Notice of Meeting

Notice is hereby given that the LGA Annual General Meeting will be held on

Thursday 16 November 2017 at 11.00am

In the William Magarey Room, Adelaide Oval
War Memorial Drive, North Adelaide

Matt Pinnegar
Chief Executive Officer

17 October 2017
# Agenda

<table>
<thead>
<tr>
<th>Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Open &amp; Welcome</td>
<td></td>
</tr>
<tr>
<td>2. Apologies</td>
<td></td>
</tr>
<tr>
<td>3. Notice &amp; Arrangements</td>
<td></td>
</tr>
<tr>
<td>4. President’s Report</td>
<td></td>
</tr>
<tr>
<td>5. Minutes of Previous Meeting</td>
<td></td>
</tr>
<tr>
<td>5.1 Minutes of the Ordinary General Meeting held 21 April 2017</td>
<td>4</td>
</tr>
<tr>
<td>5.2 Resolutions and Actions from Previous Meetings</td>
<td>12</td>
</tr>
<tr>
<td>6. Discussion Reports from the LGA Board</td>
<td></td>
</tr>
<tr>
<td>6.1 Annual Report 2016/17</td>
<td>25</td>
</tr>
<tr>
<td>6.2 Annual Financial Statements 2016/17</td>
<td>26</td>
</tr>
<tr>
<td>6.3 Electronic Voting in Local Government Elections</td>
<td>70</td>
</tr>
<tr>
<td>6.4 LGA Submission – Review of the Code of Conduct</td>
<td>73</td>
</tr>
<tr>
<td>7. Information Reports from the LGA Board</td>
<td></td>
</tr>
<tr>
<td>7.1 Advocacy Update</td>
<td>85</td>
</tr>
<tr>
<td>7.2 Local Government Research and Development Scheme</td>
<td>100</td>
</tr>
<tr>
<td>7.3 Local Government Financial Indicators 2017</td>
<td>114</td>
</tr>
<tr>
<td>7.4 LGA Schemes Review Update</td>
<td>124</td>
</tr>
<tr>
<td>7.5 LGA Governance Review Update</td>
<td>126</td>
</tr>
<tr>
<td>7.6 LGA Schemes Updates</td>
<td>155</td>
</tr>
<tr>
<td>8. Council Notices of Motion</td>
<td></td>
</tr>
<tr>
<td>8.1 Community Land Management Plans (Charles Sturt)</td>
<td>158</td>
</tr>
<tr>
<td>8.2 Material Conflicts of Interest (West Torrens)</td>
<td>161</td>
</tr>
<tr>
<td>8.3 Rating of Electricity Generators (Wattle Range)</td>
<td>165</td>
</tr>
<tr>
<td>8.4 Child Visitations within Council Facilities (Prospect)</td>
<td>169</td>
</tr>
<tr>
<td>8.5 Essential Services Property Reinstatement Policy (Prospect)</td>
<td>172</td>
</tr>
<tr>
<td>8.6 Establishing Local Government common data formats (Prospect)</td>
<td>175</td>
</tr>
<tr>
<td>8.7 2018 Periodic Election Postal Voting (Mitcham)</td>
<td>178</td>
</tr>
</tbody>
</table>
8.8 Car Parking and Traffic Management in and around Schools (Mitcham) 181
8.9 Use of independent experts for assessment of Regulated or Significant trees (Unley) 186
8.10 Development Assessment Fees (Campbelltown) 190

9. **Late Reports** *(to be distributed separately)*
   Nil

10. **Next Meeting**
    The LGA Ordinary General Meeting will be held on Friday 13 April 2018 at the Adelaide Town Hall, 128 King William Street, Adelaide.

11. **Close**
5.1 Minutes of the Ordinary General Meeting held 21 April 2017

Minutes of Previous Meeting
From: Jacqui Kelleher, Manager Executive Services
Meeting: Annual General Meeting 16 November 2017
ECM: 655599 Attachment: 648853

Recommendation
That the Annual General Meeting confirms the minutes of the Ordinary General Meeting held on 21 April 2017 as a true and accurate record of the proceedings held.

Discussion
An Ordinary General Meeting of the membership was held on 21 April 2017. The draft minutes are provided within the agenda papers and confirmation of accuracy is sought from the meeting.
Draft Minutes of the LGA Ordinary General Meeting held on Friday 21 April 2017 at 11.00am at Hall M, Adelaide Convention Centre, North Terrace, Adelaide

1. Open & Welcome

The President opened the meeting at 11:00am and welcomed members.

1 Present

LGA Secretariat

LGA President Mayor Lorraine Rosenberg
Chief Executive Officer Matt Pinnegar
Executive Director Corporate & Member Services Kathy Jarrett
Executive Director Public Affairs (Scrutineer) Lisa Teburea
Finance Officer (Scrutineer) Ben Swan
Manager Executive Services (Minutes) Jacqui Kelleher

Member Councils (voting delegates)

Adelaide City Council District Council of Copper Coast
Adelaide Hills Council District Council of Elliston
Adelaide Plains Council The Flinders Ranges Council
Alexandrina Council District Council of Franklin Harbour
The Barossa Council Town of Gawler
District Council of Barunga West Goyder Regional Council
Berri Barmera Council District Council of Grant
City of Burnside Holdfast Bay City Council
Campbelltown City Council District Council of Karoonda East Murray
City of Charles Sturt District Council of Kimba
Clare & Gilbert Valleys Council Kingston District Council
District Council of Cleve Light Regional Council
Coorong District Council District Council of Lower Eyre Peninsula
2. **Apologies**

- District Council of Ceduna
- District Council of Coober Pedy
- Kangaroo Island Council
- District Council of Peterborough
- District Council of Robe
- Municipal Council of Roxby Downs

3. **Notice & Arrangements**

The Executive Director Corporate & Member Services outlined the notices and arrangements for the meeting.
4. **President’s Report**

Moved Gawler Seconded Berri Barmera that the Ordinary General Meeting notes the report.

CARRIED

5. **Minutes of Previous Meetings**

5.1 Minutes - 21 October 2016

Moved Campbelltown Seconded Naracoorte Lucindale that the Ordinary General Meeting confirms the minutes of the Annual General Meeting held on 21 October 2016 as a true and accurate record of the proceedings held.

CARRIED

5.2 Business Arising

Nil.

5.3 Resolutions and Actions - 21 October 2016

Moved Tumby Bay Seconded Adelaide that the Ordinary General Meeting notes progress with resolutions resulting from the Annual General Meeting of 21 October 2016 including that item 8.11 was still being progressed in terms of seeking a review and amendment of legislative frameworks to enable activities such as trail bike riding on public and private land to be legislated through relevant instruments.

CARRIED

6. **Discussion Reports from the LGA Board**

Nil.

7. **Information Reports from the LGA Board**

7.1 Advocacy Update

Moved Port Adelaide Enfield Seconded Mount Barker that the Ordinary General Meeting notes the report.

CARRIED

7.2 LGA Governance Review

Moved Mitcham Seconded Mount Remarkable that the Ordinary General Meeting notes the report.

CARRIED
7.3 LGA Schemes Review

Moved Murray Bridge Seconded Wakefield Regional that the Ordinary General Meeting notes the report.

CARRIED

8. Council Notices of Motion

8.1 General Purpose Financial Assistance Grants (Orroroo Carrieton)

Moved Orroroo Carrieton Seconded Northern Areas that the Ordinary General Meeting requests the LGA to:

1. seek public release of the 2013 report to the Federal Treasurer of the Commonwealth Grants Commission into improving the impact of Financial Assistance Grants (FAGs) on Local Government Financial Sustainability;

2. seek support of the Minister for Local Government and SA LG Grants Commission to assist in the above;

3. seek the SA LG Grants Commission to review the minimum per capita formulae used for the annual allocation of Commonwealth General Purpose Financial Assistance Grants for the purpose of redistributing funding to assist Councils in need to achieve sustainability providing that each Councils allocation does not decrease; and

4. provide an update report on this matter to the 2017 LGA AGM.

CARRIED

8.2 Update on Waste Levy (Gawler)

Moved Gawler Seconded Walkerville that the Ordinary General Meeting requests the State Government produce an update on the waste levy, specifically the Waste to Resources Fund and how much of the Waste to Resources Fund has been re-invested into waste management programs and initiatives specifically aimed at reducing the amount of waste entering land fill.

CARRIED

8.3 Parking of Vehicles on the Nature Strip (verge) or Road Related Area (Mitcham)

Moved Mitcham Seconded Port Adelaide Enfield that the Ordinary General Meeting requests the LGA to consult with Councils to see if there is support for the LGA to lobby DPTI to review the section of the Australian Road Rules 1999 (under the Road Traffic Act 1961 and the South Australian Road Traffic (Road Rules – Ancillary and Miscellaneous Provisions) Regulations 2014) relating to the provision of the legal parking of vehicles on the nature strip (verge) or road related area.

CARRIED
8.4 Electronic Voting Pilot (Prospect)
Moved Prospect Seconded Holdfast Bay that the Ordinary General Meeting requests the LGA to partner with the Electoral Commission to pilot electronic voting in the 2018 Local Government elections with a metropolitan and regional Council.
CARRIED

8.5 Deregulation of Liquor Licensing Public Campaign (Prospect)
Moved Prospect Seconded Holdfast Bay that the Ordinary General Meeting requests the LGA to undertake a public campaign to positively influence the deregulation of Liquor Licensing for small bars across South Australia and in so doing ensure there is equity between metropolitan, regional areas and the Central Business District.
CARRIED

8.6 Broadband Defined as an Essential Service (Prospect)
Moved Prospect Seconded Campbelltown that the Ordinary General Meeting requests the LGA to investigate whether there is sufficient evidence across Local Government to declare high-speed, high-capacity broadband to be a utility, defined as an essential infrastructure service provided principally for public benefit and which enables economic growth and greater quality of life to achieve the goal of universal coverage.
CARRIED

8.7 Sustainable Urban Growth Management (Gawler)
Moved Gawler Seconded Salisbury that the Ordinary General Meeting requests the LGA to provide high-level support for the implementation of a working party between urbanised and peri urbanised councils experiencing significant growth through land development to support sustainable development.
CARRIED

8.8 State Co-ordination of Public Infrastructure (Port Adelaide Enfield)
Moved Port Adelaide Enfield Seconded Light Regional that the Ordinary General Meeting requests the LGA lobby State Government (to employ an officer within) or (to better resource) the Office of the Coordinator General to co-ordinate public infrastructure works between State Government, Council and public utility providers.
CARRIED
8.9 Protection and Retention of Residential Amenity (Gawler)

Moved Gawler Seconded Port Adelaide Enfield that the Ordinary General Meeting request the LGA to lobby the State Government to provide an update on the contents, progress and preparation of the Planning and Design Code for the implementation of the Planning, Development and Infrastructure Act 2016 and what provisions will be included that pertain to protection and retention of residential amenity, privacy and enjoyment of land.

CARRIED

8.10 Innovation and Investment in Commercial Activities (Adelaide)

Moved Adelaide Seconded Unley that the Ordinary General Meeting requests the LGA to explore local, national and international business models used by the local government sector to manage commercial operations and explore any current legislative barriers or opportunities that would enable greater innovation and investment in commercial activities, in order to offset the cost of council services for our community.

CARRIED

8.11 Development of a Certified Carbon Offsets Industry (Adelaide)

Moved Adelaide Seconded Port Lincoln that the LGA work with the State Government to develop and implement a low carbon investment strategy for the local government sector that delivers multiple benefits for local communities noting that promoting carbon abatement and bio-sequestration projects should be part of a wider endeavour of working with the State Government to unlock opportunities across the full range of low carbon investment opportunities accessible to the local government sector.

CARRIED

8.12 Climate Change Adaptation Fund (Adelaide)

Moved Adelaide Seconded Alexandrina that the Ordinary General Meeting requests the LGA to advocate to the Government of South Australia to establish a Climate Change Adaptation Fund to support local government to deliver regional adaptation initiatives, noting the particular impacts of climate change on coastal regions, inland waterways and water resources.

CARRIED

8.13 Access and Inclusion (Gawler)

Moved Gawler Seconded Campbelltown that the Ordinary General Meeting requests the LGA to investigate ways in which Access and Inclusion is approached by councils, and assist in making this approach consistent where possible.

CARRIED
8.14 Reform in the Disability Sector (Gawler)

Moved Gawler Seconded Salisbury that the Ordinary General Meeting requests the LGA to assist councils to navigate the changes to the disability sector and NDIS through information provision and advocacy.

CARRIED

8.15 National Centre for Local Government (Adelaide)

Moved Adelaide Seconded Coorong that the Ordinary General Meeting requests the LGA to work with the Australian Local Government Association, the Federal and State governments and local universities to establish a National Centre for Local Government innovation, research and development in Adelaide.

CARRIED

9. Late Reports

Nil

10. Next Meeting

The LGA Annual General meeting will be held on Thursday 16 November 2017 at William Magarey Room, Adelaide Oval, War Memorial Drive, Adelaide.

11. Close

The meeting was declared closed at 12.40 pm.

Minutes confirmed

..................................................

Chairperson signature

..................................................

Date
5.2 Resolutions and Actions from Previous Meetings

Minutes of Previous Meeting

From: Jacqui Kelleher, Manager Executive Services
Meeting: Annual General Meeting 16 November 2017
ECM: 654304

Recommendation

That the Annual General Meeting notes progress with resolutions resulting from 21 October 2016 and 21 April 2017 Ordinary General and Annual General Meetings.

Discussion

The attached report provides information about the progress of resolutions from the previous Ordinary General Meeting and Annual General Meeting.
<table>
<thead>
<tr>
<th>Resolutions from the Ordinary General Meeting – 21 April 2017</th>
<th>Status</th>
<th>Action Taken / Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3 Resolutions and Actions - 21 October 2016</td>
<td>On Track</td>
<td>The LGA has written to the Attorney General, Hon John Rau MP seeking assistance in establishing a stronger regulatory framework for trail bike riding and other off-road vehicles. Research conducted by the LGA has demonstrated that this may require appropriate legislative amendment of up to six different Acts of Parliament, which is why the correspondence has been directed to the Attorney General. A copy of this letter has also been provided to the Minister for Local Government and the Minister for Sustainability, Environment and Conservation. In addition to seeking a legislative solution, the LGA has also sought advice from the Office of Recreation and Sport about whether the State Government has plans to progress the recommendations of the South Australian Off Road Motorcycling Strategy and Facilities Master Plan, which could provide more avenues for legal trail bike riding in areas that would not intrude on residential amenity.</td>
</tr>
<tr>
<td>8.1 General Purpose Financial Assistance Grants (Orroroo Carrieton)</td>
<td>On Track</td>
<td>In July 2017 the LGA President wrote to the Minister, Geoff Brock and the Chair of the Local Government Grants Commission (LGGC). The letter to the LGGC acknowledged that it was not within the LGGC’s power to review the annual minimum grant formula, as this formula is specified in section 6(2)9B) of the Commonwealth’s Local Government (Financial Assistance) Act 1995. Minister Brock responded supportively but noted: “…a copy of the Review has been requested on numerous occasions, without success. Both the Commission and I support the release of the Review and I will add the issue to the agenda to discuss with the Federal Minister for</td>
</tr>
</tbody>
</table>
Government and SA LG Grants Commission to assist in the above;

3. seek the SA LG Grants Commission to review the minimum per capita formulae used for the annual allocation of Commonwealth General Purpose Financial Assistance Grants for the purpose of redistributing funding to assist Councils in need to achieve sustainability providing that each Councils allocation does not decrease; and

4. provide an update report on this matter to the 2017 LGA AGM.

Territories and Local Government Senator, Hon. Fiona Nash, at our next meeting.”

The LGA has made inquiries from the Australian Local Government Association (ALGA) and has been advised that the Federal Treasurer has declined to release the 2013 report, nor act upon it, on the basis that it was a report commissioned by a previous Government.

The ALGA Board meeting of 21 September 2017 was advised that the Federal Minister Fiona Nash had recently been considering a new review of FAGs and had sought ALGA’s advice on an appropriate body to undertake the review.

This update provided within this report is deemed to satisfy part 4 of the resolution.

8.2 Update on Waste Levy (Gawler)

that the Ordinary General Meeting requests the State Government produce an update on the waste levy, specifically the Waste to Resources Fund and how much of the Waste to Resources Fund has been re-invested into waste management programs and initiatives specifically aimed at reducing the amount of waste entering land fill.

On Track

The LGA in its State budget submission sought from the State Government its intentions for investment of the $90 million Green Industries Fund. The LGA called on the state to outline how it plans to invest the remainder of the Green Industries Fund to support positive outcomes in the waste management sector. Specifically, the LGA sought expenditure of a significant proportion of this hypothecated $90 million, and an increase in Green Industries SA’s budget from $8 million per annum to $14 million per annum to aid in the implementation of projects and infrastructure.

The LGA is continuing to follow up with the EPA and GISA on this issue and will raise this cost shifting issue in the State Election Policy Platform.
<table>
<thead>
<tr>
<th>Section</th>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
</table>
| 8.3 Parking of Vehicles on the Nature Strip (verge) or Road Related Area (Mitcham) | Complete | The LGA consulted councils on this resolution and the outcomes were endorsed by the LGA board at its meeting of July 2017. The outcomes were:  
- The overwhelming majority of responding councils did not support legislative change;  
- The current Australian Road Rules provide for councils to permit this activity already; and  
- No further action was required by the LGA. |
| 8.4 Electronic Voting Pilot (Prospect) | Complete | The LGA consulted councils on this resolution and the outcomes were endorsed by the LGA board at its meeting of July 2017. The outcomes were:  
- The overwhelming majority of responding councils did not support legislative change;  
- The current Australian Road Rules provide for councils to permit this activity already; and  
- No further action was required by the LGA. |
| 8.5 Deregulation of Liquor Licensing Public Campaign (Prospect) | On track | The LGA will undertake a public campaign for the deregulation of Liquor Licensing for small bars, which will be integrated with the LGA’s State Election campaign. The LGA Secretariat will call for input and support from interested councils and other industry bodies to shape the key messages and activities for the campaign.  
In addition to the public campaign, the LGA will also seek commitments from political parties and independent candidates that they will introduce or support this reform following the state election. |
<table>
<thead>
<tr>
<th>Topic</th>
<th>Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>8.6 Broadband Defined as an Essential Service (Prospect)</strong></td>
<td>Complete</td>
<td>Information has been sought from councils in relation to this Notice of Motion, the overwhelming response from the councils that provided feedback was that broadband should be defined as an essential service. As a result correspondence has been sent to the Federal Minister responsible for Communications requesting that Broadband be defined as an essential service. This is also consistent with the approach taken by ALGA following a similar motion at the national AGM.</td>
</tr>
<tr>
<td><strong>8.7 Sustainable Urban Growth Management (Gawler)</strong></td>
<td>Complete</td>
<td>An expression of interest was sent out via LGA circular seeking support for the establishment of a sustainable urban growth working group. Interest was sufficient for the group to be formed. At the time of writing the 1st session of the working group is being planned.</td>
</tr>
<tr>
<td><strong>8.8 State Co-ordination of Public Infrastructure (Port Adelaide Enfield)</strong></td>
<td>Complete</td>
<td>A letter was sent from the President to Minister Mullighan on 18 July. An acknowledgement was received on 31 July but a response is yet to be received.</td>
</tr>
<tr>
<td>Section</td>
<td>Issue Description</td>
<td>Status</td>
</tr>
<tr>
<td>---------</td>
<td>------------------</td>
<td>--------</td>
</tr>
<tr>
<td>8.9</td>
<td>Protection and Retention of Residential Amenity (Gawler)</td>
<td>On Track</td>
</tr>
<tr>
<td></td>
<td>that the Ordinary General Meeting request the LGA to lobby the State Government to provide an update on the contents, progress and preparation of the Planning and Design Code for the implementation of the Planning, Development and Infrastructure Act 2016 and what provisions will be included that pertain to protection and retention of residential amenity, privacy and enjoyment of land.</td>
<td>Through the LGA's role on the Ministers Collaborative Advisory Team and Industry Liaison Group established by DPTI, local government has been involved in the earlier discussions on the framework for the Planning and Design Code. The LGA following consultation with councils provided a submission on the Design Guidelines developed by the Office for Design and Architecture. DPTI now provides regular updates on the implementation of the PDI Act through the SA Planning Portal.</td>
</tr>
<tr>
<td>8.10</td>
<td>Innovation and Investment in Commercial Activities (Adelaide)</td>
<td>On track</td>
</tr>
<tr>
<td></td>
<td>that the Ordinary General Meeting requests the LGA to explore local, national and international business models used by the local government sector to manage commercial operations and explore any current legislative barriers or opportunities that would enable greater innovation and investment in commercial activities, in order to offset the cost of council services for our community.</td>
<td>The LGA has entered into a strategic alignment with the LGA of Queensland under an MOU arrangement that seeks to foster potential commercial partnerships, shared services and a better understanding of how commercial operations can be formed and managed. This work is currently in progress and will be continued through a new staff appointment of an Executive Director Commercial in 2018.</td>
</tr>
<tr>
<td>8.11</td>
<td>Development of a Certified Carbon Offsets Industry (Adelaide)</td>
<td>Complete</td>
</tr>
<tr>
<td></td>
<td>that the LGA work with the State Government to develop and implement a low carbon investment strategy for the local government sector that delivers multiple benefits for local communities</td>
<td>The state government allocated $1m to this initiative in the 2017/18 budget and are overseeing the project.</td>
</tr>
</tbody>
</table>
noting that promoting carbon abatement and bio-sequestration projects should be part of a wider endeavour of working with the State Government to unlock opportunities across the full range of low carbon investment opportunities accessible to the local government sector.

<table>
<thead>
<tr>
<th>8.12 Climate Change Adaptation Fund (Adelaide)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moved Adelaide Seconded Alexandrina that the Ordinary General Meeting requests the LGA to advocate to the Government of South Australia to establish a Climate Change Adaptation Fund to support local government to deliver regional adaptation initiatives, noting the particular impacts of climate change on coastal regions, inland waterways and water resources.</td>
</tr>
<tr>
<td>On track.</td>
</tr>
<tr>
<td>The LGA continues to lobby the state government for funding for climate adaptation activities, but they have not yet offered local government any additional support. The LGA have also lobbied the state government for an increase in funding for coastal impacts without success. These issues will be included in the LGA’s State Election Policy Platform.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8.13 Access and Inclusion (Gawler)</th>
</tr>
</thead>
<tbody>
<tr>
<td>that the Ordinary General Meeting requests the LGA to investigate ways in which Access and Inclusion is approached by councils, and assist in making this approach consistent where possible.</td>
</tr>
<tr>
<td>Complete</td>
</tr>
<tr>
<td>The LGA has hosted an event on Access and Inclusion where training was provided on the ALGA Disability Inclusion Action Planning Guidelines which were developed last year and are extremely relevant to councils in South Australia. The LGA has liaised with the Department of Communities and Social Inclusion on the consultation for the draft Disability Inclusion Bill and have also hosted a forum where they presented. The LGA is currently developing a fact sheet on Disability Inclusion Action Planning.</td>
</tr>
<tr>
<td><strong>8.14 Reform in the Disability Sector (Gawler)</strong></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>that the Ordinary General Meeting requests the LGA to assist councils to navigate the changes to the disability sector and NDIS through information provision and advocacy.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>8.15 National Centre for Local Government (Adelaide)</strong></th>
<th><strong>On track</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>that the Ordinary General Meeting requests the LGA to work with the Australian Local Government Association, the Federal and State governments and local universities to establish a National Centre for Local Government innovation, research and development in Adelaide.</td>
<td>Preliminary discussions have been held with the Australia Local Government Association and with UniSA. South Australian Universities do not currently have a focus on local government and this may hinder our argument for such a centre to be located in Adelaide. However, discussions also indicate there may be room to look for funding to establish a database of local government research which could be located on the Australian Policy Online system for which UniSA is a partner.</td>
</tr>
<tr>
<td>Resolution</td>
<td>Status</td>
</tr>
<tr>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td><strong>6.1. Rate Capping</strong></td>
<td>On track</td>
</tr>
<tr>
<td>that the Ordinary General Meeting:</td>
<td></td>
</tr>
<tr>
<td>1. notes the report and receives a verbal update;</td>
<td></td>
</tr>
<tr>
<td>2. reaffirms the view that decisions concerning council rates are better informed, and the impacts better understood, when made by the respective councils in consultation with their communities;</td>
<td></td>
</tr>
<tr>
<td>3. rejects the State Opposition’s policy on rate capping; and</td>
<td></td>
</tr>
<tr>
<td>4. endorses the LGA President and CEO to continue to work with all Members of Parliament to ensure rate capping is not imposed on South Australian councils.</td>
<td></td>
</tr>
<tr>
<td><strong>6.3. Community Housing Update</strong></td>
<td>On track</td>
</tr>
</tbody>
</table>
7.2. **Local Government Reform Agenda**

that the Ordinary General Meeting:

1. notes the report;
2. notes the work underway in the development of key policy positions to inform negotiations with the State Government or changes to the Local Government Act 1999; and
3. requests that the LGA includes the suggestions of Graham Sansom from the Rate Capping forum held on Wednesday 13 April 2016 in these considerations.

**Current**

The LGA has worked closely with the Office of Local Government on these issues and a draft Bill was released for consultation with councils in August 2016. Feedback has been received from councils and a submission was endorsed by the LGA board at its meeting of 29 September 2016.

Further work is occurring on a broader reform agenda, including the options referred to by Professor Graham Sansom.

---

8.3. **Royalties for Rubble**

that the Ordinary General Meeting requests the LGA to continue to lobby the State Government in relation to the unfair impost of royalties for rubble on local government.

**On Track**

The LGA has continued to lobby the State Government to re-examine its 2015 decision to impose royalties on rubble extracted by councils from private land to facilitate road building. This issue was included in the LGA State Budget Submission 2017/18, however no changes were made.

On behalf of the sector, the Legatus Group has been actively engaging in discussions with the Cement, Concrete and Aggregates Association (CCAA) to find agreement between the parties and to subsequently seek the Treasurer’s agreement to remove the royalty payment requirement by councils.

Agreement has been reached on all but one issue. The LGA Secretariat expects to be able to finalise a position with CCAA and agree a position through SAROC to present to Treasury.
<table>
<thead>
<tr>
<th>Issue</th>
<th>Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.6. Greater Authority to make and enforce orders</td>
<td>Complete</td>
<td>This issue has been resolved through the Local Nuisance and Litter Act which came into effect on 1 July 2017.</td>
</tr>
</tbody>
</table>
| 8.7. Mandatory Elected Member Training | On track | 1. The LGA has engaged LGAQ (in its capacity as an RTO) to undertake a mapping exercise of the four modules (that constitute the SA legislated Elected Member Mandatory Training) with three modules of the nationally accredited Elected Member Skill Set. This mapping exercise will identify competency gaps and make recommendations about the training pathway required to elevate the current Mandatory SA Elected Member Training to a nationally accredited qualification.  
2. The LGA is developing a refresher module for Elected Members who have completed the current Mandatory Elected Member Training. |
| 8.9. LED Street Lighting | Current | The LGA developed a business case for alternate public lighting service delivery models and is progressing a business implementation plan for this proposal to progress. This include |
LGA to undertake further negotiations with SA Power Networks and appropriate electricity regulators to produce a fair pricing agreement including a standard process, terms of agreement and fair and transparent cost structure for councils to have existing street lights converted to LED.

investigating potential partnership opportunities through an expression of interest process.

The LGA is also meeting regularly with SAPN to discuss and negotiate matters relating to public lighting.

Legal advice has been obtained by the LGA and made available to councils to assist in decision making about transitioning to LED with SAPN. Further assistance has been offered to councils considering this path.

<table>
<thead>
<tr>
<th>8.10. Amendment to Liquor Licensing Legislation</th>
</tr>
</thead>
</table>

that the Ordinary General Meeting request the Local Government Association to work with the State Government through the review of the Liquor Licensing Regulations to expand opportunities for small venues licences to Statewide, at the discretion of local councils.

The LGA President wrote to the Attorney-General in December 2016 advocating for the deregulation of small bars. This letter also proposed a pilot approach to trail the implementation in prescribed locations to inform any future review. The Attorney-General replied to the LGA rejecting the deregulation of small bars and the proposed trial.

This issue was also raised in the LGA’s submission to the Government on the draft Liquor Licensing (Liquor Review) Amendment Bill 2016 and a subsequent letter was sent to Minister Rau. While the LGA’s advocacy with other industry groups has received positive media interest, the Government has remained firm in its position on Small Bars which is to undertake a further review after another 2 years of operation.

The City of Prospect submitted a Notice of Motion to the 2017 LGA Ordinary General Meeting on the same issue.

With the support of the sector the LGA will continue to advocate for the deregulation of small bars in our state election campaign.
## 8.14. Markets as Shops

The Ordinary General Meeting requests the LGA to investigate whether there is sufficient evidence across Local Government to lobby the Minister for Planning to amend the Development Regulations to address the issues relating to the designation of markets as shops by the ERD Court.

**Complete**

The LGA wrote to the Minister for Planning regarding this matter. The Minister on 10 March 2017 advised that this matter would be dealt with more appropriately when developing the Planning and Design Code and has requested his department to take this matter into consideration during the development of the Code. The LGA is represented on the Industry Liaison Group which provides advice on the Code development and will seek to ensure that this matter is considered.

## 9.2. Development Act Fees

The Ordinary General Meeting requests the LGA to lobby the Minister for Planning to urgently revise the Development Act 1993 fees as per the Development Regulations 2008 to cover the costs incurred by councils as they undertake their statutory obligations as the Local Planning Authority in development assessment, and providing advice and consultation on planning applications received from developers and others.

**Current**

An update on this activity is provided within Item 8.10 on the agenda.

In addition to specific discussions about fees set under the Development Act 1999, the LGA has pursued a whole-of-government policy for the setting of fees collected by local government under statute.
6.1 Annual Report 2016/17

Discussion Reports from the LGA Board

From: Kathy Jarrett, Executive Director Corporate and Member Services

Key Initiative: K.I. 3 – Best Practice and Continual Improvement

Strategy: 3D Develop, review and improve LGA commercial enterprises

Meeting Annual General Meeting 16 November 2017

ECM: 655571 Attachment: to be distributed separately

Recommendation

That the Annual General Meeting receives and adopts the LGA of SA Annual Report for the year 2016/17.

Discussion

The LGA’s 2016/17 Annual Report is currently being prepared, and will include the abridged financials approved by the LGA Board on 28 September 2017. The Annual Report will be distributed to members as additional information, and printed copies will be available at the meeting.

Note that the consolidated audited financial statements for the year ending 30 June 2017 are presented as a separate report to the Annual General Meeting (Item 6.2).
6.2 Annual Financial Statements 2016/17

Discussion Reports from the LGA Board

From: Andrew Wroniak, Director Corporate Services
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 3C Improve LGA governance and operations with a focus on people, finances and our members
Meeting: Annual General Meeting 16 November 2017
ECM: 655565 Attachment: 655573

Recommendation

That the Annual General Meeting receives and adopts the LGA of SA consolidated Financial Statements for the year 2016-17.

Discussion

The attached consolidated financial statements for 2016-17 include the financial results for following entities:

- Self-insurance Schemes - Mutual Liability and Workers Compensation
- LGA Procurement
- LGA Secretariat Operations (Parent Entity)

The consolidated financial result for all entities for 2016-17 is a $2.29 million surplus from ordinary activities. The Schemes are reporting a surplus of $3.758 million, LGA Procurement achieved a $125,000 surplus and the LGA Secretariat as the parent entity is reporting an operating deficit of $1.589 million due to a concerted effort to spend committed project reserves.

LGA Secretariat (Parent Entity)

The operating deficit for the LGA Secretariat of $1.589 million comprises a $46,000 surplus in operating activities and a $1.635 million deficit due to planned expenditure on projects. The surplus of $46,000 is $75,000 ahead of budget which is only a 0.9% variance to the LGA’s expenditure of $8.028 million.

The deficit from project activity was due to a concerted effort to reduce the project reserve resulting in the reserve balance decreasing from $8.965 million in 2015/16 to $6.680 million in 2016/17. During 2016-17 the LGA expended $9.790 million on project activities with $4.946 million on the Community Wastewater Management Scheme, $3.270 million on Research and Development activities, $1.181 million on the Regional Youth Traineeship Program and a further $0.393 million on other funded project activities.

Overall

The Financial Report for 2016-17 has been reviewed by the LGA’s auditor Grant Thornton and has been certified by the LGA’s Board. The report presents fairly the LGA’s performance and cash flows for the financial year and complies with Australian Accounting Standards and relevant legislative requirements.
CONTENTS

Financial Statements

Statement of Profit or Loss and Other Comprehensive Income .................. 1
Statement of Financial Position .................................................................. 2
Statement of Changes in Equity ................................................................. 3
Statement of Cash Flows ........................................................................... 5
Notes to Financial Report ........................................................................... 6-40

Statement by LGA Board .......................................................................... 41

Independent Auditors Report ..................................................................... 42
## LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>$43,882,575</td>
<td>$40,848,638</td>
<td>$8,787,345</td>
<td>$6,625,578</td>
</tr>
<tr>
<td>7</td>
<td>$7,405,125</td>
<td>$9,773,482</td>
<td>$7,405,125</td>
<td>$9,773,482</td>
</tr>
<tr>
<td>6(a)</td>
<td>$(4,107,199)</td>
<td>$(3,879,310)</td>
<td>$(3,893,074)</td>
<td>$(3,686,551)</td>
</tr>
<tr>
<td>6(b)</td>
<td>$(685,463)</td>
<td>$(729,205)</td>
<td>$(676,699)</td>
<td>$(719,317)</td>
</tr>
<tr>
<td>7</td>
<td>$(9,467,432)</td>
<td>$(17,040,363)</td>
<td>$(9,467,432)</td>
<td>$(16,596,578)</td>
</tr>
<tr>
<td>6(b)</td>
<td>$(14,125,233)</td>
<td>$(15,964,914)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(1,358,398)</td>
<td>$(1,284,000)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(3,290,084)</td>
<td>$(1,685,263)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(8,109,525)</td>
<td>$(7,907,308)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(3,774,699)</td>
<td>$(2,496,285)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(3,492,583)</td>
<td>$(3,411,158)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(8,132,380)</td>
<td>$(6,462,491)</td>
<td>$(3,744,180)</td>
<td>$(2,558,520)</td>
</tr>
</tbody>
</table>

**Revenue from ordinary activities**

**Project income**

**Employee expenses**

**Depreciation expense**

**Project expenditure**

**Net claims expense**

**Workcover levy**

**Risk management fees**

**Catastrophe insurance expense**

**Excess and recoveries**

**Other scheme expenses**

**Other expenses from ordinary activities**

**Profit / (Loss) from ordinary activities**

**Income tax expense**

**Profit / (Loss) from ordinary activities after tax**

**Other comprehensive income**

**Revaluation gain - LGA House**

**Total comprehensive profit / (loss) for the year**

### The accompanying notes form part of the financial statements
## LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

### STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>Description</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Consolidated Entity</td>
<td>Parent Entity</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>11</td>
<td>Cash and cash equivalents</td>
<td>11,007,508</td>
<td>5,931,332</td>
<td>2,869,703</td>
<td>2,122,913</td>
</tr>
<tr>
<td>12</td>
<td>Trade and other receivables</td>
<td>16,750,300</td>
<td>42,979,711</td>
<td>1,857,097</td>
<td>2,685,508</td>
</tr>
<tr>
<td>13</td>
<td>Other current assets</td>
<td>675,453</td>
<td>622,290</td>
<td>36,782</td>
<td>36,252</td>
</tr>
<tr>
<td>14</td>
<td>Financial assets</td>
<td>17,051,786</td>
<td>58,403,551</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total Current Assets**

|      |                                       | 45,485,047 | 107,936,884 | 4,763,582  | 4,844,673  |

**Non-current assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other receivables</td>
<td>9,160,084</td>
<td>8,060,651</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Financial assets</td>
<td>49,459,454</td>
<td>11,233,158</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>22,734,657</td>
<td>20,449,174</td>
<td>22,688,470</td>
<td>20,412,357</td>
</tr>
</tbody>
</table>

**Total Non-Current Assets**

|      |                                       | 81,354,195 | 39,742,983 | 22,688,472 | 20,412,361 |

**TOTAL ASSETS**

|      |                                       | 126,839,242 | 147,679,867 | 27,452,054 | 25,257,034 |

**Current liabilities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>2,888,215</td>
<td>4,983,240</td>
<td>847,600</td>
<td>733,095</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>500,000</td>
<td>-</td>
<td>500,000</td>
<td>-</td>
</tr>
<tr>
<td>Short term provisions</td>
<td>581,408</td>
<td>576,486</td>
<td>580,552</td>
<td>576,486</td>
</tr>
<tr>
<td>Unearned member contributions</td>
<td>10,239,976</td>
<td>33,273,082</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Outstanding claims liability</td>
<td>14,964,899</td>
<td>14,005,652</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total Current Liabilities**

|      |                                       | 29,174,498 | 52,838,460 | 1,928,152  | 1,309,581  |

**Non-current liabilities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term provisions</td>
<td>233,753</td>
<td>210,187</td>
<td>148,676</td>
<td>125,187</td>
</tr>
<tr>
<td>Outstanding claims liability</td>
<td>19,944,619</td>
<td>18,580,825</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total Non-Current Liabilities**

|      |                                       | 20,178,372 | 18,791,012 | 148,676    | 125,187    |

**TOTAL LIABILITIES**

|      |                                       | 49,352,870 | 71,629,472 | 2,076,828  | 1,434,768  |

**NET ASSETS**

|      |                                       | 77,486,372 | 76,050,395 | 25,375,226 | 23,822,266 |

**EQUITY**

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>14,423,214</td>
<td>17,487,466</td>
<td>14,423,214</td>
<td>17,487,470</td>
</tr>
<tr>
<td>Retained profits</td>
<td>63,063,158</td>
<td>58,562,929</td>
<td>10,952,012</td>
<td>6,334,796</td>
</tr>
</tbody>
</table>

**TOTAL EQUITY**

|      |                                       | 77,486,372 | 76,050,395 | 25,375,226 | 23,822,266 |

The accompanying notes form part of the financial statements
LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

