



# Southern & Hills Local Government Association

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Adelaide Hills Council | Alexandrina Council | Mount Barker District Council | Kangaroo Island Council  
| City of Victor Harbor | District Council of Yankalilla |

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## INTERNAL REPORT

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**Committee:** Southern & Hills Local Government Association  
**From:** Graeme Martin, Executive Officer  
**Title:** S&HLGA Value Proposition - 2019  
**Purpose:** Information/Discussion  
**Date:** 2 April 2019

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### Proposition:

S&HLGA is continually reviewing its strategic direction. It is timely to consider the value proposition in the membership of S&HLGA

### Background and methodology:

UHY Haines Norton were engaged by the LGA SA to provide a report on the value of membership of the LGA. The methodology adopted in order to try and value or monetize the membership benefits was:

- A. Comparing the costs paid by Councils to comparable alternative costs
- B. Where external comparisons were not available, a realistic estimate of the benefits was provided.

Many services required the staff resources of the LGA. If these services were undertaken by Councils individually they too would require an allocation of staff resources. For the purpose of the UHY report and for this report a full time salary (including on costs such as superannuation and workers compensation insurance) of \$100,000 per annum has been used as the cost benchmark and/or alternative cost.

### Membership value proposition:

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The recent 2018-2019 projects and successes of the S&HLGA include:

- Regional projects – Regional Public Transport RDA/S&HLGA partnership project, SA Coastal Councils Alliance, LGA Smart Cities, S&HLGA Resilient Hills & Coast Climate Change Committee, S&HLGA Regional Public Health Working Group, S&HLGA Regional Transport Plan Roads Works Party, South Coast Freight Route, Regional Native Vegetation Plan

- Advocacy- SA Grants Commission reform, Infrastructure plan, Abundant species and Little Corellas maintenance, South Coast Freight Route, SAROC and GAROC futures, Ratings Equity reform, NRM review/Landscapes Act
- Special Local Roads Program (SLRP) funding
- Website updates and maintenance for promotion and marketing and information dissemination
- LGA Committee/working group memberships- e.g SA Councils Coastal alliance, S&HLGA Regional Public Health Working Group, Regional Economic Development Officers Group, Regional Organisations EO Management Group, SAROC, Resilient Hills & Coast Climate Change Adaptation Group, S&HLGA CEO Group, CWMS User Group.
- Research and benchmarking- rate capping information for the region, NRM levy impact, Peri Urban discussion paper, SA Grants Commission methodology review submission.
- Developing and building capacity – Successful external grant funding

## Financial Benefits

### A. *General advocacy*

The S&HLGA Executive Officer (EO) undertakes general advocacy on behalf of the region and its councils. This takes shape in provision of information to stakeholders and influencers, representation at forums and working groups, conference networking, research papers and awareness, co-ordination of surveys and liaison with key stakeholders, marketing via the website and communications. If Councils were to manage this individually they would likely need the services of someone at one day per week or 0.2 Full Time Equivalent (FTE) staff member.

- Estimated potential savings to each Council of \$20,000
- Estimated potential total savings to the S&HLGA Region of \$120,000

### B. *Programs and Projects*

#### i. *S&HLGA Regional Public Health Plan*

The S&HLGA has taken a collaborative approach to key regional projects and one of these has been the Public Health plan, a Council requirement under the SA Public Health Act. The S&HLGA Well Being in our Community- Regional Public Health Plan was commenced in 2015 and is a collaborative exercise between all the S&HLGA Councils outlining the regions strategic direction, roles and priorities around Public Health. This is an ongoing project with reports to SA Health one of the legislative requirements.

During 2018-2019 we secured \$75,000 external funding from the LGA R&D scheme to undertake a pilot study in appointing a regional Community Wellbeing Project officer

- Value to each Council of \$12,500
- Value to the S&HLGA Region of \$75,000

The S&HLGA EO provides secretarial and administrative services to the S&HLGA Regional Public Health Committee. There are approximately six meeting per year with Agenda preparation, attendance, minutes and follow up actions and communications involved.

