant data about councils, and the centralisation of state government roles related to local government within a single commission. The appointment of the Chair must be jointly appointed by the LGA and the Minister, and the LGA makes nominations to the Minister for the appointment of one member.</p>
5 – Insertion of section 8A – Annual review of performance of councils	A new Local Government Commission would be responsible for preparing and publishing an Annual Review of SA Council Performance	Aspects of this proposal are consistent with the LGA's local government reform agenda.

Clause	Explanation	LGA Comment
	<p>document outlining a series of quantitative indicators for measuring and comparing the performance of councils.</p> <p>Indicators would be based on the quality and cost standards for services, equity of service delivery, timeliness of service delivery and complaint handling processes.</p> <p>Performance indicators can only be published or altered following consultation with the LGA.</p> <p>Councils would be required to provide to the Commission an annual report on performance against the published indicators, in a form determined by the Commission.</p> <p>The Commission would have a discretionary power to refer a matter of concern about a council to the SA Productivity Commission for further review and ask that a report be prepared for the Minister.</p>	<p>Previous feedback from councils generally supports a program of sector-wide benchmarking, subject to the number, complexity and comparability of indicators, and the availability of data.</p> <p>Feedback is sought from councils about the basis for indicators outlined in the Bill at s.8A(2).</p> <p>The Bill refers to concerns about individual council performance being referred to the Productivity Commission for review. Should the Productivity Commission have a role in reviewing individual councils, or should this role be limited to sector-wide issues or trends?</p> <p>How would the role of the Productivity Commission interact with the existing (broad) remit of the Auditor General to call in matters related to council expenditure for review?</p>
6 – Amendment of section 50 – Public consultation policies	<p>Insertion of a new requirement for council public consultation policies to mandate the use of ‘internet platforms’ (social media) as a consultation and engagement tool.</p>	<p>Promoting consultation opportunities on social media has become common practice for many councils.</p> <p>There would be a number of policy issues to work through in terms of definitions of ‘prominent location’, choice of social media channels, and the required frequency of posts to provide clarity on how to comply with this proposed requirement.</p>
7 – Amendment of section 56 – General election to be held	<p>If a council passes a resolution of no confidence in the principal member of the council, a general</p>	<p>This provision intends to create an additional remedy for councils that are not operating effectively.</p>

Clause	Explanation	LGA Comment
in special case	<p>election for all positions on the council must be called.</p> <p>This provision does not apply to a principal members that is elected from within the council.</p>	<p>A high bar would need to be set to reduce risk of misuse of this provision – should the prescribed number be more than half plus one of the total number of members?</p> <p>The costs to ratepayers of conducting a general election needs to be carefully considered.</p> <p>Is this clause still required if a Local Government Commission (or another body) is empowered to suspend or disqualify an individual elected member following an investigation?</p>
8 – Amendment of section 62 – General duties	<p>It would become a breach of general duties to make a frivolous or vexatious code of conduct complaint against another member.</p> <p>All overseas travel taken by members that is funded by the council must be approved by a resolution of the council prior to the commencement of travel (unless special circumstances apply).</p> <p>A report on the costs and outcomes of overseas travel undertaken by a council member must be submitted to the council within two months of the conclusion of the travel (with special provisions applying to an election period).</p>	<p>Previous feedback from councils in relation to the code of conduct suggests that a stronger deterrent is needed against frivolous or vexatious complaints.</p> <p>The LGA understands that it is standard practice in most councils that overseas travel taken by members would be approved by the council in advance and that a report on the costs and outcomes of the travel would be prepared for consideration by the council.</p>
9 – Insertion of sections 79 A to 79 C 79A Publication of credit card	<p>Within 14 days of the end of each month, councils would be required to publish on their website details of each credit card provided by the council for use by council members,</p>	<p>It is understood that some councils have voluntarily adopted a processes of publishing information about credit card expenditure.</p>

Clause	Explanation	LGA Comment
expenditure	<p>including the name of members entitled to use the cards, and a statement of expenses for the month.</p> <p>Each monthly report must remain on the council website for a period of five years.</p> <p>A link to the website must be published on 'internet platforms' (social media).</p>	<p>However, making this a mandatory requirement and requiring publication across social media would impose a requirement on local government that is not imposed on federal or state government.</p> <p>Reporting requirements must not be onerous – it may be appropriate to provide high level summaries of expenditure in different categories, rather than publication of individual purchases.</p> <p>The resources required to ensure monthly reporting of council members and staff credit cards, travel, gifts etc will increase corporate costs and divert funds from services and infrastructure.</p> <p>Councils would be required to carefully monitor and regulate social media responses to the publication of information to manage potential bullying, harassment and defamation. This consideration applies to all matters where publication of information about individuals across social media would be required.</p> <p>Feedback is sought from councils about whether this measure is reasonable and the potential policy and definitional issues that may arise if implemented.</p>
<p>9 – Insertion of sections 79 A and 79 C</p> <p>79B Publication of travel by members</p>	<p>Within 14 days of the end of each month, councils would be required to publish a report on any interstate travel undertaken by council members that is funded wholly or in part by the council.</p>	<p>It is understood that some councils have voluntarily adopted a processes of publishing information about travel taken by council members and employees.</p> <p>However, making this a mandatory requirement and</p>

Clause	Explanation	LGA Comment
	<p>This report must include accommodation costs and other costs and expenses associated with the travel, excluding 'land based travel costs'.</p> <p>Each monthly report must remain on the council website for a period of five years.</p> <p>A link to this report must be provided on 'internet platforms' (social media).</p>	<p>requiring publication across social media would impose a requirement on local government that is not imposed on federal or state government.</p> <p>Feedback is sought from councils about whether this measure is reasonable and the potential policy and definitional issues that may arise if implemented.</p>
<p>9 – Insertion of sections 79 A and 79 C</p> <p>79C Publication of certain gifts funded by councils</p>	<p>Within 14 days of the end of each month, councils must publish on their website details of any gifts provided to council members that were wholly or partly funded by the council.</p> <p>Each monthly report must remain on the council website for a period of 5 years.</p> <p>A link to this report must be provided on 'internet platforms' (social media).</p>	<p>Council members and employees are already required to maintain a gifts and benefits register.</p> <p>It is understood that there is no requirement across state of federal government for a register of publically funded gifts to be maintained and published on social media.</p> <p>Feedback is sought from councils about whether this measure is reasonable and the potential policy and definitional issues that may arise if implemented.</p>
<p>10- Amendment of section 90 – Meetings to be held in public except in special circumstances</p>	<p>This provision proposes changes to the reasons that a council could go into confidence to discuss information of a commercial nature. S.90(b) and (d) would be deleted and replaced with one clause.</p> <p>This provision also introduces a requirement for the name of each member who voted in favour or opposed a motion to go into confidence.</p>	<p>The LGA has provided feedback that this reform is considered to be unnecessary. Feedback from councils is required about the operational impact of this amendment.</p> <p>For example, the potential impacts on Unsolicited Bids policies and procedures needs to be considered.</p> <p>The LGA requested that this Bill be used as an opportunity to address council concerns with changes to Informal Gatherings introduced in 2016 (a separate,</p>

Clause	Explanation	LGA Comment
		but related issue). This issue has not yet been contemplated in the Bill.
11- Amendment of section 91 – Minutes and release of documents	Consequential to clause 10.	Refer to Clause 10.
12 – Amendment of section 95 – conduct at meetings	<p>The Presiding Member of a council would be empowered to censure a member or suspend a member for a part, or for the remainder of a meeting if a member is behaving in an improper or disorderly manner or causing interruption.</p> <p>The member must be allowed to make a personal explanation before the Presiding Member considers that this section has been contravened.</p>	<p>Consultation undertaken by the LGA on the Code of Conduct in 2017 suggested that members are strongly in favour of additional measures to manage the behaviour and conduct of members at council meetings.</p> <p>This provision is broadly consistent with the LGA's code of conduct reform proposal.</p>
13 – Insertion of 95A – Petitions	<p>This provision limits the circumstances in which a petition can be refused to be received by a council.</p> <p>A council must, within 60 days of receiving a petition, ensure that the petition is considered by the council, and that a response is provided to the person listed first on the petition.</p>	<p>This proposal initially required a council to respond to each petitioner individually. Due to the practical issues that would create, the proposal has been amended to require a response to the lead petitioner only. Councils may choose to provide additional responses.</p>
14 – Insertion of sections 99A and 99B 99A Remuneration by CEO	Subject to any relevant Act or industrial instrument, a CEO remuneration package could only be comprised of base salary, super, vehicle and ICT.	<p>The LGA has provided feedback that this proposal is unnecessary, excessive and may conflict with employment laws.</p> <p>Legal advice is being sought to confirm whether this</p>

Clause	Explanation	LGA Comment
	This provision only applies to the appointment or reappointment of a CEO and would not alter existing contracts during the term of that contract.	clause is ultra vires. This provision does not apply to CEOs in state or federal government.
14 – Insertion of sections 99A and 99B 99B Publication of employment contract of CEO	<p>Within 14 days of entering into or renewing a contract of employment with a CEO, the council must publish the contract on its website in a ‘prominent location’.</p> <p>A contract published under this section must remain on the website for a period of five years.</p> <p>A link to the contract must be provided on ‘internet platforms’ (social media).</p> <p>This provision would apply to any contract entered into before or after the commencement of this Act.</p>	<p>The LGA has provided feedback that this proposal is unnecessary, excessive and may conflict with employment laws.</p> <p>Legal advice is being sought to confirm whether this clause is ultra vires.</p> <p>This provision does not apply to CEOs in state or federal government.</p> <p>Refer to previous comments about social media risk management.</p>
15 – Amendment of section 105 – register of remuneration, salaries and benefits	A council CEO must ensure that the council register of salaries is published in a prominent location on the council’s website.	Publication of the council’s register of salaries online is encouraged in the LGA’s model policy.
16 – Insertion of section 105A and 105B – 105A Publication of credit card expenditure	Within 14 days of the end of each month, councils would be required to publish on its website details of each credit card provided by the council for use by council employees, including the job title of employees entitled to	Refer to comments on Clause 9.

Clause	Explanation	LGA Comment
	<p>use the cars, and a statement of expenses for the month.</p> <p>Each monthly report must remain on the council website for a period of five years.</p> <p>A link to the website must be published on 'internet platforms' (social media).</p>	
<p>16 – Insertion of section 105A and 105B –</p> <p>105B Publication of certain gifts funded by council</p>	<p>Within 14 days of the end of each month, councils must publish on their website details of any gifts provided to council employees that were wholly or partly funded by the council.</p> <p>This report must include the job title of the person receiving the gift and a description of the gift, including costs.</p> <p>Each monthly report must remain on the council website for a period of five years.</p> <p>A link to this report must be provided on 'internet platforms' (social media).</p>	Refer to comments on Clause 9.
<p>17 Amendment of section 109 – General Duty</p>	<p>All overseas travel taken by council employees that is funded by the council must be approved by a resolution of the council prior to the commencement of travel (unless special circumstances apply).</p> <p>A report on the costs and outcomes of overseas travel undertaken by a council member must be submitted to the council within two months of</p>	Refer to comments on Clause 8 regarding overseas travel.

Clause	Explanation	LGA Comment
	the conclusion of the travel (with special provisions applying to an election period).	
18 – Amendment of section 115 Form and content of returns	This clause inserts a provision requiring that a return under this division would be required to include information about any interstate travel undertaken during the return period.	This appears to be duplication of reporting. Details of travel undertaken would be published under Clauses 9 and 19.
19 – Insertion of Chapter 7 Part 4 Division 2A – Travel by employees	<p>Within 14 days of the end of each month, councils would be required to publish a report on any interstate travel undertaken by council employees that is funded wholly or in part by the council.</p> <p>Within three months after the end of the financial year, the council would be required to publish a report on all travel undertaken by employees that was funded in whole or in part by the council during the financial year.</p> <p>This report must include accommodation costs and other costs and expenses associated with the travel, excluding 'land based travel costs'.</p> <p>Each monthly report must remain on the council website for a period of five years.</p> <p>A link to this report must be provided on 'internet platforms' (social media).</p>	<p>Refer to comments on Clause 9.</p> <p>It is not clear why there should be a requirement for both monthly and annual reporting of travel undertaken by council employees as this is a duplication of reporting requirements.</p>
20 – Amendment of section 123 – Annual business plans	An Annual Business Plan and budget would be required to:	Elements of this proposal align with the LGA's reform agenda in terms of providing more information about

Clause	Explanation	LGA Comment
and budget	<ul style="list-style-type: none"> Identity any infrastructure projects from previous years that have not been completed to plan or budget. Include forward estimated over the following three financial years. Provide additional details of how new services (exceeding \$500k) and new projects (exceeding \$1m) will be funded, and the impact on council rates. <p>In preparing a draft Annual Business Plan, councils would be required to publish a notice on 'internet platforms' (social media) calling for proposals from the community about projects that should be included in the plan. A report on the outcomes of this consultation must be provided to council. Following the adoption of the Annual Business Plan, councils would be required, within 14 days, to publish a response to each proposal submitted by the community.</p> <p>A CEO would be required to provide a report to council on any new project or service that exceeds the allocated expenditure during the financial year by more than 10%. This report must be published on the council website and social media within 30 days of the report being submitted to council by the CEO.</p>	<p>the sources of funding for council services and projects.</p> <p>Feedback is sought about the practical impacts of the introduction of an additional consultation step to be undertaken before a draft Annual Business Plan is released. It is understood that a number of councils have existing processes in place to seek feedback from the community prior to drafting their Annual Business Plan – are there better ways of doing this than the process outlined in the Bill?</p> <p>Regular monitoring and reporting on expenditure against budget is already undertaken by councils through quarterly and mid-year budget review processes, which are a requirement under the Local Government (Finance Management) Regulations 2011.</p>
21 – Amendment of section 126 – Audit Committee	The membership of a council Audit Committee would be limited to independent members	There are legitimate concerns about costs and availability of independent Audit Committee members,

Clause	Explanation	LGA Comment
	<p>chosen from a list of people prepared by the Auditor General.</p> <p>Council members and staff would be excluded from being members of a council Audit Committee.</p>	<p>particularly in regional areas</p> <p>There may be an alternative proposal where the Chair and the majority of members must be independent and drawn from a list endorsed by the Auditor General, with the remaining positions available to elected members.</p> <p>There are significant benefits to maintaining a direct link between elected members (councils) and their Audit committees.</p> <p>If this proposal was to be implemented, the Act may need to allow councils to seek exemptions on the basis of costs and/or difficulty in attracting members.</p>
22- Amendment of section 264 – Complaint Lodged in District Court	This provision would empower the proposed Local Government Commission to lodge a complaint to the District Court (needs to be amended to SACAT).	This section of the Act has been updated to refer to SACAT. The Bill will need to be amended as such.
23 – Amendment of section 265 – Hearing by District Court	This provision would empower the proposed Local Government Commission to investigate or further investigate a complaint that has been lodged with the District Court (needs to be amended to SACAT).	This section of the Act has been updated to refer to SACAT. The Bill will need to be amended as such.
24 – Insertion of Chapter 13 Part 1A – Conduct – complaints to Local Government Commission	<p>This section established a role for a new Local Government Commission to receive and investigate complaints about elected member behaviour and conduct.</p> <p>Following an investigation, the Commission may take action including a suspending or</p>	<p>Feedback is sought from members about the introduction of a Local Government Commission with a broad remit to receive and investigate complaints about member behaviour.</p> <p>The LGA has provided feedback that the responsibilities of the Commission and Ombudsman</p>

Clause	Explanation	LGA Comment
	<p>disqualifying a member, or requiring a member to reimburse the council's costs.</p> <p>The powers of the Commission under this section may be delegated to another person.</p>	<p>need to be clearly defined to avoid duplication of effort.</p> <p>The introduction of penalties for breaches of the Code of Conduct was strongly supported by LGA members during consultation in 2017.</p>
25 – Amendment of Schedule 3 – Register of Interest – Form of returns	Consequential to clause 18 regarding the inclusion of travel expenses being included in the Register of Interests.	Refer to comments on Clause 18.
26 – Review of Local Government Act 1999 and Local Government (Elections) Act 1999	<p>This clause outlines a number of additional matters that would be reviewed by the Local Government Commission within 12 months of this Act coming into operation. The Commission would be required to provide a report to the Minister making recommendations for further legislated change.</p> <p>Matters for further review include:</p> <ul style="list-style-type: none"> • The scheme for reviews of local government acts, decisions and operations • Rate rebates and exemptions • Diversity of representation on councils • Codes of conduct for members and employees • Establishing a register of state-owned land in the care and control of councils • Compulsory voting in local government elections • Amendments that would simplify the Act 	<p>The LGA supports working with the Government and the Parliament to investigate additional options for local government reforms.</p> <p>This is an ambitious agenda to achieve in 12 months, particularly with the current level of resourcing within the Office of Local Government and Local Government Grants Commission.</p> <p>Feedback is sought on additional matters that should be further reviewed.</p> <p>LGA policy does not support compulsory voting in local government elections.</p>

Clause	Explanation	LGA Comment
	<ul style="list-style-type: none"> Cross-council collaboration 	

AUDIT COMMITTEE

CHIEF EXECUTIVE OFFICER

8 JANUARY 2019

11.1 EXECUTIVE SERVICES – DEBATE

11.1.1

**THE BAROSSA COUNCIL QUARTER 1– 2018/19 PERFORMANCE AND ACTIVITY REPORT
B3865**

Author: Manager Strategic Projects

PURPOSE

To provide Council's Quarter 1 – 2018/19 Performance and Activity Report on measures adopted within The Barossa Council Corporate Plan 2016/17 to 2019/20.