Consolidated Entity

<table>
<thead>
<tr>
<th></th>
<th>Retained Profits</th>
<th>Building Maintenance &amp; Equipment Reserve</th>
<th>Employee Entitlement Reserve</th>
<th>Asset Revaluation Reserve</th>
<th>Project Reserves</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Equity as at beginning of year</td>
<td>58,562,929</td>
<td>3,219,215</td>
<td>701,671</td>
<td>4,601,429</td>
<td>8,965,151</td>
<td>76,050,395</td>
</tr>
<tr>
<td>Total profit for the year</td>
<td>2,294,102</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,294,102</td>
</tr>
<tr>
<td>Other comprehensive income - Revaluation gain</td>
<td>-</td>
<td>-</td>
<td>3,141,875</td>
<td>-</td>
<td>-</td>
<td>3,141,875</td>
</tr>
<tr>
<td>Transfer (to)/from reserves</td>
<td>3,142,411</td>
<td>(884,725)</td>
<td>27,555</td>
<td>-</td>
<td>(2,285,241)</td>
<td>-</td>
</tr>
<tr>
<td>Distribution of funds to members</td>
<td>(4,000,000)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(4,000,000)</td>
</tr>
<tr>
<td>Transfer (to)/from retained earnings</td>
<td>3,063,716</td>
<td>(2,334,490)</td>
<td>(729,226)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equity as at 30 June 2017</td>
<td>63,063,158</td>
<td>-</td>
<td>-</td>
<td>7,743,304</td>
<td>6,679,910</td>
<td>77,486,372</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Retained Profits</th>
<th>Building Maintenance &amp; Equipment Reserve</th>
<th>Employee Entitlement Reserve</th>
<th>Asset Revaluation Reserve</th>
<th>Project Reserves</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Equity as at beginning of year</td>
<td>59,100,443</td>
<td>2,684,172</td>
<td>818,992</td>
<td>4,601,429</td>
<td>16,590,966</td>
<td>83,796,002</td>
</tr>
<tr>
<td>Total (loss) for the year</td>
<td>(5,245,607)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(5,245,607)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer (to)/from reserves</td>
<td>7,208,093</td>
<td>535,043</td>
<td>(117,321)</td>
<td>-</td>
<td>(7,625,815)</td>
<td>-</td>
</tr>
<tr>
<td>Distribution of funds to members</td>
<td>(2,500,000)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,500,000)</td>
</tr>
<tr>
<td>Equity as at 30 June 2016</td>
<td>58,562,929</td>
<td>3,219,215</td>
<td>701,671</td>
<td>4,601,429</td>
<td>8,965,151</td>
<td>76,050,395</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements
# LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Parent</th>
<th>Retained Profits</th>
<th>Building Maintenance &amp; Equipment Reserve</th>
<th>Employee Entitlement Reserve</th>
<th>Asset Revaluation Reserve</th>
<th>Project Reserves</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$6,334,796</td>
<td>$3,219,217</td>
<td>$701,673</td>
<td>$4,601,429</td>
<td>$8,965,151</td>
<td>$23,822,266</td>
</tr>
<tr>
<td></td>
<td>(1,588,915)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,588,915)</td>
</tr>
<tr>
<td></td>
<td>3,142,411</td>
<td>(884,725)</td>
<td>27,555</td>
<td>3,141,875</td>
<td>-</td>
<td>3,141,875</td>
</tr>
<tr>
<td></td>
<td>3,063,720</td>
<td>(2,334,492)</td>
<td>(729,228)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equity as at beginning of year</td>
<td>$6,732,398</td>
<td>$2,684,172</td>
<td>$818,992</td>
<td>$4,601,429</td>
<td>$16,147,181</td>
<td>$30,984,172</td>
</tr>
<tr>
<td>Total (loss) for the year</td>
<td>(7,161,906)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(7,161,906)</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income - Revaluation gain</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,141,875</td>
<td>-</td>
<td>3,141,875</td>
</tr>
<tr>
<td>Transfer (to)/from reserves</td>
<td>3,142,411</td>
<td>(884,725)</td>
<td>27,555</td>
<td>-</td>
<td>(2,285,241)</td>
<td>-</td>
</tr>
<tr>
<td>Transfer (to)/from retained earnings</td>
<td>3,063,720</td>
<td>(2,334,492)</td>
<td>(729,228)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equity as at 30 June 2017</td>
<td>$10,952,012</td>
<td>-</td>
<td>-</td>
<td>7,743,304</td>
<td>6,679,910</td>
<td>25,375,226</td>
</tr>
</tbody>
</table>

## 2016

| Equity as at beginning of year | $6,334,796 | $3,219,217 | $701,673 | $4,601,429 | $8,965,151 | $23,822,266 |
| Total (loss) for the year | (7,161,906) | - | - | - | (7,161,906) | - |
| Other comprehensive income - Revaluation gain | - | - | - | 3,141,875 | - | 3,141,875 |
| Transfer (to)/from reserves | 6,764,304 | 535,045 | (117,319) | - | (7,182,030) | - |
| Equity as at 30 June 2016 | $6,334,796 | $3,219,217 | $701,673 | $4,601,429 | $8,965,151 | $23,822,266 |
### LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

#### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Cash from operating activities:**

- Receipts from operations: 48,838,283, 43,314,905, 9,542,352, 7,035,910
- Payments to suppliers and employees: (22,620,424), (19,726,237), (7,219,345), (5,218,947)
- Project funding received: 7,405,125, 8,477,676, 7,405,125, 7,521,351
- Project funding expensed: (9,576,542), (16,568,624), (9,576,542), (16,568,624)
- Outward reinsurance premium paid: (8,854,101), (8,377,165), - , -
- Claims paid: (11,920,623), (15,701,089), - , -
- Interest received: 2,294,617, 2,650,564, 70,746, 129,762

**Total cash (used in) / from operating activities**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Cash from investing activities:**

- Payment for financial assets: - , (283,003), - , -
- Proceeds from financial assets: 3,000,002, - , 2, -
- Payment for property, plant and equipment: (43,884), (112,489), (12,816), (94,448)
- Proceeds on sale of plant and equipment: 53,723, - , 37,268, -

**Total cash from / (used in) investing activities**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Cash from financing activities:**

- Proceeds from borrowings: 500,000, - , 500,000, -
- Distribution to fund members: (4,000,000), (2,500,000), - , -

**Total cash (used in) financing activities**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Net cash increase / (decrease) in cash and cash equivalents**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Cash and cash equivalents at beginning of the year**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**Cash and cash equivalents at end of the year**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNT POLICIES

General Information
The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements of the Local Government Act 1999.

The financial statements cover the consolidated entity of Local Government Association of South Australia Inc. and controlled entities, and Local Government Association of South Australia Inc. as an individual entity. Local Government Association of South Australia Inc. is a public authority established under the Local Government Act 1999. The Association is a not-for-profit entity for the purposes of preparing the financial statements.

The financial statements of Local Government Association of South Australia Inc. and controlled entities and Local Government Association of South Australia Inc. as an individual entity comply with all the International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions
The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which fair value basis of accounting has been applied.

(a) Income Tax
The Local Government Association of SA Inc. is exempt from income tax under the Income Tax Assessment Act.

(b) Principles of Consolidation
A controlled entity is any entity Local Government Association of SA Inc. has the power to control the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is noted below and contained in Note 23 to the financial statements. All controlled entities have a June financial year end.

- Local Government Mutual Liability Scheme
- Local Government Workers Compensation Scheme
- LGCS Pty Ltd
- LGCS Trust No.1 trading as Local Government Association Procurement

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

(c) Property, Plant and Equipment
Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.
(c) Property, Plant and Equipment (Cont)

Property
Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm’s length transaction), based on periodic, but at least triennial, valuations by external valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment
Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation
The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated using a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<table>
<thead>
<tr>
<th>Class of Asset</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>2.5%</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>7.5 - 33%</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>25%</td>
</tr>
<tr>
<td>Building refurbishments</td>
<td>10%</td>
</tr>
</tbody>
</table>

The assets’ residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Recognition
Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNT POLICIES (CONT)

(d) Financial Instruments (Cont)

Held-to-maturity investments
These investments have fixed maturities, and it is the consolidated entity’s intention to hold these investments to maturity. Any held-to-maturity investments held by the entity are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets
Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

Impairment
At each reporting date, the consolidated entity reviews the carrying values to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the profit or loss.

(e) Impairment of Non-Financial Assets
At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Employee Benefits

Wages & salaries, annual leave and sick leave
Provision is made for the consolidated entity’s liability for employee entitlements arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year arising from wages and salaries and annual leave have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. No liability for sick leave is recognised.

Long service leave
A liability for employee gratuity schemes is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employees and period of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNT POLICIES (CONT)

(f) Employee Benefits (Cont)

Superannuation
A liability is not recognised in respect to unfunded liabilities arising from superannuation schemes to which the consolidated entity contributes. Unfunded liabilities are defined as the difference between the present value of employees' accrued benefits at the reporting date and the net market value of the superannuation scheme’s asset at that date.

(g) Unearned Contributions
A liability of $10,239,976 (2016: $33,273,082) for contributions billed in advance has been recognised. These amounts offset equivalent amounts in contributions owing.

(h) Workers Compensation Claims
Claims incurred expense and liability for outstanding claims are recognised in respect of direct business. The liability covers claims incurred but not yet paid, incurred but not yet reported claims, and the anticipated costs of settling those claims. Claims outstanding are assessed by reviewing individual claim files and estimating unmodified claims and settlement costs using statistical and actuarial techniques. The liability for outstanding claims is measured as the present value of the expected future payments reflecting the fact that all the claims donot have to be paid out in the immediate future. The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement such as normal inflation and 'superimposed inflation'.

Superimposed inflation refers to factors such as trends in court awards, for example increases in the level and period of compensation for injury. The expected future payments are then discounted to a present value at the reporting date using discount rates based on investment opportunities available to the organisation on the amounts of funds sufficient to meet claims as they became payable.

The following average inflation (normal and superimposed) rates and discount rates were used in measuring the liability for outstanding claims:

Actuarial advice indicates that:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation rate</td>
<td>3.50%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Super imposed inflation</td>
<td>2.00%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Discount rate</td>
<td>2.00%</td>
<td>1.50%</td>
</tr>
</tbody>
</table>

(i) Outstanding Insurance Claims
A provision of $34,909,518 (2016: $32,586,477) has been made for the estimated cost of claims notified but not settled at year end for the cost of claims incurred by year end but not reported until after that date. This amount has been based on a methodology by consulting actuaries which incorporates the claims history of the scheme's prior year of operation.

(j) Excesses and Recoveries
Excesses and other recoveries are brought to account only where a definite set of circumstances exist which will support the credibility of the justification of obtaining either a recovery of excess from a member or a recovery of claim cost from a third party.

(k) Investments
All short-term deposits are invested with the Local Government Finance Authority of South Australia (LGFA) at market rates.
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNT POLICIES (CONT)

(l) Premium Revenue
Direct premium comprises amounts charged to the policy holder or other insurers, but excluding stamp duties and other amounts collected on behalf of third parties.

The earned portion of premiums received and receivable, is recognised as revenue. Premium is treated as earned from the date of the attachment of risk.

The pattern of recognition over the policy is based on time, which is considered to closely approximate the pattern of risks undertaken.

(m) Revaluation of Non-Current Assets
Land and buildings are revalued to reflect their fair values on a regular basis.

To the extent that the revaluation decrement reversed a revaluation increment previously credited to and still included in the balance of the asset revaluation reserve, the decrement was debited directly to that reserve. Otherwise the decrement is recognised as an expense in the statement of profit or loss.

(n) Trade and Other Payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

(o) Trade and Other Debtors
Trade debtors are recognised for the major business activities as follows:
  - Subscriptions
  - Premiums
  - Rent
  - Administration charges
  - Consulting fees

(p) Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(q) Revenue
Income is measured at the fair value of the consideration received or receivable.

Investment income is taken into account on an accrual basis and includes any changes in the net market value of investments during the financial year.

Grants, contributions and project funding that were received on the condition that they be expended in a particular manner have been recognised as income in the year received as it is the intention of the LGA to spend these funds in the manner intended. Unspent monies are transferred to reserve for allocation of expenditure in future years.

Revenue arising from the grant of monies is recognised when the LGA gains control of the grant or the right to receive the grant. Grant monies outstanding at year end to be distributed in accordance with the terms of the funding agreement are recognised as a liability.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).
(q) **Revenue (Cont)**

**Member contributions - Schemes**

Member contributions comprise amounts charged to members of the schemes for liability protection, net of amounts returned to members as bonuses. Member contribution revenue is recognised in the statement of profit or loss and other comprehensive income when it has been earned. The proportion of members' contribution received or receivable not earned is recognised in the statement of financial position as an unearned member contribution liability.

Member contributions are treated as earned from the date of attachment of risk. The pattern of recognition over the period of cover is based on time, which is considered to closely approximate the pattern of risks underwritten.

**Reinsurance and other recoveries - Schemes**

Reinsurance and other recoveries on paid claims, reported claims not yet paid and IBNR (claims Incurred But Not Reported) are recognised as revenue.

Reinsurance recoveries receivable on outstanding claims liabilities are measured as the present value of the expected future receipts calculated on a similar basis as the liability for outstanding claims.

Other recoveries receivable are recognised when certainty exists as to recovery from a third party and are measured at the present value of the expected future receipts calculated on the same basis as the liability for outstanding claims.

A provision for reinsurer default has been raised. The credit rating of the major current and historical reinsurance companies has been assessed. The actuary has assessed the appropriate provision based on the Australian and New Zealand cumulative default rates.

(r) **Classification of Insurance Contracts - Schemes**

The Schemes are Mutual Risk Products as defined by the Australian Securities and Investment Commission and are neither authorised under, nor subject to, the provisions of the Insurance Act. The Schemes are not a product regulated by the Australian Prudential Regulation Authority.

For the purposes of these financial statements only, the arrangements entered into with members to provide indemnity cover are treated as insurance contracts.

These arrangements exist whereby the Schemes may accept significant insurance risk from the members by making discretionary decisions on whether to compensate the members for a future civil liability event.

Insurance risk is risk, other than financial risk.

(s) **Unexpired Risk Liability - Schemes**

At each reporting date the Schemes assess whether the unearned members' contribution liability sufficient to cover all expected future cash flows relating to future claims against current insurance contracts. This assessment is referred to as the liability adequacy test and is performed separately for each group of contracts subject to broadly similar risks and managed together as a single portfolio.

Provision is made for unexpired risks arising from general business where the expected value of claims and expenses attributed to the unexpired periods of policies in force at the balance date exceeds the unearned members' contribution liability in relation to such policies.

If the present value of the expected future cash flows relating to future claims plus the additional risk margin to reflect the inherent uncertainty in the central estimate exceeds the unearned members' contribution liability then the unearned contribution liability is deemed to be deficient.
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNT POLICIES (CONT)

(s) Unexpired Risk Liability - Schemes (Cont)
The entire deficiency, gross and net of reinsurance, is recognised immediately in the statement of profit or loss and other comprehensive income. As the Schemes do not have any intangible assets or deferred acquisition costs, the deficiency would be recorded in the statement of financial position as an unexpired risk liability.

(t) Outwards Reinsurance - Schemes
Premium ceded to reinsurers are recognised as outwards reinsurance premium expense in accordance with the pattern of reinsurance service received over the membership or indemnity periods based on time.

(u) Claims - Schemes
The liability for outstanding claims is measured as the central estimate of the present value of the expected future payments for claims incurred at the reporting date, with an additional risk margin to allow for the inherent uncertainty in the central estimate.

Claims expense and a liability for outstanding claims are recognised as losses occur. The liability for outstanding claims includes claims reported but not yet paid, claims incurred by not yet reported (IBNR) and the anticipated direct and indirect cost settling those claims. Claims outstanding are assessed by reviewing individual claim files and estimating settlement costs of not reporting claims using statistics based on past experience and trends.

Excess amounts recoverable from a Scheme member are payable and are treated as a contribution towards settlement of a claim.

The liability for outstanding claims is measured as the present value of the expected future payments, reflecting the fact that all the claims do not have to be paid out in the immediate future.

The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement such as normal inflation. The expected future payments are discounted to present value at balance date using a risk free rate.

Outstanding claim provisions were determined taking into account an actuarial review of the Schemes in August 2017, by Cumpston Sarjeant Pty Ltd. This review was based on initial claims data to 31 March 2017 with findings in their report issued in May 2017. This report was updated with claims data to 30 June 2017 and included in their report issued in August 2017.

An Actuarial peer review is conducted every three years. A peer review was conducted for the financial period ended 30 June 2017 by Taylor Fry Pty Ltd, consulting actuaries and analytical professionals.

The liability for outstanding claims is measured as the present value of the expected future payments, reflecting the fact that all claims do not have to be paid out in the immediate future. The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement such as normal inflation. The expected future payments are discounted to present value at balance date using a risk free rate.

(v) Catastrophe Margin - LGA - Workers Compensation Scheme
In addition to claims outstanding in Note 1(u) the Scheme has recognised the likelihood of future claims in relation to asbestos related illnesses. The provision is reviewed annually and the Scheme takes guidance from the Actuary in setting the amount provided.
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNT POLICIES (CONT)

(w) Assets Backing General Insurance Liabilities - Schemes
The Scheme’s investment strategies manage the funds invested with the Local Government Finance Authority of South Australia.

The Schemes have determined that all assets are held to back its insurance liabilities and their accounting treatment is described below. As these assets are managed on a fair value basis, they have been valued at fair value through profit or loss.

The accounting policies applying to assets held to back general insurance activities are:

Financial Assets
The Schemes value financial assets and any assets backing insurance activities at fair value through profit or loss. Details of fair value for the different types of financial assets are summarised below:

- Cash assets and bank overdrafts are carried at face value of the amounts deposited or drawn. The carrying amounts of cash assets and bank overdrafts approximate to their fair value. For the purposes of the statement of cash flows, cash includes cash on hand, call deposits and deposits held where maturity is less than 3 months, net of bank overdrafts.

- Fixed interest securities are recorded at amounts based on valuation using rates of interest equivalent to the yields obtainable on comparable investments at balance date.

Receivables
Contributions due from members and amounts due from reinsurers under the reinsurance program are initially recognised at face value, being the amounts due. They are subsequently measured at fair value that is approximated by taking the initially recognised amount and reducing it for impairment as appropriate.

A provision for impairment of receivables is established when there is objective evidence that the Scheme will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows. The discount is calculated using the original effective interest rate. Where there is impairment a charge is recognised in the statement of profit or loss and other comprehensive income.

(x) Capital Management Policy
The Association inclusive of the Scheme’s objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide services to members.

In order to maintain or adjust the capital structure, the Association may adjust the amount of contribution received from its members, adjust the excess surplus to its members via special distributions or enter into debt agreements.

The Association monitors capital on the basis of the total accumulated surplus. A special distribution may be made to its members where the total accumulated surplus exceeds the Board’s targeted surplus. This strategy is unchanged from 2015.

(y) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.
(z) **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(aa) **Accounting standards issued but not yet effective and not been adopted early by the consolidated Entity**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the consolidated entity. The consolidated entity's assessment of the impact of these new standards and interpretations is set out below.

(i) **AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures (effective from 1 January 2017)**

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. Since December 2013, it also sets out the new rules for hedge accounting. The standard is not applicable until 1 January 2017 but is available for early adoption. The consolidated entity has not yet decided when to adopt AASB 9. The consolidated entity is still assessing the impact of these amendments.

(ii) **Revenue from contracts with customers**

Revenue from contracts with customers (effective 1 July 2017)

The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risk and rewards.

The consolidated entity has not yet considered the impact of the new rules on its revenue recognition policies. It will undertake a detailed assessment in the near future.

There are no other standards that are not yet effective and that are expected to have a material impact on the consolidated entity in the current or future reporting periods and on foreseeable future transactions.

(iii) **AASB 16 Leases**

AASB 16 replaces AASB 117 Leases and some lease related Interpretations. The new standard requires all leases to be accounted for as 'on-balance sheet' by lessees, other than short term and low value asset leases. The standard provides new guidance on the application of the definition of lease and on sale and lease back accounting. The standard also requires new and different disclosures about leases. This standard does not apply mandatorily before 1 January 2019. Adoption of this amendment will not result in a material impact on the Group's financial statements.
LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2 - ACCOUNTING ESTIMATES AND JUDGEMENTS

The Schemes make estimates and assumptions in respect of certain key assets and liabilities. Estimates and judgements are continually reviewed and are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas in which critical estimates and judgements are applied are described below:

a. Estimation of outstanding claims liability

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the reporting date, including the cost of claims incurred but not yet reported (“IBNR”) to the Schemes.

The Schemes take all reasonable steps to ensure that it has appropriate information regarding its claims exposure. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome may be different from the original liability established.

Provisions are calculated gross of all recoveries. A separate estimate is made of the amounts that will be recoverable from reinsurers and any third party.

The determination of an appropriate outstanding claims provision involves:

(i) Establishing a case estimate for each reported claim at year-end taking into account legal advice where appropriate on larger claims;

(ii) A development allowance on the net outstanding balance of reported claims and confirmed as appropriate by the Actuary;

(iii) Allowances for re-opened and incurred but not reported claims as confirmed by the actuarial review in August 2017;

(iv) An allowance for recoveries that reduce the liability to the member, confirmed by the actuarial review in August 2017;

(v) A zero allowance for claim settlement expenses on open claims and a small allowance, as assumed by the Actuary for claim settlement expenses on IBNR claims;

(vi) Allowances for discount at 2.00% (2016: 1.50%), as assumed by the Actuary;

(vii) A risk margin of 25% (2016: 25%) of net outstanding claims after the effect of reinsurance has been applied, as assumed by the Actuary.

b. Assets arising from reinsurance contracts

Details of specific actuarial assumptions used in deriving the outstanding claims liability at year-end are detailed in note 3.

Assets arising from reinsurance contracts were estimated for each accident year, from the payments to date and estimated outstanding claims history at 30 June 2017, taking into account the reinsurance terms applying to that accident year. In calculating the present value of reinsurance recoveries on the outstanding claims liability, allowance was made for an average recovery delay of three months, as assumed by the actuary. Although all relevant insurers are solvent a provision for failure of an insurer to pay has been raised. The reinsurer default provision is $74,727 (2016 $68,728) calculated at a rate of 0.63% (2016 0.63%) on the discounted value of the total reinsurance recoveries.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 3 - ACTUARIAL ASSUMPTIONS AND METHODS - SCHEMES:

Actuarial Assumptions
The following assumptions have been made in determining the outstanding claims liabilities.

### Key Actuarial Assumptions

<table>
<thead>
<tr>
<th>Assumption</th>
<th>Local Government Mutual Liability Scheme</th>
<th>Local Government Workers Compensation Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case estimate development</td>
<td>(7.5%) 7.5%</td>
<td>(7.5%)</td>
</tr>
<tr>
<td>Wage inflation</td>
<td>3.50% 3.00%</td>
<td>3.50%</td>
</tr>
<tr>
<td>Superimposed inflation</td>
<td>2.00% 2.00%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Discount rate</td>
<td>2.00% 1.50%</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

**Process used to determine actuarial assumptions**
A description of the processes used to determine the above key actuarial assumptions is provided below.

In their reviews on 1 August 2017, the Actuary was provided with claims data on claims incurred net of excesses and anticipated recoveries from a third party. The Actuary allowed for:

- Developments in case estimates on reported claims based on an explicit case development parameter or Projected Case Estimates method.
- Claims incurred but not reported and potential recoveries were all estimated by an inflation adjusted Payment per Claim Incurred method based on ultimate non-zero claim numbers projected by a Chain Ladder method and 5 year averages of late reported claims;
- Cost of claims likely to be reopened were estimated by an inflation adjusted Payment per Claim Incurred method based on ultimate non-zero claim numbers projected by a Chain Ladder method and 5 year averages of reported claims;
- Expected investment earnings by applying a fitted payment pattern to the undiscounted sum of the above components and then discounting at the assumed discount rate;
- There were no recoveries either due or expected from reinsurance contracts.

**Case estimate development**
Development in net case estimates applied to open claims was -7.5% (2016: -7.5%) for all accident years.

**Wage inflation**
The Actuary assumed wage inflation of 3.50% (2016: 3.00%) per annum, based on recent inflation levels in South Australia.

**Claim administration expense**
The Actuary has not made an allowance for claim administration expenses on open claims as the amount of fees already represent about 4.5% of payments. However, an allowance of $147,455 was made in respect of IBNR claims. The amounts allowed are comparable to those normally made by public liability and professional indemnity insurers.
NOTE 3 - ACTUARIAL ASSUMPTIONS AND METHODS (CONT)

Superimposed inflation
The Actuary assumed future superimposed inflation, the rate at which claims increase in excess of wage inflation, per annum as follows.

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government Mutual Liability Scheme</td>
<td>2.00%</td>
</tr>
<tr>
<td>Local Government Workers Compensation Scheme</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

Superimposed inflation occurs due to non-economic effects such as court settlements increasing at a faster rate than wages or CPI inflation.

Discount rate
The estimates of the outstanding claims liabilities were discounted to allow for future investment income gains attributable to the liabilities. The estimates of Reinsurance recovery assets were discounted to allow for future income losses attributable to the assets. The Actuary assumed a discount rate of 2.00% per annum (2016: 1.50%) based on current medium-term bond yields.

Sensitivity Analysis
The outstanding claims liability included in the reported results are calculated based on the key actuarial assumptions as disclosed above. The movement in any of the above key actuarial assumptions will impact the performance and total accumulated funds of the Scheme.

The table below describes how a change in each of the assumptions will affect the outstanding claims liabilities.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Impact of movement in variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage inflation</td>
<td>Expected future payments are inflated to take account of inflationary increases. An increase or decrease in the assumed levels of economic inflation would have a corresponding impact on claims expense, with particular reference to longer tail claims.</td>
</tr>
<tr>
<td>Superimposed inflation</td>
<td>In addition to the general economic inflation rate an amount is superimposed to take account of non-economic inflationary factors, such as increases in court awards. Such rates of superimposed inflation are specific to the model adopted. An increase or decrease in the assumed levels of superimposed inflation would have a corresponding impact on claims expense, with particular reference to longer tail claims.</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>The outstanding claims liability is calculated by reference to expected future payments. These payments are discounted to adjust for the time value of money. An increase or decrease in the assumed discount rate will have an opposing impact on total claims expense.</td>
</tr>
<tr>
<td>Case Estimate Development</td>
<td>Case estimates are initially established in accordance with established guidelines and by reference to the known facts. Where new information becomes available the initial case estimate will changes. This development movement is applied to open claims and will have a corresponding impact on claims expense.</td>
</tr>
</tbody>
</table>
## NOTE 3 - ACTUARIAL ASSUMPTIONS AND METHODS (CONT)

### Impact of changes in key variables

#### (i) Local Government Association Mutual Liability Scheme

<table>
<thead>
<tr>
<th>Variable</th>
<th>Movement</th>
<th>Movement by applying variable</th>
<th>Net of reinsurance</th>
<th>Total Accumulated Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage inflation</td>
<td>3%</td>
<td>1,040,000</td>
<td>67,000</td>
<td>(68,000)</td>
</tr>
<tr>
<td>Superimposed inflation</td>
<td>3%</td>
<td>(904,000)</td>
<td>(59,000)</td>
<td>58,000</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>3%</td>
<td>(913,000)</td>
<td>(48,000)</td>
<td>47,000</td>
</tr>
<tr>
<td>Case-estimate development</td>
<td>5%</td>
<td>(1,050,000)</td>
<td>(55,000)</td>
<td>54,000</td>
</tr>
<tr>
<td></td>
<td>(5%)</td>
<td>(1,285,000)</td>
<td>(66,000)</td>
<td>(67,000)</td>
</tr>
</tbody>
</table>

#### (ii) Local Government Association Works Compensation Scheme

<table>
<thead>
<tr>
<th>Variable</th>
<th>Movement</th>
<th>Movement by applying variable</th>
<th>Net of reinsurance</th>
<th>Total Accumulated Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage inflation</td>
<td>3%</td>
<td>481,000</td>
<td>481,000</td>
<td>(481,000)</td>
</tr>
<tr>
<td>Superimposed inflation</td>
<td>3%</td>
<td>(400,000)</td>
<td>(400,000)</td>
<td>400,000</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>3%</td>
<td>(406,000)</td>
<td>(406,000)</td>
<td>405,000</td>
</tr>
<tr>
<td>Case-estimate development</td>
<td>5%</td>
<td>(1,093,000)</td>
<td>(1,093,000)</td>
<td>1,093,000</td>
</tr>
<tr>
<td></td>
<td>(5%)</td>
<td>1,314,000</td>
<td>1,314,000</td>
<td>(1,314,000)</td>
</tr>
</tbody>
</table>

## NOTE 4 - INSURANCE CONTRACTS - RISK MANAGEMENT - SCHEMES

### Risk management objectives and policies for mitigating insurance risk

The Schemes are established by legislation contained in the Local Government Act 1999. Membership is available to local government councils and prescribed bodies. The Schemes operates in South Australia to provide a claims management service to members in respect of their potential and actual liabilities. A member may seek indemnity from the Schemes in respect of a claim.

Under the Scheme Rules, The Local Government Association may in its sole and absolute discretion determine whether indemnity will be granted in respect of a claim. Should indemnity be granted the Scheme offers unlimited cover.

Actuarial models, using information from the Scheme’s management information systems are used to confirm contributions and monitor claim patterns. Past experience and statistical methods are used as part of the process.

### Risk management objectives and policies for mitigating insurance risk (Cont)

The principal risk is that the frequency and severity of claims is greater than expected. Civil Liability Risk events are, by their nature, random, and the actual number and size of events during any one-year may vary from those estimated using established statistical techniques.
NOTE 4 - INSURANCE CONTRACTS - RISK MANAGEMENT (CONT)

Objectives in managing risk arising from insurance and policies for mitigating those risks
The Schemes have an objective to control insurance risk thus reducing the volatility of its operating surplus. In addition to the inherent uncertainty of civil liability risks, which can lead to variability in the loss experience, operating surpluses can also be affected by external factors such as competition and movements in asset values.

The Schemes rely on a strong relationship with its members and actively encourages them to adopt practices of risk management that reduce the incidence of claims to the Schemes.

Reinsurance strategy
The Schemes adopt a conservative approach towards management of risk and does this by utilising various risk transfer options. The Board of the schemes determine the level of risk, which is appropriate for the Schemes having regards to ordinary concepts of prudence and regulatory constraints. The risk transfer arrangements adopted by the Schemes include the utilisation of commercial reinsurance arrangements arrangements adopted by the Schemes include the utilisation of commercial reinsurance arrangements and the negotiation of an indemnity agreement with the South Australian State Government Treasurer. These risk transfer arrangements assist the Schemes to limit its liability on single large claims and catastrophic events. These programs are regularly reviewed each year to ensure that they continue to meet the risk needs of the Schemes.

In the past ten years, the Schemes have managed its reinsurance program and risk transfer arrangements so that the exposure to each claim has been markedly reduced. The Schemes have maintained its Treasurer’s Indemnity on a ong-term basis with an expiry in 2021.

Terms and conditions of membership
Membership to the Schemes is offered to eligible bodies and renewed annually on 30th June. Payment of the annual contribution confirms continuation of membership. Termination of membership is subject to at least 90 days written notice of intention as laid out by the Scheme Rules. Once a claim is accepted and indemnity granted each claim is handled individually on the circumstances peculiar to the claim.

Product features (Mutual Liability Scheme)
The Schemes operates in South Australia. Should a claim be accepted the Scheme provides indemnity to the member in respect of their civil liabilities for an unlimited amount, subject to any excess for any claim incurred anywhere throughout the world.

Operating surpluses arise from the total contributions charged to members less the amounts paid to cover claims and the expenses incurred by the Scheme.

Product features (Workers Compensation Scheme)
The Scheme operates in South Australia, whereby the Local Government Association of South Australia is a group self-insurer which enables the scheme to operate under a delegated authority as described in the Return to Work Act 2014 (RTW Act). Should a claim be accepted, the Scheme provides indemnity to the member in respect of their workers' compensation liabilities for amounts and benefits detailed in the RTW Act.

Operating surpluses arise from the total contributions charged to members less the amounts paid to cover claims and the expenses incurred by the Scheme.

Management of risks
The key insurance risks that affect the Schemes are contribution risk, and claims experience risk.

Contribution risk is the risk that the Scheme does not charge contributions appropriate for the indemnity cover it provides. The Scheme partially manages contribution risk through its proactive approach to risk management that addresses all material risks both financial and non-financial. There are no specific terms and conditions that are expected to have a material impact on the financial statements.
NOTE 4 - INSURANCE CONTRACTS - RISK MANAGEMENT (CONT)

Claims experience risk is managed through the non-financial risk assessment and risk management and reinsurance management process. Claims experience is monitored on an ongoing basis to ensure that any adverse trending is addressed. The Scheme is able to reduce the claims experience risk of severe losses through the reinsurance program, and by managing the concentration of insurance risks.

Concentration of insurance risks
Insurance risk is managed by taking a long term approach to setting the annual contribution rates that eliminates price fluctuations, appropriate investment strategy, reinsurance and by maintaining an active state-wide risk management profile. It is vital that the Scheme keeps abreast of changes in the general economic, legal and commercial environment in which it operates.

Interest rate risk
The reinsurance indemnity contracts contain no clauses that expose the Scheme, directly to interest rate risk. The reinsurance contracts are long term arrangements, reviewed and payable annually.

Credit risk
The Scheme is exposed to credit risk on insurance contracts as a result of exposure to reinsurers. The credit risk to reinsurers is managed through the Scheme regularly monitoring the financial rating of the reinsurers both prior to and during the reinsurance program.

In relation to the reinsurance and other receivables disclosed in note 12 in relation to the Mutual Liability Scheme, the credit risk exposure is equal to the undiscounted aggregate value of claims. As at 30 June 2017 this amounted to $15.72 million (2016: $14.76 million).

NOTE 5 - REVENUE

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions</td>
<td>2,173,287</td>
<td>2,120,276</td>
</tr>
<tr>
<td>Contract income</td>
<td>1,113,946</td>
<td>510,057</td>
</tr>
<tr>
<td>Member contributions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross earned member contributions</td>
<td>48,061,599</td>
<td>47,033,009</td>
</tr>
<tr>
<td>Rebate to members</td>
<td>(14,895,687)</td>
<td>(14,609,284)</td>
</tr>
<tr>
<td>Net member contribution revenue</td>
<td>33,165,912</td>
<td>32,423,725</td>
</tr>
<tr>
<td></td>
<td>36,453,145</td>
<td>35,054,058</td>
</tr>
<tr>
<td>Non-operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>2,140,958</td>
<td>2,662,735</td>
</tr>
<tr>
<td>Administration charges</td>
<td>1,278,753</td>
<td>1,170,264</td>
</tr>
<tr>
<td>Rent and outgoings</td>
<td>1,154,958</td>
<td>1,573,553</td>
</tr>
<tr>
<td>Other revenue</td>
<td>2,854,761</td>
<td>388,028</td>
</tr>
<tr>
<td></td>
<td>7,429,430</td>
<td>5,794,580</td>
</tr>
<tr>
<td></td>
<td>43,882,575</td>
<td>40,848,638</td>
</tr>
</tbody>
</table>
## LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### NOTE 6 - (LOSS) FROM ORDINARY ACTIVITIES

(Loss) from ordinary activities has been determined after:

(a) **Expenses**

- Depreciation of non-current assets  
  2017: 685,463  
  2016: 729,205  

(b) **Net Claims Expense**

**Direct business**

Current period claims relate to risk borne in the current financial year. Prior period amounts relate to a reassessment of the risk borne in all previous financial years.

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Prior</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>year</td>
<td>years</td>
<td>$</td>
</tr>
<tr>
<td>Gross claims (credit) / expense</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross claims and related expenses - undiscouted</td>
<td>18,383,204</td>
<td>(3,815,450)</td>
<td>14,567,754</td>
</tr>
<tr>
<td>Discount</td>
<td>(652,053)</td>
<td>209,532</td>
<td>(442,521)</td>
</tr>
<tr>
<td>Net claims expense</td>
<td>17,731,151</td>
<td>(3,605,918)</td>
<td>14,125,233</td>
</tr>
</tbody>
</table>

**Reinsurance and other recoveries revenue**

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Prior</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>year</td>
<td>years</td>
<td>$</td>
</tr>
<tr>
<td>Reinsurance and other recoveries revenue - undiscounted</td>
<td>(5,058,529)</td>
<td>965,171</td>
<td>(4,093,358)</td>
</tr>
<tr>
<td>Discount</td>
<td>391,985</td>
<td>(73,326)</td>
<td>318,659</td>
</tr>
<tr>
<td>Reinsurance and other recoveries - discounted</td>
<td>(4,666,544)</td>
<td>891,845</td>
<td>(3,774,699)</td>
</tr>
<tr>
<td>Net claims (credit) / incurred</td>
<td>13,064,607</td>
<td>(2,714,073)</td>
<td>10,350,534</td>
</tr>
</tbody>
</table>

### Consolidated Entity

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Prior</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>year</td>
<td>years</td>
</tr>
<tr>
<td>Gross claims (credit) / expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross claims and related expenses - undiscouted</td>
<td>13,665,076</td>
<td>1,965,036</td>
</tr>
<tr>
<td>Discount</td>
<td>(307,027)</td>
<td>641,828</td>
</tr>
<tr>
<td>Net claims expense</td>
<td>13,358,049</td>
<td>2,606,864</td>
</tr>
</tbody>
</table>

**Reinsurance and other recoveries revenue**

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Prior</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>year</td>
<td>years</td>
</tr>
<tr>
<td>Reinsurance and other recoveries revenue - undiscounted</td>
<td>(2,863,836)</td>
<td>419,936</td>
</tr>
<tr>
<td>Discount</td>
<td>147,504</td>
<td>(199,888)</td>
</tr>
<tr>
<td>Reinsurance and other recoveries - discounted</td>
<td>(2,716,332)</td>
<td>220,048</td>
</tr>
<tr>
<td>Net claims (credit) / incurred</td>
<td>10,641,717</td>
<td>2,826,912</td>
</tr>
</tbody>
</table>

**Parent Entity**
NOTE 7 - PROJECT INCOME AND EXPENDITURE

The Local Government Association of South Australia Incorporated received project funding from external sources, including State and Federal Governments. These funds are then distributed to and spent by Councils and other Local Government Authorities in accordance with the funding agreements in place.

Project funds received and paid during the year and the effect this has had on the operating result is set out below:

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance 1 July</td>
<td>8,965,151</td>
<td>16,590,966</td>
</tr>
<tr>
<td>Income</td>
<td>7,450,808</td>
<td>9,773,482</td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>(733,632)</td>
<td>(734,936)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(83,517)</td>
<td>(16,833)</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>(8,650,281)</td>
<td>(16,288,594)</td>
</tr>
<tr>
<td>Total project expenses</td>
<td>(9,467,430)</td>
<td>(17,040,363)</td>
</tr>
<tr>
<td>Net project income / (expense)</td>
<td>(2,016,622)</td>
<td>(7,266,881)</td>
</tr>
<tr>
<td>Adjustment for internal charges</td>
<td>(268,619)</td>
<td>(358,934)</td>
</tr>
<tr>
<td>Closing balance 30 June</td>
<td>6,679,910</td>
<td>8,965,151</td>
</tr>
</tbody>
</table>

NOTE 8 - LIABILITY ADEQUACY TEST - SCHEMES

The liability adequacy test conducted by the Actuary has identified a surplus.