- Estimated value to each Council of \$1,500
- Estimated value to the S&HLGA region of \$9,000

ii. *Resilient Hills and Coast Climate Change Adaptation Plan*

The Resilient Hills and Coast Climate Change Adaptation Plan is a collaborative exercise between all the S&HLGA Councils which maps out the vision, values, vulnerabilities and key decisions of the region around climate change impacts and identifies adaptation and mitigation priorities for the region. This is also an ongoing project with implementation and monitoring requirements. During 2018-2019 we received \$45,000 external funding from the LGA R&D scheme to undertake phase one of the Community Energy Project. In addition we received \$95,000 from the National Disaster Resilience Fund and \$40,000 from the Insurance Council of Australia for the “What we Build, Where we Build” project

- Value to each Council of \$30,000
- Value to the S&HLGA Region of \$180,000

The S&HLGA EO sits on the RH&C Committee providing guidance and input into the actions and implementation of the Plan. There are approximately six meeting per year with attendance, follow up actions and communications involved.

- Estimated value to each Council of \$667
- Estimated value to the S&HLGA region of \$4,000

iii. *The S&HLGA 2020 Regional Transport Plan and Road Works Committee*

The EO co-ordinates and supervises the updates to the regional transport plan and the region’s applications to the Special Local Roads program (SLRP) funding for significant local road improvements. Over the past twelve years commencing 2007 the S&HLGA region has secured a total of \$19,999,000 road funding under the SLRP. During 2018-2019 the region received \$1,640,000.

- Average annual value per Council (5) of \$333,317
- Average annual value for the S&HLGA region of \$1,666,583
- 2018-2019 Value to each Council of \$328,000
- 2018-2019 Value to the S&HLGA Region \$1,640,000

The S&HLGA EO provides secretarial and administrative services to the S&HLGA Transport Committee. There are approximately four meetings per year with Agenda preparation, attendance, minutes and follow up actions and communications involved. In addition to this is the liaison with the principal transport consultant, HDS Australia involving several meetings, contract supervision and general follow up action and communication. The annual SLRP applications are managed by the EO.

- Estimated value to each Council (5 only) of \$2,338
- Estimated value to the S&HLGA region of \$11,500

### C. *Capacity building*

The S&HLGA was successful during 2018-2019 in obtaining the LGA Regional Capacity Building Grant of \$40,692 and the Outreach Funding Grant of \$25,000

- Value to each Council of \$10,948
- Value for the S&HLGA Region of \$65,692

The S&HLGA has been involved both directly and indirectly in several submissions to the LGA Research and Development Scheme over the past three years. It has successfully obtained funding for the Fleurieu Futures Project in 2014-2015 for \$41,500, the Hills Rail Realignment Study in 2016-2017 for \$25,000 and indirectly through involvement in the Legatus Ratings Equity project for \$16,600. This represents a total of \$83,100 over the three years at an average of \$27,700 per annum. During 2018-2019 we were successful with the Community Energy project funding of \$45,000, the Community Wellbeing project of \$75,000 and partner for the SA Coastal Council Alliance of \$100,000

- Value of the Coastal alliance to each S&HLGA Coastal Council (4) of \$25,000
- Value for the S&HLGA region of \$100,000

There are many services provided by the S&HLGA for the benefit of the region which are difficult to quantify in financial terms yet provide indirect benefits to the Council members. One of the key benefits is the fact that the six member Council CEOs and the six member Council Mayors and/or deputy Mayors are able to meet six times a year for a few hours each S&HLGA Board meeting and share collective knowledge, information and pool resources to advance the S&HLGA to achieve its objectives.

## Summary

The table 1 below summarises the value per council and for the region as a total.

2019 Summary	Value per Council	Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$375,005	\$2,003,500
Capacity building	\$35,948	\$165,692
<b>Total</b>	<b>\$430,953</b>	<b>\$2,289,192</b>

**Table 1**

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with those paid by the S&HLGA member Councils to both the LGA and the RDA.

council	S&HLGA Subs 2018-2019	LGA subs 2018- 2019	RDA subs 2018- 2019
Adelaide Hills	\$ 14,107.90	\$ 51,194.00	\$ 60,038.00
Alexandrina Council	\$ 13,181.10	\$ 44,517.00	\$ 56,000.00
Kangaroo Island	\$ 11,539.20	\$ 17,513.00	\$ 7,500.00
Mt Barker	\$ 13,535.00	\$ 47,995.00	\$ 62,800.00
Victor Harbor	\$ 12,415.70	\$ 29,378.00	\$ 35,700.00
Yankalilla	\$ 11,594.40	\$ 17,053.00	\$ 13,600.00
<b>Total</b>	<b>\$ 76,373.30</b>	<b>\$ 207,650.00</b>	<b>\$ 235,638.00</b>

**Table 2**

**\*\*In 2018-2019 your Average annual S&HLGA membership cost of \$12,729 leveraged and returned you \$430,953 of value and savings representing a ROI of 3,385%\*\***