RECOMMENDATION

That Council receives and notes The Barossa Council Quarter 1 – 2018/19 Performance and Activity Report.

REPORT

Background

Since November 2016, Council and the Audit Committee has been presented with Quarterly Performance Reports on measures adopted within the Corporate Plan.

Introduction

The Barossa Council Quarter 1 – 2018/19 Performance and Activity Report provides performance results against Corporate Plan measures as at 30 September 2018. The report also includes a suite of activity measures, providing a snapshot of activity undertaken over the quarter in the delivery of key internal and external Council services under each Community Plan Theme.

Discussion

With the ongoing implementation of Council's holistic enterprise level strategic planning and reporting software (Magiq), officers are continuing to refine counting rules and formulas for the extraction and analysis of data, which may result in the revision of previously reported results where the data has been refined or cleansed. Where this is the case, the report will include a disclaimer regarding the nature of any changes implemented and its impact on the data.

Additionally, where justification exists, performance targets may be amended to reflect a more realistic figure. As above, where this is the case, the report will include an explanation of the nature of and justification for any changes implemented and its impact on the data.

Overall, it is anticipated that comparison data reported will become more longitudinal as the reporting system grows and allow the representation of trends over time. It is anticipated that this will facilitate an increase in evidence based strategic policy decision making by Council and the executive team.

Summary and Conclusion

The Barossa Council Quarter 1 – 2018/19 Performance and Activity Report is presented for Audit Committee information.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

The Barossa Council Quarter 1 – 2018/19 Performance and Activity Report.

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Corporate Plan

A6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.

Legislative Requirements

Nil

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Current resources are sufficient to provide ongoing quarterly reporting.

COMMUNITY CONSULTATION

Community consultation is not required under the Act or Council's Public Consultation Policy.



QUARTERLY PERFORMANCE & ACTIVITY REPORT

Quarter 1 – 2018/2019

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Quarter 1 result showed a marked improvement with 83.01% of building rules consents due completed on time.



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Quarter 1 target not met with 70.0% of planning consents due completed on time.

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Target exceeded

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Nuisance and Environmental Complaint Resolution Rate 20

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Progressing towards target of < 60.8% with a total of 62% of waste disposed to landfill during the 1st Quarter

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legend



Target not met



Target at risk or not improving



Heading toward target or progress acceptable



Target achieved



Theme 1 – Natural & Built Heritage



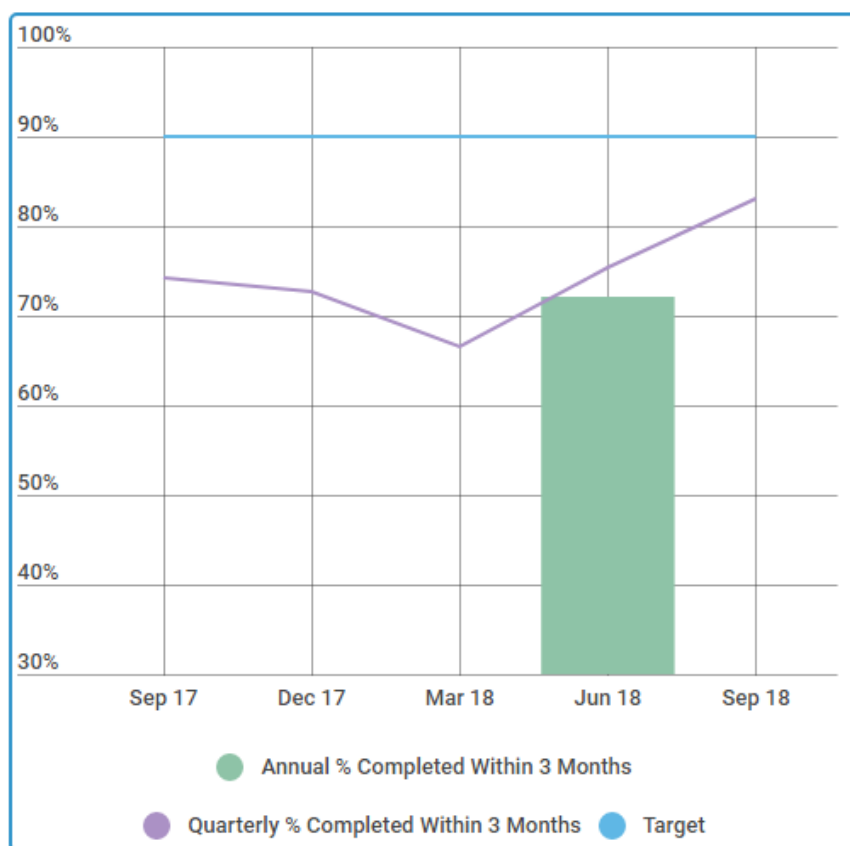
Building Rules Consent Processing

The percentage of Building Rules Consent Applications completed within three months of lodgement

Quarter 1 result showed a marked improvement with 83.01% of building rules consents due completed on time.

RESULTS

Building Rules Consent Processing



INTERPRETATION

This measure is a lag indicator, with performance measured only on those consents due within the current quarter based on lodgment date within the previous quarter. This measure does not include additional consents completed during the period that are overdue or not yet due, therefore it is a reflection of Council's achievement of its designated service level for Building Rules Consent assessment (within 3 months of lodgement) for that period rather than overall rate of effort during the period.

The activity data presented on page 9 of this report provides a snapshot of actual Building Rules Consent applications approved, both on time and overdue during the first quarter.

The first quarter result shows that 83.01% of Building Rules Consents due in the first quarter were completed within three months of lodgment. Whilst these results still fall short of the targeted 90% completion rate, they represent a marked improvement from the same period last year.

RESPONSE

During 2018/19, the Development Services team will participate in a key project under Council's Change Program to review policy, information, processes and systems within the development assessment area with a view to improving assessment processing turnaround times, increasing end to end electronic processing and improving our customers' experience.



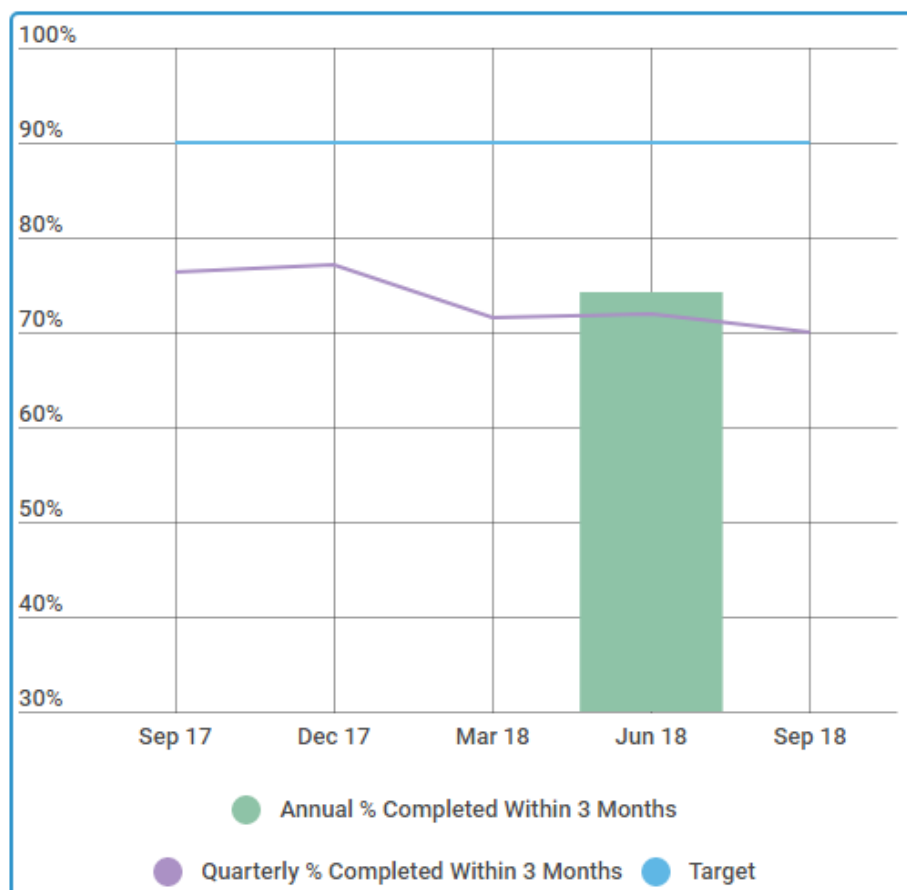
Planning Consent Processing

The percentage of Planning Consent Applications completed within three months of lodgement

Quarter 1 target not met with 70.0% of planning consents due completed on time.

RESULTS

Planning Consent Processing



INTERPRETATION

As per the previous measure, this measure is a lag indicator, with performance measured only on those consents due within the current quarter based on lodgment date within the previous quarter. This measure does not include additional consents completed during the period that are overdue or not yet due, therefore it is a reflection of Council's achievement of its designated service level for Development Plan Consent assessment (within 3 months of lodgement) for that period rather than overall rate of effort during the period.

The activity data presented on page 9 of this report provides a snapshot of actual Development Plan Consent applications approved, both on time and overdue during the fourth quarter.

The first quarter result shows that 70.0% of Development Plan Consents due in the first quarter were completed within three months of lodgment. These results fall well short of the targeted 90% completion rate.

RESPONSE

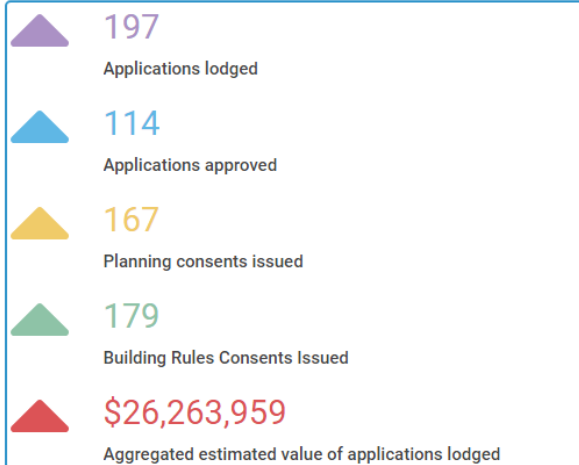
During 2018/19, the Development Services team will participate in a key project under Council's Change Program to review policy, information, processes and systems within the development assessment area with a view to improving assessment processing turnaround times, increasing end to end electronic processing and improving our customers' experience.

Activity Snapshot

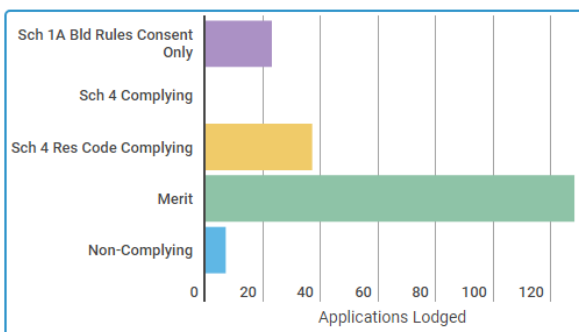


Development Applications

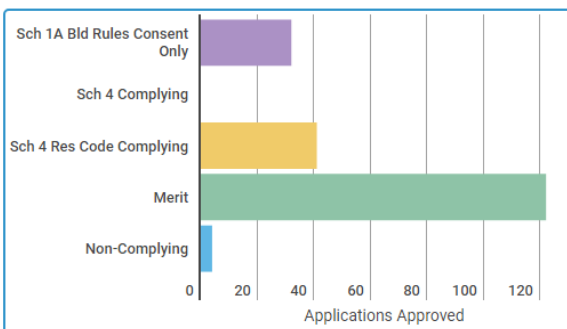
Development Applications Activity - Quarter 1



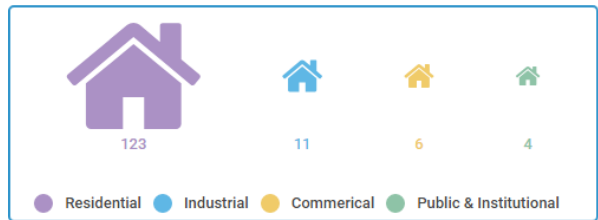
Number of Development Applications Lodged by Category - Quarter 1



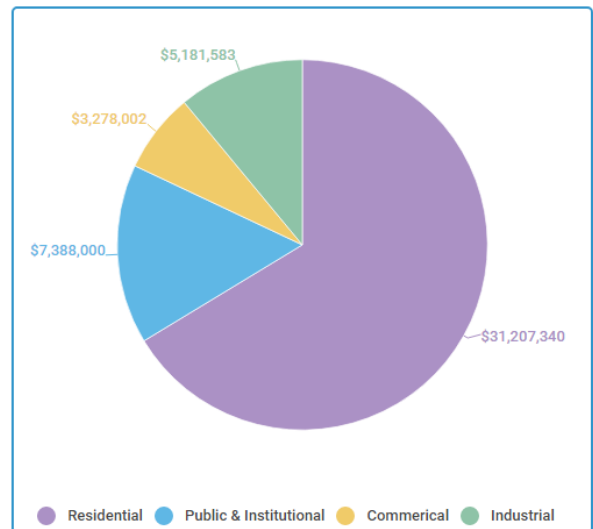
Number of Applications Approved by Category - Quarter 1



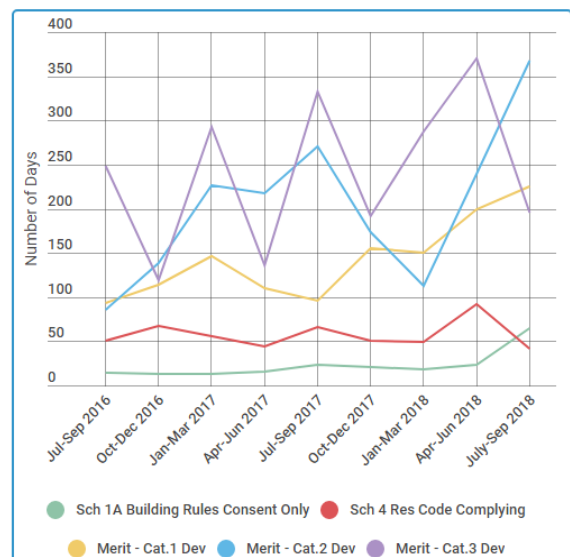
Applications Approved Per Development Type - Quarter 1



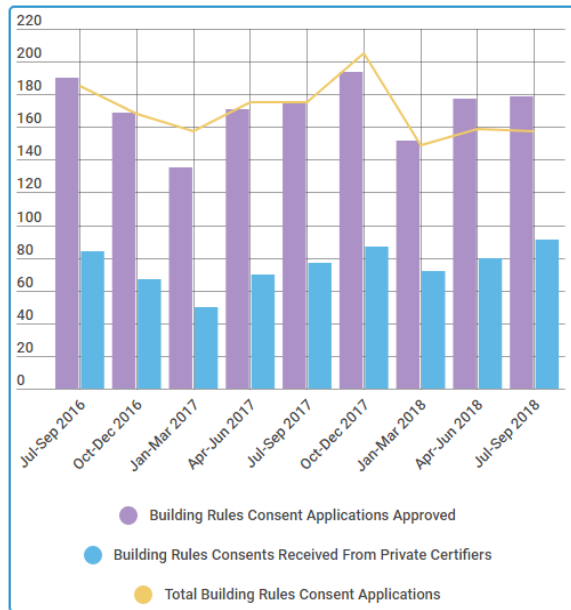
Est. Value of Applications Approved Per Development Type - Quarter 1



Median Number of Days for Applications to be Approved



Building Rules Consent Activity



Percentage of Building Rules Consents Received from Private Certifiers - Quarter 1





Theme 2 – Community & Culture



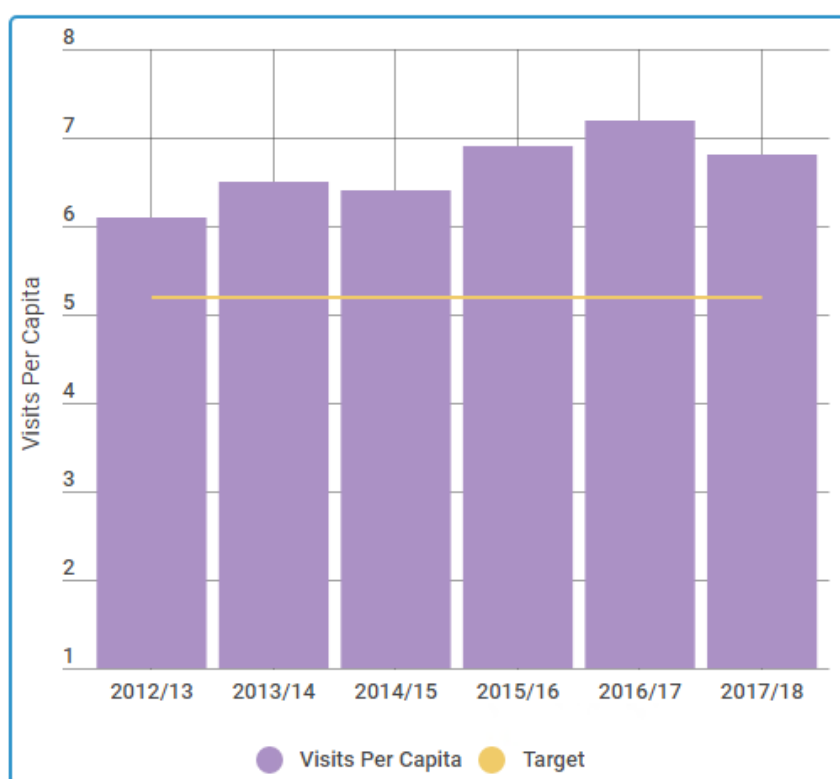
Library Visits

The number of library visits and participation within the Barossa Council Area

Target exceeded

RESULTS

Library Visits Per Capita



INTERPRETATION)

Annual Measure - Library visits (159,635 during 2017/18) continue to exceed the target of 5 visits per capita due to the diverse range of activities and uses of the library including regular borrowing (235,042 items), internet and Wifi access for homework, job seekers, printing and family history. Regular events increase library visitor numbers, with 723 library events held during 2017/18 with 9,976 participants. Events included author talks, story times and children's programs, health events, book clubs, book week activities, scrabble, mah-jong, chess, writers groups, craft, art and writing groups.