**Local Government Association Mutual Liability Scheme**

The liability adequacy test identified the central estimate of the present value of future cash flows for future claims to be $4,504,000 (2016: $3,561,000) with an additional component of present value of expected future cash flows in relation to risk margin, net of reinsurance, to be $29,000 (2016: $23,000).

In performing this test a risk margin of 25% was used to secure a 75% probability of adequacy.

The probability of adequacy for the outstanding claims liability is set at a level that is appropriate and sustainable to cover the Scheme’s claims obligations after having regard to the prevailing market environment and prudent industry practice.

**Local Government Association Workers Compensation Scheme**

The liability adequacy test identified the central estimate of the present value of future cash flows for future claims to be $10,974,000 (2016: $11,405,000) with an additional component of present value of expected future cash flows in relation to risk margin to be $2,260,000 (2016: $2,348,000).

In performing this test a risk margin of 20% was used to secure a 75% probability of adequacy.

The probability of adequacy for the outstanding claims liability is set at a level that is appropriate and sustainable to cover the Scheme’s claims obligations after having regard to the prevailing market environment and prudent industry practice.
NOTE 9 - KEY MANAGEMENT PERSONNEL COMPENSATION

<table>
<thead>
<tr>
<th></th>
<th>Short-term Benefit $</th>
<th>Post Employment Benefit $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>233,810</td>
<td>30,763</td>
<td>264,573</td>
</tr>
<tr>
<td>2016</td>
<td>226,274</td>
<td>29,533</td>
<td>255,806</td>
</tr>
</tbody>
</table>

NOTE 10 - AUDITORS' REMUNERATION

Remuneration of the auditor of the parent entity for:
(i) auditing or reviewing the financial report:
- Grant Thornton 35,000 40,500 35,000 34,000

(i) non-auditing services
- Grant Thornton 6,500 6,500 6,500 6,500

Remuneration of other auditors of Schemes for:
(i) auditing or reviewing the financial report of subsidiaries
- PricewaterhouseCoopers 70,000 61,200 - -

Consolidated Entity Parent Entity
$ $ $ $ 
111,500 108,200 41,500 40,500

NOTE 11 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents 11,007,508 5,931,332 2,869,703 2,122,913

The effective interest rate on short-term deposits was 2.00% (2016: 2.00%).

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents 11,007,508 5,931,332 2,869,703 2,122,913
## NOTES TO THE FINANCIAL STATEMENTS
### FOR THE YEAR ENDED 30 JUNE 2017

### NOTE 12 - TRADE AND OTHER RECEIVABLES

#### CURRENT

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>962,009</td>
<td>1,389,215</td>
<td>625,818</td>
<td>1,150,259</td>
</tr>
<tr>
<td>Member contribution receivable</td>
<td>11,285,914</td>
<td>36,613,155</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accrued income</td>
<td>1,755,439</td>
<td>2,071,858</td>
<td>1,231,279</td>
<td>1,535,249</td>
</tr>
<tr>
<td>Reinsurance and other recoveries receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Reinsurance recoveries on paid claims</td>
<td>120,222</td>
<td>125,655</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Reinsurance recoveries receivable</td>
<td>2,842,564</td>
<td>2,944,946</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Discount to present value</td>
<td>(199,195)</td>
<td>(147,494)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Reinsurer default provision</td>
<td>(16,653)</td>
<td>(17,624)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net reinsurance and other recoveries receivables</td>
<td>2,746,938</td>
<td>2,905,483</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,750,300</strong></td>
<td><strong>42,979,711</strong></td>
<td><strong>1,857,097</strong></td>
<td><strong>2,685,508</strong></td>
</tr>
</tbody>
</table>

#### NON-CURRENT

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinsurance and other recoveries receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Reinsurance recoveries receivable</td>
<td>9,912,804</td>
<td>8,539,443</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Discount to present value</td>
<td>(694,646)</td>
<td>(427,888)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Reinsurer default provision</td>
<td>(58,074)</td>
<td>(51,104)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net reinsurance and other recoveries receivables</td>
<td>9,160,084</td>
<td>8,060,651</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,160,084</strong></td>
<td><strong>8,060,651</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

Member contributions (Schemes) moved to quarterly in advance billing cycle from annual for the annual year for the 2017/18 financial year.

### NOTE 13 - OTHER ASSETS

#### CURRENT

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>675,453</td>
<td>622,290</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>675,453</td>
<td>622,290</td>
</tr>
</tbody>
</table>

### NOTE 14 - FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits - LGFA (1)</td>
<td>66,511,240</td>
<td>69,636,709</td>
</tr>
<tr>
<td>Less: non-current portion</td>
<td>66,511,240</td>
<td>69,636,709</td>
</tr>
<tr>
<td>Current portion</td>
<td>49,459,454</td>
<td>11,233,158</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17,051,786</td>
<td>58,403,551</td>
</tr>
</tbody>
</table>

(1) Investments comprise deposits at call and deposits for terms with varying maturity dates at market rates with the Local Government Finance Authority of South Australia (LGFA). Investments are initially brought to account at cost and subsequently remeasured to fair value through the profit and loss.
LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 14 - FINANCIAL ASSETS (CONT)

<table>
<thead>
<tr>
<th>Shares in Local Super Pty Ltd</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>- at cost</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- at cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment in LGCS Pty Ltd and LGCS Trust No 1</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>- at cost</td>
<td>-</td>
<td>-</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>- less impairment</td>
<td>-</td>
<td>-</td>
<td>(50,000)</td>
<td>(50,000)</td>
</tr>
</tbody>
</table>

| NOTE 15 - PROPERTY, PLANT AND EQUIPMENT |

LAND AND BUILDINGS
Freehold land
- at valuation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Freehold land</td>
<td>3,500,000</td>
<td>2,915,806</td>
<td>3,500,000</td>
<td>2,915,806</td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>17,700,000</td>
<td>16,734,194</td>
<td>17,700,000</td>
<td>16,734,194</td>
<td></td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(110,322)</td>
<td>(1,255,065)</td>
<td>(110,322)</td>
<td>(1,255,065)</td>
<td></td>
</tr>
<tr>
<td>Total land and buildings</td>
<td>17,589,678</td>
<td>15,479,129</td>
<td>17,589,678</td>
<td>15,479,129</td>
<td></td>
</tr>
</tbody>
</table>

PLANT AND EQUIPMENT
Building improvements
At cost
Less: accumulated depreciation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Building improvements</td>
<td>290,996</td>
<td>290,996</td>
<td>290,996</td>
<td>290,996</td>
<td></td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(187,824)</td>
<td>(178,517)</td>
<td>(187,824)</td>
<td>(178,517)</td>
<td></td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td>1,368,527</td>
<td>1,678,249</td>
<td>1,368,527</td>
<td>1,678,249</td>
<td></td>
</tr>
</tbody>
</table>

Office furniture and equipment
At cost
Capital work in progress
Less: accumulated depreciation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Office furniture and equipment</td>
<td>3,311,609</td>
<td>3,284,460</td>
<td>3,311,609</td>
<td>3,283,323</td>
<td></td>
</tr>
<tr>
<td>Capital work in progress</td>
<td>-</td>
<td>102,772</td>
<td>-</td>
<td>102,772</td>
<td></td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(1,943,082)</td>
<td>(1,708,983)</td>
<td>(1,943,082)</td>
<td>(1,708,008)</td>
<td></td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td>1,468,527</td>
<td>1,678,249</td>
<td>1,468,527</td>
<td>1,678,249</td>
<td></td>
</tr>
</tbody>
</table>

Motor vehicles
At cost
Less: accumulated depreciation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>279,695</td>
<td>363,871</td>
<td>230,585</td>
<td>304,483</td>
<td></td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(106,415)</td>
<td>(100,360)</td>
<td>(103,492)</td>
<td>(77,627)</td>
<td></td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td>1,644,979</td>
<td>2,054,239</td>
<td>1,598,792</td>
<td>2,017,422</td>
<td></td>
</tr>
</tbody>
</table>

Consolidated Entity | Parent Entity

Total property, plant and equipment | 22,734,657 | 20,449,174 | 22,688,470 | 20,412,357 |

The Association’s land and buildings were revalued at 31 March 2017 by independent valuers, Maloney Field Services. Valuations were made on the basis of open market value. The revaluation surplus was credited to a revaluation reserve.
NOTE 15 - PROPERTY, PLANT AND EQUIPMENT (CONT)

(a) Movements in Carrying Amounts

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th></th>
<th></th>
<th></th>
<th>Parent</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land &amp; Buildings</td>
<td>Freehold</td>
<td>Building Improvements</td>
<td>Office Furniture &amp; Equipment</td>
<td>Motor Vehicles</td>
<td>Total</td>
<td>Freehold</td>
<td>Building Improvements</td>
<td>Office Furniture &amp; Equipment</td>
</tr>
<tr>
<td>Balance at the beginning of year</td>
<td>18,394,935</td>
<td>112,479</td>
<td>1,678,249</td>
<td>263,511</td>
<td>20,449,174</td>
<td>18,394,935</td>
<td>112,479</td>
<td>1,678,087</td>
<td>226,856</td>
</tr>
<tr>
<td>Revaluation</td>
<td>3,141,875</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,141,875</td>
<td>3,141,875</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital work in progress</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(146)</td>
<td>(44,106)</td>
<td>(44,252)</td>
<td>-</td>
<td>-</td>
<td>(102,772)</td>
<td>(31,059)</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>-</td>
<td>(102,514)</td>
<td>-</td>
<td>(102,514)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Carrying amount at the end of year</td>
<td>21,089,678</td>
<td>103,172</td>
<td>1,368,527</td>
<td>173,280</td>
<td>22,734,657</td>
<td>21,089,678</td>
<td>103,172</td>
<td>1,368,527</td>
<td>127,093</td>
</tr>
</tbody>
</table>

NOTE 16 - TRADE AND OTHER PAYABLES

Current

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>598,100</td>
<td>240,339</td>
</tr>
<tr>
<td>Sundry creditors and accruals</td>
<td>1,157,407</td>
<td>1,145,136</td>
</tr>
<tr>
<td>Australian Taxation Office payable</td>
<td>1,065,995</td>
<td>3,531,920</td>
</tr>
<tr>
<td>The Jim Crawford Award Trust</td>
<td>66,713</td>
<td>65,845</td>
</tr>
</tbody>
</table>

Total | 2,888,215 | 4,983,240 | 847,600 | 733,095 |
NOTE 17 - PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>Parent</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Catastrophe</td>
<td>Annual</td>
<td>Long</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>margin</td>
<td>leave</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June 2016</td>
<td>-</td>
<td>270,735</td>
<td>430,938</td>
<td>701,673</td>
<td></td>
</tr>
<tr>
<td>At 30 June 2017</td>
<td>-</td>
<td>275,080</td>
<td>454,225</td>
<td>729,305</td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June 2016</td>
<td>85,000</td>
<td>270,735</td>
<td>430,938</td>
<td>786,673</td>
<td></td>
</tr>
<tr>
<td>At 30 June 2017</td>
<td>85,000</td>
<td>275,936</td>
<td>454,225</td>
<td>815,161</td>
<td></td>
</tr>
</tbody>
</table>

Analysis of Total Provisions

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Current</td>
<td>581,408</td>
<td>576,486</td>
</tr>
<tr>
<td>Non-current</td>
<td>233,753</td>
<td>210,187</td>
</tr>
<tr>
<td></td>
<td>815,161</td>
<td>786,673</td>
</tr>
</tbody>
</table>

NOTE 18 - UNEARNED MEMBER CONTRIBUTION LIABILITY

CURRENT

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unearned members' contribution liability at 1 July</td>
<td>33,273,082</td>
<td>32,384,567</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Members' contribution written in the year</td>
<td>10,132,806</td>
<td>33,312,240</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Earning of members' contribution during the year</td>
<td>(33,165,912)</td>
<td>(32,423,725)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unearned members' contribution liability at 30 June</td>
<td>10,239,976</td>
<td>33,273,082</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Member contributions (Schemes) moved to quarterly in advance billing cycle from annual for the annual year for the 2017/18 financial year.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 19 - OUTSTANDING CLAIMS LIABILITY

(a) Calculation

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Estimate</td>
<td>31,947,039</td>
<td>29,481,846</td>
</tr>
<tr>
<td>Discount to present value</td>
<td>(1,613,978)</td>
<td>(1,171,456)</td>
</tr>
<tr>
<td></td>
<td>30,333,061</td>
<td>28,310,390</td>
</tr>
<tr>
<td>Claims Handling cost</td>
<td>606,355</td>
<td>534,583</td>
</tr>
<tr>
<td></td>
<td>30,939,416</td>
<td>28,844,973</td>
</tr>
<tr>
<td>Risk Margin</td>
<td>3,970,102</td>
<td>3,741,504</td>
</tr>
<tr>
<td>Gross Outstanding Claims Liability</td>
<td>34,909,518</td>
<td>32,586,477</td>
</tr>
</tbody>
</table>

Gross Claims incurred
- undiscounted
(A)+(B)+(C) 36,523,496 33,757,933

Current
14,964,899 14,005,652

Non - current
19,944,619 18,580,825

34,909,518 32,586,477

(b) Risk Margin

Process used to determine the risk margin
The risk margin is an additional allowance for uncertainty in the ultimate cost of claims. The Board determines the overall margin adopted after considering the uncertainty in the portfolio, industry trends and the Scheme’s risk appreciation.

To determine the margin adopted the Actuary concluded that a risk margin of 20% or 25% of net outstanding claims would be reasonable, if the Scheme was to have approximately 75% probability of its claim provisions proving reliable. In making this consideration the Actuary commented that this risk margin was not intended to make any provision for the possibility of reinsurers failing to fully meet their obligations.

The risk margin is added to the central estimate of net outstanding claims liability reduced by the appropriate reinsurance recoveries provided.

Risk margin applied
The risk margins applied for 75% level of adequacy are:

Local Government Association Mutual Liability Scheme 25% 25%
Local Government Association Workers Compensation Scheme 20% 20%

(c) Reconciliation of movement in discounted outstanding claims liability

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July</td>
<td>32,586,476</td>
<td>(10,966,134)</td>
</tr>
<tr>
<td>Current year claims incurred</td>
<td>21,620,342</td>
<td>32,216,496</td>
</tr>
<tr>
<td>Previous years claims incurred</td>
<td>(9,426,174)</td>
<td>22,790,322</td>
</tr>
<tr>
<td>Claims (credit)/expense</td>
<td>17,731,148</td>
<td>(4,666,544)</td>
</tr>
<tr>
<td>All claims paid during year</td>
<td>13,064,604</td>
<td>13,358,050</td>
</tr>
<tr>
<td>Balance at 30 June</td>
<td>34,909,518</td>
<td>32,586,476</td>
</tr>
</tbody>
</table>

Parent Entity

Consolidated Entity

Consolidated Entity

Parent Entity
LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 20 - RESERVES

(a) Building maintenance and equipment reserve
The building maintenance and equipment reserve records the association’s accumulated
depreciation of the property, plant and equipment. This reserve has had its balance
returned to retained earnings. This reserve was unfunded and disclosed under assets already.

(b) Employee entitlement reserve
The employee entitlement reserve records the association’s annual and long service leave
entitlement liability. This reserve has had its balance returned to retained earnings.
This reserve was unfunded and disclosed under assets already.

(c) Asset revaluation reserve
The asset revaluation reserve records realised gains on the revaluation of land and buildings.

(d) Project reserves
The project reserves records funds received by the Local Government Association of South
Australia Inc. from external providers. These funds are then distributed as per the relevant
funding agreement. Also included are LGA funded projects with carry forward balances.

NOTE 21 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities represent items that, at 30 June 2017, are not recognised in the Statement of
Financial Position because there is significant uncertainty at that date as to the necessity for the
entity to receive or make payments in respect of them.

The Board are not aware of any contingent assets or liabilities at 30 June 2017.

NOTE 22 - EVENTS SUBSEQUENT TO REPORTING DATE

No significant events have occurred since reporting date that would impact on the financial position of
the Association disclosed in the statement of financial position as at 30 June 2017 or on the results
or cash flows of the Association and its controlled entities for the year ended on that date.

The financial statements were authorised for issue by the Board of Directors of the Association
on 28 September 2017.

NOTE 23 - INVESTMENT AND CONTROLLED ENTITIES

<table>
<thead>
<tr>
<th>Country of Incorporation</th>
<th>Percentage Owned (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td>Local Government Mutual Liability Scheme(^{(1)})</td>
<td>Australia</td>
</tr>
<tr>
<td>Local Government Workers Compensation Scheme(^{(1)})</td>
<td>Australia</td>
</tr>
<tr>
<td>LGCS Pty Ltd</td>
<td>Australia</td>
</tr>
<tr>
<td>LGCS Trust No. 1</td>
<td>Australia</td>
</tr>
</tbody>
</table>

\(^{(1)}\) The Local Government Association of South Australia Inc. has the capacity to control these entities
pursuant to the Local Government Act 1999 and they have been consolidated on that basis.
NOTE 24 - RELATED PARTIES

LGA Board

The names of persons who were members or proxy members of the Local Government Association of South Australia LGA Board at any time during the financial year are as follows:

<table>
<thead>
<tr>
<th>Mayor Dave Burgess</th>
<th>Mayor Kevin Knight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor David O'Loughlin</td>
<td>Mayor William Spragg</td>
</tr>
<tr>
<td>Mayor Peter Hunt</td>
<td>Mayor Ray Agnew OAM</td>
</tr>
<tr>
<td>Mayor Ann Ferguson OAM</td>
<td>Mayor Denis Clark</td>
</tr>
<tr>
<td>Mayor Lorraine Rosenberg</td>
<td>Mayor Karen Redman</td>
</tr>
<tr>
<td>Cr Jill Whittaker</td>
<td>Mayor Bruce Green</td>
</tr>
<tr>
<td>Cr Sue Clearihan</td>
<td>Mayor Neville Jaensch</td>
</tr>
<tr>
<td>Mayor Angela Evans</td>
<td>Mayor Leon Stasinowsky</td>
</tr>
<tr>
<td>Mayor Lachlan Clyne</td>
<td>Mayor Erika Vickery</td>
</tr>
<tr>
<td>Mayor Glenn Spear</td>
<td>Mayor Richard Sage</td>
</tr>
<tr>
<td>Mayor David Parkin</td>
<td>Mayor Keith Parkes</td>
</tr>
<tr>
<td>Mayor Robert Bria</td>
<td>Mayor Gillian Aldridge</td>
</tr>
<tr>
<td>Mayor Peter Mattey</td>
<td>Mayor Sam Johnson</td>
</tr>
<tr>
<td>Mayor Brenton Lewis</td>
<td></td>
</tr>
</tbody>
</table>

Transactions with Local Government Authorities having LGA Board representation are on normal commercial terms and conditions.

Transactions with related parties

The Local Government Association of South Australia and Jardine Lloyd Thompson Pty Ltd, the Scheme Manager, have entered into a Joint Venture and have contemporaneously executed a Joint Venture Management Agreement dated 1 July 2001 and a Joint Venture Operations Agreement dated 1 July 2001.

The agreements state that both parties have agreed to co-operate together as joint venturers in respect only of the management and operation of the Scheme.

Jardine Lloyd Thompson Pty Ltd supplies all services to the Scheme.
Aggregate amounts included in the determination of the parent entity’s operating result that resulted from transactions with controlled entities are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration charges received:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Association</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Workers’ Compensation Scheme</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Local Government Mutual Liability Scheme</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Grant funding paid:</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- LGCS Pty Ltd</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investment income received:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Financing Authority of South Australia</td>
<td>2,135,567</td>
<td>2,346,631</td>
</tr>
<tr>
<td>Management fees paid:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>3,492,582</td>
<td>3,411,158</td>
</tr>
<tr>
<td>Outward reinsurance premium paid:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Insurance Broker</td>
<td>7,850,809</td>
<td>7,691,516</td>
</tr>
<tr>
<td>- South Australian Government Financing Authority</td>
<td>258,716</td>
<td>215,793</td>
</tr>
<tr>
<td>Risk management fees paid:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>3,236,574</td>
<td>3,084,274</td>
</tr>
<tr>
<td>Injury Management Services</td>
<td>-</td>
<td>33,230</td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Injury Management Services - legislative compliance &amp; management</td>
<td>118,128</td>
<td>108,084</td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>OHS Core Systems Development</td>
<td>1,404,132</td>
<td>664,925</td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>87,997</td>
<td>82,250</td>
</tr>
<tr>
<td>Risk audit fee - Airports:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>-</td>
<td>40,000</td>
</tr>
<tr>
<td>Strategic Risk Review</td>
<td>-</td>
<td>12,500</td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rail Interface</td>
<td>94,800</td>
<td>-</td>
</tr>
</tbody>
</table>
## NOTE 24 - RELATED PARTIES (CONT)

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>170,668</td>
<td>-</td>
</tr>
<tr>
<td>Irsponda</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>175,000</td>
<td>-</td>
</tr>
<tr>
<td>Mock Courts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Jardine Lloyd Thompson Pty Ltd as Scheme Manager</td>
<td>95,000</td>
<td>-</td>
</tr>
</tbody>
</table>

**Transactions with related parties**

<table>
<thead>
<tr>
<th></th>
<th>Consolidated Entity</th>
<th>Parent Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued interest receivable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Financing Authority of South Australia</td>
<td>450,473</td>
<td>474,456</td>
</tr>
<tr>
<td>Investments at face value:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Financing Authority of South Australia</td>
<td>72,560,340</td>
<td>71,958,465</td>
</tr>
<tr>
<td>Prepayments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- South Australian Government Financing Authority</td>
<td>137,602</td>
<td>137,602</td>
</tr>
<tr>
<td>Rent received from Scheme/LGCS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Association of South Australia</td>
<td>500,000</td>
<td>-</td>
</tr>
<tr>
<td>Rent received from Scheme/LGCS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Local Government Association of South Australia</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 25 - SCHEME REPORTING

The Association operates predominantly as a service provider to local government in South Australia.

The Local Government Associations Workers Compensation Scheme provides workers compensation liability cover and the management of associated claims for Local Government solely within South Australia.

The Local Government Association Mutual Liability Scheme provides civil liability cover and the management of associated claims for Local Government within South Australia.

<table>
<thead>
<tr>
<th>Local Government Association Workers Compensation Scheme</th>
<th>Local Government Association Mutual Liability Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 $</td>
<td>2017 $</td>
</tr>
<tr>
<td>2016 $</td>
<td>2016 $</td>
</tr>
<tr>
<td>Member contributions and other income</td>
<td>23,571,786</td>
</tr>
<tr>
<td>22,872,185</td>
<td>15,433,044</td>
</tr>
<tr>
<td>14,566,194</td>
<td></td>
</tr>
<tr>
<td>Profit</td>
<td>3,264,765</td>
</tr>
<tr>
<td>890,582</td>
<td>493,421</td>
</tr>
<tr>
<td>1,205,818</td>
<td></td>
</tr>
</tbody>
</table>

Statement of Financial Position

<table>
<thead>
<tr>
<th>Current assets</th>
<th>30,093,756</th>
<th>67,668,036</th>
<th>9,634,055</th>
<th>34,545,866</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>24,210,105</td>
<td>-</td>
<td>34,409,431</td>
<td>19,293,809</td>
</tr>
<tr>
<td>Total assets</td>
<td>54,303,861</td>
<td>67,668,036</td>
<td>44,043,486</td>
<td>53,839,675</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>17,083,057</td>
<td>32,922,690</td>
<td>9,690,768</td>
<td>18,133,481</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>10,119,216</td>
<td>9,908,524</td>
<td>9,910,403</td>
<td>8,757,301</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>27,202,273</td>
<td>42,831,214</td>
<td>19,601,171</td>
<td>26,890,782</td>
</tr>
<tr>
<td>Net Assets</td>
<td>27,101,588</td>
<td>24,946,240</td>
<td>24,442,315</td>
<td>26,948,893</td>
</tr>
</tbody>
</table>
NOTE 26 - CASH FLOW INFORMATION

(a)  Reconciliation of Net Cash provided by / (used in) operating activities to operating surplus / (deficit)

Net profit/(loss) for the year 2,294,102 (5,245,607) (1,588,915) (7,161,906)

Non-cash flows in profit from ordinary activities
- Depreciation of non-current assets 768,980 746,039 760,216 736,151
- Loss on disposal of non-current assets (9,740) 30,888 (6,209) 19,865
- Fair value movement in investments (net) 212,771 (155,386) 87,301 -

Changes in assets and liabilities
(Decrease)/increase in trade and term receivables 26,029,800 (1,333,463) 825,407 (531,807)
(Decrease)/increase in other assets (938,066) (1,549,213) 2,474 (2,598)
Increase/(decrease) in trade payables (2,109,401) 473,235 114,506 (42,933)
Increase/(decrease) in outstanding claims and unearned contributions (20,710,060) 1,258,499 - -
Increase/(decrease) in provisions 28,488 (154,962) 27,555 (117,320)

Cash flow from / (used in) operations 5,566,335 (5,929,970) 222,336 (7,100,548)

(b)  Non-cash financing and investing activities
There were no non-cash financing or investing activities during the year.
NOTE 27 - FINANCIAL RISK MANAGEMENT

The association’s financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>11,007,508</td>
<td>5,931,332</td>
<td>2,869,703</td>
<td>2,122,913</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>25,910,384</td>
<td>51,040,362</td>
<td>1,857,097</td>
<td>2,685,508</td>
</tr>
<tr>
<td>Financial assets at fair value through the profit and loss:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits with LGFA</td>
<td>66,511,240</td>
<td>69,636,709</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>103,429,132</td>
<td>126,608,403</td>
<td>4,726,800</td>
<td>4,808,421</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>2,888,215</td>
<td>4,983,240</td>
<td>847,600</td>
<td>733,095</td>
</tr>
<tr>
<td>Borrowings</td>
<td>500,000</td>
<td>-</td>
<td>500,000</td>
<td>-</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>3,388,215</td>
<td>4,983,240</td>
<td>1,347,600</td>
<td>733,095</td>
</tr>
</tbody>
</table>

The main purpose for non-derivative financial instruments is to raise finance for group operations.

The Consolidated Entity does not have any derivative financial instruments at 30 June 2017 (2016: Nil).

The Local Government Association of South Australia holds a $12 million finance facility with the Local Government Finance Authority of South Australia with a variable interest rate. The value of the undrawn amount at 30 June 2017 was $11.5 million (2016: $12 million).

Specific Financial Risk Exposure and Management

The main risks the group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

(a) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Consolidated Entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Consolidated Entity.

The average credit rating of the Scheme’s reinsurance companies is ‘A’. However, the Scheme’s do recognise that there may be the likelihood of a reinsurance company failing to meet its obligations. A reinsurer default provision has been raised to cover this.

(b) Liquidity risk

The Consolidated Entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.
## LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

### NOTE 27 - FINANCIAL RISK MANAGEMENT (CONT)

#### (b) Liquidity risk (Cont)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Entity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,007,508</td>
<td>5,931,332</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,007,508</td>
<td>5,931,332</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>16,750,300</td>
<td>42,979,711</td>
<td>9,160,084</td>
<td>8,060,651</td>
<td>-</td>
<td>-</td>
<td>25,910,384</td>
<td>51,040,362</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deposits with LGFA</td>
<td>17,051,786</td>
<td>58,403,551</td>
<td>49,459,454</td>
<td>11,233,158</td>
<td>-</td>
<td>-</td>
<td>66,511,240</td>
<td>69,636,709</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>44,809,594</td>
<td>107,314,594</td>
<td>58,619,538</td>
<td>19,293,809</td>
<td>-</td>
<td>-</td>
<td>103,429,132</td>
<td>126,608,403</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>2,888,215</td>
<td>4,983,240</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,888,215</td>
<td>4,983,240</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>3,388,215</td>
<td>4,983,240</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,388,215</td>
<td>4,983,240</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Parent Entity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,869,703</td>
<td>2,122,913</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,869,703</td>
<td>2,122,913</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,857,097</td>
<td>2,685,508</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,857,097</td>
<td>2,685,508</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>4,726,800</td>
<td>4,808,421</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,726,800</td>
<td>4,808,421</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Financial Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>847,600</td>
<td>733,095</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>847,600</td>
<td>733,095</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>1,347,600</td>
<td>733,095</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,347,600</td>
<td>733,095</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 27 - FINANCIAL RISK MANAGEMENT (CONT)

(c) Market risk

The Association's main interest rate risk arises from financial assets at fair value through profit or loss and short term deposits with banks. Investments at variable rates expose the Scheme to cash flow interest rate risk. Investments at fixed rates expose the Scheme to fair value interest rate risk. All investments are held with Local Government Finance Authority. The Scheme has no formal policy in respect of the percentage of investments at fixed rates. Investments at fixed rates are made as and when opportunities arise.

Sensitivity analysis

The following table illustrates sensitivities to the Association's exposure to changes in interest rates. The table indicates the impact on how profit and equity values reporting at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

<table>
<thead>
<tr>
<th>Carrying Value</th>
<th>Consolidated Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>+/- 1% in interest rates</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,007,508</td>
</tr>
<tr>
<td>Investments in term deposits</td>
<td>66,511,240</td>
</tr>
<tr>
<td>77,518,748</td>
<td>75,568,041</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2016</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>+/- 1% in interest rates</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,869,703</td>
</tr>
<tr>
<td>Investments in term deposits</td>
<td>-</td>
</tr>
<tr>
<td>2,869,703</td>
<td>2,122,913</td>
</tr>
</tbody>
</table>
NOTE 28 - FAIR VALUE MEASUREMENT

The financial and non-financial assets recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for assets or liability that are not based on observable market data (unobservable inputs) (Level 3).

<table>
<thead>
<tr>
<th>Economic Entity</th>
<th>Level 1 $</th>
<th>Level 2 $</th>
<th>Level 3 $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits with LGFA</td>
<td>- 66,511,240</td>
<td>-</td>
<td>66,511,240</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>-</td>
<td>- 21,089,678</td>
<td>21,089,678</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- 66,511,240</td>
<td>21,089,678</td>
<td></td>
<td>87,600,918</td>
</tr>
<tr>
<td>2016 Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits with LGFA</td>
<td>- 69,636,709</td>
<td>-</td>
<td>69,636,709</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>-</td>
<td>- 18,394,935</td>
<td>18,394,935</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- 69,636,709</td>
<td>18,394,935</td>
<td></td>
<td>88,031,644</td>
</tr>
<tr>
<td>Parent Entity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017 Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>- 2</td>
<td>-</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>-</td>
<td>- 21,089,678</td>
<td>21,089,678</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- 2</td>
<td>21,089,678</td>
<td>21,089,680</td>
<td></td>
</tr>
<tr>
<td>2016 Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>- 2</td>
<td>-</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>-</td>
<td>- 18,394,935</td>
<td>18,394,935</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- 2</td>
<td>18,394,935</td>
<td>18,394,939</td>
<td></td>
</tr>
</tbody>
</table>

The Association's land and buildings were revalued at 30 April 2017 by independent valuers, Maloney Field Services. Valuations were made on the basis of open market value. Movement during the year relates to depreciation on the building.

Fair value of the Association's land and building is estimated based on appraisals performed by independent, professionally-qualified property valuers, Maloney Field Services. Valuations were made on the basis of open market value. Movement during the year relates to revaluation of the land and building and depreciation of building.

Further information about the valuation of the land is set out below.

The appraisal was carried out using a market approach that reflects observed prices for current rental income for properties offers same space and car park and incorporates expected future rental increase, recent yields on rental properties,
NOTE 28 - FAIR VALUE MEASUREMENT

The land was revalued on 31 March 2017. The land was previously revalued in June 2013.

The significant unobservable input is market yield and estimated future increase in rent.

NOTE 29 - ASSOCIATION DETAILS

Registered office and principal place of business

The registered office and principal place of business of the association is:

Local Government Association of South Australia Inc.
Local Government House
148 Frome Street
ADELAIDE SA 5000
LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA AND CONTROLLED ENTITIES

STATEMENT BY THE BOARD
FOR THE YEAR ENDED 30 JUNE 2017

In the opinion of the LGA Board, the financial report as set out on pages 1 to 40:

1. Presents a true and fair view of the financial position of Local Government Association of South Australia Inc as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

At the date of this statement, there are reasonable grounds to believe that Local Government Association of South Australia Inc will be able to pay its debts as and when they fall due.

During the financial year no member of the LGA Board or officer of the association, nor:

- a firm of which the member of the LGA Board or officer is a member; nor
- a body corporate in which the member of the LGA Board or officer has a substantial interest has received or become entitled to receive a benefit as a result of a contract between the officer firm or corporate and the association. The following members received the following amounts to conduct the affairs of the association:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor Lorraine Florence Rosenberg</td>
<td>President</td>
<td>23,991.00</td>
</tr>
<tr>
<td>Mayor David James Burgess</td>
<td>Immediate Past President/President</td>
<td>23,865.39</td>
</tr>
<tr>
<td>Mayor David Andrew O'Loughlin</td>
<td>Immediate Past President/Member</td>
<td>1,971.91</td>
</tr>
<tr>
<td>Cr Jillian Yvonne Whittaker</td>
<td>Vice President</td>
<td>2,089.55</td>
</tr>
<tr>
<td>Mayor Ann Shirley Ferguson</td>
<td>Vice President</td>
<td>2,089.54</td>
</tr>
<tr>
<td>Mayor Peter Robert Hunt</td>
<td>Vice President</td>
<td>4,197.49</td>
</tr>
<tr>
<td>Mayor Erika Johanna Vickery</td>
<td>Vice President</td>
<td>2,126.76</td>
</tr>
<tr>
<td>Cr Susan Clearihan</td>
<td>Vice President/Audit Committee Member</td>
<td>11,226.76</td>
</tr>
<tr>
<td>Mayor David Thomas Parkin</td>
<td>Member</td>
<td>200.00</td>
</tr>
<tr>
<td>Mayor Gillian Aldridge</td>
<td>Member</td>
<td>200.00</td>
</tr>
<tr>
<td>Mayor Lachlan Robert Oliver Clyne</td>
<td>Member</td>
<td>600.00</td>
</tr>
<tr>
<td>Mayor Denis Vincent Clark</td>
<td>Deputy</td>
<td>500.00</td>
</tr>
<tr>
<td>Mayor William Spragg</td>
<td>Member</td>
<td>300.00</td>
</tr>
<tr>
<td>Mayor Robert Bria</td>
<td>Member</td>
<td>400.00</td>
</tr>
<tr>
<td>Mayor Glenn Spear</td>
<td>Member</td>
<td>400.00</td>
</tr>
<tr>
<td>Mayor Kevin Knight</td>
<td>Member</td>
<td>400.00</td>
</tr>
<tr>
<td>Mayor Bruce Leslie Green</td>
<td>Member</td>
<td>400.00</td>
</tr>
<tr>
<td>Mayor Raymond George Agnew</td>
<td>Member</td>
<td>400.00</td>
</tr>
<tr>
<td>Mayor Angela Jane Evans</td>
<td>Member</td>
<td>300.00</td>
</tr>
<tr>
<td>Mayor Neville Ross Jaensch</td>
<td>Member</td>
<td>400.00</td>
</tr>
<tr>
<td>Mayor Keith James Parkes</td>
<td>Member</td>
<td>200.00</td>
</tr>
<tr>
<td>Mayor Richard John Sage</td>
<td>Deputy</td>
<td>200.00</td>
</tr>
<tr>
<td>Mayor Sam Johnson</td>
<td>Member</td>
<td>100.00</td>
</tr>
<tr>
<td>Mayor Karen Redman</td>
<td>Member</td>
<td>200.00</td>
</tr>
<tr>
<td>Cr Rosalina Bouchee</td>
<td>Deputy</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Officers of the association receive salary packages which have been determined in accordance with general market conditions. Except for the forgoing, no officer of the association has received directly or indirectly any payment or other benefit of a pecuniary value.

Signed in accordance with a resolution of the Local Government Association of South Australia Board.

President

Chief Executive Officer

Dated 9/10/14
Independent Auditor’s Report
To the Members of Local Government of South Australia

Report on the audit of the financial report

Opinion
We have audited the accompanying financial report of Local Government of South Australia (the “Association”), which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Directors of the consolidated entity comprising the Association and the entities it controlled at the year’s end or from time to time during the financial year.

In our opinion, the accompanying financial report of Local Government of South Australia:

a the financial report of Local Government of South Australia

i presents fairly, in all material respects, the Association’s and consolidated entity’s financial position as at 30 June 2017 and of their performance and cash flows for the year then ended; and

ii complies with Australian Accounting Standards and the relevant legislation; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Responsibility of the Board for the Financial Report
The Board of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1999. This responsibility includes such internal controls as the Board determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error. The Board also state, in the notes to the financial report, in accordance with...
Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements and notes, comply with International Financial Reporting Standards.

**Auditor’s Responsibilities for the Audit of the Financial Report**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Association’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

**Independence**

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Grant Thornton Audit Pty Ltd
Chartered Accountants

J L Humphrey
Partner - Audit & Assurance

Adelaide, 9 October 2017
6.3 Electronic Voting in Local Government Elections

Discussion Reports from the LGA Board

From: Andrea Malone, Director Legislation
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 1A Listen to, and represent members
Meeting: Annual General Meeting 16 November 2017
ECM: 655535 Attachment: 654035

Recommendation 1

That the Annual General Meeting endorses keeping a watching brief on the work of the ECANZ national electronic voting working group, comprised of representatives from all Australian States, which is developing a process for electronic voting in Commonwealth, State and Local Government Elections.

Recommendation 2

That the Annual General Meeting notes the report which was endorsed by the LGA Board on 28 September 2017.

Discussion

In April 2017 the OGM resolved to have the LGA investigate trialling electronic voting in local government elections. As part of implementing this decision, the LGA sought information from the NSW Electoral Commission and the WA Electoral. The key message from the consultation was that the electronic voting system that is currently in use is not yet cost effective, because all jurisdictions have different electoral laws and methods of voting and the system has to be substantially modified for use in different elections, creating a significant cost disincentive.

However, Electoral Commissioners from all Australian jurisdictions, together with New Zealand (ECANZ) have agreed to create a national electronic voting working group, which will be responsible for creating a robust and secure internet voting system that will be able to operate federal, state, territory and local government elections. The working group is comprised of representatives from each member jurisdiction and the Electoral Commission of SA is part of this group.