RESPONSE

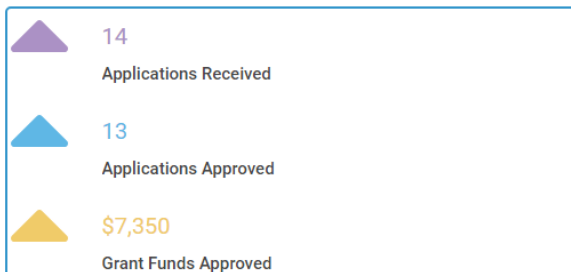
No response required.

Activity Snapshot

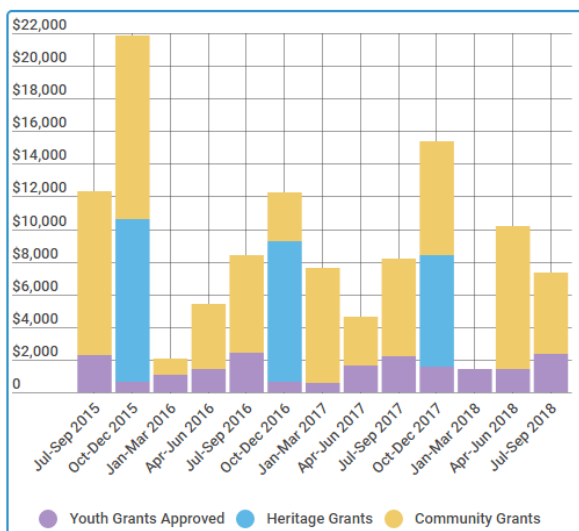


Community Assistance Grants

Grants Activity - Quarter 1 Results

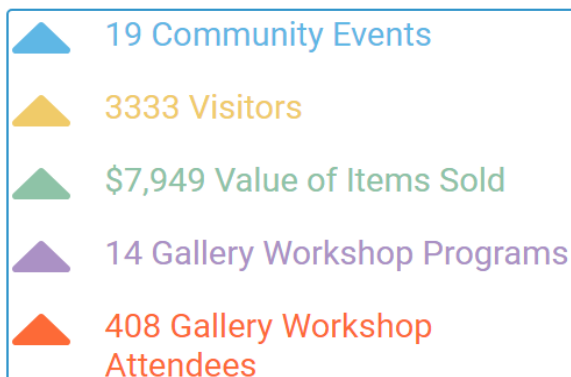


Value of Grant Funds Approved

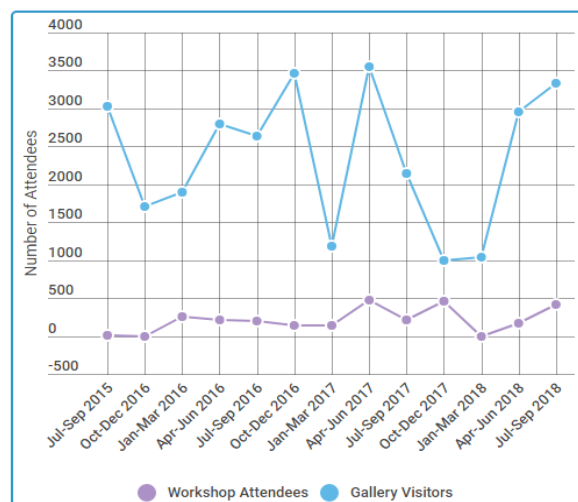


Regional Gallery

Gallery Activity - Quarter 1

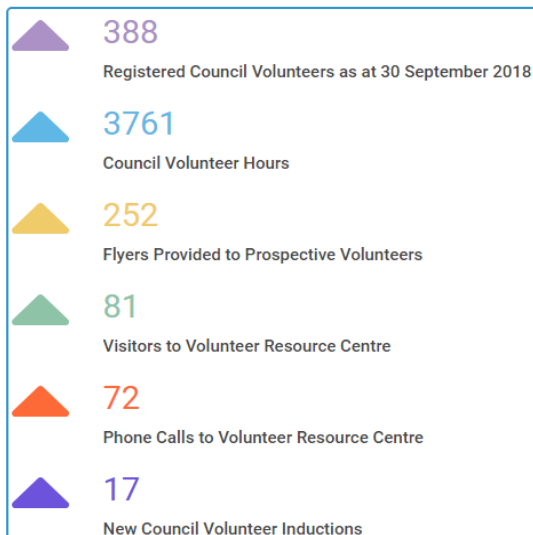


Workshop Attendees & Gallery Visitors

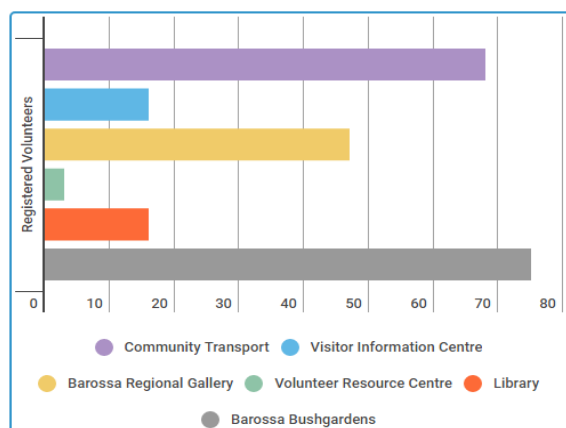


Volunteer Management

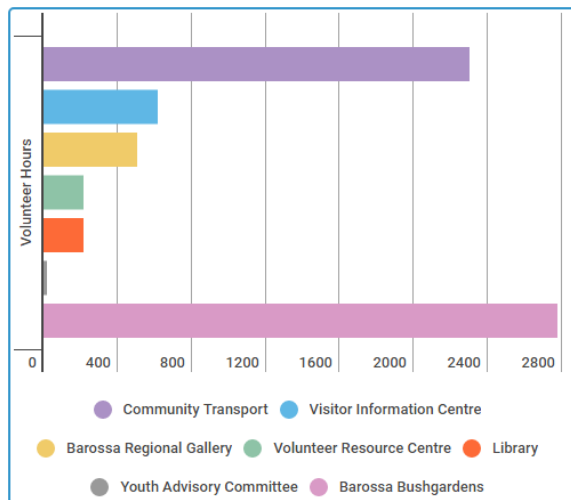
Volunteer Activity - Quarter 1



Registered Volunteers - As At September 2018

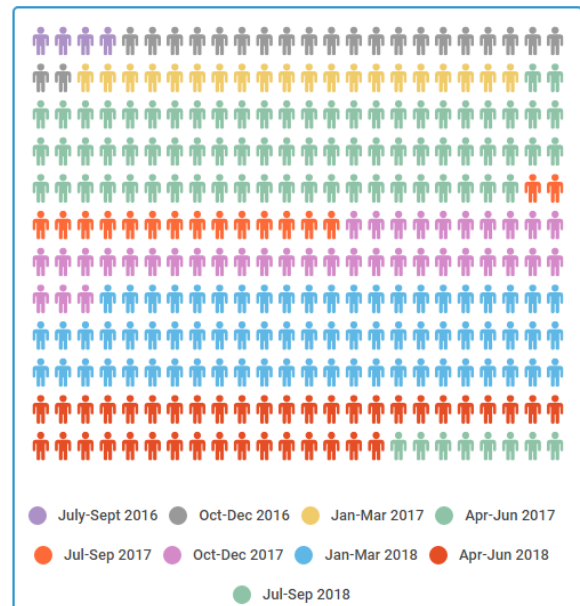


Volunteer Hours - Quarter 1



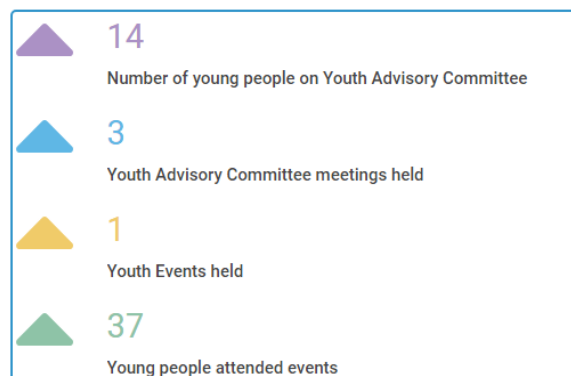
* The above charts do not represent Council's full volunteering profile, with additional volunteers currently contributing to the community committees and other programs which don't currently formally collect volunteer data.

Youth Event Attendance



Youth

Youth Activity - Quarter 1



Library Services

Library Activity - Quarter 1





Theme 3 – Infrastructure



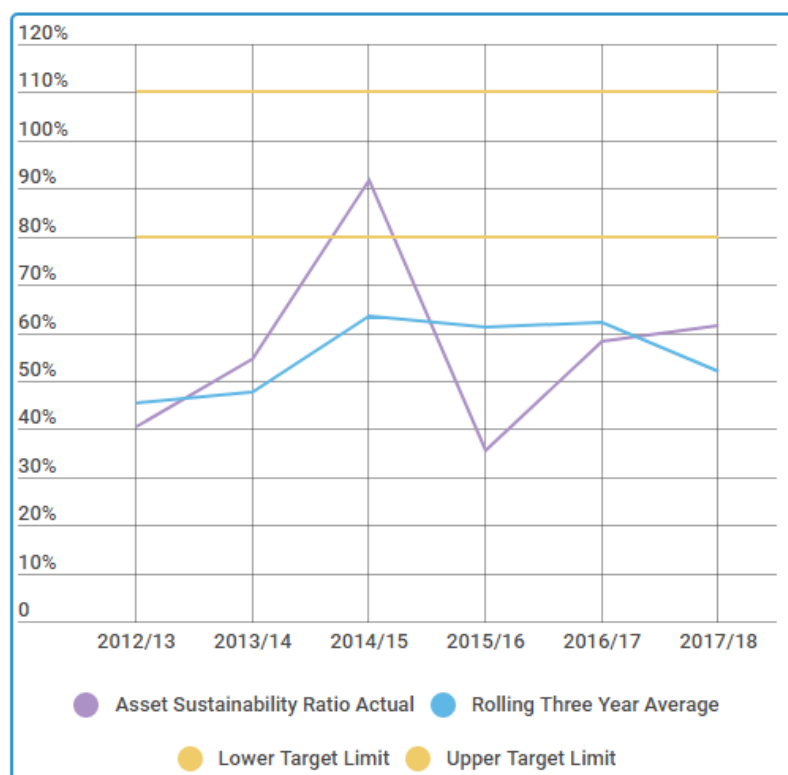
Asset Sustainability

Ratio of Capital expenditure on renewal or replacement of assets for a period compared to the optimal level of such expenditure proposed in a Council's Infrastructure and Asset Management Plan.

Target not met for 2017/18.

RESULTS

Asset Sustainability Ratio



INTERPRETATION

Annual Measure – The Asset Sustainability Ratio uses asset depreciation expense as the denominator and expenditure on replacement and renewal as the numerator.

The Financial data reported as at 30 June 2018 in Quarter 4 – 2017/18 was based on preliminary figures and were subject to change based on the finalisation of Council's end of financial year calculations.

The updated 2017/18 result was \$4,611K/\$7,503K or a ratio of 61% which is outside the target range. The rolling three year average stands at 52%, which is also still well below the target range of 80% to 110%. The unfavorable result for the 2017/18 ratio is the result of the

ongoing under delivery of expenditure on renewal/replacement within the capital program.

In addition, a substantial amount of 'Upgraded' asset work completed each year (and for 2017/18 included capital work on Springton roads and district wide footpaths) is partly renewing components of existing assets. For normal work cycles, components of these assets would need to be replaced when the depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing asset components that would normally need to be replaced as/when due.

The calculation to compile the Asset Sustainability Ratio does not include any upgrade costs as it is not considered to be 'renewal/replacement'. This is then effectively understating the expenditure for asset replacement and the ratio is not then reflecting the true actual net asset renewals.

Further this indicator is under review for its usefulness at sector level, it has inherent flaws as outlined above and is currently not being compared with predicted asset management plan spends which would see Council exceeding its target. It is the CEO's view that this indicator should be replaced with one known as the Asset Consumption Ratio which actually gives a stable long term picture of the "newness" or "utilisation" of the asset pool which indicates a much better representation over time of the state of the assets.

RESPONSE

The 2018/19 capital program includes \$3.259M in carry-overs from the 2017/18 capital program. It is anticipated that the delivery of these carryovers, along with the base 2018/19 capital program, will result in an asset sustainability ratio within the target range for 2018/19, along with improving the rolling three year average.

The 2018/19 capital program is already well advanced in comparison with the prior two years and significant funds have been already expended or committed at the end of quarter 1. Further the asset program will be reduced in quarter 2 as there is significant allowance for phase 1 The Big Project expenditure should the Regional Growth Fund application to the Federal Government being successful.

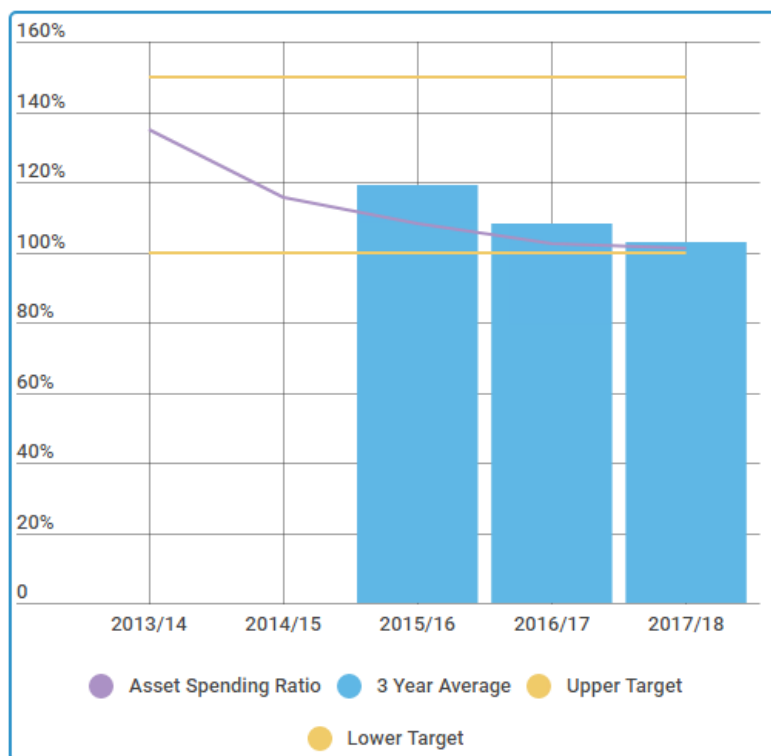
Asset Spending Ratio

Ratio of asset expenditure on renewal, replacement and upgraded assets and maintenance on assets.

2017/18 target achieved.

RESULTS

Asset Spending (Renewal & Upgrade) Compared to Depreciation and Target Maintenance



INTERPRETATION

Annual Measure – As a result of Council's ongoing commitment to refining data analysis methodology and increasing the accuracy and reliability of performance data, the counting rules for this measure have been modified during 2017/18 and applied across the last three financial years to include financial data from Council's caravan parks.

The Financial data reports as at 30 June 2018 was based on preliminary figures and was subject to change based on the finalisation of Council's end of financial year calculations.

The updated 2017/18 result shows the ratio of expenditure on renewal, replacement and upgraded assets plus maintenance expenditure on assets equaled 100.3%, which is within the target range. Analysis of expenditure over a three year period also shows performance within the target range. The asset spending ratio is however on a downward trend, which is directly linked to capital project performance.

RESPONSE

The downward trend in the asset spending ratio is being addressed primarily by the Works and Engineering Services Directorate via better forward planning and it is expected improved performance in the delivery of capital projects will see this trend addressed. It also reflects a low anticipated spend on maintenance activities and this has been accounted for in future budgets, especially as capital expenditure programs deliver renewed and upgraded assets, maintenance expenditure (especially reactive) is expected to be lower than long term trend.