The working group has a medium to long term objective of 4-5 years and will initially develop:

- an outline of the framework of the high level structure for advancing a national capability;
- principles that will define an internet voting capability; and
- a scope and high level working plan.

Financial and Resource Implications

No funding has been allocated to taking any further action on this matter.
7.4 Electronic Voting in Local Government Elections

Reports for Discussion

From: Andrea Malone, Director Legislation
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 1A Listen to, and represent members
Meeting LGA Board 28 September 2017
ECM: 654035 Attachment: to be tabled

Recommendation

That the LGA Board:

1. endorses keeping a watching brief on the work of the ECANZ national electronic voting working group, comprised of representatives from all Australian States; and

2. requests that this report be placed on the agenda for the 2017 AGM, as an information report for members.

Discussion

In April 2017 the OGM resolved to have the LGA investigate trialling electronic voting in local government elections. As part of implementing this decision, the LGA sought information from the NSW Electoral Commission, which has used a system called iVote for parts of their state and local government elections in past years. The use of the system has been limited to specific groups of voters, such as people with disabilities and people in the Defence Forces.

The WA Electoral Commission also leveraged on the NSW model and used the system in the WA state and local government elections. The LGA was informed that the process is not yet cost effective and remains very expensive, with both NSW and WA confirming that view. The WA trial, for example, involved 2,000 votes and cost $500,000 - $600,000, including customisation costs. Because all jurisdictions have different electoral laws and methods of voting, the iVote system has to be substantially modified for use in different elections, creating a significant cost disincentive.

However, the NSW Electoral Commission advised the LGA that Electoral Commissioners from all Australian jurisdictions, together with New Zealand, were planning to convene in Sydney at the end of May 2017, to discuss the development of electronic voting at the meeting of the Electoral Council of Australia and NZ (ECANZ). The LGA therefore wrote to the Electoral Commission of SA (ECSA) advising that local government in SA was keen to explore the option of electronic voting and asking for a report on the progress of electronic voting in Australia. A copy of the response from ECSA will be distributed at the meeting.

In summary, ECANZ has agreed to create a national electronic voting working group, which will be responsible for creating robust and secure internet voting system that will be able to operate federal, state, territory and local government elections. The working group is comprised of representatives from each member jurisdiction and the matter has also been placed on the agenda for COAG.

The working group has a medium to long term objective of 4-5 years and will initially develop:

- an outline of the framework of the high level structure for advancing a national capability;
- principles that will define an internet voting capability; and
- a scope and high level working plan.
As outlined in the attached letter, there are a number of significant issues to address in the development of the system, including:

- who will own the system;
- the use of ‘open source’ code;
- how to address a critical failure of the system;
- flexibility to cope with different electoral and voting systems; and
- risk and integrity issues.

In the circumstances, the Secretariat recommends keeping a watching brief on the national development of an electronic voting system, through regular communications with ECSA, with a view to encouraging the introduction of electronic voting as soon as it becomes feasible and cost effective.

At this time it is not recommended that a trial of a customised solution for local government elections be progressed.

**Financial and Resource Implications**

This activity, to investigate the options for trialling electronic voting, has been anticipated in the LGA’s work program and resources are available. However, no funding has been allocated to taking any further action on this matter.
6.4 LGA Submission – Review of the Code of Conduct

Discussion Reports from the LGA Board
From: Andrea Malone, Director Legislation
Key Initiative: K.I 1 Leadership and advocacy
Strategy: 1A Listen to, and represent members
Meeting: Annual General Meeting 16 November 2017
ECM: 655536 Attachments: 654437, 654321

Recommendation 1
That the Annual General Meeting endorses the LGA’s framework for replacing the existing code of conduct for council members and reconfiguring the support arrangements in place to assist councils in managing council members’ behaviour.

Recommendation 2
That the Annual General Meeting notes the report and the attached submission, which was endorsed by the LGA Board on 28 September 2017.

Discussion
At its meeting on 28 September 2017, the LGA Board considered and endorsed the LGA’s framework for replacing the existing code of conduct for council members and reconfiguring the support arrangements in place to assist councils in managing council member’s behaviour. The Board also resolved that the report and attachment they considered by included on the Agenda for the Annual General Meeting. Therefore, a copy of the report and attachment considered by the LGA Board on 28 September 2018 are attached for members’ information.

This report provides some further information about the submission and the subsequent activities that have been undertaken by the LGA to advocate for a better framework and process for managing sector behaviour and morale.

Background
The attached submission contains proposals for a new code of conduct in regulation which is based on higher level standards of good governance and integrity. It also proposes a detailed process for managing complaints under the code, some legislative changes to support councils in managing intractable issues and a new LGA program of education and development for council members to be offered through LGA Member Services.

The key proposals in the LGA’s submissions are summarised within the attached LGA Board report.

The LGA has provided this submission to the Premier and the Minister for Local Government and at the time of drafting this report, discussions are continuing with the Minister and the Office of Local Government on the detail of the proposal. The Premier’s Local Government Forum at which this item was to be discussed, did not proceed as planned in October.
LGA and Sector Advocacy

Following clear feedback from members, the LGA strongly supports retaining the current code in place until a new replacement code and complaint handling process is brought into effect. This will provide time for the LGA to finalise and implement its new support strategies for councils - *Prevention to Intervention*. The LGA’s Sector Development Partner, Rowena McLean has been engaged to commence work on this program.

The LGA’s holistic proposal will benefit the state and local government and the community in the following ways:

- empowering and building the capacity of councils to manage behaviour issues at the local level as they arise;
- more robust behavioural standards to enhance and further protect the integrity of council decision making;
- reducing state government costs and resources by ensuring that only genuine ‘misconduct’ issues are investigated by State bodies; and
- alignment with other States that are moving towards more robust behavioural standards for elected members and the imposition of more effective sanctions.

One of the key elements of the proposed new code is to elevate the issue of systemic bullying and harassment to an issue of misconduct and to advocate for a more effective approach to dealing with such matters.

The LGA’s advocacy on code of conduct reforms will be assisted by a strong and united local government sector. Therefore, it is recommended that the AGM reinforces the sector’s position by also endorsing the the LGA’s framework for replacing the existing code of conduct for council members and reconfiguring the support arrangements in place to assist councils in managing sector behaviour.

*Financial and Resource Implications*

This activity has been anticipated in the LGA’s work program and resources are available to progress this work.
9.5 LGA Submission – Review of the Code of Conduct

Confidential Reports

From: Andrea Malone, Director Legislation
Key Initiative: K.I 1 Leadership and advocacy
Strategy: 1A Listen to, and represent members
Meeting: LGA Board 28 September 2017
ECM: 654437 Attachment: 654321

Recommendation

That the LGA Board:
1. endorses the attached submission on the council members code of conduct to be presented to the Premier at the Premier’s Local Government Forum; and
2. requests that this report and attached submission be placed on the agenda as an information report to the Annual General Meeting.

Discussion

At the Premier’s Local Government Forum in June 2017, the Premier unexpectedly announced that he intended to repeal the sector-wide council members code of conduct from regulations. After representations from the LGA President and CEO advising the Premier of the need for the LGA to consult its membership on the proposal, the Premier agreed to take no action until the LGA had an opportunity to consult and seek feedback on the issues raised by the Premier. The Premier gave the LGA three months to review options for replacing the code and to carry out a consultation process with members on new proposals.

The secretariat immediately convened a forum for Mayors and CEOs in July 2017, which was attended by over 100 representatives from a majority of councils. Following a presentation from the secretariat on key issues relating to the current code, including a set of detailed questions, the secretariat collated the feedback from Mayors and CEOs and presented these views to the Mayors and Chairs Forum for further comment and discussion. Drawing on these initial consultations, the secretariat drafted a detailed outline of a proposed new code and processes for managing complaints and sought feedback from all council members through a survey arrangement.

The LGA also surveyed all councils to obtain data on how many and what kind of code complaints they had received in the past 5 years, to which 23 councils responded. Information on this data will be provided at the meeting. In addition, the LGA consulted with the Ombudsman and the ICAC Commissioner in relation to their experiences with the current code and sought data from each of these agencies as to the number of type of complaints they had received. The ICAC Commissioner is collating a full report on this data which is expected to be released later this year, but was not in a position to provide the information at this time.

The attached draft submission contains proposals for a new code of conduct in regulation which is based on higher level standards of good governance and integrity. It also proposes a detailed process for managing complaints under the code, some legislative changes to support councils in managing intractable issues and a new LGA program of education and development for council members to be offered through LGA Member Services.
The LGA strongly supports retaining the current code in place until a new replacement code and complaint handling process is brought into effect. This will provide time for the LGA to finalise and implement its new support strategies for councils - *Prevention to Intervention*.

The three main submissions are summarised below:

- The LGA believes that the current Behavioural Code (Part 2 of the Code) is not effective. However a Code set in regulation should continue in operation but be re-focussed on genuine ‘misconduct’ issues. A new Code should be set higher level standards that ensure appropriate standards of integrity and enable effective sanctions to be imposed. The regulations should set out both the key standards and clear independent processes by which alleged breaches will be handled.

- Other legislative changes could include re-drafting section 62 of the Local Government Act, which sets out the general duties of council members, to include high level guiding principles of expected governance standards. This could set a framework for councils to manage the behaviour of council members generally. In addition, the role of the mayor as leader of the council could be legislatively strengthened, together with a strengthening of powers for mayors under the Local Government (Procedures at Meetings) Regulations 2013.

- Behavioural standards for council members should be addressed through councils with the support of the LGA. Proposed new measures include a new education and development program for council members, which is currently being progressed by the LGA. The new strategy, *Prevention to Intervention*, will include a revised role for the Local Government Governance Panel and options for councils to manage council member behaviour through internal processes.

**Financial and Resource Implications**

This activity has been anticipated in the LGA’s work program and resources are available to progress this work.
Code of Conduct for Council Members

LGA Submission
September 2017
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>About the LGA</td>
<td>3</td>
</tr>
<tr>
<td><strong>Review of the Code of Conduct</strong></td>
<td>3</td>
</tr>
<tr>
<td>Key Standards to Form Code in Regulation</td>
<td>3</td>
</tr>
<tr>
<td>Misconduct standards</td>
<td>4</td>
</tr>
<tr>
<td>Proposed Processes for Managing Complaints</td>
<td>5</td>
</tr>
<tr>
<td>Sanctions/Penalties</td>
<td>5</td>
</tr>
<tr>
<td>Review Right – SACAT</td>
<td>6</td>
</tr>
<tr>
<td>Legislative Changes to Support Councils</td>
<td>6</td>
</tr>
<tr>
<td>Local Government Act 1999 Proposed Amendments</td>
<td>6</td>
</tr>
<tr>
<td>Local Government (Procedures at Meetings) Regulations 2013 Proposed Amendments</td>
<td>7</td>
</tr>
<tr>
<td>LGA Strategy to Support Councils – <em>Prevention to Intervention</em></td>
<td>7</td>
</tr>
<tr>
<td>LGA’s Proposed Action</td>
<td>7</td>
</tr>
<tr>
<td>Expanded Role for Local Government Governance Panel – Proposed LGA Member Service</td>
<td>7</td>
</tr>
<tr>
<td>Council Committee: Internal Council Management of Council Member Behaviour (Council led initiative)</td>
<td>8</td>
</tr>
<tr>
<td>Regional Committee: Shared Service Approach to Management of Council Member Behaviour (Council led initiative)</td>
<td>8</td>
</tr>
<tr>
<td><strong>Conclusion</strong></td>
<td>8</td>
</tr>
</tbody>
</table>
About the LGA

The LGA is recognised as the peak representative body for Local Government in South Australia and is the voice of Local Government. The Association provides leadership to Councils and represents councils to State and Federal governments and other key stakeholders.

Review of the Code of Conduct

Since its introduction in regulation in 2013, the Code of Conduct for Council Members (the Code) has provided guidance for council members in carrying out their functions as public officials. In that time the code has served as both an educational tool and a deterrent to unacceptable behaviour. The overwhelming majority of council members and councils see benefit in retaining a Code in regulation, but with a number of significant improvements to raise the Code above mere behavioural issues. The Code should focus on substantive issues going to integrity, ethics and good governance.

The LGA strongly supports retaining the current code in place until a new replacement code and complaint handling process is brought into effect. This will provide time for the LGA to finalise and implement its new support strategies for councils - Prevention to Intervention.

Submission - the LGA submits that:

- The current Behavioural Code (Part 2 of the Code) is not effective. However a Code set in regulation should continue in operation but be re-focussed on genuine ‘misconduct’ issues. A new Code should be set higher level standards that ensure appropriate standards of integrity and enable effective sanctions to be imposed. The regulations should set out both the key standards and clear independent processes by which alleged breaches will be handled.

- Other legislative changes could include re-drafting section 62 of the Local Government Act, which sets out the general duties of council members, to include high level guiding principles of expected governance standards. This could set a framework for councils to manage the behaviour of council members generally. In addition, the role of the mayor as leader of the council could be legislatively strengthened, together with a strengthening of powers for mayors under the Local Government (Procedures at Meetings) Regulations 2013.

- Behavioural standards for council members should be addressed through councils with the support of the LGA. Proposed new measures include a new education and development program for council members, which is currently being progressed by the LGA. The new strategy, Prevention to Intervention, will include a revised role for the Local Government Governance Panel and options for councils to manage council member behaviour through internal processes.

These key submissions are elaborated further in the body of this submission.

Key Standards to Form Code in Regulation

Following consultation with council members, council CEOs and other key stakeholders, including the Ombudsman and the ICAC Commissioner, the LGA has developed some suggested new standards set out below. These standards focus on important standards of integrity and support good council decision-making.
**Misconduct standards**

1. **Gifts and benefits**
   - Redraft the current code provision to be simpler and more effective
   - Extend to perception that it is intended or likely to influence the CM in carrying out public duty
   - Include specific examples such as single bottles of wine or chocolates
   - Where it cannot be reasonably refused or returned, provide for prompt disclosure, and recording by CEO on register

2. **Bullying and harassment**
   - Include provision with definition:
     
     *eg Bullying occurs when:*

     A person or group of people repeatedly behaves unreasonably towards a council member or council employee and the behaviour creates a risk to health and safety. It may include offensive or inappropriate behaviour inside or outside council meetings.

     Bullying does not include reasonable action carried out in a reasonable manner or robust debate within councils that is conducted courteously.

   - This should include a provision to ensure that the increasing use (and potential for misuse) of social media and associated platforms is regulated through this standard.
   - Should provide for possibility of investigation by Safework SA

3. **Compliance with mandatory training requirement**
   - Failure to comply with mandatory training requirements should be treated as misconduct
   - LGA to review and revise Training Standards to include training on code and misconduct issues

4. **Council members not to direct council employees** (other than appropriate direction to the CEO)
   - Extend to not using position to influence council employees
   - Include not directing or influencing council employees in any public or private forum

5. **Repeated non-compliance with meeting procedures or rulings by the presiding member**

6. **Complaints that are not made in good faith, made primarily for a mischievous purpose or made recklessly or maliciously or giving false or misleading information to an investigation**
**Proposed Processes for Managing Complaints**

The processes for managing complaints should be stated in the Code and include the following principles:

1. The Ombudsman should investigate alleged breaches of the Code, as is currently the case for ‘misconduct’ complaints. The Ombudsman should have an ‘own motion’ option to refer bigger cases, after preliminary investigation, directly to other agencies, including SAPOL and SACAT or to refer a matter for prosecution if warranted.

2. Complaints should undergo an independent initial assessment prior to referral to the Ombudsman (this could be a formally recognised role for LG Governance Panel).

3. Complaints should involve an initial mandatory independent conciliation or conferencing process before proceeding further (this could be a formally recognised role for the Local Government Governance Panel, the Ombudsman or South Australian Civil and Administrative Tribunal (SACAT) conciliators. The process should be confidential without lawyer representation).

4. The Ombudsman should be required to make a mandatory recommendation for penalty, following investigation.

5. Council must comply with Ombudsman’s recommendation or provide a written explanation as to why it hasn’t (then procedures as currently exist can be activated under the Ombudsman Act– eg report to Parliament).

6. Caretaker period protection – a complaint will not be dealt with during the caretaker period and the complaint will not be publicly disclosed.

7. If a council member found in breach fails to comply with a penalty it should trigger an immediate escalation to SACAT.

8. Complaints must be made within 3 months of the action complained of. If a council member resigns or is no longer a council member a complaint will lapse. Anonymous complaints will only be dealt with if they raise serious issues and contain sufficient information to support further action.

**Sanctions/Penalties**

Ombudsman to have power to impose following penalties:

- Formal reprimand
- Requirement to publish apologies, similar to ‘adverse publicity’ orders;
- Require (not simply request) public apologies (written or verbal)
- Ability to suspend Council Members from meetings for up to three (3) meetings of Council (which shall not trigger a vacancy of office under the Act)
- Payment of costs associated with a Council Member’s action.
- Mandatory training
**Review Right – SACAT**

There could be a right of review to SACAT in relation to an Ombudsman finding or recommendations.

SACAT, rather than the District Court, should be able to apply higher level disciplinary measures for significant misconduct, which could include:

- Suspension for a significant period of time
- Disqualify a person from holding any office under the Act
- Imposing a fine
- Reimburse Councils up to a set maximum figure
- Disqualify a person from becoming a member of a council, council committee or subsidiary for up to 5 years.

**Legislative Changes to Support Councils**

**Local Government Act 1999 Proposed Amendments**

The Local Government Act currently contains a distinction between the role of the mayor and the role of councillors. The LGA believes that this distinction could be strengthened to provide the mayor with a clearer leadership role with concomitant powers. For example, drawing from the experience in Victoria, the Mayoral functions could include a function to provide guidance on Code compliance for Council Members. This could involve providing the Principal Member with the codified leadership authority to support and assist Council Members as to what is expected of them in behavioural terms. A legislative statement requiring Councillors to ‘observe the principles of good governance and act with integrity’ would underpin the standard expected.

In addition, the general duties currently set out in section 62 of the Local Government Act should be reviewed and revised to establish a more coherent framework for Council Members and include high level governance principles as a guide to expected behaviour. At present, section 62 contains a number of ‘offence’ provisions which are inconsistent with a ‘general duties’ section and could be more fruitfully located in a Code.

The following offence provisions could become misconduct provisions and arguably be more effectively managed by avoiding the necessity for a criminal prosecution. These include:

1. Making improper use of information acquired as a council member [s 62(3)]
2. Making improper use of his or her position as a council member [s 62(4)]
3. Releasing confidential information which is subject to an order under s 90 [s 62(4a)]
4. Material conflict of interest [s 74(1)].

The treatment of these offences as ‘misconduct’ could be done simply by including a provision in the code to say that an allegation of an offence under these sections may be dealt with as misconduct under the Code. Alternatively these offences could be removed from the Act, recast as misconduct under the code in a full revision of section 62.
Local Government (Procedures at Meetings) Regulations 2013 Proposed Amendments

The Local Government (Procedures at Meetings) Regulations contain measures for dealing with disruptions at council and committee meetings. These are also offence provisions and could also be more usefully contained in a Code, in so far as they relate to council members. The provision relating to members of the public could be amended to provide for a council to clear the gallery in situations in which a member or members of the public persistently disrupt council meetings and to close the remainder of the meeting to the public.

LGA Strategy to Support Councils – Prevention to Intervention

The LGA considers that council leadership, behaviour and morale cannot be solely managed through intervention. Rather it needs to be seen as a continuum of strategies from prevention through to intervention.

LGA’s Proposed Action

Therefore the LGA, in consultation with councils, intends to develop a new model for assisting councils to manage the conduct of council members that gives a higher emphasis to ‘prevention’. Council members are required to uphold the objectives of the Local Government Act and act in accordance with their prescribed duties. Councils have a responsibility to demonstrate leadership in good governance. Proactive approaches are taken by the majority of Councils to ensure good governance practices and performance.

In the context of behaviour management, prevention strategies are the procedures and processes that councils and council members can use to ensure they promote good governance and avoid engaging in non-constructive and disruptive behaviour. Methods of intervention are also scalable from ‘early intervention’, to avoid a contravention of a mandatory Code, through to enforceable action and penalties for misconduct. There are exemplary preventative strategies currently being used by the sector which the LGA will build upon.

Expanded Role for Local Government Governance Panel – Proposed LGA Member Service

The LGA provides access for councils, as a member service, to a Local Government Governance Panel to assist councils in managing complaints under Part 2 of the current Code. The Local Government Governance Panel is currently managed by Kaye Smith, partner in law firm EMA Legal. The Panel’s role at present is to provide an initial assessment of complaints referred to it under Part 2 of the existing Code and to investigate complaints where an investigation is warranted.

The Panel is well placed to continue its role of supporting councils which experience poor behaviour from council members which requires external management and intervention. A referral to the panel would not require a separate code of conduct. Rather, assessments could be made against the high level governance principles recommended for inclusion into section 62 of the Local Government Act. Or, in the event that this framework does not proceed, the
Governance Panel could simply assess behaviour against accepted norms of community standards for public officials.
The Panel’s role is expected to include: initial conferencing and conciliation; assessment and recommended action; and, as a last resort, investigation and recommendation for council censure in the event a breach of community standards of behaviour is substantiated on objective grounds.

**Council Committee: Internal Council Management of Council Member Behaviour (Council led initiative)**

Some councils have established a council committee, comprising a small number of council members and people with relevant expertise, to ‘peer manage’ complaints about council members’ behaviours. The LGA believes that, for councils that want to take this path, this idea could be further developed and implemented as an internal management solution.

**Regional Committee: Shared Service Approach to Management of Council Member Behaviour (Council led initiative)**

This option is similar to the council committee structure, but implemented on a regional scale. The idea could be developed further for regional areas.

**Conclusion**

The LGA consulted widely with Mayors, Council Members and CEOs in particular, together with other key stakeholders including the Ombudsman and the ICAC Commissioner. The approach taken here, which is an integrated package of reforms, has been endorsed by the LGA Board.

There is strong sector support in local government for a regulated Code of Conduct. Councils that have not had any complaints under the Code and have not needed to have recourse to the Code in a disciplinary sense, have reported that a Code provides an excellent framework and set of expectations for Council Members that plays a useful educational role. Those Councils which have needed to activate the provisions of the Code as a result of complaints, have reported that the Code requires improvement and more effective sanctions, and these views have assisted in the formulation of the proposals set out in this submission.
7.1 LGA Advocacy Update

Information Reports from the LGA Board
From: Lisa Teburea, Executive Director Public Affairs
Key Initiative: K.I 1 Leadership and advocacy
Strategy: 1B Contribute to state-wide and local policy
Meeting: Annual General Meeting 16 November 2017
ECM: 655570 Attachments: 655616, 655617

Recommendation
That the Annual General Meeting notes the report.

Discussion
This report provides an update on the priority advocacy issues being progressed by the LGA and other key activities undertaken on behalf of the sector over the past 12 months.

Rates Awareness Campaign
The LGA is spearheading a three-phase, sector-wide campaign to raise awareness of the services provided by councils, how they contribute to the everyday life of South Australians and the risks to local services and local decision making from rate capping.

Phase 1 – General Awareness Raising (commenced December 2016)
Phase 1 has been widely adopted and implemented across a majority of both metropolitan and regional councils. The material developed for Phase 1 has been suitable for use by all councils, regardless of whether they have formally joined the campaign.

Phase 1 commenced with campaign material around the council consultation for annual programs & budgets, then transitioned into “SA councils – part of your everyday” with ‘hero image’ promotions rolled out from July 2017. Phase 1 will continue through to 2018 council elections to promote the sector throughout the ‘nominate’, ‘enrol’ and ‘vote’ election stages.

There has been a significant number of councils using campaign material and the marketing collateral was promoted by the Secretariat in a state-wide media campaign.

Phase 2 – Engage & Mobilise (commenced July/August 2017)
Phase 2 is primarily the responsibility of councils as they have the existing contacts and relationships to be able to activate and engage their workforce, volunteers and community groups. The LGA Secretariat has provided phase 2 campaign materials and artwork that councils can download, adapt and implement.

As part of Phase 2, the LGA Secretariat activated a ‘Councils services at risk’ campaign on Facebook and councils have been encouraged to use this campaign material and artwork.
Phase 3 – Actively Opposing Rate Capping

Planning for this component of the campaign is well underway and in the lead up to the State Election. The LGA will deploy a broadcast message to all communities via several mediums and will support targeted messaging and campaigning by councils.

Policy and Reform

The LGA has undertaken extensive research to provide an evidence base to policy positions and reform options as a foundation to the Rates Awareness campaign. This has informed the development of advocacy through submissions, correspondence and media. Outputs include:

- LGA submission to the South Australian Parliament’s Economic and Finance Committee Inquiry into Rate Capping (2015);
- collecting evidence into the impact of rate capping in New South Wales and Victoria, including reports of the Parliament of Victoria’s Environment and Planning Committee Inquiry into the Rate Capping Policy;
- commissioning research and third-party reports to provide further evidence to the campaign, such as the Empirical Assessment of the Impact of Rate-Pegging on South Australian Local Government (Dollery) report. This report found that SA local government (without rate-capping) has performed much better that NSW (with rate-capping) and concluded that there is no practical basis for introducing rate-capping into SA local government;
- a comparative study of fees and charges applied by councils in Victoria and New South Wales with those applied by South Australian councils;
- a 10-year data study of council rates in South Australia;
- scoping and investigating a local government reform package to take to the State Election;
- analysis of the SA Liberal Party’s rate capping policy and failed 2016 Bill to amend the Local Government Act 1999;
- creation of a rate capping information page on the LGA website that creates a hub of information on the topic;
- briefings to all political parties on the negative impacts of rate capping in communities and the sector-wide campaign;
- letters to every confirmed candidate in the 2018 State Election on rate capping and cost shifting;
- letters to all political parties seeking commitments on the future of discretionary council services under a future rate capping regime (examples include jetties, community passenger networks, e-planning, sport and recreation, libraries, open space, parks and playgrounds). These letters also highlight the impact of cost shifting on councils and rate payers;
- briefing papers on local government rate setting provided to every electorate office in South Australia with the offer for electorate staff to meet with LGA staff for further information;
- meetings and discussions with other key stakeholder groups that would be impacted by the introduction of rate capping in South Australia; and
- a session at the AGM conference on how to promote council awareness and refute rate capping.
Members will continue to receive updates on the campaign through the fortnightly President’s newsletter.

**Cost Shifting**

A significant component of the LGA’s advocacy work relates to cost shifting from other spheres of government. Cost shifting occurs in local government when another sphere of government:

- withdraws funding for a service that they previously funded, leaving councils to pick up the burden in the face of community expectation (e.g., Obesity Prevention and Lifestyle (OPAL) program)
- makes a policy decision that impacts on council budgets (e.g., transfer of public housing to community housing providers)
- legislates for councils to collect ‘tax’ for a service or function, and denies local government access to the revenue (e.g., Solid Waste Levy)
- keeps funding at the same level when service levels and demand are increasing (e.g., public libraries funding)
- mandates functions without allowing councils to adequately recover costs (e.g., planning and building fees)

Cost shifting has continued to place pressure on council budgets during this term of government and in some cases—such as the solid waste levy and community housing rebates—the costs to many councils have risen exponentially. These issues have been raised in successive LGA State Budget submissions. The main cost shifting issues that have been challenged by the LGA on behalf of members include the following:

- Solid Waste levy
- Mandatory community housing rebates
- NRM levy collection
- Additional responsibilities under the Local Nuisance and Litter legislation
- Planning system contributions and fees under the Development Act
- Co-funding Home and Community Care/Commonwealth Home Support Programs
- Fees for food safety inspection
- Supported residential facility responsibilities
- Immunisations
- Rubble Royalties

The LGA has made strong representations to all political parties about the impacts these issues have on council budgets, and despite increasing community awareness of these issues through a concentrated media strategy on cost shifting, for the most part, these added burdens to ratepayers have remained unchallenged or unchanged by the Parliament.

Cost shifting is a key pillar in the LGA’s state election strategy. Local Government is a typically a willing partner in government when we have been thoroughly consulted, when included as part of the program design process, when we have genuine influence over the outcome and negative consequences are reasonably mitigated. This state election is an opportunity for the sector to define the relationship between state and local government and establish new protocols for
partnerships and engagement between the State Government and councils on policy, legislation and programs that have a direct financial impact on councils.

**Local Government Reform**

The LGA has provided comments on numerous legislative and policies that impact on councils (refer to the list of submissions provided within this report). Key work in the legislation and reform area has included:

- in consultation with members, developing a new framework for a Code of Conduct for Council Members and new processes for managing and assessment complaints;
- developing, reviewing and consulting on proposals for reforming the Local Government Elections Act; and
- working with the Office of Local Government and the Minister for Local Government on the Local Government (Boundary Adjustment) Bill, which passed through the Parliament in August 2017.

The Local Government Act will be twenty years old during the next term of government and the response from members to the LGA's state election survey confirms there is a strong appetite for change within the sector. Some of the most successful local government reforms have been developed and driven by the sector, such as the financial sustainability program which has resulted in more than a decade of maintained financial improvement across local government in South Australia.

In May 2017, the LGA Board endorsed further investigation of a local government reform package that the sector could work with the next government to deliver. The purpose of this work is to create public value by initiating reforms that will achieve positive outcomes in financial sustainability, efficiency, local decision making, consistency across the sector and simpler regulation with a focus on these areas:

- Code of Conduct for Council Members;
- Financial management, performance and reporting;
- Service levels and efficiency including benchmarking;
- Engagement and participation; and
- Industrial relations.

The LGA is progressing these investigations and will be shortly commencing consultation with councils on a package of local government reforms.

**Planning and Development**

Planning is consistently identified as one of the most important issues for member councils and the LGA has been actively engaged in the implementation of the new system and facilitated numerous opportunities for councils to have direct input. The LGA represents the interests of councils in the planning system through a number of channels and activities, including:

- as a member of the Minister’s Collaborative Advisory Team, which provides high level advice to the minister on a range of implementation considerations;
- making nominations to the Local Government Advisory Committee, which is established under the PDI Act to advise on planning reform implementation from a local government perspective;
• working with councils to prepare a submission on the draft Design Guidelines, one of the instruments to support the new Planning and Design Code. The primary target of the Design Guidelines is for those areas anticipating an increase in density through infill development;

• providing submissions to the Minister on a range of issues, including councils’ role in the planning system, the membership of the State Planning Commission and the requirements for councils to contribute financially to the development of the e-planning portal. The Minister has recently announced the deferral of the requirement for councils to contribute to the e-planning portal until 2018/19;

• preparing a discussion paper to enable councils to consider the establishment of Joint Planning Boards and advocating for all interested regions to be included in a pilot program to receive funding and practical support;

• providing feedback on the draft Regulations and draft Code of Conduct for assessment panels and support to Councils on the requirements for assessment panels, which are to be introduced on 1 October 2017;

• facilitating forums with DPTI and the State Planning Commission for council members and staff and making a submission on the discussion draft Community Engagement Charter; and

• negotiating with DPTI to provide a dedicated resource to work with the LGA and councils over the next two years on the implementation of the new legislation.

Members will recall that the Planning, Development and Infrastructure Bill was extremely contentious during its passage through the Parliament. The LGA, with support from the Opposition and members of the crossbench was able to secure numerous amendments that could not be negotiated with the Government (noting that a significant number of amendments were also secured through direct negotiation with the Government). The State Election provides an opportunity to revisit the more contentious aspects of the new planning system, particularly those that have diminished the role of councils and communities in local policy setting and assessment.

The LGA will also use its state election policy platform to call for a review of the cumulative impacts of infill development and adjust current policy and funding settings in relation to open space, transport and stormwater to ensure that infill areas are adequately serviced.

**Non Compliant Building Cladding**

The issue of non-compliant building cladding is a concern for communities and authorities around the world.

As a partner in government and part of the solution, the LGA has provided advice to DPTI about developing a consistent and coordinated approach to the inspection of buildings that could contain non-compliant cladding.

While councils have active Building Fire Safety Committees, it is important that a consistent state-wide approach to identification, registration, risk management and treatment is adopted with clear roles and responsibilities outlined for state and local government and the private sector.

The LGA has arranged forums attended by both DPTI, MFS and local government staff, with a focus on sharing information and setting up clear channels of communication between state and local government and developing a strategy for providing information to property owners and developers, who also have a shared responsibility in identifying and rectifying non-conforming cladding.
The local government sector will continue to engage with the state government to develop a clear and consistent approach to ensuring community safety.

**State Election Policy Platform**

The LGA Board has endorsed the high level focus areas and commitments of the LGA’s State Election Policy Platform. The LGA’s priorities for the next State Government are:

1. **Cost of living**
   - Protecting communities from rate capping
   - Cost shifting
   - Local government reform

2. **Jobs**
   - Economic growth and jobs

3. **Stronger communities**
   - Planning
   - Community wellbeing
   - Sustainability

The Policy Platform will be seeking a series of commitments from political parties, which will provide tangible benefits to South Australia in at least one of the following areas:

- Job creation
- Economic growth
- Stronger communities
- Cost of living
- Better services
- Better government

Through SAROC, a Regions Elections Strategy has also been developed. There is strong alignment between the regional growth focus of the Regions Election Strategy and the proposed economic growth and jobs commitments sought in the LGA policy platform. Supporting this strategy and regional development outcomes is one of the key priorities for the LGA’s campaign.

**Progressing Previous Resolutions**

Many of the advocacy activities undertaken by the LGA arise from council motions to Annual and Ordinary General Meetings (AGMs and OGMs). The report on previous resolutions within this agenda provides an update on the resolutions of the Ordinary General Meeting in April 2017. All councils that have moved a successful AGM or OGM motion in the past 12 months have also received a letter outlining how it has been progresses. There were thirty-eight (38) motions passed in total at the OGM and AGM held in the past 12 months.

Other advocacy activities are requested through resolutions of SAROC and MLGG, which are then endorsed by the LGA Board. The attached table provides an overview of the advocacy issues that the LGA Secretariat has been asked to progress by the Board, via SAROC or the MLGG, in the 12 months to September 2017. In total there have been twenty-two (22) advocacy issues raised for action during this period and a status report on each of them is provided within the attachment.
Submissions

The following submissions have been made by the LGA in the 12 months to September 2017.

- Minister for Planning- Local Heritage Planning Discussion Paper
- Minister for Local Government- Local Government (Boundary Adjustment) Bill 2016
- Minister for Planning- Draft update of 30-year Plan for Greater Adelaide
- Minister for Planning- Statutes Amendment (Planning Development Infrastructure) Bill 2016
- Regional Development Australia independent review
- Australian Labor Party (SA Branch) Policy Platform
- Dog and Cat Management Board- Dog and Cat Online
- Attorney General- Liquor licensing reform and small bars
- Green Industries SA- Waste and Resource Recovery Infrastructure Plan
- Minister for Sustainability, Environment and Conservation- Dog and Cat Management Regulations 2016
- Minister for Sustainability, Environment and Conservation- Local Nuisance and Litter Control Regulations 2017
- Federal Department of Health- Aged Care Legislated Review and Future Reform of Aged Care
- Minister for Local Government- Review of Local Government Elections Act
- Minister for Sustainability, Environment and Conservation- Local Government (Building Upgrade Agreement) Regulations 2016
- Chris Picton MP- Local Government (General)(Mobile Food Vendors) Variation Regulations 2017
- Commonwealth Department of Infrastructure and Regional Development- Value capture discussion paper
- Department of State Development- Leading Practice in Mining Acts Review of South Australia’s Mining Laws
- Treasurer- LGA State Budget Submission 2017/18
- Hon Tung Ngo MLC- Constitution (Council Member Contesting Election) Amendment Bill 2016
- Minister for Local Government- Local Government (Financial Management) Variation Regulations 2017
- Minister for Sustainability, Environment and Conservation - Review of the State NRM Plan
- Office of the Technical Regulator- Vegetation management around powerlines regulatory amendments
- Minister for Planning- Membership composition of the State Planning Commission
• Minister for Planning- response to the Codes of Conduct (Assessment Panel Members, State Planning Commission and Scheme Coordinator)

• Minister for Planning- Draft Residential Design Guidelines

• Standing Committee on Infrastructure, Transport and Cities- Inquiry into the Australian Government’s role in the development of cities

• Premier- draft 2017/18 Schedule of Priorities for the Premier’s State/Local Government Forum

• Stormwater Management Authority- Guidelines for Preparation of Stormwater Management Plans

• Environment and communications Reference Committee- Inquiry into the waste and recycling industry in Australia

• State Planning Commission- Community Engagement Charter

Forums

The LGA has hosted or facilitated forums and workshops for members on the following advocacy issues over the past 6 months:

• Local Nuisance and Litter Control Act
• Building Upgrade Finance
• Disability Access and Inclusion Planning and National Disability Insurance Scheme
• Economic Development and Community Wellbeing
• Tourism
• Sharing economy
• Supporting small business
• Industrial relations
• Code of Conduct for Council Members
• Planning, Development and Infrastructure Act (multiple)
• Fund My Neighbourhood
• Media and communications
• Murray Darling Basin
• Non-compliant building cladding
• Little corellas
• Council elections
• Aged care reform
**Media**

A summary of media activities since the OGM was held in April 2017 is attached for members’ information.

Key issues the LGA has commented on publicly include cost shifting, rate capping, population strategy, the role of councils in community advocacy, regional speed limits and the Fund my Neighbourhood program.

**Financial and Resource Implications**

Priority advocacy activities such as the rates awareness campaign, cost shifting and state election campaign has been a priority for the Association and is using considerable resources.

The resourcing requirements of new advocacy issues need to be considered by the LGA Board and Executive on a case-by-case basis as capacity for additional work is limited. Developing the evidence base and third party support needed to successfully pursue legislative, policy or funding changes requires a significant investment of time and resources in data collection and analysis, policy research, consultation with members, stakeholder engagement, policy development and positioning through an advocacy strategy.
LGA Advocacy Initiatives

The LGA advocates for councils on a wide range of issues, and in the past six months this has included e-planning payments, power costs, council CEO salaries, community housing transfers, rate capping, regional speed limits, diversity of representation in local government, pensioner concessions, Financial Assistance Grants and more.

Press/online coverage

Below are links to online press articles the LGA has initiated or contributed to on behalf of the sector.

<table>
<thead>
<tr>
<th>Indaily</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Advertiser/Messenger</th>
</tr>
</thead>
</table>
Radio/TV coverage

Since April 2017 LGA representatives have participated in 31 radio and television interviews. The breakdown of these appearances is outlined below.

<table>
<thead>
<tr>
<th>Media outlet</th>
<th>Number of appearances</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC Regional Radio</td>
<td>12</td>
</tr>
<tr>
<td>5AA</td>
<td>9</td>
</tr>
<tr>
<td>Radio 891</td>
<td>7</td>
</tr>
<tr>
<td>ABC TV</td>
<td>1</td>
</tr>
<tr>
<td>Southern Cross TV</td>
<td>1</td>
</tr>
<tr>
<td>Channel 9</td>
<td>1</td>
</tr>
</tbody>
</table>

## Advocacy Activities Requested by SAROC and MLGG - September 2016 - September 2017

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Origin</th>
<th>LGA Action Requested</th>
<th>Status Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Sept 2016</td>
<td>SAROC</td>
<td>Lobby the state government to immediately reassess the introduction of school fees for families on 457 Visas</td>
<td>A letter was sent to the Minister for Education. The response received confirmed the government’s position. The Federal government has since repealed 457 visas.</td>
</tr>
<tr>
<td>2 Sept 2016</td>
<td>SAROC</td>
<td>Lobby the state government for funding for the introduction of automated fire danger signs in South Australia</td>
<td>A letter was sent to the Minister for Emergency Services and a funding request was included in the LGA’s State Budget Submission.</td>
</tr>
<tr>
<td>3 Nov 2016</td>
<td>MLGG</td>
<td>Advocate for an additional funding program for metropolitan councils to replace the funding that previously available through the Stronger Regions Fund</td>
<td>A letter was sent to various Federal Ministers seeking support for an additional fund. The Federal Government declined this request and referred councils to the City Deals and Smart Cities funding opportunities.</td>
</tr>
<tr>
<td>4 Nov 2016</td>
<td>SAROC</td>
<td>Seek support from the Minister for Road Safety for a joint state/local government working group to develop a regional road safety management strategy</td>
<td>A letter was sent to the Minister for Road Safety and a meeting held between the Minister and President. Despite initial interest in this approach, the Minister has since declined this request. The LGA’s position on rural speed limits has recently received a significant amount of media coverage.</td>
</tr>
<tr>
<td>5 Nov 2016</td>
<td>SAROC</td>
<td>Enter discussion with the Motor Accident Commission to adopting the Limestone Coast approach to Regional Community Road Safety Awareness throughout regional and rural South Australia</td>
<td>A pilot project in the Limestone Coast was proposed and has recently been declined by the Minister.</td>
</tr>
<tr>
<td>6 Nov 2016</td>
<td>SAROC</td>
<td>Correspond with and seek various actions and assurances from the Australian Energy Market Operator, state government, Elecranet, SAPOL and the Minister for Emergency Services in relation</td>
<td>Letters have been sent to the various bodies. Most matters were referred to the Burns Review, which was initiated following the state-wide blackouts in September 2016.</td>
</tr>
<tr>
<td>Meeting Date</td>
<td>Origin</td>
<td>LGA Action Requested</td>
<td>Status Update</td>
</tr>
<tr>
<td>--------------</td>
<td>--------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>7 Jan 2017</td>
<td>SAROC</td>
<td>Continue advocating for a South Australian Population Policy</td>
<td>The LGA has received a lot media coverage on population growth and is working with other groups that share a similar position to take a coalition approach to the State Election.</td>
</tr>
<tr>
<td>8 March 2017</td>
<td>MLGG</td>
<td>Consult with members on changes to the Local Government (Elections) Act so a vote is considered a formal vote if it indicates a preference for at least one candidate without necessarily indicating preferences to the number of vacancies.</td>
<td>Consultation with councils was undertaken and based on the responses received, the LGA Board resolved to take no further action at this time.</td>
</tr>
<tr>
<td>9 March 2017</td>
<td>SAROC</td>
<td>Seek a deferral of the 2017/18 e-planning contributions from councils and advocate for a more equitable funding approach</td>
<td>The LGA wrote to the Minister for Planning and contributions have been deferred for 12 months. The Minister has also asked DPTI to work with the LGA to review the contribution approach.</td>
</tr>
<tr>
<td>10 March 2017</td>
<td>SAROC</td>
<td>Advocate for a higher level of funding commitment from both State and Federal Governments for mobile blackspots</td>
<td>The LGA has written to both the Federal and Ministers responsible. There has been no commitment from either sphere for additional block funding. The LGA has included this is subsequent State Budget Submissions and it will be included in the State and Federal Election strategies.</td>
</tr>
<tr>
<td>11 March 2017</td>
<td>SAROC</td>
<td>Investigate the current status of all Council jetties/ marine facilities agreements and further seeks the individual Councils position in relation to future negotiations</td>
<td>Information was sought from councils about the status of current agreements. The report back to SAROC advised that current agreements are not due to expire for several years.</td>
</tr>
<tr>
<td>12 March 2017</td>
<td>SAROC</td>
<td>Confirm that the Liberal Opposition, should they be in Government, that they would take back responsibility for the funding and maintenance for Jetties should Councils decide to relinquish control of these assets.</td>
<td>The LGA has written to all parties to highlight that jetties are a discretionary service provided by councils and seek a commitment to take back this responsibility if rate capping is introduced and councils can no longer afford to maintain jetties.</td>
</tr>
<tr>
<td>13 May 2017</td>
<td>SAROC</td>
<td>Research changes to government funded training programs to ascertain the impacts on regions</td>
<td>An information paper was prepared and presented to SAROC. The Training and Skills</td>
</tr>
<tr>
<td>Meeting</td>
<td>Origin</td>
<td>LGA Action Requested</td>
<td>Status Update</td>
</tr>
<tr>
<td>-------------</td>
<td>--------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>14 May 2017</td>
<td>SAROC</td>
<td>Seek information on the amount of government funding that is available for regional South Australia for continued further and technical education to meet industry needs</td>
<td>Commission was invited to present to SAROC in July 2017. Adam information paper was prepared and presented to SAROC. The Training and Skills Commission was invited to present to SAROC in July 2017. Funding for tertiary and vocational education and training in regions has been included in the LGA State Election strategy.</td>
</tr>
<tr>
<td>15 May 2017</td>
<td>SAROC</td>
<td>Work with Regional LGAs to develop recommendations for a policy position on the rating of major developments which are currently exempt from valuation for rating purposes</td>
<td>The LGA prepared an initial issues paper and funding has now been secured by the Legatus Group to progress this work in collaboration with Regional LGAs and the LGA.</td>
</tr>
<tr>
<td>16 July 2017</td>
<td>MLGG</td>
<td>Use the principles of the Circular Economy in advocacy activities to access the funds paid into the State Government’s Green Industries Fund and to seek greater social and economic outcomes from Waste Management industry practices.</td>
<td>The principles of the circular economy have been used in recent submissions on waste and recycling and will be used in the State Election strategy.</td>
</tr>
<tr>
<td>17 July 2017</td>
<td>MLGG</td>
<td>Continue to work with the Office for the Small Business Commissioner and other business organisations or associations to develop a Small Business Friendly Council Charter Program.</td>
<td>The Small Business Friendly Council program was launched in the City of Whyalla in September and can be adopted by all councils.</td>
</tr>
<tr>
<td>18 July 2017</td>
<td>SAROC</td>
<td>Lobby the state government to undertake various activities to related to the management of Little Corellas</td>
<td>This issue has been ongoing and the LGA continues to advocate to the Minister and DEWNR on the implementation of an effective state wide management strategy.</td>
</tr>
<tr>
<td>19 July 2017</td>
<td>SAROC</td>
<td>In the context of rate capping, write to the Liberal Opposition and other parties to confirm that should they be in government they provide a commitment to adequately fund tourism in the regions.</td>
<td>A letter has been sent to all parties on tourism and a range of other discretionary services provided by councils as part of the rates awareness ‘services at risk’ campaign.</td>
</tr>
<tr>
<td>20 July 2017</td>
<td>SAROC</td>
<td>Work with the Regional LGA EOs and councils to collate further information is being sought from councils and Regional LGAs. Further work will</td>
<td></td>
</tr>
<tr>
<td>Meeting</td>
<td>Origin</td>
<td>LGA Action Requested</td>
<td>Status Update</td>
</tr>
<tr>
<td>-------------</td>
<td>--------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the jetty lease status, arrangements and timeframes for all council leased jetties.</td>
<td>be determined once the information has been collated.</td>
</tr>
<tr>
<td>21 Sept 2017</td>
<td>MLGG</td>
<td>Approach the appropriate regulator for pricing of electricity expressing concern about the large increase in the cost of Green Power.</td>
<td>A letter to the Australian Energy Regulator is being drafted to express the concerns raised in this motion.</td>
</tr>
<tr>
<td>22 Sept 2017</td>
<td>SAROC</td>
<td>Advocate for various outcomes for councils in the National Carp Control Plan</td>
<td>The LGA has attended a forum to raise the issues raised by councils and further submissions will be made to the Federal Government. The information received to date indicates that the issues raised will be addressed.</td>
</tr>
</tbody>
</table>
7.2 **Local Government Research and Development Scheme**

**Information Reports from the LGA Board**

From: Shane Sody, Executive Officer, LGR&DS  
Key Initiative: K.I 3 Best practice and continuous improvement  
Strategy: 3B Benchmark, innovate and research  
Meeting: Annual General Meeting 16 November 2017  
ECM: 654650  
Attachments: 654857, 654651, 654652, 654653, 654654

---

**Recommendation**

That the Annual General Meeting notes the report.

**Discussion**

The Local Government Research and Development Scheme (the Scheme) is set up under section 31A of the *Local Government Finance Authority Act 1983* (LGFA Act) to fund projects that are strategically of benefit to local government as a whole. This report provides an overview of the Scheme and its current operation.

**Purposes of the Scheme**

The Scheme was established under a Memorandum of Understanding (MOU) between the LGA and the Minister for Finance. The MOU, which has most recently been updated in 2016, outlines the purposes of the Scheme. The current purposes of the Scheme are to provide grants or services that assist councils:

- access electronic information and other strategic development of local government information services
- with performance assessment, measurement and benchmarking, and with performance improvement
- development of training, handbooks, guides or codes related to the administration of legislation under which Councils operate
- promote understanding of the role, purposes and functions of local government, including development of materials for schools
- undertake research and development projects in priority areas specifically identified on an annual basis following consultation by the LGA with Councils, or concerning innovation in local government administration or services
- consultation on projected legislative changes affecting local government
- introduction and implementation of reforms to service delivery, within local government and between State and local government
- strengthen their ability to provide services to their members and communities and to engage effectively in intergovernmental discussions and negotiations. “Regional Local Government organisations” includes both rural and metropolitan regional groupings as possible beneficiaries for funding of initiatives with potential sector wide benefit
• payments for which local government, through the LGA, is liable under legislative provisions requiring the LGA to pay or contribute to the costs of specified statutory activities undertaken for Local Government purposes
• planning for the development/maintenance of infrastructure and undertaking asset management planning.

These Purposes are subject to annual review by the Local Government Research and Development Scheme Advisory Committee (see below). The agreement enables the LGA to delete or add a Purpose as required, with the support of Councils and the Minister.

Local Government Research and Development Scheme Advisory Committee

The primary responsibility for the management of the Scheme lies with the LGA Board. However, the MOU provides for the appointment of a Local Government Research and Development Scheme Advisory Committee (the Committee) with responsibility for the day to day management of the Scheme, making recommendations to the LGA Board on the distribution of funds, developing and consulting on an Annual Business Plan for the Scheme, and monitoring and evaluating the outcomes of the Scheme.

The current composition of the Advisory Committee is as follows:

• Three members of the LGA Board (comprising at least one Vice President);
• One metropolitan CEO nominated by the Metropolitan CEO's Group;
• One country/regional CEO nominated by Local Government Professionals Australia (SA);
• One representative recommended by the relevant Trade Unions (or nominee);
• One representative recommended by SA Universities (or nominee);
• Manager of the Office of Local Government (or nominee); and
• Chief Executive Officer of the LGA (or nominee).

The Scheme provides for the appointment of a dedicated Executive Officer to support the work of the Advisory Committee.

Annual Business Plan

The Local Government Research & Development Scheme Advisory Committee is required to develop an Annual Business Plan designed to focus the attention of potential proponents of proposals for funding on matters that will contribute to the advancement of Local Government for that year. A draft Annual Business Plan is circulated to councils for feedback before being finalised.

The 2017-18 Local Government Research & Development Scheme Annual Business Plan was approved by the LGA Board on 25 January 2017 and is available at https://www.lga.sa.gov.au/research

Funding applications to the Scheme are assessed by the Committee against their alignment to the Scheme’s Annual Business Plan and the LGA’s Annual Priorities, and recommendations are made to the LGA Board about the distribution of funds.

Annual Reports

Pursuant to the MOU between the LGA and the Minister for Finance, the LGA is required to provide, to the Annual General Meeting, a report that includes:
- a financial analysis and budget;
- details of projects approved in the previous financial year;
- details of projects completed in the previous financial year;
- details of current projects; and
- a list of projects proposed for the current financial year.

The five attachments to this report fulfil the LGA’s five responsibilities under the MOU.

In 2016/17, 29 projects were completed with a total value of $1.349 million. The Scheme also supported 31 new projects with a total value of $1.394 million.

The list of projects “proposed” for the current financial year is the list of projects approved by the Board on 28 September 2017, for which offers of funding were made on 29 September. Some of these applicants may have accepted their offer(s) and commenced their project(s) by the time of the Annual General Meeting. No further projects are currently proposed until the 2018-19 financial year.

A review of the Scheme's operation is included within the scope of the LGA governance review which is currently underway.

An allocation of additional resources has been endorsed by the LGA Board in 2017-18 to promote the outputs of the scheme and the vast catalogue of resources available. A strategy and project plan is currently being prepared for this work, which will commence shortly.

**Financial and Resource Implications**

All current projects have been anticipated in the administration of the Scheme and the LGA’s work program and resources are available to progress these projects.
## Local Government Research and Development Scheme

### Allocations Report for Year Ended 30 June 2017

<table>
<thead>
<tr>
<th></th>
<th>2017/18 Budget</th>
<th>2017/18 Actual Full Year</th>
<th>2016/17 Budget Full Year</th>
<th>2016/17 Variance</th>
<th>2016/17 Actual Full Year</th>
<th>2015/16 Budget</th>
<th>2015/16 Actual Full Year</th>
<th>2015/16 Variance</th>
<th>2015/16 Actual Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LGFA TER Project funding</td>
<td>1,508,000</td>
<td>1,641,329</td>
<td>1,600,000</td>
<td>41,329</td>
<td>1,641,329</td>
<td>1,641,329</td>
<td>1,641,329</td>
<td>1,641,329</td>
<td>1,641,329</td>
</tr>
<tr>
<td>DSD TER Project funding</td>
<td>750,000</td>
<td>646,070</td>
<td>600,000</td>
<td>46,070</td>
<td>646,070</td>
<td>646,070</td>
<td>646,070</td>
<td>646,070</td>
<td>646,070</td>
</tr>
<tr>
<td>R&amp;D Funds Returned - LGA internal</td>
<td>40,000</td>
<td>111,921</td>
<td>111,921</td>
<td></td>
<td>111,921</td>
<td></td>
<td>111,921</td>
<td></td>
<td>111,921</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>2,298,000</td>
<td>2,399,320</td>
<td>2,200,000</td>
<td>199,320</td>
<td>2,433,697</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Project allocations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration Fees</td>
<td>151,000</td>
<td>111,557</td>
<td>135,000</td>
<td>(23,443)</td>
<td>128,376</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LGA Managed (External)</td>
<td>1,027,000</td>
<td>645,720</td>
<td>873,793</td>
<td>(228,073)</td>
<td>271,082</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LGA Managed (Call)</td>
<td>907,566</td>
<td>1,450,000</td>
<td>1,450,000</td>
<td></td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LGA Managed (CEO/Board Initiated)</td>
<td>40,000</td>
<td>61,931</td>
<td>40,000</td>
<td>21,931</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LGA Managed (Ongoing)</td>
<td>177,000</td>
<td>177,089</td>
<td>177,000</td>
<td>89</td>
<td>176,300</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Externally Managed Projects</td>
<td>614,710</td>
<td>406,276</td>
<td>480,000</td>
<td>(73,724)</td>
<td>479,757</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total allocations LG R&amp;D SCHEME</strong></td>
<td>2,917,276</td>
<td>2,852,573</td>
<td>3,155,793</td>
<td>(303,220)</td>
<td>1,055,515</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Surplus/(Deficit) LG R&amp;D SCHEME</strong></td>
<td>(619,276)</td>
<td>(453,253)</td>
<td>(955,793)</td>
<td>502,540</td>
<td>1,378,182</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Statement of R&D Reserves

<table>
<thead>
<tr>
<th></th>
<th>2017/18</th>
<th>2016/17</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Reserve Balance</td>
<td>825,683</td>
<td>1,278,936</td>
<td>1,278,936</td>
</tr>
<tr>
<td>Plus Inflows</td>
<td>2,298,000</td>
<td>2,399,320</td>
<td>2,200,000</td>
</tr>
<tr>
<td>Less Outflows</td>
<td>(2,917,276)</td>
<td>(2,852,573)</td>
<td>(3,155,793)</td>
</tr>
<tr>
<td>Closing Reserve Balance</td>
<td>206,407</td>
<td>825,683</td>
<td>323,143</td>
</tr>
</tbody>
</table>

### Notes

1. Year to date revenue has been reflected on an accrual basis. An amount of $467,000 is recorded as accrued revenue to reflect LGFA's March quarter TER payment.
2. The R&D funds returned - LGA internal refers to both internal and external returned funds.
3. Refers to Regional Capacity Building allocations indexed by CPI + DSD TER project (2015/16 forecast $300k, 2016/17 budget $600k)
4. Allocations 'LGA' refer to internal LGA allocations
5. Refers to projects initiated by the CEO at any time during the year, and managed internally by the LGA. Board initiated projects are also recorded here.
6. Refers to LG Awareness Campaign ($150k per annum) and Model Financial Statements (2015/16 budget $26k, 2016/17 budget $27k)
## Local Government Research and Development Scheme

### Allocations for period ended 30 June 2017

<table>
<thead>
<tr>
<th>R&amp;D No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.01.01</td>
<td>R&amp;D Administration</td>
<td>111,557</td>
</tr>
<tr>
<td>25.02.34</td>
<td>Regional Capacity Building</td>
<td>645,720</td>
</tr>
<tr>
<td>2015.55</td>
<td>Awareness and referendum campaign</td>
<td>150,000</td>
</tr>
<tr>
<td>2015.54</td>
<td>Annual revision of Model Financial Statements</td>
<td>27,089</td>
</tr>
</tbody>
</table>

**Total Internally Managed Projects** 934,366

<table>
<thead>
<tr>
<th>R&amp;D No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016.01</td>
<td>Street lighting (alternatives)</td>
<td>55,000</td>
</tr>
<tr>
<td>2016.02</td>
<td>Review of Arrangements for Code of Conduct Complaints</td>
<td>28,000</td>
</tr>
<tr>
<td>2016.03</td>
<td>Planning Reform Implementation program</td>
<td>90,000</td>
</tr>
<tr>
<td>2016.04</td>
<td>Supporting Local Government Reform</td>
<td>160,000</td>
</tr>
<tr>
<td>2016.05</td>
<td>Audit Committee</td>
<td>34,500</td>
</tr>
<tr>
<td>2016.06</td>
<td>LG Workforce Alignment</td>
<td>30,000</td>
</tr>
<tr>
<td>2016.07</td>
<td>Financial Sustainability &amp; Rate revenue</td>
<td>60,000</td>
</tr>
<tr>
<td>2016.08</td>
<td>Schemes Review</td>
<td>80,000</td>
</tr>
<tr>
<td>2016.09</td>
<td>Governance</td>
<td>50,000</td>
</tr>
<tr>
<td>2016.10</td>
<td>Rubble Royalties</td>
<td>25,000</td>
</tr>
<tr>
<td>2016.12</td>
<td>Human Services Reform and Funding</td>
<td>50,000</td>
</tr>
<tr>
<td>2016.13</td>
<td>Flexible Learning Delivery</td>
<td>60,000</td>
</tr>
<tr>
<td>2016.14</td>
<td>LGA Outreach Services</td>
<td>300,000</td>
</tr>
<tr>
<td>2016.15</td>
<td>Shared Services Analysis and Economic Modelling</td>
<td>40,000</td>
</tr>
<tr>
<td>2016.16</td>
<td>State Emergency Management Plan – change implementation &amp; resources</td>
<td>75,000</td>
</tr>
<tr>
<td>2016.17</td>
<td>Business Analyst Business Case</td>
<td>80,000</td>
</tr>
<tr>
<td>2016.18</td>
<td>Asset Management Guidance for small rural Councils</td>
<td>6,500</td>
</tr>
<tr>
<td>2016.19</td>
<td>Strategic Region-based Investment Attraction</td>
<td>20,000</td>
</tr>
<tr>
<td>2016.20</td>
<td>i-Responda – resource &amp; contact management system</td>
<td>15,000</td>
</tr>
<tr>
<td>2016.21</td>
<td>i-Responda - app</td>
<td>35,000</td>
</tr>
<tr>
<td>2016.22</td>
<td>Development of a Local Government Strategic Procurement Policy</td>
<td>21,000</td>
</tr>
<tr>
<td>2016.23</td>
<td>Alternative Funding Mechanisms for Adaptation Activities</td>
<td>30,000</td>
</tr>
<tr>
<td>2016.24</td>
<td>Social Media 2.0</td>
<td>10,000</td>
</tr>
<tr>
<td>2016.26</td>
<td>Building Upgrade Finance Implementation</td>
<td>20,000</td>
</tr>
<tr>
<td>2016.27</td>
<td>Enhanced Climate Risk Assessment and Decision Making</td>
<td>30,000</td>
</tr>
<tr>
<td>2016.28</td>
<td>Feasibility Study for Low Emissions Investment</td>
<td>20,000</td>
</tr>
<tr>
<td>2016.29</td>
<td>Review of the Food Regulations 2002</td>
<td>25,000</td>
</tr>
</tbody>
</table>

**Total LGA Managed (Call)** 1,450,000

<table>
<thead>
<tr>
<th>R&amp;D No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016.55</td>
<td>Development and implementation of an emergency information splash page for councils</td>
<td>8,000</td>
</tr>
<tr>
<td>2016.08</td>
<td>Schemes Review</td>
<td>4,036</td>
</tr>
<tr>
<td>2016.56</td>
<td>Infrastructure Project</td>
<td>30,000</td>
</tr>
<tr>
<td>2016.33</td>
<td>Audit of Energy Efficiency Activities</td>
<td>19,895</td>
</tr>
</tbody>
</table>

**Total LGA Managed (CEO initiated)** 61,931

<table>
<thead>
<tr>
<th>R&amp;D No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016.35</td>
<td>Eyre Peninsula Regional Governance Part 5: Regional Strategic Plan</td>
<td>50,000</td>
</tr>
<tr>
<td>2016.31</td>
<td>Instruments of Delegation - Airports</td>
<td>8,500</td>
</tr>
<tr>
<td>2016.52</td>
<td>Enhancing Professionalism in LG Environmental Health</td>
<td>20,000</td>
</tr>
<tr>
<td>2016.36</td>
<td>Realignment of the Hills Rail Corridor: Scoping Study towards options Cost Benefit Analysis</td>
<td>25,000</td>
</tr>
<tr>
<td>2016.56</td>
<td>The Role of Public Toilets in Mobility and Social Inclusion</td>
<td>23,926</td>
</tr>
<tr>
<td>2016.39</td>
<td>Places &amp; Spaces - Facility Booking System for Councils</td>
<td>25,000</td>
</tr>
<tr>
<td>2016.53</td>
<td>Removal of organic chemicals by filtration in aquifer recharge schemes</td>
<td>25,000</td>
</tr>
<tr>
<td>2016.57</td>
<td>Approaches to integrated economic development and using economic data in local government</td>
<td>25,000</td>
</tr>
<tr>
<td>2016.58</td>
<td>An Empirical Assessment of Rate-pegging for South Australian Local Government</td>
<td>25,000</td>
</tr>
<tr>
<td>2016.37</td>
<td>Suicide Prevention Networks - development of an Evaluation Toolkit</td>
<td>30,000</td>
</tr>
<tr>
<td>2016.45</td>
<td>Guideline for Councils to plan climate change actions and identify monitoring needs</td>
<td>38,850</td>
</tr>
<tr>
<td>2016.32</td>
<td>Disaster Ready</td>
<td>40,000</td>
</tr>
<tr>
<td>2016.42</td>
<td>Valuing Social Outcomes</td>
<td>50,000</td>
</tr>
<tr>
<td>2016.44</td>
<td>Long Term Financial Plan Model Review and Update</td>
<td>20,000</td>
</tr>
</tbody>
</table>

**Grand Total** 406,276
### Projects approved in 2016-17

<table>
<thead>
<tr>
<th>File Number</th>
<th>Project Name</th>
<th>Date Approved</th>
<th>Approved By Whom</th>
<th>Proponent (Primary)</th>
<th>Project Description</th>
<th>Funds Sought</th>
<th>Funds Approved</th>
<th>Proposed Completion Date</th>
<th>Project web page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016.31</td>
<td>Instrument of Delegations - Airports</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>District Council of Ceduna</td>
<td>(a) research legislation covering LG’s management &amp; operation of an airport &amp; its safety; (b) identify the powers &amp; duties that may be delegated by a Council, &amp; (c) draw up &amp; collate valid instruments of delegation for each relevant power &amp; duty</td>
<td>$8,500.00</td>
<td>$8,500.00</td>
<td>30-04-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74412">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74412</a></td>
</tr>
<tr>
<td>2016.32</td>
<td>Disaster Ready</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>District Council of Lower Eyre Peninsula</td>
<td>Development of a template for Local Government disaster recovery planning in South Australia which can be adapted to suit local needs. 2) Development of a District Council of Lower Eyre Peninsula Community Disaster Recovery Plan.</td>
<td>$40,000.00</td>
<td>$40,000.00</td>
<td>31-10-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74430">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74430</a></td>
</tr>
<tr>
<td>2016.35</td>
<td>Eyre Peninsula Regional Strategic Plan</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>Regional Development Australia Whyalla and Eyre Peninsula and EPGLA</td>
<td>Preparation of a single Regional Strategic Plan with an agreed vision and regional priorities endorsed by regional organisations and the three spheres of government.</td>
<td>$93,210.00</td>
<td>$50,000.00</td>
<td>31-08-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74431">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74431</a></td>
</tr>
<tr>
<td>2016.37</td>
<td>Suicide Prevention Networks - development of an Evaluation Toolkit</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>University of South Australia</td>
<td>Using a Participatory Action Research approach, and with significant design consultation with the Whyalla Suicide Prevention Network, develop an evaluation toolkit for Suicide Prevention Networks.</td>
<td>$30,000.00</td>
<td>$30,000.00</td>
<td>31-10-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74432">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74432</a></td>
</tr>
<tr>
<td>2016.39</td>
<td>Places &amp; Spaces - Facility Booking System for Councils</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>City of Prospect</td>
<td>To undertake a formal requirements analysis and technical design of an across-Council facility booking application for Local Government, a feasibility study into developing the product and the development of a non-functional prototype</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>17-08-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74433">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74433</a></td>
</tr>
<tr>
<td>2016.42</td>
<td>Valuing Social Outcomes</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>Local Government Professionals Australia, SA Community Managers Network</td>
<td>To conduct international research on defining, ascribing value to, &amp; articulating social outcomes to inform development of a toolkit to support evidence-based decision making &amp; statements of social return regarding the community initiatives of SA councils</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
<td>31-10-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74434">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74434</a></td>
</tr>
<tr>
<td>2016.45</td>
<td>Guidelines to plan climate change actions &amp; identify monitoring needs</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>Central Local Government Region of SA</td>
<td>To develop guidelines for Councils to plan climate change actions and identify monitoring needs.</td>
<td>$38,850.00</td>
<td>$38,850.00</td>
<td>01-11-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74436">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74436</a></td>
</tr>
<tr>
<td>2016.52</td>
<td>Enhancing Professionalism in Environmental Health</td>
<td>30-09-16</td>
<td>LGA Board</td>
<td>Environmental Health Australia (SA) Inc</td>
<td>A Framework (based on existing Authorised Persons framework) to support environmental health teams meet human resources needs and raise team standards following recent significant legislative changes impacting on the environmental health business unit.</td>
<td>$20,000.00</td>
<td>$20,000.00</td>
<td>30-09-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74437">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74437</a></td>
</tr>
<tr>
<td>2016.53</td>
<td>Removal of organic chemicals from water by aquifer filtration in managed aquifer recharge schemes</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>Flinders University</td>
<td>To determine the ability of aquifer substrates to remove selected chemicals of concern from stormwater injector, contributing to the management of risk prior to reuse.</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>08-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74438">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74438</a></td>
</tr>
<tr>
<td>2016.55</td>
<td>Development and implementation of an emergency information splash page for councils in SA</td>
<td>08-06-16</td>
<td>CEO Delegation</td>
<td>LGA of SA</td>
<td>The Council website can be the first point of call for local residents. Council websites should direct traffic to the State Government agency response and recovery websites quickly and efficiently</td>
<td>$8,000.00</td>
<td>$8,000.00</td>
<td>31-12-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74439">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74439</a></td>
</tr>
<tr>
<td>2016.56</td>
<td>The Role of Public Toilets in Mobility and Social Inclusion</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>School of Social and Policy Studies, Flinders University</td>
<td>How provision of toilets influences the well being of different demographic groups outside of their homes; a qualitative investigation and field survey.</td>
<td>$23,926.00</td>
<td>$23,926.00</td>
<td>31-10-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74440">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74440</a></td>
</tr>
<tr>
<td>2016.57</td>
<td>Approaches to Integrated economic development</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>City of West Torrens</td>
<td>To demonstrate how councils can achieve economic development objectives within existing organisational frameworks and work towards a resource-efficient and strategic approach to local economic development.</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>09-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74441">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74441</a></td>
</tr>
<tr>
<td>2016.58</td>
<td>An Empirical Assessment of Rate-pegging for South Australian Local Government</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>Centre for Local Government, University of New England</td>
<td>A comparative analysis between SA and NSW local government to determine whether almost four decades of municipal tax limits in NSW had produced any measurable differences in equity, sustainability or efficiency relative to SA</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>15-06-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74442">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74442</a></td>
</tr>
<tr>
<td>2016.60</td>
<td>State-Local Government Infrastructure Investment Partnership</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>LGA</td>
<td>Administrative support for the State-Local Government Infrastructure Investment Partnership</td>
<td>$30,000.00</td>
<td>$30,000.00</td>
<td>18-08-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74443">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74443</a></td>
</tr>
<tr>
<td>2017.01</td>
<td>EARS Enhancement</td>
<td>18-05-17</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Enable EARS to push data in real time to State disaster damage assessment platform</td>
<td>$0.00</td>
<td>$20,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74444">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74444</a></td>
</tr>
<tr>
<td>Code</td>
<td>Description</td>
<td>Responsible Body</td>
<td>Responsible Body of SA</td>
<td>Overview</td>
<td>Budget</td>
<td>Duration</td>
<td>URL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td>------------------</td>
<td>------------------------</td>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
<td>----------------</td>
<td>------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.02</td>
<td><strong>Coastal Adaptation Decision Pathways Guidance</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Update existing guidance, including: *Synthesis of coastal adaptation tools; *Climate projections (issues &amp; threats); *Responsibilities &amp; limitations; *Policy options; *Decision making pathways; *Financial modelling guidelines; *Decision support.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75891">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75891</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.03</td>
<td><strong>Strategic Investment Plan for Future Proofing Infrastructure</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Develop a strategic investment plan to predict and budget for damage to critical infrastructure as a result of extreme events and observed changes in the climate. Liaise with IPWEA to consider applicability to NAMS+.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75892">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75892</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.04</td>
<td><strong>Community Wellbeing Monitor</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Develop a sector-wide Community Wellbeing Monitor to help shape the work of the Community Wellbeing Alliance; inform Regional Public Health Planning requirements, and be a resource for State and Local Gov'ts to understand SA community wellbeing.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75893">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75893</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.06</td>
<td><strong>Review of water management legislation &amp; policy</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Examine legislation to determine gaps that restrict the development of appropriate flood mitigation strategies. This will feed into the Flood Reform Taskforce and allow LG to present alternatives to meet stakeholder needs in managing flood and stormwater.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75894">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75894</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.08</td>
<td><strong>Evidence to inform advocacy for a Strategic Population Policy</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Obtain an understanding of population trends in SA, to inform planning policies. This is particularly relevant for regional councils, where depopulation is leading to reduction in services, jobs and community wellbeing.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75896">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75896</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.09</td>
<td><strong>LGA Outreach Services 2017-18</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Continue, for another 12 months, the LGA’s Outreach Services Program to regional LGAs.</td>
<td>$0.00</td>
<td>30-06-18</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75897">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75897</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.10</td>
<td><strong>LGA Schemes Review - Phase 2</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Continue reviewing governance of LGA schemes, in 3 key areas: (a) review of the Finty Batt Report; (b) define &amp; implement change strategy &amp; O &amp; D develop &amp; implement improved governance arrangements in line with Finty Batt &amp; Auditor General Reports.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75898">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75898</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.11</td>
<td><strong>Authorised Persons web resources</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Review and revise the LGA's Authorised Persons web pages to assist councils with managing authorisations under a range of statutes.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75899">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75899</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.12</td>
<td><strong>LG Workforce Alignment</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To pursue a common alignment of the 11,000 strong LG workforce, with specialist IR/HR advice. To obtain legal advice on how existing industrial instruments (State Awards &amp; council-enterprise agreements) might be migrated to a sector wide agreement.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76002">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76002</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.13</td>
<td><strong>e-Learning development</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To deliver high quality, flexible online training programs specific to LG needs, with benefits in: (a) Reduced travel &amp; out-of-office time; (b) Reduced costs, ID Self-paced training; (c) Relevant &amp; engaging methodology; (d) Available.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76003">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76003</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.14</td>
<td><strong>Community Engagement</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Provide a tool to measure the outcome of community engagement on annual budget preparation.</td>
<td>$0.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76004">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76004</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.15</td>
<td><strong>An Elected Member training pathway</strong></td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Develop a training pathway offering Elected Members the opportunity to upgrade the current mandatory Elected Member Training Standard to the national qualification of 'Elected Member Skill Set'.</td>
<td>$0.00</td>
<td>30-06-18</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76005">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76005</a></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL VALUE OF PROJECTS APPROVED 2016-17** $1,394,118.47
<table>
<thead>
<tr>
<th>File Number</th>
<th>Project Name</th>
<th>Date Approved</th>
<th>Approved By Whom</th>
<th>Proponent (Primary)</th>
<th>Project Description</th>
<th>Funds Sought</th>
<th>Funds Approved</th>
<th>Completion Date</th>
<th>Project web page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010.01</td>
<td>Renewable Energy Pilot Program</td>
<td>05-03-10</td>
<td>CEO Delegation</td>
<td>LGA of SA</td>
<td>To investigate potential opportunities for SA Councils to increase their uptake of Solar PV on Council infrastructure.</td>
<td>$20,000.00</td>
<td>$20,000.00</td>
<td>21-07-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=20314">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=20314</a></td>
</tr>
<tr>
<td>2011.40</td>
<td>Biodiversity Fund / Carbon Farming Pilot project</td>
<td>23-12-11</td>
<td>CEO Delegation</td>
<td>LGA of SA</td>
<td>To investigate options for SA Local Government to undertake biodiversity vegetation projects and participate as a proponent in the Carbon Farming Initiative. Outputs of this project will include LG fact sheets, guidelines, templates, case studies etc.</td>
<td>$19,000.00</td>
<td>$19,000.00</td>
<td>20-07-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=25205">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=25205</a></td>
</tr>
<tr>
<td>2012.37</td>
<td>An Advocacy Intergovernmental Toolkit for Councils</td>
<td>10-12-12</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>This project seeks to strengthen Local Council’s ability to successfully advocate on behalf of their communities to different levels of government by establishing a toolkit, checklist and training.</td>
<td>$35,000.00</td>
<td>$35,000.00</td>
<td>30-03-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=27546">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=27546</a></td>
</tr>
<tr>
<td>2014.09</td>
<td>Abundant Species Management</td>
<td>20-03-14</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Working with DFNSW to develop a statewide strategy in managing abundant species, in particular little corellas. This project originated from the April 2013 General Meeting resolution from Fleurieu Ranges</td>
<td>$20,000.00</td>
<td>$20,000.00</td>
<td>28-02-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37517">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37517</a></td>
</tr>
<tr>
<td>2014.11</td>
<td>Open Data / Creative Commons Licensing</td>
<td>20-03-14</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Produce a discussion paper on creative commons licensing; explore a forum for Councils on open data and training opportunities; and development of a discussion paper on open data in a Local Government context.</td>
<td>$10,000.00</td>
<td>$10,000.00</td>
<td>31-01-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37519">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37519</a></td>
</tr>
<tr>
<td>2014.35</td>
<td>Local Government Led Community Housing</td>
<td>25-09-14</td>
<td>LGA Board</td>
<td>Berri Barmera Council</td>
<td>Examine LG-led community housing, addressing the transfer of SA housing Trust properties to LG instead of the non-government sector. Examine a risk and opportunity assessment for State and LG.</td>
<td>$40,000.00</td>
<td>$25,000.00</td>
<td>30-09-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74549">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=74549</a></td>
</tr>
<tr>
<td>2015.02</td>
<td>Elections Review - Stage 1</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Evaluate the LGAs’ notes, resources and strategies, and set out a detailed plan for the 2018 elections.</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>09-01-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62447">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62447</a></td>
</tr>
<tr>
<td>2015.04</td>
<td>Online Training Resource Development</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Building in-house capability to develop a range of flexible learning and delivery methodologies.</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
<td>31-12-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62452">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62452</a></td>
</tr>
<tr>
<td>2015.13</td>
<td>Legislative Reforms for the Local Government Act</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To develop a scoping document, for use in discussions with the Premier and Minister for LG on the scope for State/Local Government Reform; including proposals for (a) Legislative change; (b) Support programs for Councils; (c) intergovernmental reforms; and</td>
<td>$80,000.00</td>
<td>$50,000.00</td>
<td>30-06-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=64639">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=64639</a></td>
</tr>
<tr>
<td>2015.14</td>
<td>Legal Advisory Service - Pilot Program</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To operate a pilot program with a group of Councils to trial the introduction of a legal advisory service in Local Government.</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
<td>01-07-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62474">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62474</a></td>
</tr>
<tr>
<td>2015.17</td>
<td>One Workforce - Libraries</td>
<td>17-09-15</td>
<td>LGA Board</td>
<td>Public Library Services (PLS) and Public Libraries SA (PLSA)</td>
<td>Develop a Workforce plan to maintain a culture of change and meet future staffing needs and skill requirements.</td>
<td>$29,182.00</td>
<td>$29,182.00</td>
<td>23-01-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65591">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65591</a></td>
</tr>
<tr>
<td>2015.20</td>
<td>Private sector auditors compared to the State Auditor General</td>
<td>17-09-15</td>
<td>LGA Board</td>
<td>University of Adelaide, School of Accounting and Finance</td>
<td>To investigate the costs and benefits and advantages and disadvantages of local government audits by private sector auditors versus the SA Auditor-General.</td>
<td>$21,912.77</td>
<td>$21,913.00</td>
<td>28-10-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65592">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65592</a></td>
</tr>
<tr>
<td>2015.23</td>
<td>Parks Alive! Program - Refresh and Relaunch</td>
<td>17-09-15</td>
<td>LGA Board</td>
<td>Parks &amp; Leisure Australia</td>
<td>Refresh and relaunch the Parks Alive program and enable it to be managed by Parks &amp; Leisure Australia from this point</td>
<td>$5,000.00</td>
<td>$5,000.00</td>
<td>29-07-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65593">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65593</a></td>
</tr>
<tr>
<td>Project ID</td>
<td>Date</td>
<td>Board</td>
<td>Title</td>
<td>Description</td>
<td>Amount</td>
<td>Status</td>
<td>URL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------</td>
<td>------</td>
<td>-------</td>
<td>-------</td>
<td>-------------</td>
<td>--------</td>
<td>--------</td>
<td>-----</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016.24</td>
<td>19-05-16</td>
<td>LGA Board</td>
<td>Social Media 2.0</td>
<td>Social Media 2.0 course material will build on the basics delivered in Communications Strategy Planning &amp; Social Media 101 and help staff develop a deeper understanding of social media and how these tools can be used as communication tools by councils.</td>
<td>$10,000.00</td>
<td>31-12-16</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=465555">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=465555</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016.31</td>
<td>29-09-16</td>
<td>LGA Board</td>
<td>Instrument of Delegations - Airports</td>
<td>To (a) research legislation covering LG’s management &amp; operation of an airport &amp; air safety; (b) identify the powers &amp; duties that may be delegated by a Council, &amp; (c) draw up &amp; collate valid instruments of delegation for each relevant power &amp; duty.</td>
<td>$8,500.00</td>
<td>30-04-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=474412">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=474412</a></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL VALUE OF PROJECTS COMPLETED 2016-17** | $1,349,595.00
## Projects current at 1 July 2017