Activity Snapshot

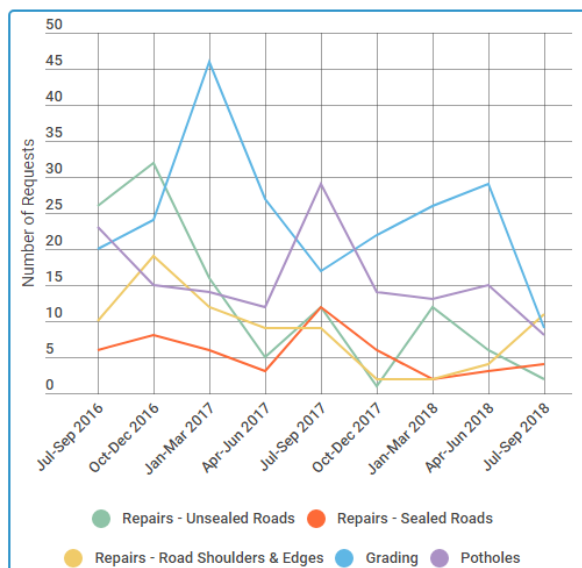


Traffic, Road & Footpath Management

Footpath Maintenance Activity - Quarter 1



Traffic & Road Management - Customer Requests

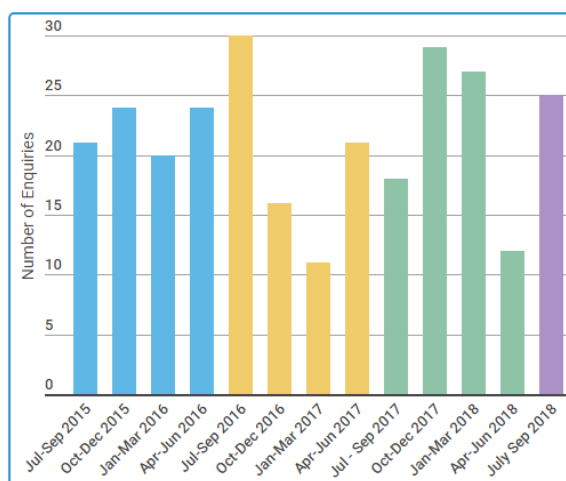


Traffic & Road Activity - Quarter 1



Cemetery Management

Cemetery Enquiries





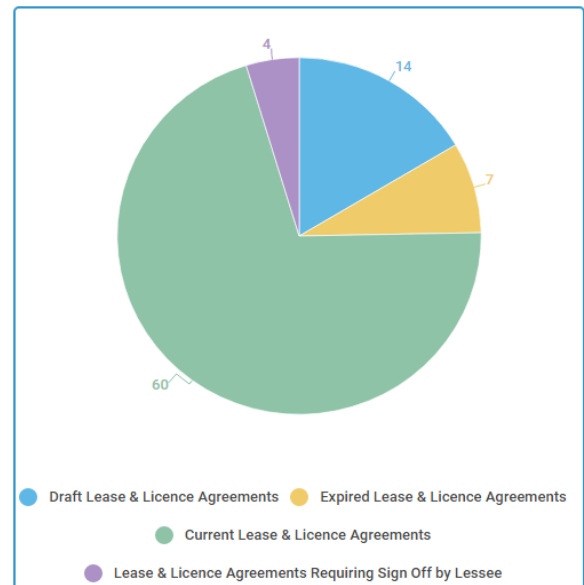
Parks, Gardens & Reserves Maintenance

Requests for Parks, Gardens & Reserves Maintenance - Quarter 1



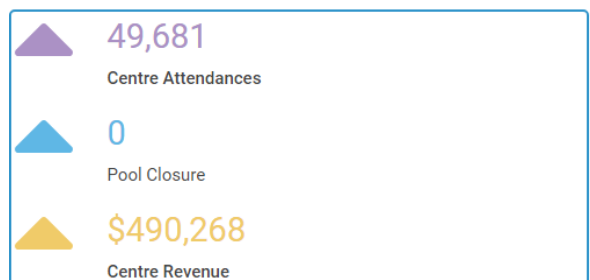
Community Facility Management

Community Facility Lease & Licensing - Quarter 1



* The above data does not represent Council's full lease and licensing obligations as it only includes those leases and licenses currently managed within Pathway.

Rex Usage - Quarter 1





Theme 4 – Health & Wellbeing



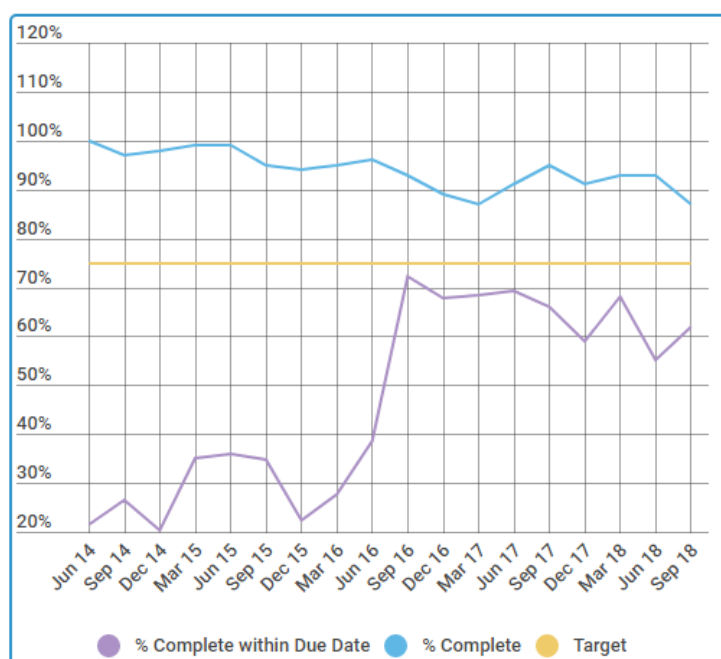
Nuisance and Environmental Complaint Resolution Rate

Percentage resolved within due date.

Target not met for Quarter 1.

RESULTS

Nuisance & Environmental Complaint Resolution



INTERPRETATION

During the calculation of Quarter 1 results, an anomaly was identified in the counting rules applied from December 2017, resulting in the publishing of poorer results for the final three quarters of 2017/18 than was actually the case. This anomaly arose due to the introduction of new nuisance and litter control customer request types. The data has been refreshed and now reflects the actual results.

During quarter 1 of 2018/19 there was an improvement in the percentage of nuisance and environmental requests completed within the nominated due date (62%), however this result is still below the nominated target.

The ongoing inability to meet the nominated target is an indicator of the increasing demand for these services and can largely be attributed to the introduction of the Local Nuisance and Litter Control Act 2016, which saw Councils take on a new regulatory role in littering from 1 February 2017 and a new role in regulating local nuisances from 1 July 2017. During the first quarter, there were a total of 63 requests across the Local Nuisance and Litter Control request types compared to zero in 2016/17 and 35 in 2017/18.

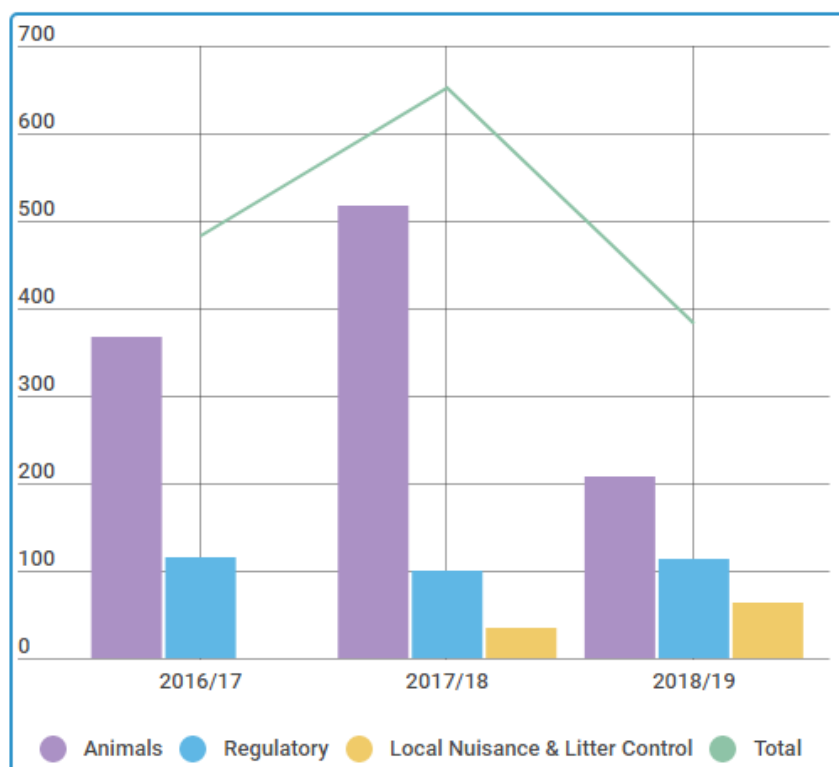
Over the first quarter Council data showed a decrease in the number of Animal request types compared to the same period in the previous two financial years, as seen below,

due to the transition of dog and cat related activity to the State Governments 'Dogs and Cats Online' system. Whilst there was a reduction of activity in this space, Council has been impacted by the introduction of two new functions.

As part of the agreement to develop the Warren Reservoir into a recreational fishing, kayaking and tourist destination; staff identified an initial increase in workload and requests for service in relation to the agreed compliance and regulatory functions as well as necessary inspections. Ongoing compliance work and inspections will need to be undertaken, predominately after hours.

The State Government has also introduced legislative changes which requires Council to develop guidelines, issue approvals and undertake necessary compliance inspections in relation to the operation of mobile food vendors or 'Food Trucks'. This will see a further increase in workload and requests for service. The impacts of these additional functions will need to be monitored closely.

Animals, Regulatory & Local Nuisance & Litter Control - YTD Comparison



RESPONSE

It is expected that increasing implementation of smart mobile applications will streamline and improve the customer service resolution process for staff. These processing efficiencies will need to be realised to improve both service delivery and the ability for staff to updated actions and customer requests, to ensure the future achievement of complaint resolution targets despite growing request numbers.

With a focus on continuous improvement, administrative processes will continue to be monitored, refined and improved. The work being undertaken as part of the review of services levels will be important in the context of this report.



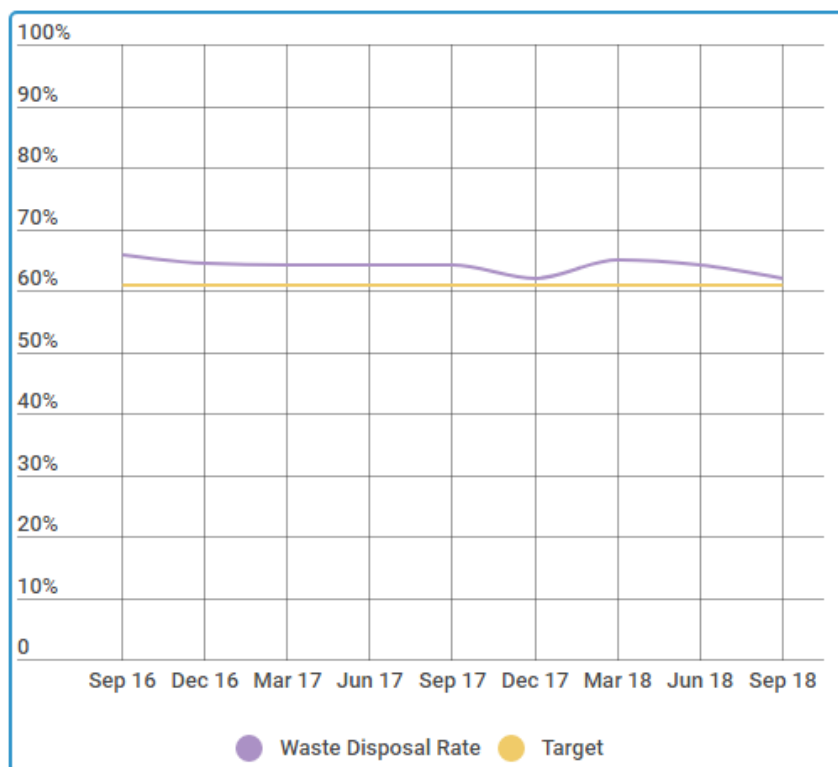
Waste Disposal Rate

Percentage of waste disposed to landfill

Progressing towards target of < 60.8% with a total of 62% of waste disposed to landfill during the 1st Quarter

RESULTS

Waste Disposal Rate



INTERPRETATION

During the first quarter for 2018/19, Council recorded a waste to landfill rate of 62%, falling just 1.2% short of the target.

During Quarter 1, 1,223 tonnes of rubbish (landfill waste) was collected, representing a reduction of 172 tonnes of rubbish compared to the same period in 2017/18.

RESPONSE

Council's waste and recycling collection service contract expired in June 2018. In the first half of 2017/18 Council participated in a regional tender for disposal services via the Barossa Regional Procurement Group and selected Solo Resource Recovery to deliver waste management services from July 2018. Under the new agreement, Council is continuing to offer rubbish, recycling and green waste collection services and to promote the ongoing diversion of waste from landfill to recycling and recovery.

Council is also currently developing a Waste Management Strategy to guide its approach in offering alternative waste management options for other waste streams including e-

waste and soft plastic, and for encouraging a reduction of waste disposed to landfill and increase in recycling and organics disposal.

Council endorsed a new Waste Management Services Policy on 26 April 2018, which defines Council's role as a waste and recycling service provider.

As part of the roll out of the new service, Council also commenced a campaign to encourage residents to take the challenge to **Waste Less, Recycle More**. This message was featured strongly in the lead up to the new contract and has continued during the first quarter of 2018/19. The new trucks and bins also display the message. Over time, it is hoped that this campaign will result in a reduction in the amount of waste put to landfill.

During the first quarter a part time Waste Management Officer commenced in a brand new role for Council. The primary objectives of this role include: ensuring all licensing, environmental and contractual requirements / conditions are adhered to by the Waste Management Contractors; managing issues relating to waste management; and developing the strategic direction and an education program for waste management across Council.



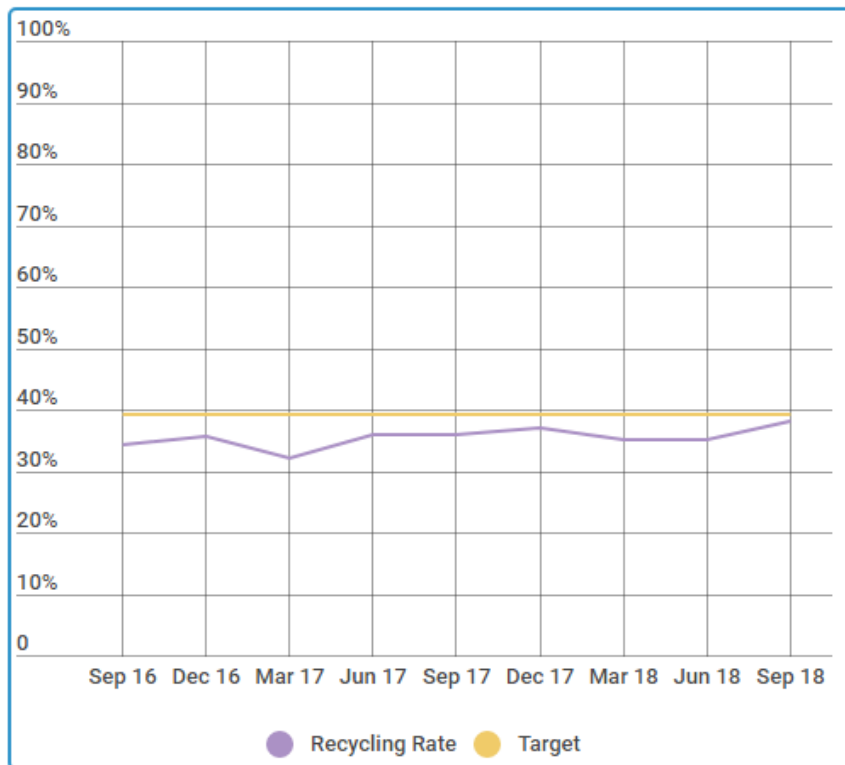
Recycling Rate

Percentage of waste recycled

Progressing towards target of > 39.2% with 38% of waste recycled during Quarter 1

RESULTS

Recycling Rate



INTERPRETATION

Recycling statistics consist of both co-mingled recycling collected via Council's yellow lidded bins and organic material collected via the currently voluntary green lidded bin green waste collection service.

During the first quarter for 2018/19, Council recorded a recycling rate of 38% (24% yellow lidded waste and 14% green waste) which is just 1.2% short of the target.

During the first quarter, 474 tonnes of yellow lidded recycling and 274 tonnes of green waste were collected, which represents a slight decrease in recycling and increase in green waste compared to the same period in 2017/18 (yellow – 523 and green – 271). Despite little growth in the tonnes of co-mingled recycling compared to quarter 1 in 2017/18, the overall tonnes of waste have reduced resulting in a favorable outcome in the percentage of waste recycled.

RESPONSE

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At the beginning of January, China banned foreign waste imports, including waste paper, textiles, plastics and certain types of metals. This ban is likely to force waste companies to stockpile recycling waste, or send it to landfill. There are strong calls on both Federal and State Governments to assist in creating new markets for recycled waste in Australia, and provide a 'relief package' for local government to offset potential increases in recycling costs. While NAWMA have already increased the recycling sorting charge, the new waste contract has provided Council with a buffer to this initial increase.

Notwithstanding the China situation, Council will continue to promote recycling, including green organics. The average garbage bin contains 60% organic material waste. The bulk of which is food (40%) and garden waste (20%). The introduction of green organic bins as part of the new waste service will go a long way to achieving our target to reduce waste to landfill in the household sector.