<table>
<thead>
<tr>
<th>File Number</th>
<th>Project Name</th>
<th>Date Approved</th>
<th>Approved By Whom</th>
<th>Proponent (Primary)</th>
<th>Project Description</th>
<th>Funds Sought</th>
<th>Funds Approved</th>
<th>Proposed Completion Date</th>
<th>Project web page</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.01.01</td>
<td>Administration of Scheme</td>
<td>20-08-98</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Allocation to use the Scheme funds to manage its operations. Funds are used to remunerate the Executive Officer, for printing, distribution of information, marketing, clerical support and other administrative matters.</td>
<td>ongoing</td>
<td>n/a</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=7202">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=7202</a></td>
<td></td>
</tr>
<tr>
<td>25.02.34</td>
<td>Regional Capacity Building Allocation</td>
<td>31-07-01</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>An allocation of funding to enable the capacity building funding to be made available to the Regional LGA and Metro Group.</td>
<td>ongoing</td>
<td>30-06-18</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=7288">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=7288</a></td>
<td></td>
</tr>
<tr>
<td>25.04.23</td>
<td>Resource Implications for Administering the Environmental Protection Act</td>
<td>22-11-07</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To assess the institutional and resources implications of Local Government undertaking full administration of the Environment Protection Act 1993 in relation to non-licensed premises.</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=14327">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=14327</a></td>
</tr>
<tr>
<td>25.04.49</td>
<td>Coordinated Climate Change Response</td>
<td>18-09-08</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To develop a coordinated LG approach to climate change to enable a logical and confident move towards: - adapting to the long term-physical impact of climate change - reducing greenhouse gas emissions and their carbon footprint - providing leadership</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
<td>31-08-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=16303">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=16303</a></td>
</tr>
<tr>
<td>2014.05</td>
<td>Tourism, Events, Development Research</td>
<td>20-03-14</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To undertake research into methods for Councils to achieve best value returns for investment in tourism and events. The full range of flow-on economic and social impacts will be considered in the scoping research.</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
<td>07-08-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37483">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37483</a></td>
</tr>
<tr>
<td>2014.15</td>
<td>CEO Appraisal Process - Code of Practice</td>
<td>20-03-14</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To develop a Code of Practice for the conduct of CEO appraisals in consultation with consultants, Councils and the LGMA.</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>30-09-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37486">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37486</a></td>
</tr>
<tr>
<td>2014.17</td>
<td>Local Excellence Expert Panel Research</td>
<td>20-03-14</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>A project to support the exploration of issues identified in the Excellence Expert Panel’s final report. These issues include Models and arrangement for regional structures and partnerships including functions, roles and responsibilities</td>
<td>$200,000.00</td>
<td>$200,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37525">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=37525</a></td>
</tr>
<tr>
<td>2014.40</td>
<td>Water Sensitive South Australia</td>
<td>25-09-14</td>
<td>LGA Board</td>
<td>Adelaide and Mount Lofty Ranges Natural Resources Management Board</td>
<td>Delivery of a program to build the capacity of practitioners and other stakeholders to implement water sensitive urban design (WSUD) in South Australia.</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>31-07-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=67753">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=67753</a></td>
</tr>
<tr>
<td>2014.45</td>
<td>ADAC Implementation Benefits for South Australia</td>
<td>25-09-14</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Options for Developers, Designers, Surveyors and Councils to implement the Asset Design &amp; As Constructed (ADAC) framework and data specification for fast digital lodgement of infrastructure asset design and as-constructed data.</td>
<td>$60,000.00</td>
<td>$45,000.00</td>
<td>07-08-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65104">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65104</a></td>
</tr>
<tr>
<td>2014.55</td>
<td>A Procurement Manual for Councils</td>
<td>25-09-14</td>
<td>LGA Board</td>
<td>LGA Procurement</td>
<td>An operationally focused manual that builds on the 2012 LGAP Procurement Handbook. The manual will act as a “standard” which all Councils will follow but allow them the flexibility to use policies and procedures specific to their needs as appropriate</td>
<td>$37,000.00</td>
<td>$37,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=64188">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=64188</a></td>
</tr>
<tr>
<td>2015.06</td>
<td>Council Emergency Management Capacity</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>The development of resources and tools to assist Councils perform the function of mitigating the impact of disasters on their communities as specified in s 7(b) of the LG Act</td>
<td>$82,000.00</td>
<td>$82,000.00</td>
<td>30-09-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62454">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62454</a></td>
</tr>
<tr>
<td>2015.07</td>
<td>Planning Reform Implementation Project</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>This project is required to support Local Government’s engagement with the State Government during the implementation of planning reforms</td>
<td>$150,000.00</td>
<td>$150,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62466">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=62466</a></td>
</tr>
<tr>
<td>2015.13</td>
<td>Legislative Reforms for the Local Government Act</td>
<td>19-03-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015.15</td>
<td>Bushfire Management Area Planning</td>
<td>01-06-15</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>The development of a Local Government Leadership Competency Framework against which training and development needs and gaps can be mapped.</td>
<td>$0.00</td>
<td>$50,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65509">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65509</a></td>
</tr>
<tr>
<td>2015.28</td>
<td>Leadership Competency Framework Development</td>
<td>17-09-15</td>
<td>LGA Board</td>
<td>LG Professionals SA</td>
<td></td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65596">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=65596</a></td>
</tr>
</tbody>
</table>
2015.38 Implications of capital investment for licensed council water retailers 17-09-15 LGA Board City of Onkaparinga to review the price implications of required capital investment recovery on participating council CWMS and Water supply businesses $20,000.00 $20,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65599


2015.52 GST Review of Local Government Fees and Charges 17-09-15 LGA Board SA Local Government Financial Management Group Inc to collate a state-wide fees and charges list and obtain a GST Class Ruling from the ATO for the application of all collated fees and charges $50,000.00 $50,000.00 22-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65679


2015.55 Local Government Awareness Raising 17-12-15 LGA Board LGA of SA To create long-term brand awareness for Local Government to reinforce engagement by communities with Councils, to support Council efforts in this area $150,000.00 $150,000.00 30-11-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65680

2016.01 Street lighting (alternatives) 19-05-16 LGA Board LGA of SA A business case study of alternative arrangements, which might permit some street lighting (and other services) to be provided while bypassing or minimising SAPN’s proposed SLUOS charges. $60,000.00 $55,000.00 30-09-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65693

2016.03 Planning Reform Implementation program 19-05-16 LGA Board LGA of SA To provide Councils with the necessary tools and enablers to be able to administer and implement the new planning reforms. $100,000.00 $90,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65704

2016.04 Supporting Local Government Reform 19-05-16 LGA Board LGA of SA To provide Councils with the necessary tools and enablers to be able to implement positive reform that is in the interest of councils and communities. $200,000.00 $160,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65742

2016.05 Audit Committee 19-05-16 LGA Board LGA of SA To support the operation of the LGA’s Audit Committee for the 2016/2017 year. $34,500.00 $34,500.00 03-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65743

2016.07 Financial Sustainability & Rate revenue 19-05-16 LGA Board LGA of SA Financial Sustainability research & advice, including on expected proposals that would impact on rate revenue. $75,000.00 $60,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65745

2016.09 Governance 19-05-16 LGA Board LGA of SA the research needs of three key bodies of work currently underway: (a) Regional Governance Framework; (b) Boundary adjustment reform processes, and (c) LGA Board Governance Review. Whilst separate bodies of work, they are inter-related in terms of a possible overarching framework that could be explored in the establishment of a Local Government Commissioner. $30,000.00 $50,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65747

2016.10 Rubble Royalties 19-05-16 LGA Board LGA of SA to identify the specific impacts of the rubble royalty payment on council road networks in making the business case for removal. $25,000.00 $25,000.00 30-09-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65748

2016.12 Human Services Reform and Funding 19-05-16 LGA Board LGA of SA The sector is now faced with having to review its role in the delivery of Human Services and seek alternative funding sources to continue to deliver community outcomes. $50,000.00 $50,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65754

2016.14 LG&A Outreach Services 19-05-16 LGA Board LGA of SA to continue and extend outreach services to the existing five regions as well as new including the Spencer Gulf Cities LG&A for the year 2016/17. $300,000.00 $300,000.00 30-06-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65755

2016.16 State Emergency Management Plan - change implementation & resources 19-05-16 LGA Board LGA of SA Develop new materials based on legislative changes and to modify existing emergency management & i-Responder resources so that they reflect the new arrangements. $75,000.00 $75,000.00 31-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65756

2016.17 Business Analytics 19-05-16 LGA Board LGA of SA To plot the utilisation of business analytic skills in the development and delivery of LGA strategic objectives $120,000.00 $80,000.00 30-11-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65757

2016.19 Strategic Region-based Investment Attraction 19-05-16 LGA Board LGA of SA Data analysis to identify the comparative advantages of council areas or regional LGAs to enable targeted investment attraction strategies to grow clusters and identify opportunities for economic diversification. $25,000.00 $20,000.00 25-07-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65758

2016.20 i-Responder resource & contact management system 19-05-16 LGA Board LGA of SA To create a resource & contact management system to enhance the i-Responder program $15,000.00 $15,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=65759
2016.21 i-Responda - app
19-05-16 LGA Board LGA of SA
Council staff to use during emergencies that are mobile friendly and can be installed on a phone or mobile device for easy access during an emergency.
$35,000.00 $35,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=49963

2016.22 Strategic Procurement Policy
19-05-16 LGA Board LGA of SA
Development of a procurement policy based on local economic development objectives.
$25,000.00 $21,000.00 31-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=49965

2016.23 Alternative Funding Mechanisms for Adaptation Activities
19-05-16 LGA Board LGA of SA
Forwarding research into alternative ways of providing funding to councils for local (on-the-ground) delivery of Regional Adaptation Plan priorities.
$40,000.00 $30,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=49966

2016.26 Building Upgrade Finance Implementation Study for Low Emissions Investment
19-05-16 LGA Board LGA of SA
Contribution to the development of the operational framework from the scheme.
$40,000.00 $20,000.00 30-09-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=49968

2016.27 Enhanced Climate Risk Assessment and Decision Making
19-05-16 LGA Board LGA of SA
Improving the risk assessment and decision making processes of councils long-term financial planning.
$30,000.00 $30,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=49969

2016.28 Feasibility Study for Low Emissions Investment
19-05-16 LGA Board LGA of SA
Leverage of funding from the Federal Government to maximise opportunities for low emissions investment.
$30,000.00 $20,000.00 02-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=49970

2016.32 Disaster Ready
29-09-16 LGA Board District Council of Lower Eyre Peninsula
Development of a template for Local Government disaster recovery planning in South Australia which can be adapted to suit local needs. 2) Development of a District Council of Lower Eyre Peninsula Community Disaster Recovery Plan.
$40,000.00 $40,000.00 31-10-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74430

2016.33 Audit of Energy Efficiency Activities
02-08-16 CEO Delegation LGA of SA
(in coordination with Project 2016.28 - Feasibility Study for Low Emissions Investment) Cost-effective solutions are required for investment in low emissions technologies (the driver being the requirement to affect the changeover to more efficient LED street lighting)

2016.35 Eyre Peninsula Regional Strategic Plan
29-09-16 LGA Board Regional Development Australia Whyalla and Eyre Peninsula and EPLGA
Preparation of a single Regional Strategic Plan with an agreed vision and regional priorities endorsed by regional organisations and the three spheres of government.
$93,210.00 $50,000.00 31-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74885

2016.36 Realignment of the Hills Rail Corridor: Cost Benefit Scoping Study
29-09-16 LGA Board Southern and Hills LGA
A scoping study into the issues, options, costs and benefits associated with the realignment of the Hills rail corridor.
$25,000.00 $25,000.00 11-11-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74886

2016.37 Suicide Prevention Networks - development of an Evaluation Toolkit
29-09-16 LGA Board University of South Australia
Using a Participatory Action Research approach, and with significant design consultation with the Whyalla Suicide Prevention Network, develop an evaluation toolkit for Suicide Prevention Networks.
$30,000.00 $30,000.00 31-10-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74431

2016.39 Places & Spaces - Facility Booking System for Councils
29-09-16 LGA Board City of Prospect
To undertake a formal requirements analysis and technical design of an Across-Council facility booking application for Local Government, a feasibility study into developing the product and the development of a non-functional prototype.
$25,000.00 $25,000.00 17-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74887

2016.42 Valuing Social Outcomes
29-09-16 LGA Board Local Government Professionals Australia, SA Community Managers Network
To conduct international research on defining, ascribing value to, & articulating social outcomes to inform development of a portfolio to support evidence-based decision making & statements of social return regarding the community initiatives of SA councils.
$50,000.00 $50,000.00 31-10-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74432

2016.44 Long Term Financial Plan Model Review and Update
29-09-16 LGA Board South Australia Local Government Financial Management Group
Review and update of LTFP Model for South Australian Councils.
$50,000.00 $20,000.00 30-10-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74889

2016.45 Guidelines to plan climate change actions & identify monitoring needs
29-09-16 LGA Board Central Local Government Region of SA
To develop guidelines for Councils to plan climate change actions and identify monitoring needs.
$38,850.00 $38,850.00 01-11-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74433

2016.52 Enhancing Professionalism in Environmental Health
30-09-16 LGA Board Environmental Health Australia (SA) Inc
A framework (based on existing Authorised Persons framework) to support environmental health teams meet human resources needs and raise team standards following recent significant legislative changes impacting on the environmental health business units.
$20,000.00 $20,000.00 30-09-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74830

2016.53 Removal of organic chemicals from water by aquifer filtration in managed aquifer recharge schemes
29-09-16 LGA Board Flinders University
To determine the ability of aquifer substrates to remove selected chemicals of concern from stormwater injectant, contributing to the management of risk prior to reuse.
$25,000.00 $25,000.00 08-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74829

2016.56 The Role of Public Toilets in Mobility and Social Inclusion
29-09-16 LGA Board School of Social and Policy Studies, Flinders University
How provision of toilets influences the well being of different demographic groups outside of their homes; a qualitative investigation and field survey.

2016.57 Approaches to Integrated economic development
29-09-16 LGA Board City of West Torrens
To demonstrate how councils can achieve economic development objectives within existing organisational frameworks and work towards a resource-efficient and strategic approach to local economic development.
$25,000.00 $25,000.00 09-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74927

2016.58 An Empirical Assessment of Rate-pegging for South Australian Local Government
29-09-16 LGA Board Centre for Local Government, University of New England
A comparative analysis between SA and NSW local government to determine whether almost four decades of municipal tax limits in NSW had produced any measurable differences in equity, sustainability or efficiency relative to SA.
$25,000.00 $25,000.00 15-06-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74434

2016.60 State-Local Government Infrastructure Investment Partnership
29-09-16 LGA Board LGA of SA
Administrative support for the State-Local Government Infrastructure Investment Partnership.
$30,000.00 $30,000.00 18-08-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=74435

2017.01 EARS Enhancement
18-05-17 LGA Board LGA of SA
Enable EARS to push data in real time to State disaster damage assessment platform.
$0.00 $20,000.00 31-12-17 http://www.lga.sa.gov.au/page.aspx?u=6555&c=75890
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Board</th>
<th>Authority</th>
<th>Description</th>
<th>Cost</th>
<th>Start Date</th>
<th>End Date</th>
<th>URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017.02</td>
<td>Coastal Adaptation Decision Pathways Guidance</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Update existing guidance, including: * Synthesis of coastal adaptation tools; * Climate projections (issues &amp; threats); * Responsibilities &amp; limitations; * Policy options; * Decision making pathways; * Financial modelling guidelines; * Decision support</td>
<td>$0.00</td>
<td>$30,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75891">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75891</a></td>
</tr>
<tr>
<td>2017.03</td>
<td>Strategic Investment Plan for Future Proofing Infrastructure</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Develop a strategic investment plan to predict and budget for damage to critical infrastructure as a result of extreme events and observed changes in the climate. liaise with IPWEA to consider applicability to NAMS+</td>
<td>$0.00</td>
<td>$50,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75892">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75892</a></td>
</tr>
<tr>
<td>2017.04</td>
<td>Community Wellbeing Monitor</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Develop a sector-wide Community Wellbeing Monitor to help shape the work of the Community Wellbeing Alliance; Inform Regional Public Health Planning requirements, and be a resource for State and Local Gov'ts to understand SA community wellbeing</td>
<td>$0.00</td>
<td>$50,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75893">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75893</a></td>
</tr>
<tr>
<td>2017.06</td>
<td>Review of water management legislation &amp; policy</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To develop appropriate flood mitigation strategies. This will feed into the Flood Reform Taskforce, and others.</td>
<td>$0.00</td>
<td>$20,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75894">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75894</a></td>
</tr>
<tr>
<td>2017.07</td>
<td>LG Elections 2018, Support &amp; Promotion</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To enable the LGA to meet its statutory and best practice obligations for LG elections in November 2018. The project will also respond to recommendations set out in the 2016 Review of the LGAs 2014 Local Government Election Processes.</td>
<td>$0.00</td>
<td>$142,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75896">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75896</a></td>
</tr>
<tr>
<td>2017.08</td>
<td>Evidence to inform advocacy for a Strategic Population Policy</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To provide an understanding of population trends in SA, to inform planning policies. This is particularly relevant for regional councils, where depopulation is leading to reductions in services, jobs and community wellbeing</td>
<td>$0.00</td>
<td>$40,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75896">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75896</a></td>
</tr>
<tr>
<td>2017.09</td>
<td>LGA Outreach Services 2017-18</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Continue, for another 12 months, the LGA’s Outreach Services Program to regional LGAs</td>
<td>$0.00</td>
<td>$300,000.00</td>
<td>30-06-18</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75897">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75897</a></td>
</tr>
<tr>
<td>2017.10</td>
<td>LGA Schemes Review - Phase 2</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Continue reviewing governance of LGA Schemes, in 3 key areas: (a) Review of the Finity Batt Report (b) Define &amp; implement change strategy &amp; (c) Develop &amp; implement improved governance arrangements in line with Finity Batt &amp; Auditor General Reports</td>
<td>$0.00</td>
<td>$100,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75898">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75898</a></td>
</tr>
<tr>
<td>2017.12</td>
<td>Authorised Persons web resources</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Review and revise the LGA’s Authorised Persons web pages to assist councils with managing authorisations under a range of statutes.</td>
<td>$0.00</td>
<td>$5,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75899">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=75899</a></td>
</tr>
<tr>
<td>2017.13</td>
<td>LG Workforce Alignment</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>To pursue a common alignment of the 11,000 strong LG workforce, with specialist IR/HR advice. To obtain legal advice on how existing industrial instruments (State Awards &amp; council enterprise agreements) might be migrated to a sector wide agreement.</td>
<td>$0.00</td>
<td>$75,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76902">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76902</a></td>
</tr>
<tr>
<td>2017.14</td>
<td>e-Learning Development</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>‘e-learning development’ to deliver high quality, flexible online training programs specific to LG needs, with benefits in: (a) Reduced travel &amp; out-of-office time; (b) Reduced costs, (c) Self-paced training; (d) Relevant &amp; engaging methodology; (e) Available</td>
<td>$0.00</td>
<td>$52,947.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76903">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76903</a></td>
</tr>
<tr>
<td>2017.15</td>
<td>Community Engagement</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>(a) Develop Elected Member Training in Community Engagement, and (b) Provide a tool to measure the outcome of community engagement on annual budget preparation.</td>
<td>$0.00</td>
<td>$20,000.00</td>
<td>31-12-17</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76904">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76904</a></td>
</tr>
<tr>
<td>2017.16</td>
<td>An Elected Member training pathway</td>
<td>LGA Board</td>
<td>LGA of SA</td>
<td>Develop a training pathway offering Elected Members the opportunity to upgrade the current mandatory Elected Member Training Standard to the national qualification of ‘Elected Member Skill Set’.</td>
<td>$0.00</td>
<td>$25,000.00</td>
<td>30-06-18</td>
<td><a href="http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76905">http://www.lga.sa.gov.au/page.aspx?u=6555&amp;c=76905</a></td>
</tr>
</tbody>
</table>

**TOTAL VALUE OF PROJECTS CURRENT AT 1 July 2017** $1,377,618.47
### Projects proposed for 2017-18

<table>
<thead>
<tr>
<th>File Number</th>
<th>Project Name</th>
<th>Date Approved</th>
<th>Approved By Whom</th>
<th>Proponent (Primary)</th>
<th>Project Description</th>
<th>Funds Sought</th>
<th>Funds Approved</th>
<th>Proposed Completion Date</th>
<th>Project web page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017.52</td>
<td>Training Needs Analysis</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>TAFE SA</td>
<td>To develop a training needs analysis report and corresponding training plan, as well as a benchmark for vocational education and training in the local government sector</td>
<td>$29,000.00</td>
<td>$29,000.00</td>
<td>09-30-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.53</td>
<td>Rating equity for commercial and or industrial land uses outside towns</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Legatus Group</td>
<td>To investigate &amp; recommend how commercial or industrial land uses within predominantly rural areas should be treated in a Council’s rating policy &amp; whether any legislative reform is required to balance the principles of taxation, including equity between ratepayers</td>
<td>$16,600.00</td>
<td>$16,600.00</td>
<td>04-30-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.54</td>
<td>Measuring Relative Technical Efficiency</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>University of Technology</td>
<td>To measure the relative technical efficiency of all South Australian councils over a five-year period using data envelopment analysis and to represent the effect that scale has had on efficiency</td>
<td>$28,378.20</td>
<td>$28,378.20</td>
<td>05-31-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.55</td>
<td>NDIS impact on Metropolitan local governments</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>LG Professionals SA</td>
<td>Analyse the impact on metropolitan local government of the NDIS, and recommend both service provision models and economic development opportunities</td>
<td>$32,000.00</td>
<td>$32,000.00</td>
<td>12-31-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.56</td>
<td>NDIS impacts on regional local governments</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Legatus Group</td>
<td>To identify the likely socio-economic impacts of the NDIS on regional SA, including service gaps for regional communities and opportunities for local government partnership approaches</td>
<td>$23,100.00</td>
<td>$23,100.00</td>
<td>06-30-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.57</td>
<td>Trial and Implementation of the RAVRAT</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Northern Areas Council</td>
<td>To conduct a two-year trial to test the applicability, to councils in South Australia, of the Restricted Access Vehicle Route Assessment Tool (RAVRAT),</td>
<td>$25,000.00</td>
<td>$25,000.00</td>
<td>09-30-19</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.60</td>
<td>Community Wellbeing Regional Leads</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Murraylands &amp; Riverland LGA</td>
<td>To enhance the health and wellbeing of regional communities, through the recruitment of Community Wellbeing Officers, working in co-operation with regional councils.</td>
<td>$150,000.00</td>
<td>$150,000.00</td>
<td>10-31-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.64</td>
<td>Non-usage of Aquatic and Recreation Centres by Vulnerable and Disadvantaged Community Groups</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>CERM PI (University of South Australia)</td>
<td>to engage with non-users of aquatic and recreation Centres, notably from vulnerable and disadvantaged communities, to gain insights into barriers, and thereby assist councils with information to improve public health and community wellbeing.</td>
<td>$22,194.00</td>
<td>$22,194.00</td>
<td>07-31-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.65</td>
<td>Update Voters Roll Practice Manual</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Revenue Professionals SA Inc</td>
<td>To update, simplify and restructure the 2010 Voters Roll Practice manual prepared by SARA, and improve its usage</td>
<td>$9,200.00</td>
<td>$9,200.00</td>
<td>17-12-31</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.66</td>
<td>Development and evaluation of economic development measures</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Economic Development Australia (South Australia)</td>
<td>to establish measures that can be used to evaluate economic development programs, and provide evidence to inform council decisions on resource commitments</td>
<td>$29,500.00</td>
<td>$29,500.00</td>
<td>01-31-09</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.67</td>
<td>Emergency Management Online Training Resources</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>TAFE SA</td>
<td>to customise and consolidate emergency services training resources, assisting councils to improve support to communities in emergencies</td>
<td>$29,000.00</td>
<td>$29,000.00</td>
<td>09-30-09</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.68</td>
<td>BRIMS Stage 2</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>City of Tea Tree Gully</td>
<td>To undertake a ‘proof-of-concept’ study for bushfire management action plan software</td>
<td>$40,000.00</td>
<td>$40,000.00</td>
<td>09-30-09</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.72</td>
<td>Social Media and Communications Training</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Coorong District Council &amp; Port Pirie Regional Councils</td>
<td>to create a new program structure with updated resources for Social Media and Communications</td>
<td>$25,200.00</td>
<td>$25,200.00</td>
<td>10-15-18</td>
<td>n/a</td>
</tr>
<tr>
<td>2017.73</td>
<td>Live Music Resources</td>
<td>28-09-17</td>
<td>LGA Board</td>
<td>Music SA</td>
<td>to develop resources to assist councils to prepare Live Music Policies and Live Music Action Plans</td>
<td>$45,000.00</td>
<td>$45,000.00</td>
<td>10-15-18</td>
<td>n/a</td>
</tr>
</tbody>
</table>

**Total value of R&D funds approved**: $504,172.20
7.3 Local Government Financial Indicators 2017

Information Reports from the LGA Board
From: Shane Sody, Project Manager
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 3B Benchmark, innovate and research
Meeting: Annual General Meeting 16 November 2017
ECM: 654429  Attachment: 653664

Recommendation
That the Annual General Meeting notes the report.

Discussion
The LGA has worked with South Australian councils on a comprehensive Financial Sustainability Program to implement the recommendations of the 2005 Independent Inquiry into Financial Sustainability of Local Government in South Australia.

Under its Financial Sustainability Program from 2006 to 2017, the LGA has prepared and updated a comprehensive series of information papers and implemented projects to assist councils with financial and asset management reforms.

The attached SA Local Government Sector Financial Indicators Report 2017 (the report) delivers on the Inquiry's recommendation that the LGA reports to each Annual General Meeting on the latest values, history and comparisons for the key financial sustainability indicators for the sector as a whole.

The report presents aggregate data from 2000-2001 until 2015-2016 and demonstrates significant improvement over the past 15 years in the financial performance and position of the sector as a whole. However, it should be noted that the current financial performance and position of individual Councils varies due to differing priorities and application of financial sustainability principles.

In 2015-16:

- there was significant improvement in the financial performance of the sector, towards a combined operating surplus of $89 million.
- a total of 53 councils recorded an operating surplus, compared with only 16 councils in 2000-01.
- the combined local government operating surplus ratio has improved significantly in recent years, rising to 4.2 per cent;
- local government’s combined level of net financial liabilities was $636 million. This is very low when put in the context of local government infrastructure and other physical assets valued at $22.9 billion; and
- 82 per cent of councils had an asset sustainability ratio higher than 60 per cent (data available for 55 councils).
These outcomes demonstrate the sector’s ongoing commitment to transparency, efficiency, financial sustainability and improved financial services.

The continuation of the Financial Sustainability Program over the past 12 years also demonstrates the LGA’s commitment to working with councils to build capacity and advance the sector.

As outlined in the report, reform of financial management practices within local government in South Australia is ongoing. Changes that have included increased scrutiny by the community, an expectation to do more with less, accrual accounting, improved infrastructure asset management and better internal controls and governance arrangements. The availability of data being developed by the LGA as part of its sector wide benchmarking program together with the adoption by a number of councils of a performance excellence program will continue to improve and strengthen the financial management and performance of local government.
SA Local Government Sector Financial Indicators Report 2017

Efficiency of local government

The local government sector in South Australia has an aspiration to be the most efficient sector of government. Sustaining good financial and asset management practices and seeking to continually enhance them are critical success factors for councils as they continue to improve the services they provide to their local community.

South Australian councils collectively manage a budget of $2 billion and maintain infrastructure and other physical assets worth almost $23 billion.

Taxation revenue raised by councils (from general and other rates on property) is estimated to be $1,620 million in 2016-17. Together with other own-source funding (mainly user charges), approximately 86 per cent of local government operating revenue is from its own sources. The remaining revenue comes from grants from state and federal governments. The rates collected by councils nationally are less than 4 per cent of the total taxes paid by Australians.

South Australian councils manage their finances conservatively under extreme constraints. Local government has access to one tax, council rates, has very low debt and receives an unfair share of state and federal government funding.

Within this context, South Australian councils are doing a lot with a little and providing an increasing number of services to a high standard, with increased levels of financial health and sustainability.

Local government financial sustainability

The Local Government Association (LGA) has worked with South Australian councils on a comprehensive Financial Sustainability Program to implement the recommendations of the 2005 Independent Inquiry into Financial Sustainability of Local Government in South Australia. This report delivers on the Inquiry’s recommendation that the LGA reports to each Annual General Meeting on the latest values, history and comparisons for the key financial sustainability indicators for the sector as a whole.

Reform of financial management practices within local government in South Australia is ongoing. Changes have included increased scrutiny by the community, an expectation to do more with less, accrual accounting, improved infrastructure asset management, performance measurement and benchmarking, and better internal controls and governance arrangements.

A key objective for local government is the achievement and maintenance of the financial sustainability of South Australian councils, both collectively and individually. A council’s long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

Measuring Financial Performance

The most critical measure of local government financial performance is the annual operating result which measures the difference between day-to-day income and expenses for a financial year.

In 2000-01 the local government sector was operating with a deficit of $75 million. Since then there has been a significant improvement in the financial performance of councils, towards an operating surplus of $89 million in 2015-16.

A total of 53 councils recorded an operating surplus in 2015-16 compared with only 16 councils in 2000-01.

The aggregate level of local government’s annual operating deficit reduced steadily from 2000-01 until 2007-08, when it was eliminated. Subsequently, an approximate ‘break-even’ operating result was recorded for five years up until 2012-13, with increasing operating surpluses recorded for each of the past three years.

Chart 1 provides aggregate data from 2000-01 until 2015-16 covering the sector’s operating surplus/(deficit). It has been adjusted to remove the distortion otherwise caused by the irregular timing of receipt of Federal financial assistance grants received in some years since 2008-09.
Financial Indicators

The following information provides an update on the latest values, history and comparisons of key financial indicators for the local government sector as a whole. The LGA appreciates the assistance of the SA Local Government Grants Commission in providing this data.

In 2006, local government in South Australia adopted two key indicators covering the financial performance (operating surplus ratio) and financial position (net financial liabilities ratio) of the sector.

Chart 2 provides aggregate data from 2000-01 until 2015-16 for these two indicators. Again, the data has been adjusted to remove the distortion otherwise caused by the irregular timing of receipt of Federal financial assistance grants.

![Chart 2: Local Government Sector - Financial Indicators](image)

Indicator 1: Operating Surplus Ratio

Operating surplus ratio is calculated as the percentage by which the annual operating surplus or deficit varies from total income.

Guidance material provided to councils under the LGA’s Financial Sustainability Program suggests that councils generally should seek to achieve, on average over time, a target range for an operating surplus ratio of between 0 per cent and 10 per cent.

As shown in Chart 2 above, the local government operating surplus ratio in 2015-16 was 4.2 per cent. This result compares with an operating surplus ratio of negative 8.3 per cent in 2000-01 and represents a continual improvement in the financial sustainability of councils over a 15 year period.
Chart 3 shows the differences in the operating surplus ratios between categories of councils recorded in 2015-16.

**Indicator 2: Net Financial Liabilities Ratio**

Net financial liabilities represent the amount of money owed by councils to others less money held, invested or owed to councils.

It is the most comprehensive measure of the indebtedness of a council as it includes items such as employee long service leave entitlements and other amounts payable as well as taking account of the level of a council’s cash and investments.

At 30 June 2016, the level of net financial liabilities was $636 million. This is very low when put in the context of local government infrastructure and other physical assets valued at $22.9 billion.

The net financial liabilities ratio is a measure of the significance of the net amount owed at the end of a financial year compared with income for the year.

As shown in Chart 2 (on the previous page) the net financial liabilities ratio for the local government sector in 2015-16 was 29 per cent which compares favourably with a figure of 36 per cent in 2000-01.
Chart 4 shows the differences in the net financial liabilities ratios between categories of councils recorded in 2015-16. The chart highlights that many small and medium size rural councils are adverse to incurring debt to help finance the cost of infrastructure and other assets.

Provided operating deficits are avoided, there appears to be scope for some councils to increase their level of borrowings (or liquidate some of their large stock of cash and investments, which is equivalent to borrowing) to finance capital expenditure. Such borrowing could be undertaken for renewal or replacement of existing assets where a council's Infrastructure and Asset Management Plan suggests that it is optimal to do so.

Where a council is not achieving an underlying operating surplus or trending towards doing so in the medium term, then generally any capital expenditure on upgrading or expanding infrastructure needs to be modest and targeted, because it normally will lead to additional maintenance and depreciation costs.
Capital Investment Expenditure

Overall, capital expenditure in 2015-16 was a record high $645 million.

One of the findings of the abovementioned 2005 Independent Inquiry into Financial Sustainability of Local Government was that capital investment expenditure on renewal and replacement of existing assets was significantly less than that needed to minimise whole-of-life-cycle costs of assets.

Chart 5 shows the level of capital expenditure over the past ten years on renewal/replacement of existing assets on one hand and expenditure on new/upgraded assets on the other. This shows an increased expenditure on renewing and replacing existing assets in most years.
Indicator 3: Asset Sustainability Ratio

A third financial indicator adopted by the sector in recent years covers the asset management performance of councils. The asset sustainability ratio represents the level of capital expenditure on renewal and replacement of assets relative to the level of such expenditure identified as warranted in a council’s infrastructure and asset management plan.

This indicator is a measure of whether a council is accommodating asset renewal and replacement in an optimal and cost effective way from a timing perspective relative to the risk it is prepared to accept and the service levels it wishes to maintain.

There are operational and other reasons why the asset sustainability ratio result may vary between years. This may not necessarily detract from asset management performance if a council’s target is achieved over the medium term (e.g. over a rolling 3 or 5 year average).

Data on an asset management performance indicator is available for 55 councils in 2015-16. Chart 6 provides summary information for the asset sustainability ratio in 2015-16. Of the 55 councils for which data on an asset sustainability ratio is available, 82 per cent of councils had a ratio higher than 60 per cent.
A note on the differing financial performance of councils

This report demonstrates significant improvement over the past 15 years in the financial performance and position of the sector as a whole.

However, it needs to be emphasised that the current financial condition of individual councils varies substantially. The overall sound and improving financial performance and position of the sector in some way disguises the weaker performance of some councils under their existing revenue and expenditure policy settings.

In addition, in the absence at this stage of reliable data covering asset management performance in some, mainly rural, councils, it is not possible for those councils to quantify the extent of any annual shortfalls against the optimal level of capital expenditure on renewal and replacement of existing assets to provide desired and affordable service levels.

Financial Sustainability Program

Under its Financial Sustainability Program from 2006 to 2017, the LGA:-

- prepared and updated a comprehensive series of information papers;
- implemented projects to assist councils with financial and asset management reforms;
- undertook training and briefing programs to further assist councils;
- attracted Australian Government funding to further the financial sustainability reforms that were undertaken by South Australian councils; and
- entered into an alliance with the Institute of Public Works Engineering Australia to adopt internationally recognised approaches for preparing asset management policies and plans.

More information about the Program and resources for councils can be found on the LGA’s Financial Sustainability Program webpage www.lga.sa.gov.au/FSP
7.4 LGA Schemes Review Update

Information Reports from the LGA Board

From: Kathy Jarrett, Executive Director Corporate & Member Services
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 3D Develop, review and improve LGA commercial enterprises
Meeting: Annual General Meeting 16 November 2017
ECM: 655568

Recommendation
That the Annual General Meeting notes the report.

Background
In October 2015, the LGA Board resolved to review the provision of insurance and risk products and services and in so doing, address the recommendations of the Auditor General following his examination of the Schemes.

Since the LGA Board’s resolution, significant progress has been made, including reaching a milestone stage whereby the LGA Board, at their 29 September 2016 meeting, received and considered a report from Finity / Rosey Batt detailing the outcomes of their examination into:

- What does local government need and value from insurance arrangements;
- Perspectives on current services and the Schemes overall; and how such services might be arranged;
- Do the Schemes deliver value for money; are they fit for purpose and cost effective;
- Are robust financial and governance arrangements in place;
- What are some possible future models.