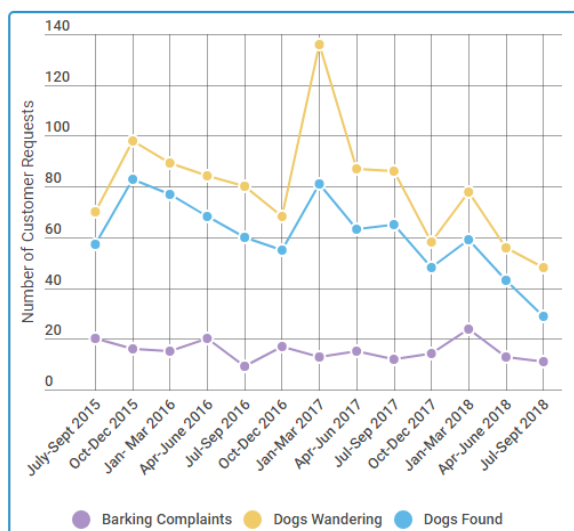
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Activity Snapshot



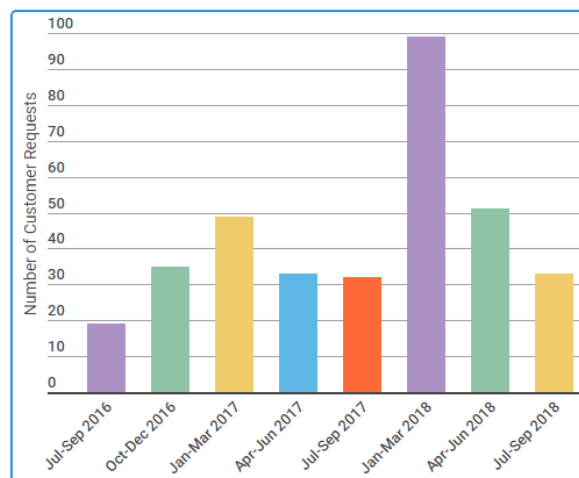
Animal Management

Dog Management Activity



Animal Based Customer Requests

(Excluding Dog Management)



*Note – large increase in Jan-Mar 2018 was due to 66 reports relating to wasps.

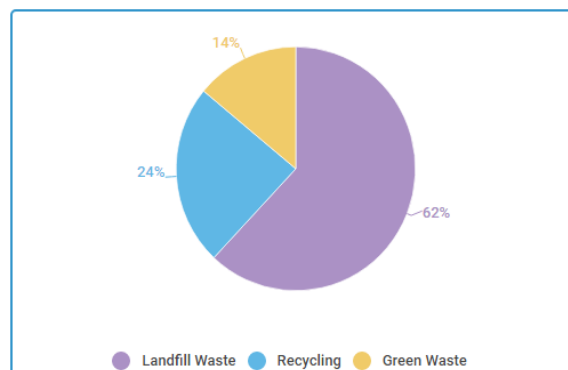


Waste Management

Waste Activity - Quarter 1



% of Waste Per Category

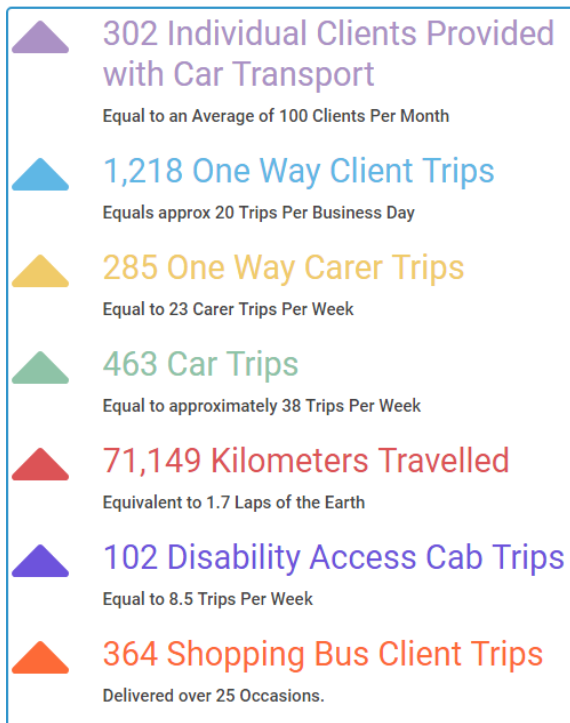


*Note – overall recycling rate reported on page 26 includes both recycling and green waste as recyclable materials diverted from landfill.

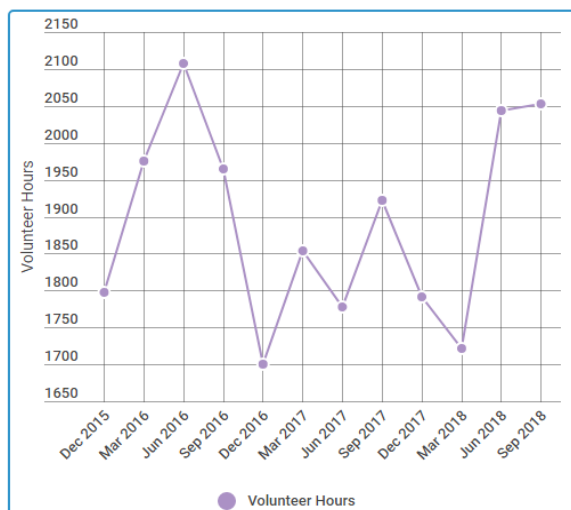


Community Transport

Community Transport Activity - Quarter 1



Community Transport Volunteer Hours



Home Assist & Social Support

Quarter 1 Activity

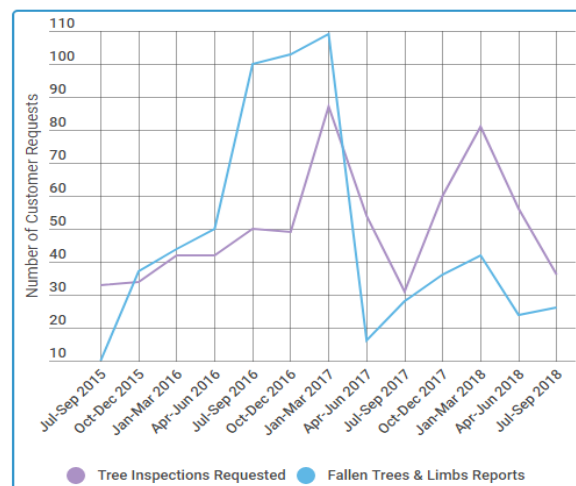


Tree Management

Quarter 1 Results



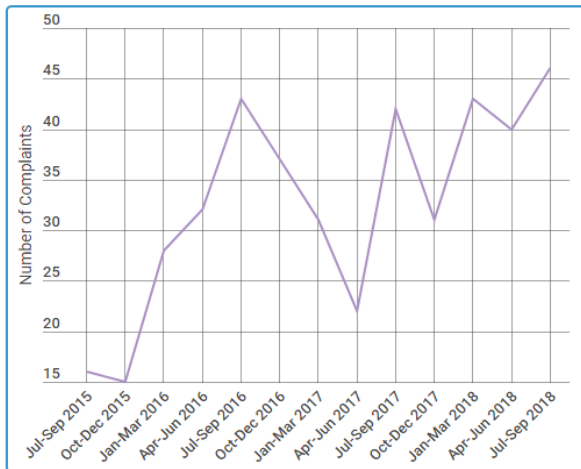
Tree Management Activity





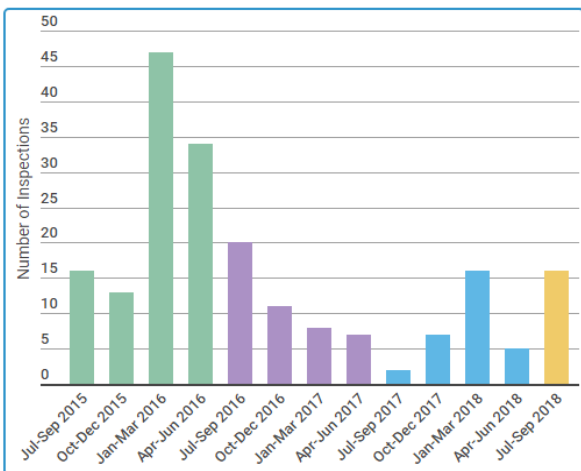
Parking Complaints

Parking Complaints



Pool Safety

Private Pool Inspections



Waste Water

Quarter 1 Result

-  51 Waste Water Applications Received
-  58 Waste Water Applications Determined
-  209 Waste Water Inspections Undertaken



Health Services

Quarter 1 Result

-  25 Health Related Customer Requests received
-  23 Health Related Customer Requests Completed
-  21 Environmental Health Inspections Conducted



Theme 5 – Business & Employment



Tourism Customer Satisfaction with Visitor Information Services

Average Customer Satisfaction Rating

Target met for Quarter 1 with an average rating of very good.

RESULTS

Tourism Customer Satisfaction with Visitor Information Services



INTERPRETATION

Whilst the results show that the target rating of 4 continues to be achieved, demonstrating that on average customers rate the customer service at the Visitor Information Centre as very good, it should be noted that these averages are drawn from a relatively low number of ratings (10 in Quarter 1) compared to the total number of customers served – there were 10,684 visitor enquires during the first quarter. On this basis, the data is not considered representative of the customer base and should be interpreted conservatively.

RESPONSE

The Tourism Services team will continue to explore opportunities to encourage customers to provide feedback on their satisfaction with services provided. A range of web-based and social media tools will be utilised to engage customers.



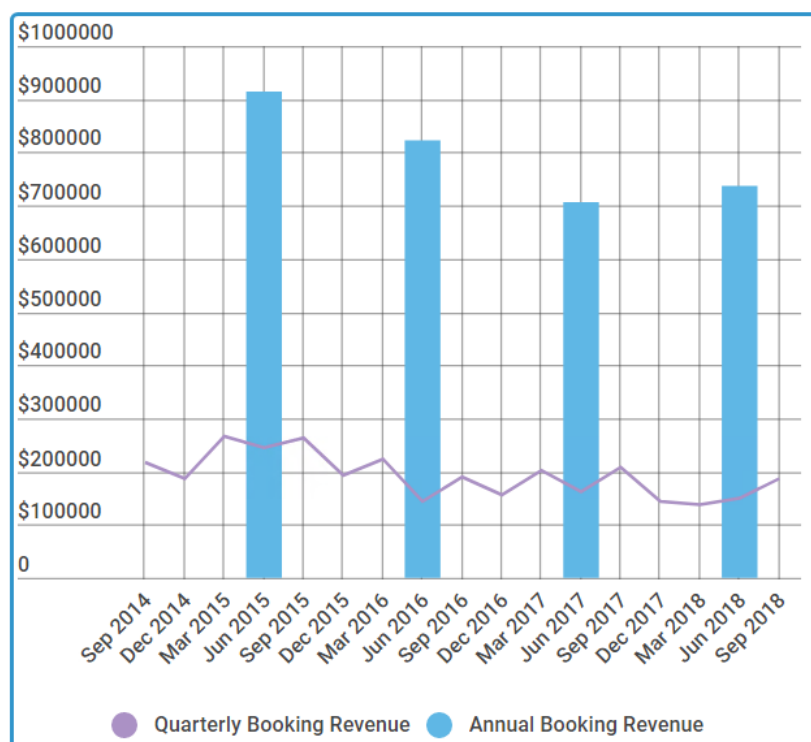
Visitor Information Centre Bookings

Booking Revenue (Accommodation/Tours/Tickets)

Quarter 1 revenue collected showed continuing growth since March 2018.

RESULTS

Visitor Information Centre Booking Revenue for
Accommodation/Tickets & Tours



INTERPRETATION

The Barossa Visitor Centre reported very strong growth following the release of the Barossa Be Consumed Campaign in May 2013 with enquiries and sales growing strongly year on year. The 'Barossa Be Consumed' campaign was completed by 30 June 2016 and enquiries and sales have slowed down since. Sales remain steady when compared to results prior to the 'Barossa Be Consumed' Campaign (pre-2013). Total booking revenue for the first quarter equaled \$185,903, showing growth of approximately \$48,000 compared to the start of 2018 (\$137,466 in March 2018).

Overall a number of external factors continue to impact sales performance. These include strong and aggressive competition for our booking site from Air BnB, Bookings.com, wotif, Expedia, stayz, Trip Advisor etc. Many of these international companies spend billions of dollars in google advertising and digital marketing to ensure their websites are within the top 3 search results. Barossa.com has in fact seen an overall decline in visitation as a result.

RESPONSE

No response required.

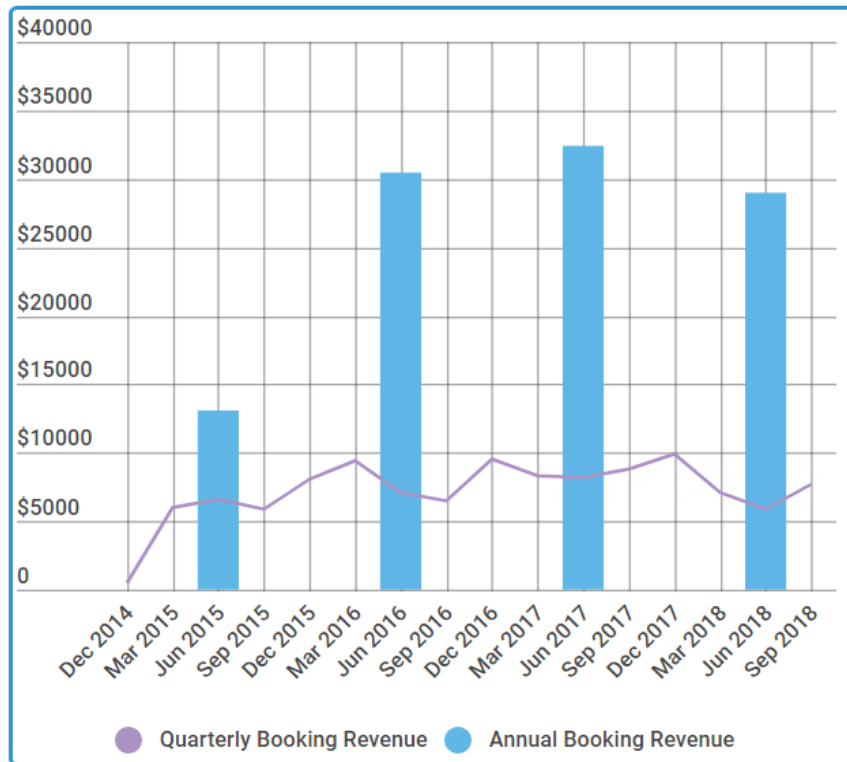
Cycle Hub – Bike Hire Revenue

Sales Revenue

The first quarter saw the strongest revenue recorded since December 2017.

RESULTS

Cycle Hub - Bike Hire Revenue



INTERPRETATION

During Quarter 1 the Cycle Hub recorded \$7,732 in bike hire revenue, the strongest quarterly result for 2018 calendar year.

Over the first quarter, 85 bikes were hired compared to 77 during the same period in 2017/18.

In addition to the revenue being generated by this initiative, Council's ongoing investment and service delivery in cycling creates strong destination awareness of the Barossa leading to greater visitor yield and length of stay.

RESPONSE

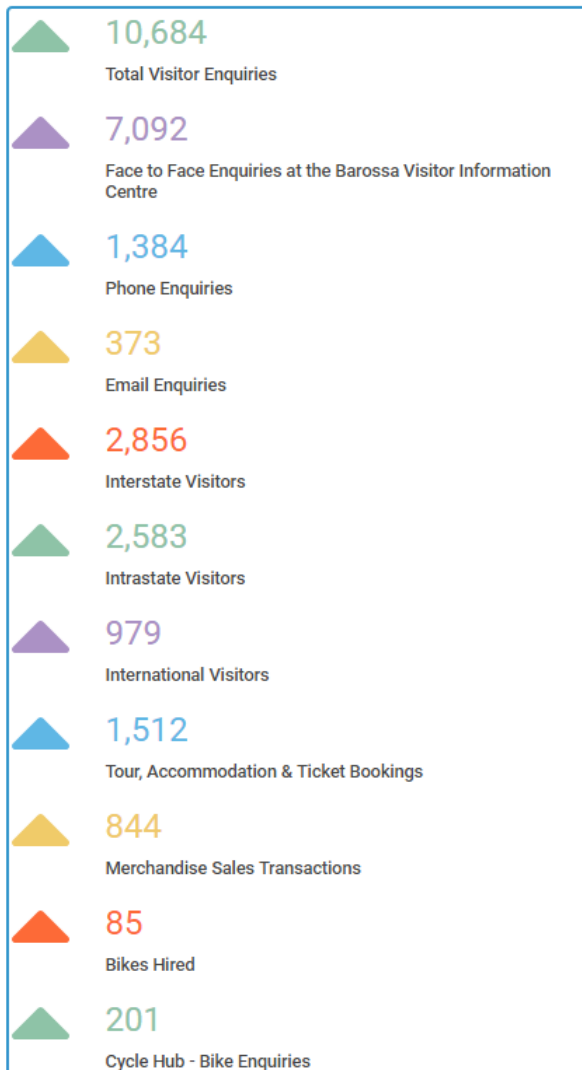
No response required.

Activity Snapshot

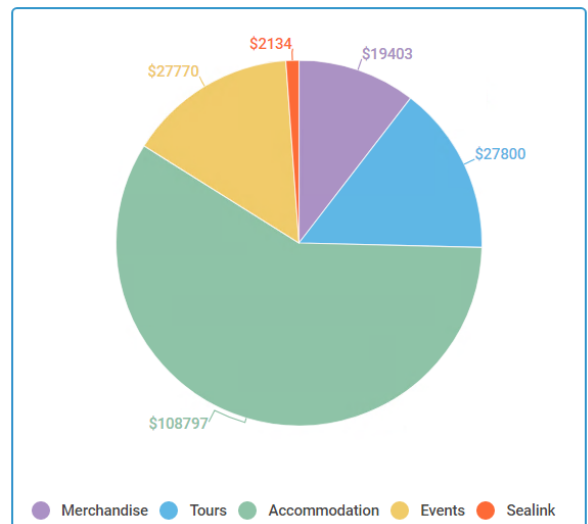


Visitor Information Centre & Cycle Hub

Cycle Hub & Visitor Information Centre Activity - Quarter 1



Value of Visitor Information Centre Sales - Quarter 1





How We Work – Good Governance



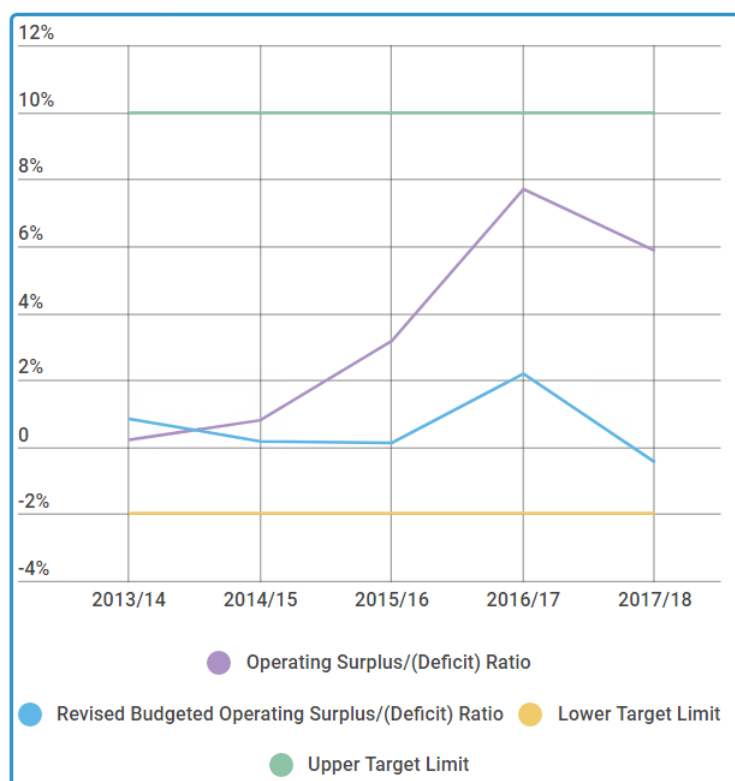
Operating Surplus/(Deficit) Ratio

Operating surplus (deficit) expressed as a percentage of operating income

Result within target range for 2017/18.

RESULTS

Operating Surplus/(Deficit) Ratio



INTERPRETATION

Annual Measure – Updated financial data as at 30 June 2018 shows an operating surplus/(deficit) ratio of 5.87 which is within the target range.

It is anticipated that the improved budget performance, budget estimations and improvements to processes in the organisation are containing expenditure growth to less than budgeted. The actual 2017/18 actual operating surplus was \$2.25M. Coupled with containing expenditure, Council received \$0.6M advance grant payment (from the 2018/19 expected grant allocation) from the Commonwealth the week prior to end of financial year which distorts the operating result for 2017/18 and 2018/19. The 2018/19 budget was based on a zero base calculation and the performance over the past two years is reflected in the operating budget for the 2018/19 financial year.

RESPONSE

No response required.



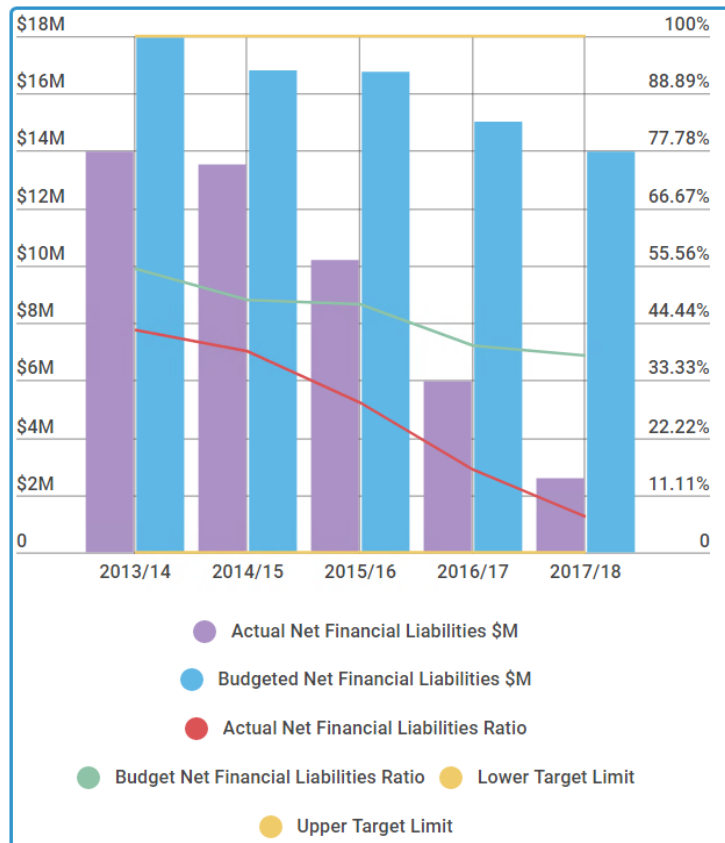
Net Financial Liabilities Ratio

Net financial liabilities at the end of the financial year as a percentage of operating income for the year

Result exceeded target for 2017/18.

RESULTS

Net Financial Liabilities Ratio



INTERPRETATION

Annual Measure – The Actual Net Liabilities for 2017/18 fell within the targeted range but was well below budgeted Net Financial Liabilities due to holding more cash at the end of the financial year than originally expected. This result is largely due to unexpected income including the Financial Assistance Grant for 2018/19 which was paid in June 2018 and numerous decreases to expenditure, including salaries, energy and materials costs together with a decrease to liabilities, additional cash holdings brought forward from the previous year, savings from budget projections and \$3.2m expenditure not spent carried forward to next year.

RESPONSE

No response required.



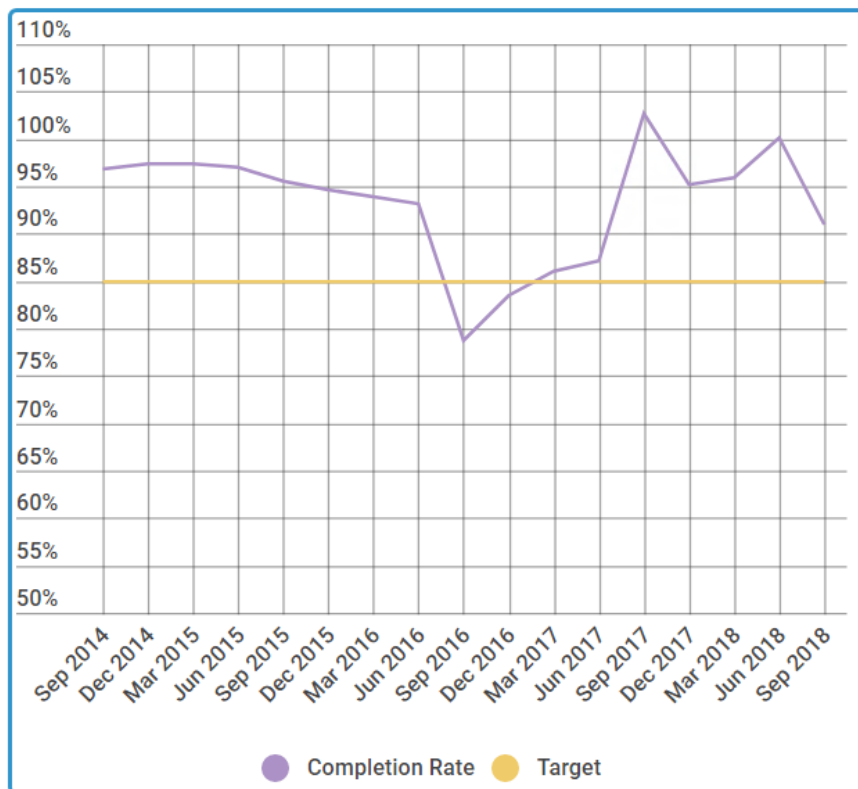
Customer Request Completion Rate

Percentage of Customer Requests Completed (On Time and Overdue)

Quarter 1 target exceeded.

RESULTS

Customer Request Completion Rate



INTERPRETATION

The first Quarter of 2018/19 saw a 90.89% request completion rate, exceeding the target of 85%. This measure is calculated using the number of requests completed year to date (regardless of when they were logged or due) versus the number of requests due for the same period. As a result, it is possible for the number of requests completed during the period to exceed the number logged.

RESPONSE

Council is continuing to focus on the improvement of customer request response times, particularly in relation to analysing duplication of effort both within and across directorates and focusing on administrative process optimisation within the customer service supply chain. The implementation of Pathway Smart Mobile applications under Council's Change Program will be a key strategy in improving the customer request completion rate by introducing greater mobility to Council's customer request management system and allowing officers to complete requests in real time out in the field.



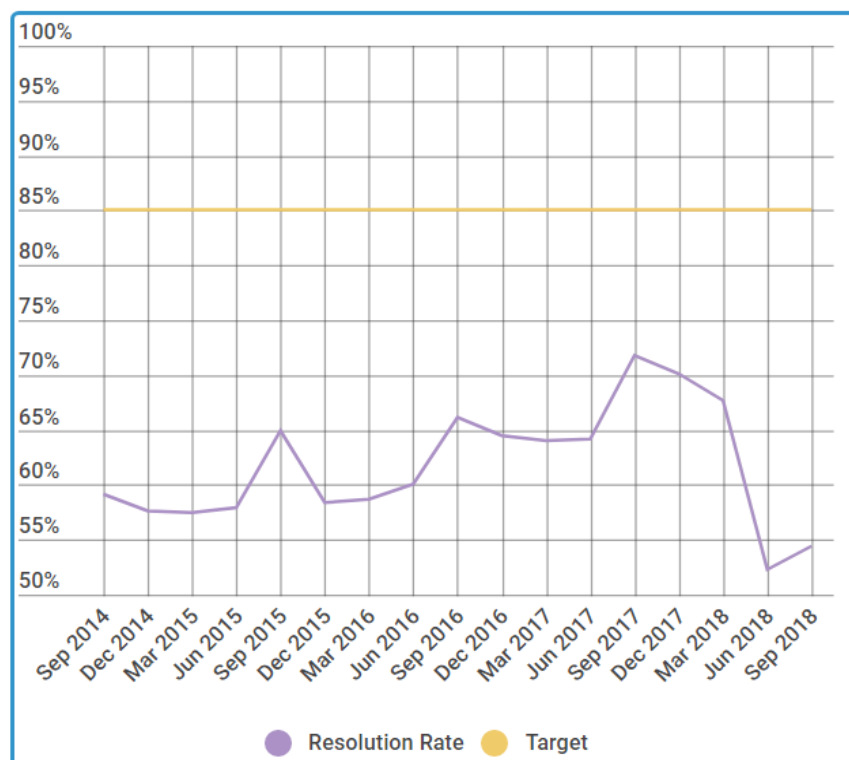
Customer Request Resolution Rate

Percentage of Customer Requests Resolved on Time

Quarter 4 target not met.

RESULTS

Customer Request Resolution Rate

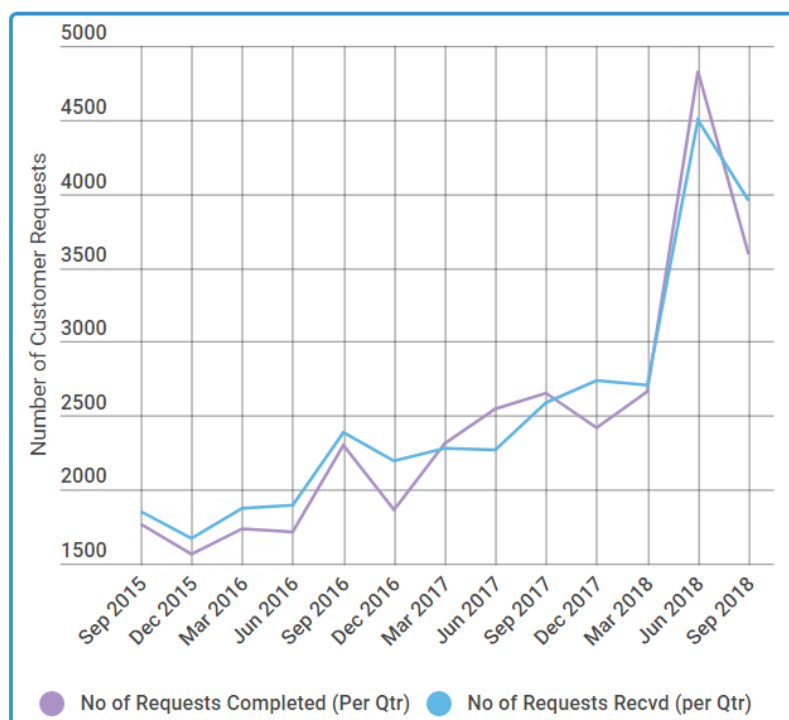


INTERPRETATION

The targeted resolution rate was not met for the first quarter, with only 54.41% of requests completed by the nominated due date. This result represents a continuing downturn similar to the final quarter of 2017/18 and can be largely attributed to the influx of waste related customer requests as a result of the rollout of the new Waste Management Contract.

As demonstrated in the chart below, the number of requests received during the first quarter continued to be exceptionally high (3,950 requests) compared to the same period in 2017/18 (2,592). A total of 1,197 requests during the first quarter related to waste management. The mass influx of waste management requests had a direct impact on the resolution rate, with the standard response time unachievable within existing resources.

Customer Request Analysis - Received Vs Completed



Even accounting for the impact of the Waste Management Contract rollout, Council has continued to see a much higher number of requests received per quarter compared to previous years. This increase is a direct reflection of a change in Council's customer request processing methodology and use of supporting corporate systems, whereby the organisation is transitioning to all requests being managed end to end in Council's customer request management system rather than multiple systems. This has meant that whilst request numbers appear to have increased significantly, workload has not necessarily increased across some key request types, it is now just recorded and measured in a central location. Previously a significant portion of the organisation's work was unable to be measured or quantified. The impact of this change can be seen in increased activity associated with processing of Council rates and dog registrations and requests for changes to Council's name and address register.

RESPONSE

As identified in the previous measure, key strategic projects currently being implemented to address customer request close out issues, to identify system and administrative process improvements and the review of customer service methodologies more broadly, and the implementation of Pathway Smart Mobile applications will result in continued progress towards achieving the nominated target.



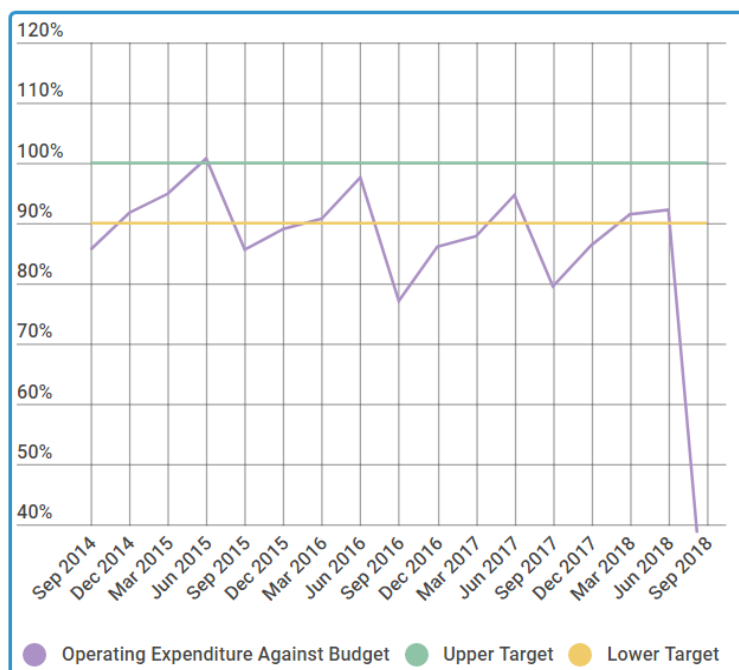
Operational Expenditure Against Budget

Actual Operating Expenditure as a % of Budgeted Operating Expenditure

Quarter 1 target range not met.

RESULTS

Operating Expenditure Against Budget



INTERPRETATION

As at 30 September 2018, 19.88% of the quarterly operational budget had been spent.

Across Council more broadly, operating expenditure has been impacted significantly by the timing of payments and charges relating to key categories such as insurance, interest, employee expenses, rubble provision, waste collection, contract fees and electricity and water. After accounting for these timing issues, the majority of which were resolved early in Quarter 2, the budget was 91.15% spent and within the target range.

RESPONSE

Officers will continue to monitor operational budget and service performance during 2018/19.