At that meeting, the LGA Board resolved to:

1. Receive and note the Finity / Batt Report (Insurance and Indemnity Arrangements, LGA SA, August 2016) on the review of the LGA SA Insurance and Indemnity Arrangements;
2. Note the report and its findings and in particular note:
   a. the current structure of pooling risk in a mutual, buying reinsurance to protect the pool and using expert providers for management is an effective model for local government superior to alternative options;
   b. the products and services currently provided to Councils are appropriate and do not need radical change; and
   c. notwithstanding the above, substantial change is required to the current legal, contractual, governance and operating arrangements if the Schemes are to be – and seen to be – contemporary, transparent and delivering value for money;
3. Authorise the Chief Executive Officer to discuss the Finity / Batt findings with JLT and report back to the LGA Board feedback from those discussions.
Discussion

Since the Board’s September 2016 resolution, the following activities have been progressed:

- Significant communication with the Sector has occurred including advising of the outcomes of the review at the October 2016 Annual General Meeting.
- A summary of the original Finity / Batt report was prepared by Finity, and has been circulated widely across the Sector.
- Discussions with JLT on new governance arrangements have continued to address both the recommendations of the Auditor General and those contained within the Finity / Batt report.

Conclusion

The comprehensive review has delivered its key findings including that the current structure of pooling risk in a mutual, buying reinsurance to protect the pool and using expert provider(s) for management is an effective model for local government, superior to alternative options.

The review has also found that 100% membership of the Schemes is a significant strength as all councils can benefit from economies of scale.

However as found by the Auditor General, and confirmed through our own comprehensive review, the current legal and governance structures require modernization to enable the LGA to govern, benchmark and market test discrete components of the Schemes as required.

Modernized arrangements are being negotiated with JLT, confirmed with the LGA Board and implemented before 2018/2019 premiums are due. In the meantime, insurance and indemnity coverage to councils continues without any interruption.

Financial and Resource Implications

This activity has been anticipated in the LGA’s work program and resources are available to progress this work.
7.5 LGA Governance Review Update

Information Reports from the LGA Board

From: Kathy Jarrett, Executive Director Corporate & Member Services
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 3D Develop, review and improve LGA commercial enterprises
Meeting: Annual General Meeting 16 November 2017
ECM: 655567 Attachment: 655609

Recommendation

That the Annual General Meeting:

1. notes the report;
2. notes the proposed new LGA governance structure, constitutional drafting notes and draft new LGA Constitution to be the subject of sector wide consultation prior to endorsement at the next general meeting of members of the LGA.

Background

In January 2016, the Board resolved to pursue several key initiatives including the conduct of an LGA Board Governance review.

The review encompasses various matters raised by LGA members. In addition to the individual matters raised, the LGA Board took a strategic approach and identified the project scope as being to undertake an analysis and review of the governance framework required to enable the LGA to adequately fulfil its key functions as outlined in the LGA’s Constitution, namely:

1. To provide leadership for local government in SA;
2. To maintain key relations with the State and Commonwealth governments; and
3. To undertake appropriate business to maintain the economic health of local government in South Australia.

During 2016/2017, broad Sector engagement was undertaken with multiple sessions being held. Key areas emerging from the engagement included:

- The LGA is a facilitator of local government working as one sector by bringing members together to develop clear policy and at the same time, representing and reflecting the different communities of interest.
- Strategies and structures for ‘regional’ engagement is critical.
- Leadership and the setting of strategic direction with the LGA as facilitator.
- Putting the leadership and strategic direction into action through:
  - Advocacy - advocacy and representation with other spheres of government, the community and other stakeholders. Strong, quick and clear advocacy, representing the different communities of interest.
• Assisting - provision of frontline support and assistance.

• Advancing - provision of specialist services and commercial activities.

- Communication with members is critical. All members need to know about and communicate the achievements of the Sector.

- Everyone in local government should “feel” like a member of the LGA.

The early consultation confirmed a consistent view was held across the Sector regarding the LGA’s purpose, that being Advocacy, Assist and Advance.

This purpose is already well embedded in the LGA Constitution, as well as in the suite of emerging LGA Strategic Plans.

The LGA is currently reviewing the ‘LGA Policy Manual’. This review is highlighting that to provide leadership and advocacy, the LGA membership needs to adopt high level policy positions that represent sector wide views and a vision for the State from a local government perspective.

To develop a suite of high level policy positions that informs leadership and advocacy activity, structures that facilitate engagement across the Sector are vital.

Similarly, structures (e.g. a commercial enterprise as a wholly owned subsidiary of the LGA) to facilitate sector advancement through the provision of specialist services, commercial activities and frontline support and assistance to councils is also vital.

With the information outlined above as a backdrop, the LGA’s structure was the topic of a series of engagements held during 2016 / 2017. The LGA’s structure, particularly in the context of ‘Advancing’ the sector through the provision of specialist services and commercial activities was also discussed in detail as part of the LGA Schemes Review. This area of activity has been recognised by the Board as a high priority, with the endorsement of a new position, Executive Director Commercial, as part of the 2017/2018 Annual Business Plan.

A first draft model LGA structure was presented during the consultation sessions. This was further refined based on feedback, and was the focus of a workshop held during a Board meeting on 5 October 2017. At that meeting, the Board resolved:

“that the proposed LGA governance structure be included on the Agenda for the November 2017 Annual General Meeting together with drafting notes for a new LGA Constitution (bringing the structure into effect) noting that the structure and draft Constitution will be the subject of further consultation with the sector and the Minister for Local Government”.

The purpose of this report is therefore to circulate to members the proposed LGA governance structure, constitutional drafting notes and a draft new LGA Constitution. Note that these documents are for the purposes of sector wide consultation with member councils and the Minister for Local Government.
Discussion

Attached to this report are:

1. Schematic of a proposed new LGA Structure
2. Background information and drafting notes for a proposed new LGA Constitution
3. Draft new LGA Constitution

The above information will be the subject of further sector wide consultation, with key matters for discussion including:

- Membership
- Regional structures, role and functions
- Composition of the LGA Board of Directors
- Election procedures

Financial and Resource Implications

This activity has been anticipated in the LGA’s work program and resources are available to progress this work.
### Key concept

**Background**

In September 2015, Board Resolution to undertake a full governance review covering:
- Role and function of LGA Board into the future
- Relationships with wholly owned entities
- Reporting obligations
- Appointments to un-associated organisations

### Notes

**Update:**

The first three items identified will be addressed within the new LGA Constitution.

Appointments to un-associated organisations has been addressed with recommendations endorsed at the July 2017 Board meeting introducing a new approach for LGA appointments to external bodies.

### Background

Additional matters raised by members to be covered in the review:
- Regional / metropolitan representation on Board
- The role, structures, funding and operation of SAROC, MLGG and regional LGAs
-The appointment and role of deputy members to the Board
- Board member allowances
- LG Research & Development Scheme
- Special Local Roads Program
- Motions raised for consideration at OGMs and AGMs
- Population bands utilised to determine voting rights, and subscription fees

### Notes

**Update:**

Most items will be addressed within the new LGA Constitution or as follows:
- Board member allowances – 1st phase review completed, refer to May 2017 Board report. A further independent review to be progressed when the LGA structure finalised
- LG R&D Scheme and Special Local Roads Program – to be commenced in 2018
- Population bands – The LGA subscription fee review has been completed – refer to May 2017 Board report.

### Role of LGA

Feedback on role of LGA:
- Facilitator, working together as one sector
- Engagement, policy development
- Leadership & **Advocacy**
- **Assisting** councils
- **Advancing** the sector, commercial services

Since the Board’s resolution, significant sector wide consultation has been undertaken, with the first round confirming the purpose / role of the LGA.

In addition to the core role of the LGA being Advocacy, Assist, and Advance, a smaller Board was a consistent theme, as was the need to consider the skills required.

Different structures to facilitate the different parts of the LGA's operations e.g. engagement, advocacy, business activities were also a theme.
**Key concept**

The LGA is recognized in the Local Government Act as a public authority with responsibility for promoting and advancing the interests of local government. It is also recognized in 44 pieces of state legislation. Everything the LGA does is captured in *Advocate, Assist, Advance*. This is the ‘what we do’. ‘How’ we do this is through leadership, engagement, policy development, and the delivery of member services. The outcomes of this work makes a contribution to the public value of services provided by councils and as such, the LGA’s Strategic Plan is aligned to *Advocate, Assist, Advance*.

The LGA’s Strategic Management Framework shows how everything is linked, all contributing to the LGA’s value proposition. This is the mechanics of the LGA delivering value to member councils. Aligning the LGA’s structure is the next step.

The current LGA Constitution defines the following representational structure:

Note that the outback regions / unincorporated areas are not represented within the current structure. Conservatively, this structure results in:

- 38 meetings per year concerned with the governance and business of the organisation
- 558 attendees at meetings per year
- 1,476 hours spent in meetings per year

<table>
<thead>
<tr>
<th><strong>Notes</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The LGA is recognized in the Local Government Act as a public authority with responsibility for promoting and advancing the interests of local government. It is also recognized in 44 pieces of state legislation. Everything the LGA does is captured in <em>Advocate, Assist, Advance</em>. This is the ‘what we do’. ‘How’ we do this is through leadership, engagement, policy development, and the delivery of member services. The outcomes of this work makes a contribution to the public value of services provided by councils and as such, the LGA’s Strategic Plan is aligned to <em>Advocate, Assist, Advance</em>.</td>
</tr>
<tr>
<td>The LGA’s Strategic Management Framework shows how everything is linked, all contributing to the LGA’s value proposition. This is the mechanics of the LGA delivering value to member councils. Aligning the LGA’s structure is the next step.</td>
</tr>
<tr>
<td>The current LGA Constitution defines the following representational structure. Note that the outback regions / unincorporated areas are not represented within the current structure. Conservatively, this structure results in:</td>
</tr>
<tr>
<td>- 38 meetings per year concerned with the governance and business of the organisation</td>
</tr>
<tr>
<td>- 558 attendees at meetings per year</td>
</tr>
<tr>
<td>- 1,476 hours spent in meetings per year</td>
</tr>
</tbody>
</table>
## Key concept

### Strengths & Weaknesses

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGA President democratically elected by every member council</td>
<td>Current Constitution cumbersome</td>
</tr>
<tr>
<td>Role of the IPP retains expertise and balance between regional and metro</td>
<td>High bureaucracy due to multiple layers of decision making and lots of formal meetings</td>
</tr>
<tr>
<td>LGA Audit Committee including independent members provides expert advice</td>
<td>Current election system, counting of votes may result in under representation</td>
</tr>
<tr>
<td>Regional approaches recognise different communities of interest</td>
<td>Regional / metro resourcing, participation and engagement inconsistent</td>
</tr>
<tr>
<td>Balanced representation and collaboration of regional and metro provides stability</td>
<td>Notice of motion process leading to non-strategic decision making</td>
</tr>
<tr>
<td>Outback communities not represented</td>
<td>No formal role for council administrations</td>
</tr>
<tr>
<td>Skills deficit for commercial activities</td>
<td></td>
</tr>
</tbody>
</table>

Feedback received during consultation indicates there is more opportunity and value in council CEO’s providing advisory input to the services delivered by the LGA, particularly in the area of commercial activities.

## Notes

The LGA’s value proposition can be summarized as: Strong engaged communities served by efficient and collaborative councils, assisted by a strong Association.

This model structure was used to generate feedback over the last 12 months. The structure is aligned to **Advocate, Assist, Advance**. The alignment is deliberate, and will contribute to how the LGA strategically leads and manages the organisation over time with the Strategic Plan, Long Term Financial Plan and Annual Business Plan and Budget all being aligned. The intention is that as ‘Advance’ (commercial) services grow, these will subsidise ‘Advocacy’ activities, and in turn reduce reliance on subscription fees, which currently represents 33% of the LGA’s revenue source.
**Key concept**

Some high level feedback:

- AGM / OGM for bringing the sector together and endorsing high level policy
- Questioning the necessity / role of the representative council
- Metro councils to take a regional approach
- Unique role of City of Adelaide to be considered
- CEO advisory group is appropriate
- Commercial enterprise board required
- It doesn’t address the current resource intensive system

**Notes**

High level feedback received on the model structure included:

- The AGM / OGM is for bringing the sector together and for endorsing high level policy
- The necessity of the representative council was questioned
- Metropolitan councils would benefit from taking a regional approach for the purposes of electing members to GAROC and the Board of Directors.
- The unique role of City of Adelaide to be acknowledged
- A CEO advisory group will add value
- A skills based, commercial enterprise board is required
- The model structure does not address the current resource intensive system

A new proposal was developed, considering feedback received.

Key highlights:

- Sovereign power rests with member councils.
- AGM and other forums will be greater utilised as engagement and policy setting activities
- SAROC & GAROC role / purpose is leadership, policy, advocacy at regional and metropolitan levels
- LGA Board of Directors (formerly the LGA Executive Committee) is the governing entity of the LGA
- The LGA Board of Directors will carry out fiduciary duties, strategic direction, leadership and oversight
- Alignment with Advocacy, Assist, Advance is retained, and resourcing is streamlined
- There is a role for CEO’s / council administrations in the areas of Assist and Advance: contributing to the effectiveness and efficiency of councils – delivering greater public value
- Independent skills and experience sourced through the commercial enterprises board, CEO advisory group and the Audit Committee
The following are some Constitutional drafting notes regarding structure and membership:

- Sovereign power rests with members through an AGM.
- A simplified ‘member’ structure is proposed.
- Members to include all Councils and Community Councils – this means outback regions / unincorporated areas.
- Removal of the concept of associate member.
- Members who fail to pay subscriptions or who bring local government into disrepute may be expelled by the LGA Board of Directors.
- Introduces ‘no member, no service’.
- Weighted voting for members at general meetings retained.
- One vote one member for election of president, SAROC and GAROC retained.
- Business agenda for general meetings restricted to items of strategic importance to local government and the LGA.
- Notices of motion will only be presented to a general meeting after being filtered by GAROC or SAROC or the Board of Directors.

The following are some Constitution drafting notes concerning the regional structures:

- Regions (to be called electorates or similar) to be identified in a Schedule to the LGA Constitution for election (to SAROC & GAROC) purposes only.
- Metropolitan to be focused on greater Adelaide and may include North, South, East, West and City of Adelaide.
- SAROC: the starting point is the existing regions.
- Councils can form their own regions / collaborations for other purposes.
- Role / purpose of SAROC & GAROC is regional advocacy, policy, leadership, engagement.
- SAROC & GAROC will review and filter notices of motion from regions and individual councils and recommend / consider whether they are dealt with by the individual council, the individual region, ROC, LGA Board of Directors or at a meeting of members.
<table>
<thead>
<tr>
<th>Key concept</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>There will be aligned planning and budgeting processes between LGA, SAROC, GAROC – with a focus on delivering value, utilisation of the right resources, at the right time, prioritising the right issues. Schedules to the Constitution will identify how SAROC &amp; GAROC will operate in terms of resourcing, planning and committees. The extent of budgets will be determined as part of the planning process.</td>
<td>The chair of SAROC &amp; GAROC will be an automatic member of the LGA Board of Directors.</td>
</tr>
</tbody>
</table>

### Constitution – drafting notes

**LGA Board of Directors:**
- This is the governing body of the LGA – renamed from the LGA Executive Committee
- Role is governance, strategic direction and leadership
- Review and ratification of regions for election purposes
- Composition: President, IPP, 3 SAROC, 3 GAROC
- No deputies or proxies
- Bi-monthly meetings
- Has power of refusal with reason
- Systems of accountability built in to schedules e.g. reporting regimes

**President:**
- Elected at large from across council members
- 2 year term retained
- Rotates between regional and metropolitan as per current practice
- Retain role of Immediate Past President
- Term commences at end of AGM every 2nd year

The following are some Constitution drafting notes concerning the LGA Board of Directors:
- The Board of Directors is renamed from the LGA Executive Committee
- The role is corporate governance, strategic direction and leadership
- The composition of the Board is: President, Immediate Past President (IPP), 3 x SAROC, 3 x GAROC
- The Board has the power of refusal regarding matters being presented to general meetings of members including notices of motion from councils
- The Board will report annually to a meeting of members the performance of the LGA. Quarterly reporting will also be introduced via a schedule to the Constitution
- Certain matters will continue to be delegated to the President and the CEO as required outside of normal meetings cycles e.g. submissions to other levels of government, nominations to outside bodies

The following are some Constitution drafting notes concerning the role of President and Immediate Past President (IPP):
- The President is to be elected at large from across all member councils
- The current 2-year term is to be retained
- The current practice of rotating between regional and metropolitan councils is to be retained
- There is merit and support for retaining the role of Immediate Past President
- Term commences at end of AGM every 2nd year
### Summary of benefits

- Strong emphasis on collaborative councils, assisted by a strong LGA
- Focused leadership and advocacy at all levels
- Efforts aligned to the purposes of Advocate, Assist and Advance
- Streamlined, integrated and consistent engagement & resourcing across the system
- A more efficient structure for decision making
- Key expert advice through commercial board, CEO advisory group and audit committee

### Notes

The following is a summary of the new proposal’s benefits:

- There is a strong emphasis on collaborative councils, assisted by a strong LGA.
- The structure supports the role of the LGA being to facilitate engagement to develop clear policy and outcomes.
- There is focused leadership and advocacy at all levels – State-wide, regional, and individual members.
- Efforts are aligned to the purposes of Advocacy, Assist and Advance.
- There will be streamlined, integrated and consistent engagement and resourcing across the system.
- The system will provide a more efficient structure for decision making – and result in a reduction of meetings.
- Key expert advice to the LGA and the sector will be delivered through the commercial board, advisory group and audit committee. These structures future proof the Association.
Draft

Local Government Association of South Australia

Constitution

For distribution at the 2017 Annual General Meeting
Table of Contents

I Preliminary ...................................................................................................................... 1

1. Association .................................................................................................................... 1
2. Constitution .................................................................................................................. 1
3. Interpretation ............................................................................................................... 2
4. Objects ........................................................................................................................ 3
5. Powers .......................................................................................................................... 4

II Membership of the LGA ............................................................................................... 5

6. Membership .................................................................................................................. 5

III Meetings of the LGA ................................................................................................... 5

7. Annual General Meeting ............................................................................................. 5
8. Special General Meeting ............................................................................................... 6
9. Appointment of Delegates ............................................................................................ 6
10. Quorum ....................................................................................................................... 6
11. Chair .......................................................................................................................... 6
12. Adjournments ............................................................................................................ 7
13. Business of General Meetings ................................................................................... 7
14. Voting ........................................................................................................................ 7
15. Procedure at Meetings ............................................................................................... 7
16. Regional Organisations of Councils ......................................................................... 8

IV The Board ..................................................................................................................... 8

17. Board of Directors ..................................................................................................... 8
18. Quorum of the Board of Directors ............................................................................. 9
19. Voting by the Board of Directors ............................................................................... 9
20. Functions of the Board of Directors ......................................................................... 9
21. Duties of the Board of Directors .............................................................................. 10
22. Delegations ............................................................................................................... 10
23. Additional Powers of the Board of Directors ............................................................ 11
24. Election to Office of President ................................................................................... 11
25. Elections – Procedure .............................................................................................. 12
26. Term of Office .......................................................................................................... 13
27. Casual Vacancy ......................................................................................................... 13
28. Appointment of a Chief Executive ............................................................................ 14
29. Duties of the Chief Executive .................................................................................... 14
30. Audit ........................................................................................................................ 15
Schedule 1 ......................................................................................................................... 15
Schedule 2 ......................................................................................................................... 15
Schedule 3 ......................................................................................................................... 15
I Preliminary

1. Association

The Association is the "Local Government Association of South Australia" ("LGA") which is constituted as a body corporate and a public authority pursuant to the Local Government Act 1999 for the purpose of promoting and advancing the interests of local government in South Australia.

2. Constitution

2.1 Effective upon the Minister giving approval to this Constitution under subclause 1(4) of Schedule 1 of the Local Government Act 1999, this document is the Constitution of the LGA and revokes the previous constitution of the LGA without prejudice to rights or obligations at that time accrued.

2.2 This Constitution is binding:

2.2.1 As between the LGA and each Member;

2.2.2 As between the LGA and each of its officers or employees; and

2.2.3 As between each Member and each other Member.

2.3 This Constitution may be altered only:

2.3.1 by resolution:

a. passed at a General Meeting of which at least 30 days’ notice has been given; and

b. passed by at least 75% of the votes cast by Members and

2.3.2 with approval of the Minister under subclause 1(4) of Schedule 1 of the Local Government Act 1999.

2.4 In any circumstances in which this Constitution is silent, incapable of taking effect or being implemented according to its strict provisions, the Board of Directors may determine what action may be taken to ensure the effective administration and objects of the LGA.

2.5 Despite any other provision of this Constitution, the Board of Directors may as it thinks fit suspend or modify the operation of any provision of this Constitution in order to provide for a matter related or ancillary to a proclamation made by the Governor under Part 1 of Chapter 3 of the Local Government Act 1999.

2.6 Transitional arrangements associated with this Constitution are as follows:

2.6.1 [to be inserted]
3. **Interpretation**

In this Constitution unless the contrary intention is apparent:

3.1 **“Audit Committee”** is a body of at least 3 people with appropriate qualifications and experience appointed by the Board of Directors and responsible to discharge the functions set out in its Terms of Reference;

3.2 **“Board of Directors”** means the Board of Directors which is the governing entity of the LGA;

3.3 **“Community Council”** means the governing entity for each of (a) the Anangu Pitjantjatjara Community; (b) the Maralinga Tjarutja Community; (c) the Yalata Community; (d) the Nepabunna Community; (e) the Gerard Community; and (f) the Outback Communities Authority;

3.4 "**Council**" means a Council constituted under the Local Government Act 1999;

3.5 **“Chief Executive”** means the Chief Executive of the LGA and, where the context allows, includes that person’s deputy or a person acting in that position;

3.6 **"Delegate"** means a delegate or representative appointed to represent a Member at a General Meeting of the LGA;

3.7 **“GAROC”** means the body appointed by regional groupings of Members as set out in Schedule 1 to the Constitution;

3.8 **“General Meeting”** means a General Meeting of the Members of the LGA including any Annual General Meeting or Special General Meeting;

3.9 **“Immediate Past President”** means the person who is the immediately preceding President of the LGA;

3.10 **"LGA"** means the Local Government Association of South Australia;

3.11 **“LGA Secretariat”** means the resources engaged by the Chief Executive to ensure that the LGA is enabled to adequately perform its functions.

3.12 **"Member"** means a Council and a Community Council which has paid the annual subscription and remains compliant with the Constitution;

3.13 **“Membership Policy”** means the policy determined by the Board of Directors as envisaged in Clause 6 of this Constitution;

3.14 **“President”** means at any time the person holding office as LGA President;

3.15 **“SAROC”** means the body appointed by regional groupings of Members as set out in Schedule 1 to the Constitution; and

3.16 words importing the singular include the plural and vice versa.
4. **Objects**

The Objects of the LGA are to:

4.1 advocate and provide leadership for local government in South Australia, leading to strong engaged communities served by efficient and collaborative Councils and Community Councils, assisted by a strong LGA;

4.2 advocate for an autonomous, effective and democratic system of local government in South Australia to meet contemporary community needs;

4.3 encourage and promote an efficient, effective and sustainable system of local government in South Australia;

4.4 promote and protect the interests of local government and its Members and the communities they represent;

4.5 encourage and help local government to engage with and respond to the needs of the community;

4.6 develop and maintain consultation and co-operation between local government and all spheres of the State and Commonwealth government and their agencies;

4.7 assist Members to develop and maintain their financial sustainability and for the advancement of local government;

4.8 undertake any business which contributes to the Objects;

4.9 represent Members of the LGA and local government in its dealings with the public and the State and Commonwealth Governments;

4.10 act as an advocate for Members and the local government community to address contemporary needs;

4.11 facilitate engagement and consultation by and between Members as to their common interests;

4.12 encourage, assist, promote and foster the achievement and maintenance of the highest levels of integrity, justice, competence, effectiveness and efficiency of local government;

4.13 undertake or promote any activity with the Board of Directors determines to be for the benefit and/or interest of Members and local government in South Australia; and

4.14 such other functions as may be vested in the LGA by statute.

A Member of the LGA must provide to the LGA such information and support as the LGA reasonably requests to carry out its Objects.
5. **Powers**

For carrying out its Objects and in addition to any other powers given to the LGA under this Constitution or under legislation, the LGA shall have the power exercised through the Board of Directors to:

5.1 acquire, hold, deal with, and dispose of, any real or personal property;
5.2 administer any property on trust;
5.3 operate accounts with any financial institution including the Local Government Finance Authority;
5.4 levy annual subscriptions, special purpose levies and service charges upon Members;
5.5 accept gifts of money or property;
5.6 invest money in any way in which trust money may under statute be invested or with the Local Government Finance Authority;
5.7 borrow and raise money as required by the LGA having regard to the financial sustainability of the LGA;
5.8 give security for the discharge of liabilities incurred by the LGA;
5.9 make application to and accept grants and loans from the State Government and the Commonwealth Government for the benefit of any Member or the LGA;
5.10 employ a Chief Executive;
5.11 engage professional advisors as required;
5.12 appoint agents to transact any activities of the LGA on its behalf;
5.13 insure against any risk;
5.14 enter into any contract it considers necessary or desirable;
5.15 advocate for changes to State Government and Commonwealth Government legislation;
5.16 provide services to Members with or without reward;
5.17 publish material of interest to Members, and for promoting the LGA and policies to promote the system of local government;
5.18 enter into any arrangements or obtain any privileges and concessions which the LGA considers to be desirable for the LGA on behalf of Members;
5.19 mediate disputes between Members or within a Member’s governing entity;
5.20 refer any dispute to which it is party to mediation, arbitration or litigation;
5.21 support the LGA Secretariat;
5.22 exercise any other power vested in the LGA by statute;
5.23 do all things which are incidental or conducive to the attainment of the Objects;
and
5.24 associate with other associations and organisations having objects or a purpose like those of the LGA.
II Membership of the LGA

6. Membership

6.1 Every Council and every Community Council in existence is at that time and for the duration entitled to apply to be a Member of the LGA.

6.2 Membership of the LGA is confirmed when a Member pays the annual subscription.

6.3 The Board of Directors shall determine the amount payable by a Member by way of an annual subscription to the LGA which shall be due and payable on the 1st day of August for the financial year commencing on the preceding 1 July or as otherwise determined by the Board of Directors.

6.4 The Board of Directors may, in its absolute discretion in the interests of the LGA, decline the membership of any Council or a Community Council, and it may revoke the membership of a Council or a Community Council based on criteria outlined in a Membership Policy including that the Council or Community Council is bringing local government into disrepute.

6.5 If a Council or a Community Council is not a Member of the LGA either by choice or is declined membership, has membership revoked or does not pay subscriptions when they fall due, then the LGA will remove services from such a Council or a Community Council as soon as practicable.

6.6 A Council or a Community Council which is not a Member of the LGA may make a written application to become a Member of the LGA.

6.7 The Board of Directors will determine to accept or otherwise such applications based on criteria outlined in a Membership Policy.

6.8 A Council or a Community Council may resign from the LGA upon giving written notice to the LGA. A resignation takes effect as outlined in the Membership Policy.

III Meetings of the LGA

7. Annual General Meeting

7.1 A meeting of the Members of the LGA to be called the Annual General Meeting shall be held once in each year, at a time and a place determined by the Board of Directors.

7.2 A General Meeting of Members may be called at any other time and place determined by the Board of Directors.

7.3 The Chief Executive shall at least thirty (30) days before the date fixed for the holding of the Annual General Meeting so advise each Member setting out the time, date and place of the meeting and an outline of the proposed business of the meeting.
8. **Special General Meeting**

8.1 The Board of Directors of the LGA has the power to call a Special General Meeting of the LGA for a stated purpose upon at least seven (7) days’ notice in writing to be given to all Members by the Chief Executive.

8.2 At least ten Members may, by a notice in writing to the Chief Executive request a Special General Meeting of LGA stating the business to be considered and determined at the Special General Meeting.

8.3 If at least ten Members request a Special General Meeting the Chief Executive must within fourteen days from the receipt of the notice call a meeting of the Members to be held within twenty-one days for the stated business.

8.4 No business other than the stated business may be considered or determined at such a meeting.

9. **Appointment of Delegates**

9.1 Each Member may appoint one person to be a Delegate for the Member at meetings of the LGA, and may at any time revoke such appointment and appoint another in that person’s place.

9.2 To be eligible a Delegate must be a person who is then on the governing entity of the Member.

9.3 If a Delegate is unable to attend a meeting the Member may, by giving written notice to the LGA, appoint another person to act as a substitute at the meeting. The appointment will only be valid for the meeting specified in the written notice.

9.4 Each Member shall give notice in writing to the LGA of the person appointed to act as Delegate and the LGA will maintain a Register of Delegates.

9.5 The appointment of a Delegate shall terminate upon written notification from the Member:

9.5.1 to the LGA of the Delegate’s resignation or revocation of appointment; or

9.5.2 if the Delegate ceases to be on the governing entity of the Member.

10. **Quorum**

10.1 No business shall be transacted at any meeting of Members of the LGA unless at least one half of the Delegates plus one are present.

10.2 A quorum present at the commencement of a meeting of Members is taken to be present throughout the meeting unless the Chair of the meeting declares otherwise.

11. **Chair**

The President shall preside at all meetings of the LGA and the Board of Directors, but in his or her absence a member of the Board of Directors so chosen by the Board of Directors shall preside at the meeting.
12. **Adjournments**

12.1 The Delegates present at any meeting may from time to time adjourn the meeting to a determined date and time.

12.2 If no quorum is present at a meeting within half an hour after the time appointed for a meeting, a majority of Delegates present may adjourn the meeting to a determined date and time.

12.3 Any business which could have been transacted at a meeting which has been adjourned because of the absence of a quorum under clause 12.2 may be transacted at the adjourned meeting notwithstanding there is no quorum present at that meeting.

13. **Business of General Meetings**

13.1 The business of a General Meeting will be to consider items of strategic importance to local government and the LGA as recommended by SAROC, GAROC or the Board of Directors, and which items are beyond the scope of the responsibility of the Board of Directors.

13.2 No business shall be brought before a General Meeting of the LGA unless:

13.2.1 it has previously been considered by and recommended by SAROC or GAROC, and the Board of Directors has made a recommendation on the business; or

13.2.2 for a Special General Meeting the business is as stated in the notice requesting the meeting.

14. **Voting**

14.1 All questions arising at a meeting of Members of the LGA shall be decided by the majority value of the votes of the Delegates present at the meeting and voting on the questions.

14.2 Votes of Delegates at meetings of the LGA shall have the following values:

14.2.1 Delegates of Members whose areas have populations up to 10,000 people - value of one;

14.2.2 Delegates of Members whose areas have populations of between 10,001 and 50,000 people - value of two; and

14.2.3 Delegates of Members whose areas have populations of over 50,001 people - value of three.

14.3 For the purposes of this Rule the population of each Member area shall be the population stated in the latest estimated population figures published by the Australian Bureau of Statistics.

15. **Procedure at Meetings**

The Board of Directors may, consistent with the Constitution, make, vary or revoke any standing orders ordering or regulating the mode and conduct of proceedings at any meeting of the LGA, SAROC, GAROC and the Board of Directors itself.
16. Regional Organisations of Councils

16.1 There shall be two Regional Organisations of Councils, one being SAROC, the other being GAROC.

16.2 Schedule 1 to this Constitution will determine the architecture for the regional groupings of Members within both SAROC and GAROC with the intent that such regional groupings of Members are, under this Constitution, for election purposes only to SAROC and GAROC.

16.3 The role of SAROC and GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions.

16.4 SAROC will comprise such persons being two Mayors and one CEO (or the Executive Officer of a regional grouping) elected by each of the regional groupings in the said region provided that each person so elected is from a different Member.

16.5 GAROC will comprise such persons being the Lord Mayor (or nominee) of the City of Adelaide which is a standing member of GAROC, plus two Mayors and one CEO elected by each of the regional groupings in the said region provided that each person so elected is from a different Member.

16.6 SAROC and GAROC will be supported by the LGA Secretariat.

16.7 SAROC and GAROC will conduct their business in accord with the Terms of Reference set out in Schedule 2 to this Constitution, which will include requirements for strategic and annual business planning and budgeting, and reporting requirements.

16.8 SAROC and GAROC will, according to protocols set out in Schedule 3 to this Constitution, receive from Members and regional groupings of Members, proposals for policy development for the betterment of local government.

16.9 SAROC and GAROC will consider such proposals and recommend whether such proposals are dealt with at a regional level, SAROC or GAROC level, Board of Directors level, or referred to Members at a General Meeting.

IV The Board

17. Board of Directors

17.1 The Board of Directors is the governing entity of the LGA. Its role is corporate governance, strategic direction and leadership.

17.2 The Board of Directors shall consist of:

17.2.1 the President;

17.2.2 the Immediate Past President; and

17.2.3 six additional persons (who must be a council member) each of whom have relevant business and governance experience to be elected in equal proportion from and by SAROC (3 persons) and GAROC (3 persons).
17.3 Meetings of the Board of Directors shall be held at least bi-monthly at such times and places as shall be determined by the President or in default by any three (3) members of the Executive Committee.

17.4 The Chief Executive shall, at least seven (7) days before the date fixed for the meeting of the Board of Directors, inform each member of the Board of Directors of the date and time of the meeting and the proposed business to be conducted at the meeting.

17.5 The President may in cases of urgency direct that a meeting of the Board of Directors be held at any time without the need to give seven (7) days’ notice. If this occurs the Chief Executive shall if practicable give notice in writing to each member of the date and time of the meeting and the proposed business to be conducted at the meeting.

18. Quorum of the Board of Directors

No business shall be transacted at a meeting of the Board of Directors unless half plus one members (providing that at least one member from each of SAROC and GAROC is in attendance) are present in person or connected using technology which enables all members to communicate with each other as if they were all present in one place.

19. Voting by the Board of Directors

19.1 All questions arising at a meeting of the Board of Directors shall be decided by a simple majority vote of the members present and voting on each question.

19.2 The President or in the absence of the President, the Chair of the meeting, does not have a deliberative vote, and if there are then equal numbers of votes on any question, the President (or Chair) shall have a casting vote.

20. Functions of the Board of Directors

The function of the Board of Directors is to exercise the Powers of the LGA and in doing so shall:

20.1 appoint and if appropriate remove a Chief Executive;
20.2 superintend the performance of the Chief Executive;
20.3 hold the Chief Executive accountable for the performance of the LGA Secretariat;
20.4 be the advocate for the LGA, the Members and the local government community;
20.5 generally superintend the activities of the LGA; and
20.6 undertake such other functions as may be stated elsewhere in this Constitution and Schedules attached to this Constitution.
21. **Duties of the Board of Directors**

The Board of Directors must ensure that:

21.1 the LGA acts in accordance with applicable laws and this Constitution;

21.2 the LGA acts ethically and with integrity respecting diversity and striving for gender balance participation in all activities;

21.3 the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;

21.4 subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and

21.5 the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.

22. **Delegations**

22.1 The Board of Directors may by resolution delegate any of its powers, functions or duties to any one or more members of the Board of Directors, or to the Chief Executive except that a delegation to certify the audited financial statements in accordance with the Constitution must only be given jointly to the President and Chief Executive, (or the person(s) properly appointed to act in those positions for the time being).

22.2 However, the Board of Directors may not delegate:

22.2.1 power to determine annual subscriptions, special purpose levies, service charges for services provided to Members;

22.2.2 power to determine a membership application or to determine the continuing membership status of a Member;

22.2.3 power to borrow money or to obtain other forms of financial accommodation;

22.2.4 power to adopt or revise a strategic management plan of the LGA;

22.2.5 power to adopt or revise an annual business plan or budget of the LGA;

22.2.6 power to pay remuneration or expenses to members of the Board of Directors; or

22.2.7 power to make an application or recommendation, or to report to or give notice, to the Governor or the Minister, being an application, recommendation, report or notice for which provision is made under statute.

22.3 A delegation:

22.3.1 is subject to conditions and limitations determined in the resolution;

22.3.2 if made to the Chief Executive authorises the sub-delegation by the Chief Executive of the delegated power or function unless the resolution directs otherwise; and

22.3.3 is revocable at will and does not prevent the Board of Directors from acting in a matter.
22.4 The Board of Directors must cause a separate record to be kept of all delegations under this clause, and decisions made under such delegations.

22.5 The Chief Executive must ensure that every decision under delegation is reported to the Board of Directors at least every three months.

22.6 At least once in every financial year the Board of Directors must review the delegations for the time being in force under this clause.

22.7 The record of delegations and decisions made under this clause must be placed on the LGA public website.

23. **Additional Powers of the Board of Directors**

23.1 The Board of Directors has power to:

23.1.1 establish standing committees consisting of persons who are not members of the Board of Directors, or a member of the governing entity of a Member, for any purpose and with such duties or functions as the Board of Directors determines;

23.1.2 establish a governing terms of reference for such standing committees; and

23.1.3 recommend to the Members at a General Meeting to amend the provisions of the Constitution.

23.2 The Board of Directors must establish and maintain an Audit Committee comprising at least 3 persons with appropriate qualifications and experience required to discharge the function of an Audit Committee as determined by the Board of Directors and in accord with the Terms of Reference.

23.3 The Board of Directors, the Audit Committee and any standing committee shall cause minutes to be kept of all its proceedings and actions, and will report their activities to Members at each General Meeting of the LGA.

24. **Election to Office of President**

24.1 The office of President shall be elected by Members.

24.2 The eligibility for office of President shall rotate each term between a person who is a representative of members in SAROC and a person who is a representative of members in GAROC.

24.3 To be eligible for nomination as a candidate for the position of President a person must then be a serving member of the governing entity of a Member.

24.4 To be eligible for the position of President a person must also be a representative and have served as a representative on SAROC or GAROC for a period of not less than one year.

24.5 In the year when a new President is to be elected and at least three (3) months before the Annual General Meeting the Chief Executive shall write to all Members calling for nominations for the position of President.