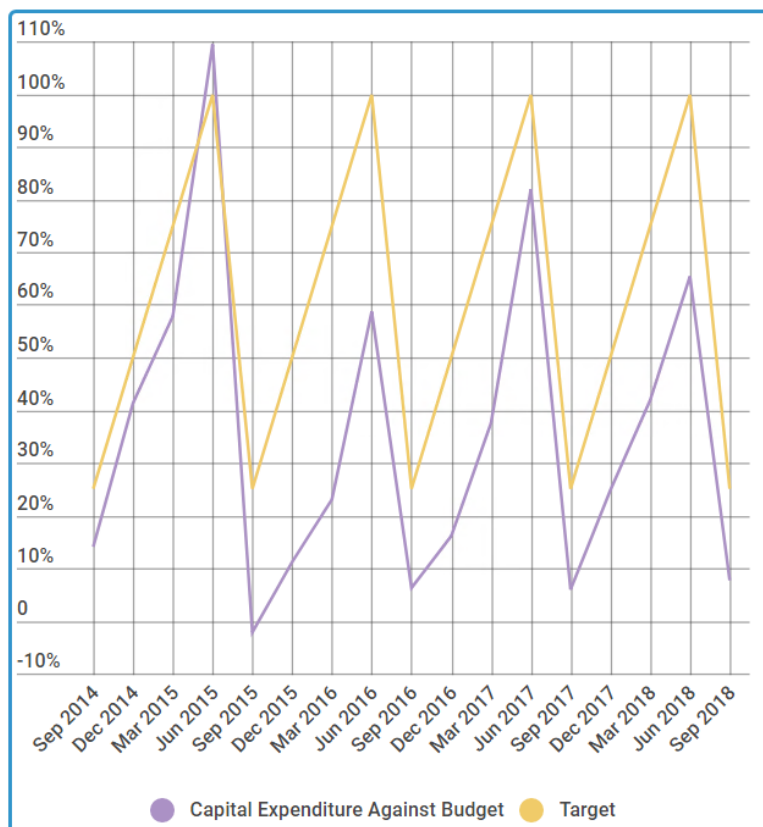
Capital Expenditure Against Budget

Actual Capital Expenditure as a percentage of Budgeted Capital Expenditure

Quarter 1 target not met.

RESULTS

Capital Expenditure Against Budget



INTERPRETATION

As at 30 September 2018, just 7.73% of the \$19,449,000 capital budget had been spent.

A portion of the YTD variance in capital expenditure against budget in Works and Engineering Services (approximately \$200k) is due to the following two projects where costs will be transferred from operating to capital during quarter 2;

- The upgrade of Lucks Road is being completed using internal resources and was originally budgeted as an external project, a second quarter budget adjustment will be submitted to correct this.
- Road Re-Sheeting capital works have commenced and are well advanced during Quarter 1, however operational spend had not been allocated to capital during Quarter 1. This will be addressed via a second quarter budget adjustment.

More broadly, there are significant levels of commitments and expenditure flowing through the financials in Quarter 2 already. The capital budget will also decrease significantly in Quarter 2.

There is \$3.946M in the capital budget that was linked to a successful Regional Growth Fund application with the Federal Government which was unsuccessful, this will be removed from the forward estimates in Quarter 2 effectively reducing the capital budget. Angaston railway station works are on track with larger expenditure flows to occur in the new year, along with Tanunda acceleration works and Williamstown Oval bridge (Tanunda and Williamstown works) which had been delayed subject to the regional growth fund outcome. The budget will also be adjusted to carry forward CWMS Tanunda work as the current budget estimate is well short of tender prices, therefore the work will be deferred and further funding considered as part of the 2019/20 budget deliberations. In addition, female toilets and change rooms at Nuriootpa Oval were contingent upon a sports and recreational grant which was also unsuccessful. In total these deferred projects total \$6.740M.

Allowing for the items outlined above, the adjusted percentage spend would be in the order of 11.8% with significant commitments in Quarter 2 and 3.

RESPONSE

Works and Engineering based capital spend will significantly improve during the second and third quarters. A large portion of capital works is contracted or a plan is in place to procure construction services. Works & Engineering Services continue to employ an additional capital delivery resource and have completed internal resource restructures to continue the focus on capital works delivery.

Necessary adjustments outlined will be made in Quarter 2 and this will reflect a new target spend in the order of \$14.778M.

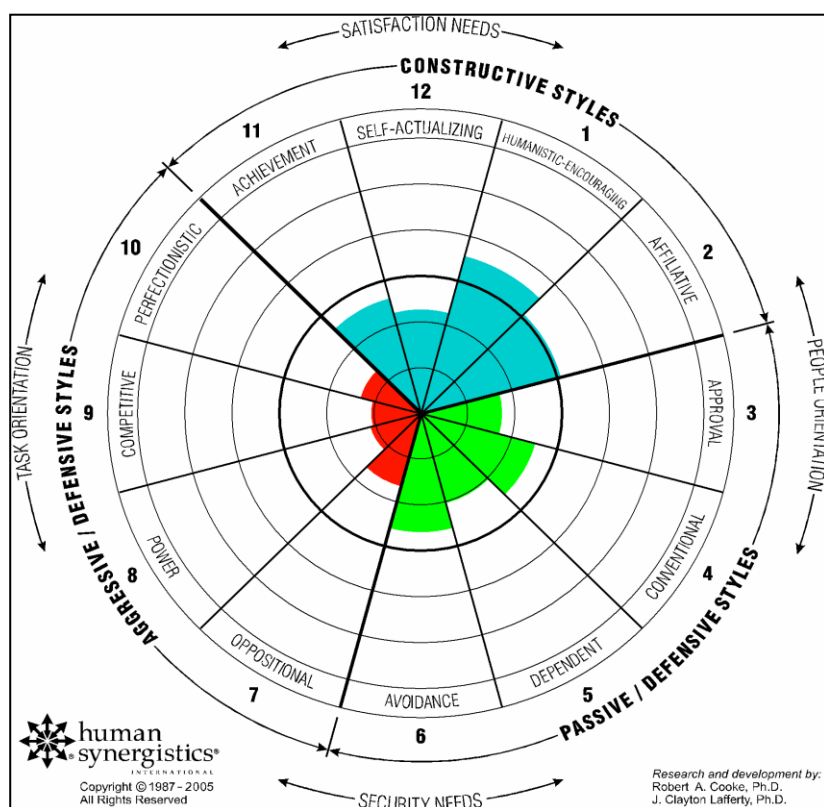


Organisational Culture Improvement

Percentage percentile shift in the culture survey results to an organisation of progressively improving achievement and self-actualising styles of operation

Primarily a constructive result from the October 2016 OCI/OEI Employee survey. All Defensive styles are below the 50th percentile ring, and two Constructive styles are at or above the 50th percentile ring, which is desirable.

RESULTS



INTERPRETATION

Biennial Measure - Whilst the results from the 2016 Culture survey are steady, with some improvements in causal factor results (from the Organisational Effectiveness Inventory (OEI)), the most striking difference between the 2014 survey and the 2016 survey is the increased response rate, at around 25%. This is a very positive indicator as it demonstrates an increased willingness to engage in organisational improvement.

RESPONSE

Each directorate has reviewed their individual results and formulated an action plan to address areas of improvement identified.

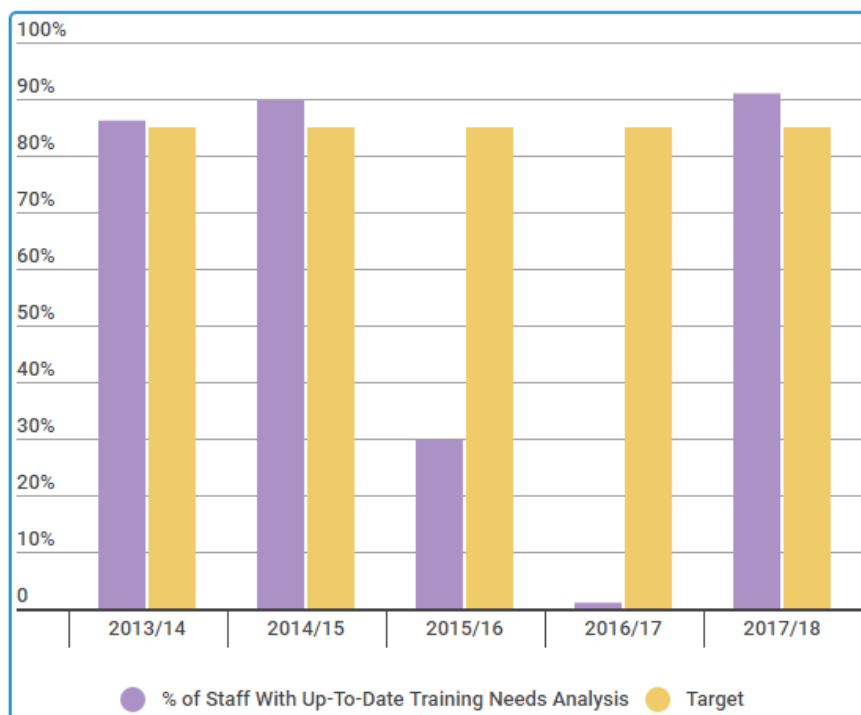
Staff Development - Training

Percentage of staff with an approved training needs analysis

Target met for 2017/18.

RESULTS

Staff Development - Training Needs Analysis



INTERPRETATION

Annual Measure - All employees have an individual training plan which is scheduled for review on a 12-month cycle.

During 2017/18 Council implemented an online system (Skytrust) for managing staff competencies, TNA's and training records. As a result, during the first quarter for 2017/18, 132 TNA's were completed and an additional 18 were completed during quarter 2, resulting in an improvement in the rate of staff with an approved Training Needs Analysis to 91% as at 30 June 2018.

RESPONSE

No response required.



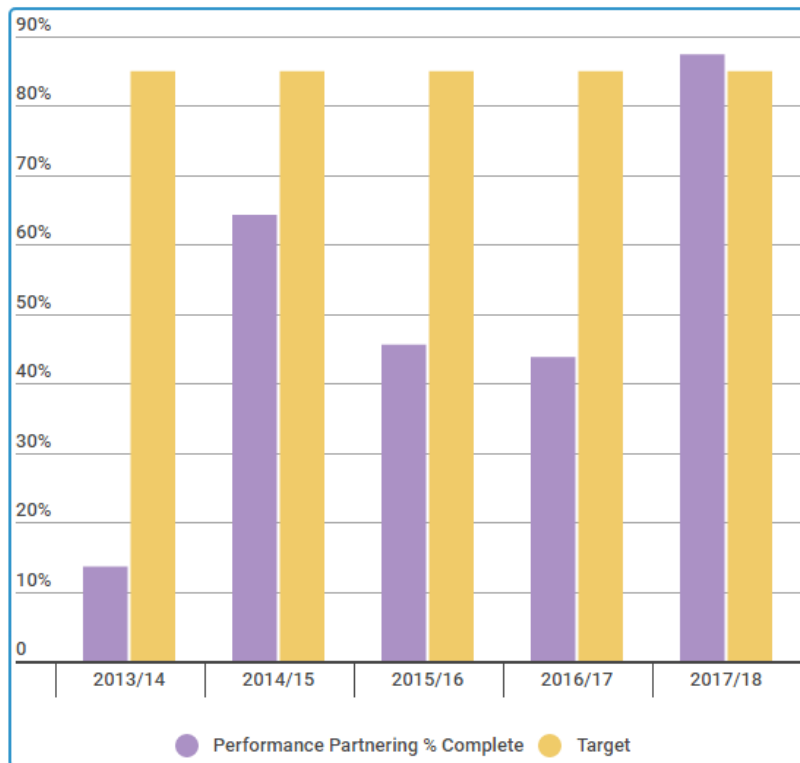
Staff Development – Performance Partnering

Percentage of staff who have completed performance partnering

Target met for 2017/18.

RESULTS

Staff Development - Performance Partnering



INTERPRETATION

Annual Measure – Council achieved a performance partnering completion rate of 87.4% for 2017/18. Performance partnering workbooks were due to be completed by the end of March 2018.

A new workbook was rolled out during the 2017/18 performance partnering review cycle and resulted in a slight improvement in the completion rate within the nominated due date, however there were still a significant percentage of outstanding workbooks which managers were working to address by 30 June 2018.

A significant improvement was recorded during 2017/18, with 118 of 135 eligible employees completing Performance Partnering. During 2017/18 there were 17.28% (28) employees that were not required to complete Performance Partnering as they were absent due to long term illness, were casual or still within their probation period.

RESPONSE

No response required.



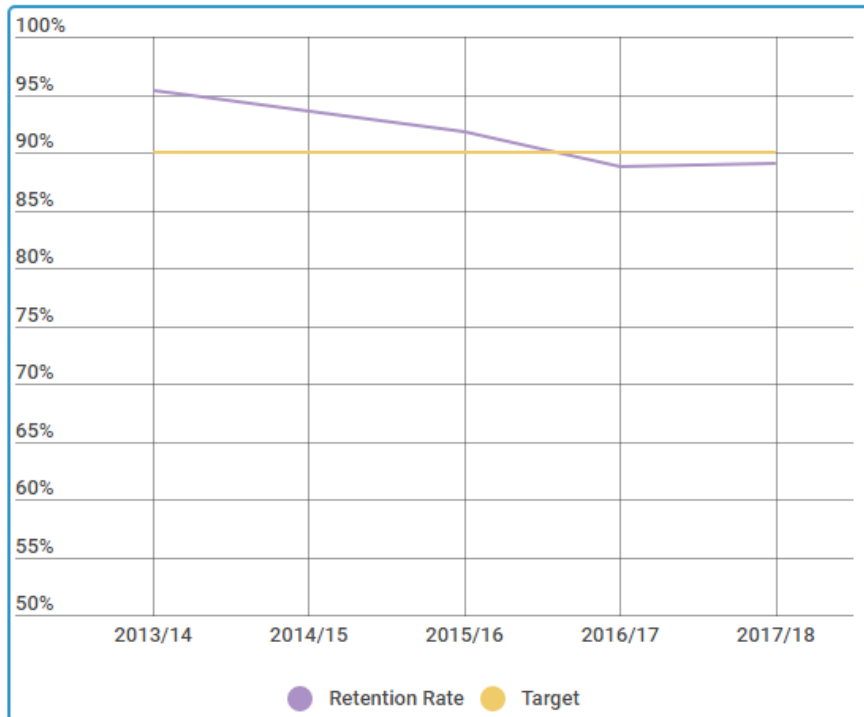
Staff Retention

Percentage of employees retained

Target not met, falling short by 1% with 89% of employees retained during 2017/18.

RESULTS

Employee Retention Rate



INTERPRETATION

Annual Measure – During 2017/18, Council recorded a retention rate of 89%, falling just short of the targeted 90% which equates to only 1 additional vacancy. This result is identical to the retention rate recorded in 2016/17.

Turnover in 2017/18 occurred due to natural attrition, retirements and cessation of fixed term contracts. We have also seen increasing competition for skilled workers in the planning and building fields, resulting in the movement of staff within the industry.

RESPONSE

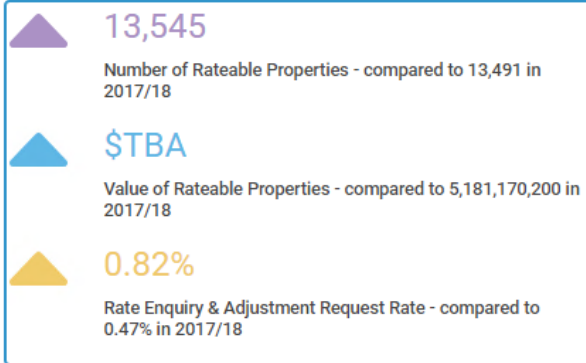
Council continues to support the retention of staff through the development and implementation of contemporary organisational development and human resource management practices.

Activity Snapshot

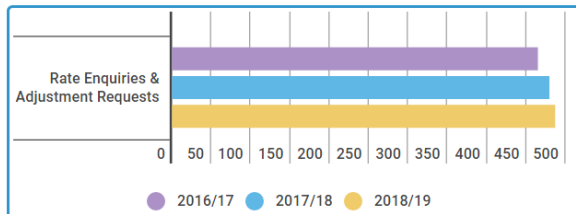


Rate Management

Rate Activity - Quarter 1

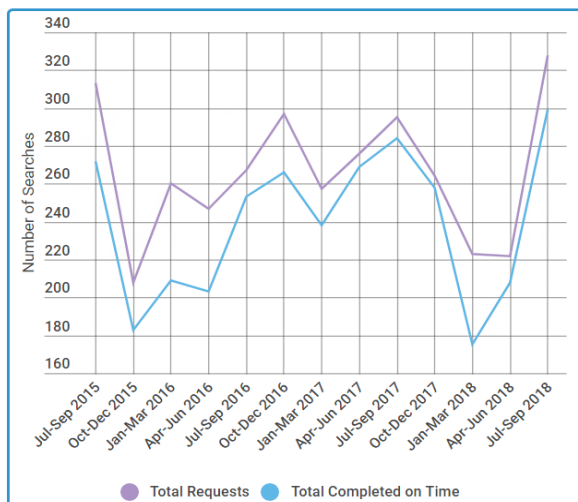


Rate Enquiries - Quarter 1

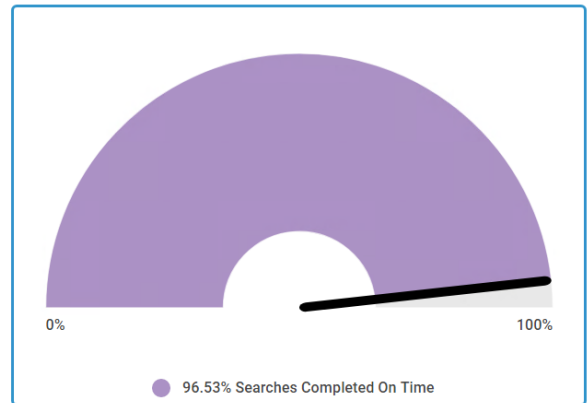


Local Government Records Searches

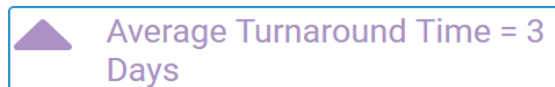
Local Government Search Requests Vs Completions



Searches Completed on Time

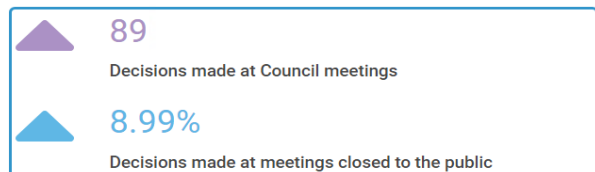


Search Process Turnaround Time

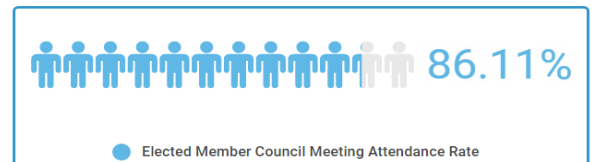


Council Decision Making

Council Decisions - Quarter 1

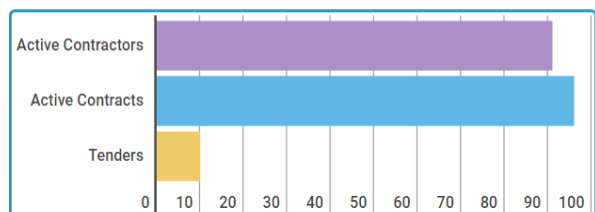


Elected Member Attendance - Quarter 1



Procurement

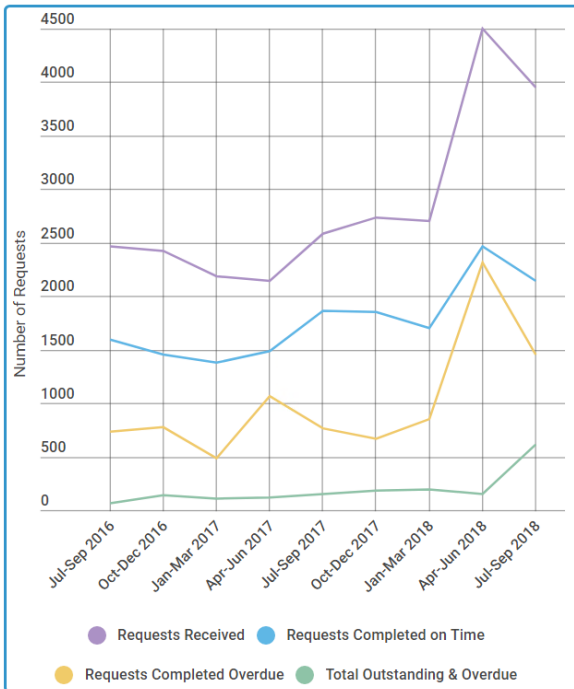
Procurement Activity as at 30 September 2018





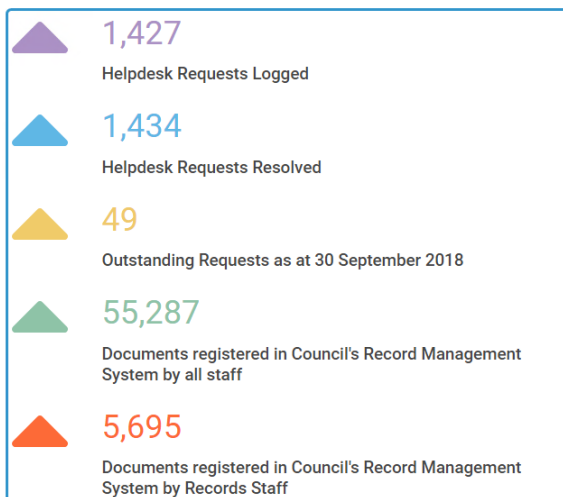
Customer Requests

Customer Request Activity



Knowledge & Technology Services

Knowledge & Technology - Quarter 1

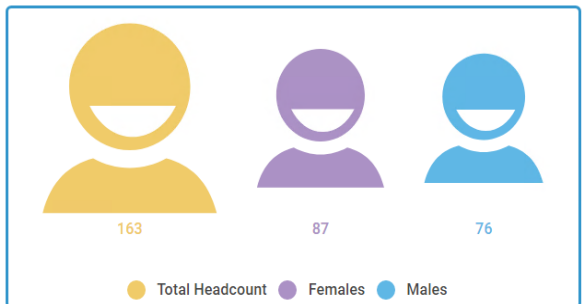


Help Desk Resolution Rate - Quarter 1



Human Resources & Payroll

Workforce Demographics



HR Activity - Quarter 1



Payroll Activity - Quarter 1





Risk Management

New measures currently under construction



Communications & Engagement

Communications & Engagement Activity - Quarter 1



436 Community Responses Received for Consultation

4 Facebook posts, 3 print media items and 6 adds published in support of community consultation



2,124 Facebook Followers

91 Posts and 1375 Facebook followers clicked through to Council's website



246 Internal E-News Subscribers

399 E-News Opens & Reads



33,346 Website Visits

Accessed 19,810 times from desktop devices and 13,536 times from mobile devices



19 Media Releases Prepared

43 News Items Published



2 Videos Developed

1838 Views of Video Content

AUDIT COMMITTEE

MANAGER ORGANISATIONAL DEVELOPMENT AND RISK

8 JANUARY 2019

11.1 DEBATE AGENDA

11.1.2

UPDATE – RISK MANAGEMENT PROGRAMS AND PROJECTS

B7531

Author: Risk Advisor

PURPOSE

To present a quarterly report on the progress of Risk Management programs and projects.

RECOMMENDATION

That the Audit Committee receives and notes the report on the progress of Risk Management Programs and Projects.

REPORT

Risk Management

The Risk Plan 2019-2021 was endorsed by the Corporate Management Team (CMT) on 24 October 2018. The Action Plan to support the Risk Plan 2019-2021 will be developed in Quarter 3 -18/19. The Plan will be developed taking into account results from the recent Risk and WHS Evaluations, the Risk Services Review, Document Review Schedules and the Change Program.

Risk Management Action Plan

The 2019 Risk Management Action Plan will be developed in line with the Risk Plan 2019 – 2021 and signed off by the end of January 2019.

Strategic Risk Management

Further progress to Strategic Risk Management is pending the outcome of the Risk Evaluation conducted on 30 October and 1 November 2018. A preliminary version of this report was received by the Chief Executive Officer on 20 December 2018 and is yet to be accepted.

KPI Action Plan for 2018

The 2018 Key Performance Indicator Action Plan (KPI Action Plan), driven by Local Government Association Workers Compensation Scheme (LGAWCS), commenced in January 2018 and was evaluated in November 2018 as 97% complete.

Risk Services will draft a proposed KPI Plan for next year, drawing from the 2019 – 2021 Risk Plan.

Risk Management Quarterly Report

Council's Risk Management Quarterly Report for Quarter 2 - 2018/19 will be prepared in January 2019 and communicated to the Audit Committee at the following Committee meeting.

Emergency Management and Community Resilience

At the initial meeting of the new Council on 26 November 2018, Council resolved that the Risk Advisor be Council's representative on the Barossa Zone Emergency Management Committee.

A report detailing recommended locations for the eleven AEDs is on the agenda for the next Organisational Management Group (OMG) meeting. The report makes recommendations based on the following considerations:

- central to the townships
- easily accessed
- high exposure to all of the community, signage requirements to increase exposure
- Wi-Fi already available, or power for us to install a mobile Wi-Fi device
- is protected from direct sunlight
- well-lit or security installed
- public access AEDs already available from other parties
- access to health services; distance to nearest service
- how the storage cabinet might be mounted, directly or on posts

Business Continuity Plan (BCP)

A review of the BCP by the Risk Advisor and the Manager of Organisational Development and Risk is booked in January, prior to sending back onto Paul Kerrish for the next phase of the program.

Risk Team

In December 2018 the 0.8 FTE Administration Officer for the Risk team was successful in gaining full time employment with a neighbouring Council.

This provides opportunities for higher levels of collaboration with the neighbouring Council and an opportunity to review the structure of the Risk Team into the future.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Nil

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Corporate Plan



How We Work – Good Governance

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.

Legislative Requirements

Local Government Act 1999

Work Health Safety Act 2012

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Addressed within the Report.

COMMUNITY CONSULTATION

Not required under legislation or Council's Public Consultation Policy.

AUDIT COMMITTEE

MANAGER FINANCIAL SERVICES

8 JANUARY 2019

11.1 DEBATE AGENDA

11.1.3

RECOMMENDATION OF APPOINTMENT OF INDEPENDENT MEMBERS

B7126

PURPOSE

To make recommendation to Council regarding the appointment of two Independent Members to the Audit Committee, due to vacancies caused by effluxion of time in Mr Peter Brass and Ms Tanya Johnston's term on 27 January 2019.

RECOMMENDATION

That the Audit Committee:

- (1) Receives and notes the report regarding Recommendation of Appointment of Independent Members;
- (2) Recommends that Council appoint Mr Peter Brass and Ms Ellen Ewing as Independent Members of the Audit Committee for a two year term commencing on 27 January 2019, with one right of extension of the appointment.

REPORT

Introduction

As reported to the 30 October 2018 Audit Committee Meeting, Mr Peter Brass (Independent Chair) and Ms Tanya Johnston's term as Independent Members of the Audit Committee, expires on 27 January 2019. Council advertised for Expressions of Interest in local newspapers and on Council's website, with three submissions being received.

Discussion

Clause 3.8 of the Audit Committee Terms of Reference states "*All members of the Committee shall be appointed by Council on the recommendation of the Committee*".

The Audit Committee, at its 30 October 2018 meeting, approved an interview panel comprising Cr John Angas and Cr Russell Johnston, the Chief Executive Officer and Manager Financial Services. Three Expressions of Interest (EOIs) were received (one being after the closing date).

Interviews were held on 7 December 2018. The applicants' responses to the interview questions (Attachment 1) were considered. A summary of the Panel comments is provided in Attachment 2.

The Panel is satisfied with the interviewees' responses and understanding of the role required for this appointment. The Panel's opinion was that all three of the applicants

demonstrated the required level of skill, expertise and experience to meet the requirements of Independent Committee Members. When combined with our ongoing Independent Member's experience, attributes and skills, applicant 1 (Mr Peter Brass) and applicant 2 (Ms Ellen Ewing) would provide greater diversity and balance to the membership. Further information can be provided at the Audit Committee meeting as/if required.

Clause 3.6 of the Audit Committee Terms of Reference states *"The Committee shall, at its first meeting or at its first meeting following the Periodic Election, nominate a Chairperson, preferably from among the Independent members. The nomination must be approved by Council. Should there be more nominations than required to fill the positions then all voting shall be by secret ballot."*

Mr Brass has expressed his desire to nominate as the Chair of the Audit Committee if his appointment is successful.

Summary

The Panel's opinion is that Mr Peter Brass and Ms Ellen Ewing demonstrate the required level of skill, expertise and experience to meet the requirements of an Independent Committee Member and asks the Audit Committee to recommend appointment by Council.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Attachment 1: Interview Questions
Attachment 2: Applicant Summary Form

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan



How We Work – Good Governance

Legislative Requirements

Local Government Act 1999

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial

Costs related to advertising for the Independent Members are allowed for in the Budget.

Resource

Managed within existing officer resources.

Risk Management

Adherence to the Audit Committee Terms of Reference is a risk management tool.

COMMUNITY CONSULTATION

Not required under legislation or Council's Public Consultation Policy. A public notice requesting Expressions of Interest was placed in The Leader and Bunyip newspapers on 14 November 2018.

Interviewer: _____

Applicant: _____

	Question:	Asked By:	Score:
1.	What prompted you to apply as an independent member on Council's Audit Committee?	RJ	
2.	Can you please outline your previous experience with audit committees and auditing in general?	RJ	
3.	What do you see as being the key role and functions of an Audit Committee? Expected response eg. - receive, enquire, discuss and report on: Finance, Risk, Governance, Audit, Strategic & Corporate reviews, Reporting, Internal Control	JA	
4.	What role do you think the audit function has in Council and how that works with the audit committee?	JA	
5.	What action/steps do you believe Councils should be taking to address Risk Management? Expected response eg. – Risk - Policy, framework inc. plans, programs, assessments, processes, registers, strategic & corporate risk reviews, reports	MM	
6.	What do you believe are the key goals and measures that should be driving Council's financial performance in the long term? Expected response eg. – Strategic/Community/Corporate - planning, decision making, reporting and reviews, legislative requirements inc. KPIs', best practice reporting and assessments	MM	
7.	What benefits do you believe you could bring as an independent member?	MM	
8.	Administration briefing: Current external auditors; Bentleys SA Council has a internal control officer not specifically internal audit Other recent external independent audits Council has include not limited to: Auditor General, CITB, ATO, R2R, WHS scheme (and potentially ICAC) The Audit Committee has 5 members inc. 3 independents, 4 meetings per year usually held Feb, May/June, Sep/Oct and Dec, agendas are usually quite thorough (large), current sitting fee is \$365 per meeting, Chair at \$565 and the Council appointment period is 2 years	ML	
9.	Do you have any questions of the Panel?	ML	

Score 1 – 5 (5 being v.good, 3 satisfactory, 1 unsatisfactory)



THE BAROSSA COUNCIL

APPLICANT SUMMARY FORM - 2

Process Link:	Recruitment and Selection Process		
Form Owner:	Manager Financial Services	Previous Approval Date(s):	New form
Document Control Officer:	Manager Financial Services	Current Approval Date:	N/A
HPE Content Manager Ref:	N/A	Next Review Date:	N/A

1. Position details					
Vacancy:	Audit Committee (AC) - Independent	Interviewer:	John Angas, Russel Johnston, Martin McCarthy and Mark Lague	Date:	7 December 18

2. Applicant details						
	Applicant Name	Correspondence	Qualifications	Employment History (Relevant to the role / Local Government)	Employment History (Other)	Panel Notes
1	Peter Brass	18/82727	Fellow CPA Certified Practising Risk Manager Graduate Australian Institute of Company Directors	The Barossa Council - Audit Committee Independent Member & Chair Senior Risk Management & Internal Audit positions at PIRSA, Adelaide Brighton Limited, Elders Australia	Independent Audit Committee Chair & Member – Various metro and regional Councils	As an existing independent member and chair Peter brings experience, a known quantity and adds value to Councils audit oversight within this role. Due to his employment and work experience Peters knowledge on Risk and Auditing is

				Limited and Fosters Brewing Group.		substantial. As a member and chair of numerous ACs Peter has a comprehensive understanding of AC requirements. Highly recommended for appointment
2	Ellen Ewing	18/82979	<p>Bachelor of Laws – University of Adelaide</p> <p>Graduate Diploma in Legal Practice – S.A.I.T. (Uni SA)</p> <p>Bachelor of Arts – Murdoch University</p> <p>Graduate - Australian Institute of Company Directors</p>	<p>Administration Manager: Co-Managed SME – locally</p> <p>Oversight of Book-keeping, HR</p> <p>Workplace Policies</p> <p>Liaising with Accountants</p>	<p>Solicitor:</p> <p>7 years in medium size business in regional SA: family and criminal law, personal injury, Wills, Debt Collection</p>	<p>Although experienced in business and accounting requirements Ellen would be new to an audit committee role. Ellen would require some mentoring from the existing AC members. It would be a development opportunity for Ellen. Being a local business owner could provide Barossa district issues, views and experiences. This diversity could enhance the overall AC approach</p>
3	<p>██████████</p> <p>(late Application)</p>	18/85425	<p>B.Bom Degree - University of Queensland</p> <p>Previously a member of "The Institute of Chartered Accountants"</p>	<p>The Barossa Council subsidiary Nuriootpa Centennial Park Authority - Audit Committee Independent Member & Chair</p> <p>Work experience: Internal control and audit manager. Quality review and accounting</p>	<p>Independent Audit Committee Chair– Various regional Councils</p>	<p>██████████ has many years of experience in auditing and as an independent member and chair of other ACs.</p> <p>██████████ portrays a vast and detailed, technical knowledge and understanding of Audit and internal control. It is believed that ██████████ would provide a similar approach and benefits to the AC as the existing AC independent members</p>

3. Interview summary						
Applicant Name	Panel Member 1 Rating	Panel Member 2 Rating	Panel Member 3 Rating	Panel Member 4 Rating	Total Rating	Panel Summary (Comments to include fit against role - Competency profile – skillset, experience, training and knowledge and appropriate fit)
Peter Brass	28	30	28	31	117	AC & Risk - Experience, knowledge and technical ability
Ellen Ewing	21.5	22	19	17	79.5	Local business experience and knowledge, new approach, opportunity for development, diversity to the AC membership
██████████	27	26.5	23	31	107.5	AC & Audit - Experience, knowledge and technical ability

4. Additional Information (key requirements, cultural fit)	
<p>Reference Summary (if required): Not undertaken</p> <p>Selection Decision: The AC interview panel considered the responses to the questions with all applicants providing sufficient skillset and ability to undertake the role(s). The Audit Committee should provide a varied and practical review of Councils operations for the areas required under the AC Terms of Reference and the independent members appointments provide variable levels of experience and knowledge.</p> <p>It is recommended that the AC members are appointed as follows: Mr Peter Brass as Independent and Chair (If recommended by the AC and approved by Council) and Ms Ellen Ewing as an Independent member.</p>	