24.6 Every Member is entitled to nominate one eligible person to the office of President.

24.7 The nomination of a person to such office shall be by resolution of a Member and shall be received by the Chief Executive not later than the day specified...
for the closure of nominations. A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

25. Elections – Procedure

25.1 This procedure applies to the election for the office of President.

25.2 The Chief Executive shall be the returning officer for any election.

25.3 If only one person is nominated for President the Chief Executive shall declare such person duly elected.

25.4 If the number of persons nominated for the office of President exceeds one then an election must be held.

25.5 After the close of nominations the Chief Executive shall forthwith notify all Members of the nominations.

25.6 In the event of an election being required the Chief Executive shall conduct the election as follows:

25.6.1 at least six (6) weeks before the Annual General Meeting the Chief Executive shall deliver ballot papers to each Member;

25.6.2 The ballot papers shall:

(a) list the candidates for election;
(b) specify the day of closure of the election; and
(c) be accompanied by an envelope marked "Ballot Paper" and a second envelope marked "Returning Officer";

25.6.3 each Member shall determine by resolution the candidate(s) it wishes elected;

25.6.4 the Delegate of a Member or in the Delegate's absence, the Chair of the meeting for that Member shall mark the ballot paper with an "X" next to each candidate that the Member wishes elected and seal the ballot paper in the envelope marked "Ballot Paper" inside the envelope marked "Returning Officer". Before sealing the second envelope the Delegate must indicate the Member's name on the inside flap of the envelope. The envelope may then be sealed and delivered to the Returning Officer;

25.6.5 on receipt of the envelopes the Chief Executive must:

(a) open the outer envelope addressed to the "Returning Officer" and record the name of the Member which appears on the inside flap of the envelope on the role of Member's eligible to vote; and
(b) place the envelope marked "Ballot Paper" unopened into the ballot box;

25.6.6 the Chief Executive shall nominate the time and place for the counting of votes and shall invite each candidate and a person nominated as the candidates scrutineer to be present;

25.6.7 at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all
votes are valid, count the number of votes received by each candidate;

25.6.8 the candidate with the most votes shall be deemed elected and the Chief Executive shall declare the candidate elected at the Annual General Meeting; and

25.6.9 in the case of candidates receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.

25.7 If insufficient nominations are received, the Chief Executive shall call for additional nominations from and by the Delegates at the Annual General Meeting and shall thereupon conduct an election at the meeting.

25.8 The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

26. Term of Office

26.1 The President shall take office after the Annual General Meeting of the year in which elected and shall hold office for 2 years or until any vacancy in that office occurs.

26.2 When a new President is elected the person retiring from the Office of President shall hold office as Immediate Past President until his or her successor as President is entitled to assume the office of Immediate Past President.

26.3 The term of office of the six persons elected to the Board of Directors by SAROC (3 persons) and GAROC (3 persons) shall commence after the Annual General Meeting of the year in which elected and shall be for 2 years or until a vacancy in that office occurs for any such person.

26.4 The term of office for persons on SAROC and GAROC shall commence after the Annual General Meeting of the year in which elected and shall be for 2 years or until a vacancy in that office occurs for any such person.

26.5 Such persons elected under clause 26.3 and 26.4 are eligible for and may be re-elected for subsequent terms.

27. Casual Vacancy

27.1 A casual vacancy shall occur in the office of President and the office of other members of the Board of Directors if the person in that office dies, resigns from the office of President or the Board of Directors, or resigns or is dismissed from SAROC or GAROC, or ceases to be a person who is on the governing entity of a Member for any reason.

27.2 If there is a casual vacancy in the office of President, the Board of Directors shall appoint a member of the Board of Directors to act in the office of President for the duration of the term.

27.3 If there is a casual vacancy in the general membership of the Board of Directors the position will be filled for the duration of the term by a person so
appointed as a replacement by SAROC or GAROC according to the principles in Clause 16.

27.4 If a casual vacancy arises in the office of Immediate Past President then, consistent with the principles in Clause 16, the vacant position on the Board of Directors will be filled by either SAROC or GAROC appointing a person to fill the vacancy (but not as Immediate Past President per se) who is a member of SAROC or GAROC, and who in the opinion of SAROC or GAROC is of such seniority and experience that his or her contribution will be valuable to the Board of Directors and the LGA.

27.5 Any person appointed to the office of Immediate Past President shall hold office until the retiring President becomes entitled to hold that office under this Constitution.

28. **Appointment of a Chief Executive**

28.1 The Board of Directors shall appoint a Chief Executive who shall be responsible to the Board of Directors for the execution of its decisions, to maintain the LGA Secretariat and for the discharge of designated duties.

28.2 The performance, remuneration and terms and condition of the Chief Executive’s appointment shall be reviewed annually by the Board of Directors.

28.3 In the absence of the Chief Executive a Deputy or in that person’s absence a person nominated by the Chief Executive shall act in that capacity for a specified period.

29. **Duties of the Chief Executive**

29.1 The Chief Executive shall act in accordance with the contract of employment between the parties and otherwise act to give effect to the decisions of the Board of Directors.

29.2 The Chief Executive:

29.2.1 shall maintain the LGA Secretariat and employ such staff as are required;

29.2.2 must keep full and accurate accounts of all monies received and expended on behalf of the LGA;

29.2.3 shall attend to all correspondence, receive, give receipt for, bank and make disbursements of LGA funds;

29.2.4 shall carry out lawful instructions given by the Board of Directors or the Members in General Meeting;

29.2.5 shall have custody of any books, journals, records or documents belonging to the LGA;

29.2.6 shall hold the seal of the LGA and shall not affix it to any document unless it is affixed in the presence of and attested by two members of the Board of Directors;

29.2.7 shall submit a duly audited statement of income and expenditure for the previous year ending the 30th day of June to the Annual General Meeting; and
29.2.8 shall submit a balance sheet showing the current assets and liabilities of the LGA to the Annual General Meeting.

30. Audit

30.1 The Board of Directors shall appoint an Auditor.

30.2 Prior to each Annual General Meeting the Auditor shall audit the income and expenditure account and balance sheet for the year ending 30th June and shall if required report its findings to the Annual General Meeting.

30.3 If required the Auditor shall report to the Annual General Meeting regarding the audit.

Schedule 1 – Members constituted within the area known as the South Australian Rural Region of Councils and Members constituted within the area known as the Greater Adelaide Region of Councils.

Schedule 2 – Terms of Reference for SAROC, GAROC, Audit Committee, and other standing committees that may be constituted from time to time.

Schedule 3 – Governance / procedural manual e.g. Membership Policy, appointment of delegates for general meetings, notice of motions from Members procedure, standard meeting procedures.
7.6 LGA Schemes Updates:

- LGA Workers Compensation Scheme
- LGA Mutual Liability Scheme

Information Reports from the LGA Board

From: Kathy Jarrett, Executive Director Corporate & Member Services
Key Initiative: K.I 3 Best practice and continuous improvement
Strategy: 3D Develop, review and improve LGA commercial enterprises
Meeting: Annual General Meeting 16 November 2017
ECM: 655566

Recommendation

That the Annual General Meeting notes the report.

Discussion

As per past practice, the following updates are provided from the Boards of the:

- LGA Workers Compensation Scheme (LGAWCS); and
- LGA Mutual Liability Scheme (LGAMLS).

This report highlights key achievements and year to date performance information for each of the Schemes. Note that a copy of the LGRS 2017 South Australian Local Government Risk Scheme Highlights, together with the full LGAWCS and LGAMLS Annual Reports will be available at the Annual General Meeting.

LGA Workers' Compensation Scheme

The Local Government Association (LGA) became a self-insurer when the Local Government Act was amended to provide for the LGA to "conduct and manage a local government workers compensation self-insurance scheme", pursuant to Schedule 1, Pt 1.2 (1) (b) of the Local Government Act 1999. This means that through the LGAWCS, the LGA has the responsibility to implement its own sector programs for Work, Health and Safety and ReturnToWork under the auspices of the self-insurer license approved by RTWSA.

Key points of note regarding the performance of the Scheme for the 16/17 year include:

- The Scheme surplus at 30 June 2017 was $27.012m, compared to $24.837 million at 30 June 2016, an increase of $2.17 million.
- A key factor in the long term projection for operating surpluses is the sustained reduction in claim numbers which has resulted in mid-long term claims projections stabilising at around 575 new claims per annum, noting that in 2016/17 there was again a record low 527 new claims (see Table 2).
the Actuary has estimated the savings to LG through operation of the self-insured LGAWCS, since its inception, is at $251 million (including the current accumulated surplus).

The 2017/18 Budget has now been finalized with the provision of the 2017 Actuary Report completed by Cumpston Sarjeant in August 2017. The Budget projects an operating surplus of $1,147m. Other Key components of the Budget include:

- A 3.5% increase in gross member contributions attributed to the estimated wage declarations (to $34.858 million).
- A $3 million Special Distribution back to Members and $1m allocation to a targeted Member Risk Fund.
- An average net contribution rate of 2.31% (net of performance rebates, Special Distribution and Member Risk Fund).

Special Note regarding ReturnToWork SA Self Insurer License:

On 11 September 2017, the LGAWCS was formally advised by RTWSA that the LGA application for extension of the Self-Insurance license has been approved, with the maximum term of 5 years approved by the RTWSA Board. This follows an extensive review of the LGAWCS internal systems and site Audits of members; City of Mitcham, Port Augusta City Council & Kingston District Council.

This is a fantastic result for the sector and culmination of several years’ hard work and commitment by all Members in developing and evolving standardised Safety systems and Risk management practices. It should be acknowledged by the LG Executive that the LGAWCS and the Members Audited did not receive one non-conformance. An unprecedented outcome.

Actuarial projections confirm that the sector has saved over $250 million through being a Self-Insured employer.

LGA Mutual Liability Scheme

The LGAMLS completed the 2016/2017 financial year with an operating surplus of $493,000, resulting in an accumulated surplus as at 30 June 2016 of $24.48 million.

Investment with the LGFA as at 30 June 2016 is $27.4 million.
The LGAMLS delivers a balance of financial, risk and claims management services providing unlimited civil liability protection for Members – 68 Councils in South Australia, plus 290 Prescribed Bodies.

- A contribution increase of 1.2% applied for the 2017/2018 membership renewal year, with an increase in bonus allocation to achieve a nil increase in net contribution.

- The ongoing commitment by the State Government to support the LGAMLS for the benefit of Local Government was reinforced by the signing of the Treasurer’s Indemnity agreement for a further 5 years (2017 – 2022).

- The renewal of the Public, Products & Professional Liability was negotiated as expiring on same terms as last year, with the majority of reinsurers agreeing to a new 3 year long term agreement. In accord with the revised terms of the Treasurer’s Indemnity, the current limit of indemnity ($300 million) for the general covers has been increased to $500 million.

- The Minister for Local Government also agreed to amend Regulation 24 of the Local Government (Financial Management) Regulations 2011 to increase the minimum level of civil liability insurance required to be held by councils from $50 million to $300 million. The new regulations will come into effect once the Regulations are proclaimed.
8.1 Community Land Management Plans (Charles Sturt)

Council Notices of Motion – LGA Comment

Motion From: City of Charles Sturt
Meeting Annual General Meeting 16 November 2017
ECM: 655308 Attachment: 655189

Proposed Recommendation

That the Annual General Meeting requests the LGA to undertake a comprehensive review of their Community Land – Classification and Management Plans Guidelines to ensure that these guidelines take into consideration the decision handed down by Justice Malcolm Blue in the Supreme Court.

Officer’s Comments

(Officer: Stephen Smith, Director Policy)

The judgement handed down by Justice Blue in the Supreme Court matter Coastal Ecology Protection Group Inc v The City of Charles Sturt needs to be reviewed and the implications across the sector for Community Land Management Plans and community consultation thoroughly examined.

Taking into consideration the potential sector-wide impacts of the recent judgement and noting that the guidelines were last reviewed in 2013, there is a need to ensure that the Community Land – Classification and Management Plan Guidelines continue to comply with the Local Government Act 1999 and contemporary expectations.

Therefore, the LGA Secretariat supports this motion and with support from the AGM will initiate a review of the Guidelines in consultation with councils, Local Government Risk Services and the Office of Local Government.

Financial and Resource Implications

This activity has not been incorporated within the LGA’s 2017/18 annual work plan, however resources are available to undertake an in-house review of the judgement and the guidelines in the first instance. Funding from external sources will be sought if additional expertise is required to complete this work.
# Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>City of Charles Sturt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Community Land Management Plans</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the Annual General Meeting requests the LGA to undertake a comprehensive review of their Community Land – Classification and Management Plans Guidelines to ensure that these guidelines take into consideration the decision handed down by Justice Malcolm Blue in the Supreme Court.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Background / intended purpose of proposed motion</th>
</tr>
</thead>
<tbody>
<tr>
<td>On 21 September 2017 Justice Malcolm Blue made his judgement on the case of the Coastal Ecology Protection Group Inc v The City of Charles Sturt. One of Justice Blue’s judgements was in relation to The City of Charles Sturt’s Community Land Management Plan (CMLP) for the coastal community land in Tennyson. Justice Blue’s judgement was that the CLMP was unlawful as it did not comply with the Local Government Act 1999 requires for CMLP, in particular for the performance targets and measurement. The City of Charles Sturt’s CMLP’s have been developed using the Community Land – Classification and Management Plans Guidelines produced by the LGA. In particular it has relied on the information contained in the guidelines which state that in general the plans should remain at a high level and the performance targets and measures listed should be realistic and readily achievable. The guidelines caution Council that if there the targets and measures are not met Council could be leaving them exposed to a liability claim. The LGA Guidelines were last reviewed in 2013 and given Justice Blue’s judgement may be seen as a precedent in these regards and has wide ranging implications for the Local Government sector it is therefore requested that the LGA program a review of these guidelines to ensure they align to the Supreme Courts findings and align to best practice.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Council Contact Officer submitting form and date submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Kerrie Jackson</td>
</tr>
<tr>
<td>Date: 26 September 2017</td>
</tr>
</tbody>
</table>
| Council Meeting Minute Reference and date of meeting | 25 September 2017  
| Item 6.108 |
| Council has referred draft motion to or considered by relevant Regional LGA | No |
| Supported by relevant Regional LGA | Not applicable |
Key Initiative: 3 *Best practice & continuous improvement*  
Facilitating continuous improvement in councils and the LGA. |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.2 Material Conflicts of Interest (West Torrens)

Council Notices of Motion – LGA Comment

Motion From: City of West Torrens
Meeting Annual General Meeting 16 November 2017
ECM: 655373 Attachment: 655310

Proposed Recommendation

That the Annual General Meeting requests the LGA to seek the amendment of section 74 of the Local Government Act 1999 (LG Act) to enable a member of council who has declared a material conflict of interest in a matter to be discussed at a meeting of council, to be able to elect to remain in the meeting, participate in the debate and vote on the matter if the member is able to demonstrate that it is in the public interest for the member to do so particularly when nominating for community membership or conferences and seminars specifically related to local government business i.e. Local Government Association Annual General Meeting, Australian Local Government National Congress etc.

Officer's Comments

(Officer: Andrea Malone, Director Legislation)

A material conflict of interest under s 74 is an offence and carries a maximum penalty of $15,000 or 4 years’ imprisonment for an intentional breach (or $5,000 for an inadvertent breach). This penalty indicates the seriousness of a material conflict of interest and the need to deal appropriately with a material conflict if it arises.

The reasoning underpinning this motion alludes to situations in which a member may have a material conflict of interest over a nomination to attend a conference or seminar relating to local government business.

The LGA Secretariat suggests that there is an alternative mechanism for dealing with these types of situations, such as including provision for them in a council’s mandatory Training and Development Policy required under s 80A of the Local Government Act. A member’s individual training and development plan under such a policy could include attendance at specified conferences or seminars, and a budget allocation for the attendance, if it was held to be in the council’s and the community’s interests. The preparation, discussion, adoption or alteration of a Training and Development Policy is specified in regulation 8AAA of the Local Government (General) Regulations 2013 as being an ‘ordinary business matter’ of the council and is exempt from the s74 requirements. This means that all council members can debate, and vote on, the adoption of the Policy.

The LGA has a model Training and Development Policy and Plan under s 80A available on its website for adoption or adaptation, which includes provision for this type of council member development and specifically identifies these local government related conferences.

In relation to ‘nominating for community membership’, nominations to membership of a community group, sporting club or similar organisation are specifically exempted from being
regarded as a conflict of interest under s 75(3)(iii) of the Local Government Act, unless the person is to be an office holder in the organisation. If this motion is passed, the LGA will need to seek further feedback from councils on the issues that are being experienced in relation to decision making about nominations for community membership.

Changes to the Conflict of Interest provisions were introduced by the Minister for Local Government in March 2016 and strong concerns were expressed by councils regarding the practical implications of the changes. The LGA relayed these concerns to the Minister, who agreed to introduce further amendments to address the issues. Disappointingly, the LGA was not provided with an opportunity to consult with member councils on the amended Regulations prior to their introduction in November 2016. The LGA has been keeping a watching briefing on this issue and councils have been asked to provide examples of ongoing issues to inform further advocacy.

**Financial and Resource Implications**

This activity is not currently anticipated in the LGA’s work program, but can be delivered within existing LGA resources.
**Council Notice of Motion - 2017 LGA Annual General Meeting**

The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>City of West Torrens</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Material Conflicts of Interest</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the Annual General Meeting requests the LGA to seek the amendment of section 74 of the <em>Local Government Act 1999</em> (LG Act) to enable a member of council who has declared a material conflict of interest in a matter to be discussed at a meeting of council, to be able to elect to remain in the meeting, participate in the debate and vote on the matter if the member is able to demonstrate that it is in the public interest for the member to do so particularly when nominating for community membership or conferences and seminars specifically related to local government business i.e. Local Government Association Annual General Meeting, Australian Local Government National Congress etc.</td>
</tr>
<tr>
<td>Background / intended purpose of proposed motion</td>
<td>The current provisions relating to a material conflict of interest needs to be relaxed to enable elected members to fulfil their role as representative and informed and responsible decision makers in considering the best interests of the community. The current provisions are limiting debate and prohibiting considered opinions on matters being shared, as council members are being excluded from participating in relevant matters. Removing council members from the meeting in such instances does not enable councillors to meet their roles and responsibilities as defined in the LG Act i.e. councillors are required to represent the interests of the community to the wider community. The application of material conflict of interest provisions to nominations to conferences and seminars, where there is a cost to attend, that are specifically related to local government business and which increase the effectiveness of councillor representation of their community as well as their decision making abilities should be relaxed to prevent councillors from electing not to take advantage of such beneficial opportunities.</td>
</tr>
</tbody>
</table>
| Council Contact Officer submitting form and date submitted | Name: Elizabeth Johnson  
Date: 4 October 2017 |
| Council Meeting Minute Reference and date of meeting | 3 October 2017 |
| Council has referred draft | No |
| motion to or considered by relevant Regional LGA |  |
| Supported by relevant Regional LGA | No |
| LGA Strategic Plan Reference | Key Initiative 1: Leadership and Advocacy  
Strategy A Listen to and represent members |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.3 Rating of Electricity Generators (Wattle Range)

Council Notices of Motion – LGA Comment

Motion From: Wattle Range Council
Meeting Annual General Meeting 16 November 2017
ECM: 655481 Attachment: 655480

Proposed Recommendation

That the Annual General Meeting ask the LGA to call on the State Government and Opposition to support the appropriate changes to legislation to allow councils to collect rates in the same manner as councils in Victoria from electricity generators.

Suggested Alternative Recommendation

That the Annual General Meeting asks the LGA to investigate, in collaboration with Regional LGAs, the potential benefits of allowing councils to collect rates from electricity generators in the same manner as councils in Victoria as part of a broader review of rating equity for commercial and industrial land uses.

Officer’s Comments

(Officer: Lea Bacon, Director Policy)

In South Australia, wind turbines and large-scale solar power installations, being an “electricity generating plant”, have their own set of legislative provisions which limit their liabilities in payment of council rates.

The land on which a wind turbine or large solar panel array is situated must be valued as if the electricity generating plant did not exist. Therefore, each parcel of land which hosts a wind turbine or solar array must have, by law, a value commensurate with the value of the surrounding, usually primary production, land.

The LGA Secretariat notes that the intended purpose of the motion is to ensure that a fair amount of rates are collected from electricity generators such as wind farms and therefore reduce rates to all other ratepayers.

Any role for the LGA in advocacy depends upon determining the rationale for change – is it to better reflect a capacity to pay, or to better reflect a higher level of council services and resources consumed, or a combination of both? The underlying rationale would appear to be that there is some tension with electricity generators’ ability to pay, and the disproportionate burden on council services.

It would also be necessary to describe how current legislative provisions might be regarded as inadequate. Information from any council that has tried using the current legislative provisions to reflect either (or both) principles in rating of sites hosting electricity generating plant would be needed to provide an evidence base to future advocacy.
While legislative change would remove distortion in the system, until or unless any amendments are made, a council is able to use:

- the location of the land (inside or outside specified towns); and/or
- one of nine different categories of “land use”

to set differential rates, which might be set higher than other differential rates on the basis of the council’s perceptions of relative capacities to pay.

Alternatively, a council can impose a “separate rate” to provide a higher level of services to specified ratepayers.

**LGA current activity**

Council rating of major developments such as wind farms is actively being considered by the LGA. This issue was considered by SAROC and the LGA Board in May 2017 following a recommendation from the Legatus Group who noted that it is important there is a well-considered and thorough process of review and legislative change to avoid an ad hoc and a piece-meal approach in South Australia.

The LGA Secretariat is working with the regional LGAs to develop an evidence based advocacy position on this issue.

At its meeting on 28 September 2017, the LGA Board approved providing the Legatus Group with $16,600 from the Local Government Research and Development Scheme to recommend how such land uses should be treated in a Council’s rating policy to best balance the principles of taxation, including equity between ratepayers. The project will also examine what, if any, statutory reform might be warranted to better equip councils to achieve such an appropriate balance.

The project will examine the current restrictions on a council’s powers to impose rates, and will compare legislative schemes in other jurisdictions, such as Victoria’s scheme for imposing rates on land hosting wind turbines. A final report is expected by April 2018.

**Future LGA advocacy**

The LGA could advocate for the repeal or amendment of the provisions that remove “electricity generating plant” from the capital value of land. This would be relevant only to the ‘capacity to pay’ argument.

It may be premature for the LGA to actively advocate for changes to legislation that mirror the model in Victoria without an informed opinion on the rationale for change and an evidence based position identified through the above research. Adopting this motion would effectively lock the LGA in to an advocacy position before all options have been fully explored.

Careful consideration should also be given to the reputational risk of advocating for something that is likely to put upward pressure on costs of electricity generation through renewable energy resources. Such an outcome may contradict principles of LGA policy positions that otherwise support energy efficiency and reduction of emissions. It should also be noted that, more so than council rates, high electricity prices already put significant pressure on the cost of living for residents and businesses.

**Financial and Resource Implications**

This activity has been anticipated in the LGA’s work program and resources are available to progress this work.
Thank you for your email, Unley’s Notice of Motion has been received.

## Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>Wattle Range Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Rating of Electricity Generators</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the LGA call on the State Government and Opposition to support the appropriate changes to legislation to allow councils to collect rates in the same manner as councils in Victoria from electricity generators.</td>
</tr>
<tr>
<td>Background / intended purpose of proposed motion</td>
<td>Changes will ensure a fair amount of rates are collected from electricity generators such as wind farms and therefore reduce rates to all other ratepayers.</td>
</tr>
</tbody>
</table>
| Council Contact Officer submitting form and date submitted | Name: Catherine Allen – Executive Assistant  
Date: 5 October 2017 |
| Council Meeting Minute Reference and date of meeting | Wattle Range Council  
Ordinary Meeting of Council – 12 September 2017  
Excerpt from Minutes  
Folio 7338  
(See below)  
14.9 LGA Circular 36.3 – LGA Annual General Meeting, Thursday, 16 November 2017 at  
Adelaide Oval, War Memorial Drive, North Adelaide  
Cr Price moved:  
1. That the correspondence be received and noted.  
2. That the following be nominated by Council as voting delegates Mayor Gandolfi and Councillor Dyer and this information be submitted prior to Friday, 27 October 2017.  
Cr Thorne moved CARRIED  
Cr Brown moved that a Notice of Motion in regard to rating of electricity generators be submitted prior to Thursday, 5 October 2017.  
Cr Cox seconded CARRIED |
| Council has referred draft motion to or considered by relevant Regional LGA | Yes it will be sent to LCLGA at the same time as to LGA. |
| Supported by relevant Regional LGA | N/A |
| LGA Strategic Plan Reference | Key Initiative 2 – Capacity Building and Sustainability  
Strategy C – Equip Councils for the future |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.4 Child Visitations within Council Facilities (Prospect)

Council Notices of Motion – LGA Comment

Motion From: City of Prospect
Meeting Annual General Meeting 16 November 2017
ECM: 655432 Attachment: 655392-1

Proposed Recommendation

That the Annual General Meeting requests the LGA to liaise with the Attorney General for the establishment of a procedural guideline in relation to the use of council community facilities within Parenting Orders for child visitation. The guideline should include the requirement for notification to council through discussion between courts / court officers and an appropriate delegated officer managing the council facility.

Suggested Alternative Recommendation

That the Annual General Meeting requests the LGA to liaise with the Attorney General to ascertain if there is a need for the establishment of a procedural guideline in relation to the use of council community facilities within Consent Orders for child visitations or child handovers within a Parenting Order.

Officer’s Comments

(Officer: Victoria Brown, Senior Policy Advisor)

A Parenting Order is a court order that sets out who has responsibilities for children after the breakdown of a relationship. If parents or carers cannot agree on arrangements for the care of children, and family dispute resolution has not worked or is not appropriate, then they can apply for a Parenting Order.

Guidelines for Parenting Orders do not include provisions for a parent spending time with their child/children at locations such as a council community facility. Visitations will only be allowed to occur at ‘Contact Centres’ which are set up specifically for this purpose, or at Police Stations.

Contact Centres are run by organisations such as ‘Relationship Australia’, which has four locations in South Australia. Contact Centres are largely funded by the federal departments of the Attorney-General and Department of Social Services, but also receive additional funding for particular services from their respective state and territory governments.

In some cases, flexibility can be built into Parenting Orders that allow parents to hand over their child/children at a specific location (such as a council community facility) but this will only be considered if animosity has been overcome by the parties and there is a low risk of public disturbance.

In the case of animosity, handovers would again only be allowed at Contact Centres or Police Stations. This is specifically so that people who are not trained to deal with
disturbance, disruptions and physical threats do not have to face the possibility of these instances arising.

While noting in the Notice of Motion that there were recent child visitations occurring in Prospect Library, it is concluded that the visitations may have a) been a handover that has become heated or b) form part of an amicability agreed Consent Order.

Consent Orders differ from Parental Orders as they are made in the case that there is agreement between the parties and that the agreement is amicable. The parties will then make an application for a Consent Order which will become legally binding, just as in the case of a Parenting Order.

The benefit of a Consent Order is that the parents can decide what is in the best interests of a child instead of a judge deciding (as with a Parenting Order) and that that the agreement is legally binding on each party (unlike a non-binding Parenting Plan).

As Consent Orders are amicable, the court does not make a judgement on where visitations take place. This may result in parents spending time with their children at a council community facility, in the same way that any separated parent may spend time with their children under an agreed Parenting Plan.

Any disturbance, disruption or safety issues arising from mutually agreed arrangements for visitations would be assessed under South Australia’s public order laws (breach of the peace, affray, violent disorder etc.).

If council staff feel that safety has been compromised through the behaviour of an individual/s, the advice received by Relationship Australia is that 000 should be called and police presence requested immediately. It would however be reasonable to develop guidelines to assist staff in these instances.

Other State and Territory Local Government Associations were contacted during the initial research into this issue to ascertain if they had received similar queries from their member councils. The responses suggest that this has not been the case.

The conclusion of our initial investigations is therefore that a) Parenting Orders do not include provisions for visitations at council community facilities, and that b) disorders arising from mutually agreed arrangements (Consent Orders) should be dealt with under public disorder provisions.

Accordingly, an alternative motion is proposed to further ascertain the need for guidelines to be established.

**Financial and Resource Implications**

If the motion is endorsed, resources will be required to undertake research and advocacy activities and develop the guidelines. This is not currently included in the LGA’s Annual Business Plan and staff resources may need to be diverted from other priorities to progress this action this financial year. Alternatively progressing this motion could be built into the 2018/19 Annual Business Plan with sufficient resources allocated to it.
## Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a Council proposes to move at the LGA Annual General Meeting to be held on 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>City of Prospect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Child Visitations within Council Facilities</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the Annual General Meeting requests the LGA liaise with the Attorney General to establish a procedural guideline in relation to the courts nominating the use of Council community facilities within Parenting and Consent Orders for child visitation exchanges. The guideline should include a requirement for court officers to liaise with the Council via an appropriate delegated officer managing the council facility prior to making the order.</td>
</tr>
<tr>
<td>Background / intended purpose of proposed motion</td>
<td>Council community facilities, particularly Libraries, are increasingly being utilised by the Family Court as a safe public venue for both supervised and unsupervised child visitation according to Parenting Orders. A Parenting Order is made by a court detailing the parenting arrangement for a child. A court can make a parenting order based on an agreement between the parties (consent orders) or after a court hearing or trial. When a parenting order is made, each person affected by the order must follow it. Recent child visitations within Prospect Library were conducted without prior knowledge of Council and without arrangements being made with Council staff. The nature of these visitations may have the result of some disturbance and disruption to the normal operation of the Library service and may raise safety concerns for both staff and members of the public.</td>
</tr>
<tr>
<td>Council Contact Officer submitting form and date submitted</td>
<td>Name: Jo-Ann Tanti, Manager Governance &amp; Administration Date: 5 October 2017 - updated 16/10/2017</td>
</tr>
<tr>
<td>Council Meeting Minute Reference and date of meeting</td>
<td>Resolution No. 172/17 26 September 2017</td>
</tr>
<tr>
<td>Council has referred draft motion to or considered by relevant Regional LGA</td>
<td>No</td>
</tr>
<tr>
<td>Supported by relevant Regional LGA</td>
<td>N/A</td>
</tr>
<tr>
<td>LGA Strategic Plan Reference</td>
<td>Leadership and advocacy Contribute to state-wide and local policy</td>
</tr>
</tbody>
</table>

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.5 Essential Services Property Reinstatement Policy (Prospect)

Council Notices of Motion – LGA Comment

Motion From: City of Prospect
Meeting Annual General Meeting 16 November 2017
ECM: 655433 Attachment: 655392-2

Proposed Recommendation

That the Annual General Meeting requests the Local Government Association to liaise with essential service providers to establish an agreed policy on reinstating public infrastructure to the satisfaction of councils after completion of works and remediation improvements.

Officer’s Comments

(Officer: Lea Bacon, Director Policy)

Section 217 of the Local Government Act 1999 (the Act) gives councils the power to order the owner of infrastructure to carry out specified maintenance or repair work. This includes pipes, wires, cables and fittings installed under a road. Some South Australian councils have adopted and published reinstatement specifications to provide companies with clear expectations. Such policies seek to ensure a high and consistent standard of reinstatement is achieved, with an outline of responsibilities of authorities and councils.

However, the Act also states that reinstatement provisions do not apply to the owners of electricity infrastructure, public lighting infrastructure or gas infrastructure if the Commission has determined, on application by the owner, that there are reasonable grounds for not requiring the owner to take the action specified in the order.

Due to this exemption, any agreed policy with essential services providers would not be legally binding and legislative change may be required to ensure agreed standards are achieved when works occur.

A similar motion was put the LGA Annual General Meeting in October 2014, in a motion that asked:

That the LGA investigate whether there is sufficient evidence across Local Government to establish a Memorandum of Understanding committing individual Councils and utility providers to agreed timeframes, quality specifications and ongoing maintenance practices for all works conducted on road reserves under the care and control of councils.

Subsequently, in 2015, the LGA Board supported an application from the City of West Torrens to the Local Government Research and Development Scheme to develop a Memorandum of Understanding (MOU) and Road Reserve Reinstatement Work Quality and Intervention Standard to facilitate agreed timeframes and management of works on Council
Land. However, the council discontinued the project in June 2016, as it became apparent that a project with similar objectives had been commenced at a National level via Austroads.

If this motion is passed, the LGA Secretariat would work with member councils to develop a policy on reinstating public infrastructure that can be communicated to essential service providers. Among other things, this body of work could address specifications, coordination, timeframes and defects liability considerations of any work undertaken. Funding would be required for specialist advice from legal and engineering consultants. As noted below, resources are currently not available to progress this activity.

It is important to note that this policy would not be legally enforceable and strong engagement and support from service providers is critical to the success of this approach. Legislative change may also need to be pursued in order for the issues to be resolved.

Any policy or legislative change would need to be informed by and align with the scope and progress of the initiative at the national level, which would need to be determined.

**Financial and Resource Implications**

If the motion is endorsed, resources will be required to undertake research and advocacy activities and develop a policy or guidelines. This is not currently included in the LGA’s Annual Business Plan and staff resources may need to be diverted from other priorities to progress this action this financial year.

Alternatively progressing this motion could be built into the 2018/19 Annual Business Plan with sufficient resources allocated to it, or progressed by interested councils as a Research and Development project.
# Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a Council proposes to move at the LGA Annual General Meeting to be held on 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>City of Prospect</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subject of the motion</strong></td>
<td>Essential Services Property Reinstatement Policy</td>
</tr>
<tr>
<td><strong>Proposed motion of council</strong></td>
<td>That the Annual General Meeting requests the Local Government Association to liaise with essential service providers to establish an agreed policy on reinstating public infrastructure to the satisfaction of councils after completion of works and remediation improvements.</td>
</tr>
<tr>
<td><strong>Background / intended purpose of proposed motion</strong></td>
<td>Often service providers excavate public infrastructure to access underground services for the repair or replacement of the services. Reinstatement works undertaken by service providers following their works are sometimes completed with significant delay, causing safety concerns to motorists with unsealed trenches in roadways being eroded and becoming potholes. Additionally the unsealed trenches in the roadway expose the underlying base to the elements, having an adverse effect on the structural integrity of the road or footpath pavement. The quality of reinstatements is often substandard and results in council having to undertake additional works to repair the reinstatement following its premature failure, therefore not meeting the expectations of our community. An agreed policy on reinstating public infrastructure will set reasonable timeframes and standards making councils expectations clear to all service providers.</td>
</tr>
</tbody>
</table>
| **Council Contact Officer submitting form and date submitted** | Name: Jo-Ann Tanti, Manager Governance & Administration  
Date: 5 October 2017 |
| **Council Meeting Minute Reference and date of meeting** | Resolution No. 172/17  
26 September 2017 |
| **Council has referred draft motion to or considered by relevant Regional LGA** | No |
| **Supported by relevant Regional LGA** | N/A |
| **LGA Strategic Plan Reference** | Leadership and advocacy  
Contribute to state-wide and local policy |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.6 Establishing Local Government common data formats (Prospect)

Council Notices of Motion – LGA Comment

Motion From: City of Prospect
Meeting Annual General Meeting 16 November 2017
ECM: 655434 Attachment: 655392-3

Proposed Recommendation

That the Annual General Meeting requests the LGA to seek interest from the Local Government sector in:

- establishing common formats for collecting data;
- the LGA collating and sharing such data; and
- ensuring the data is available to the public in a user friendly format.

Officer’s Comments

(Officer: Kathy Jarrett, Executive Director Corporate & Member Services)

This motion calls for the LGA to seek views from councils regarding the potential to provide greater consistency in relation to how data is stored and published in open data formats. This approach has merit but there will be challenges that need to be overcome as councils’ commitment and capacity to support open data varies greatly.

To assist member councils consider this motion, the following information is provided:

- The LGA has considered the issue of data in the past, with similar responses from member councils including lack of capacity for any additional data collections, a concern with publishing data in a way that enables the construction of ‘league tables’, low participation rates in non-compulsory collections, and concerns about the lack of comparability.

- Already collected under statute in a common format and held by the Local Government Grants Commission and the LGA are councils audited financial statements (AFS), supplementary return to the AFS and the general information return (GIR). Concern has been expressed about the data not being comparable between councils.

- The current work being undertaken by the LGA as part of the benchmarking project is drawing together multiple sources of data (including the Grants Commission data) which may be accessed by councils for improvement efforts. The sector’s view as to whether this data might become publicly available could be tested with member councils.
In the same year as the SA Government established data.sa.gov.au (2013), the LGA agreed to sponsor its open data competition- ‘GovHack’ - around use of local government data and, with council permission, provided data from the Unity Website system for use in the exercise.

In addition to the LGA involvement, several individual councils have supported publication of open data. In November, 2016 the LGA published (refer Circular 50.5 of 2016) a guide to Creative Commons licencing for councils as a key step towards greater use of open data (making data available in standard formats is only of benefit if the use of the data is appropriately pre-licenced).

The LGA also supported a Commonwealth approach via GeoScience Australia for open licensing of flood data held by councils as part of the Australian Flood Risk Information Portal.

Issues relating to open data were raised by the LGA/ALGA as part of consultation by the Commonwealth on advancing Australia’s position in the international initiative: the Open Government Partnership. To date, other Governments have been willing to share their approaches to open data, however there is little by way of resources available to assist councils in this area.

The LGA has signed an MOU with the Local Government Association of Queensland (LGAQ) to progress a range of commercial service activities within South Australia. LGAQ has launched *LG Sherlock, which is* a world-first data storage and analysis tool being introduced across all of local government in Queensland. *LG Sherlock* is essentially a highly-secure cloud-based data storage and analysis system that holds information from all councils and assists with evidence-based decision making. With support from member councils, pursuing a similar program for South Australia could be progressed under the MOU with LGAQ.

If the AGM supports this motion, the LGA will work with the City of Prospect and other interested councils to define a clear scope for the data that could be collected and then seek the views of councils about this proposal via LGA Circular and other relevant networks. The outcomes of this consultation would be reported to the LGA Board with a recommendation on any next steps to be taken.

This initiative may best be pursued as an application for project resources through the Local Government Research and Development Scheme. Given the extent of work required and the likely cost to establish a system of open data, there would need to be significant interest and commitment from a large majority of councils to participate for this proposal to provide sufficient public value.

**Financial and Resource Implications**

This activity is not currently anticipated in the LGA’s work program or strategic priorities. It is noted that this motion is calling on the LGA to seek interest from member councils in the first instance. This activity could be delivered within existing LGA resources, however the implementation of any system of open data would require funding and resources that are currently not available within the LGA.
# Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a Council proposes to move at the LGA Annual General Meeting to be held on 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>City of Prospect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Establishing Local Government common data formats</td>
</tr>
</tbody>
</table>
| Proposed motion of council   | That the Annual General Meeting requests the LGA to seek interest from the Local Government sector in:  
• Establishing common formats for collecting data;  
• The LGA collating and sharing such data;  
• Ensuring the data is available to the public in a user friendly format. |
| Background / intended purpose of proposed motion | In 2013, the South Australian Government recognised the economic, social and environmental potential of releasing government data. The State Government established the Data.SA as a one stop solution for users wishing to access government data in South Australia.  
For users of data to be able to harness the problem solving and decisions making capabilities created through the analysis of big datasets, it is imperative that data collected by councils is consistently formatted and presented through portals such as Data.sa. This will allow data to be easily combined and compared for analysis; potentially unveiling trends that would remain otherwise unidentified in smaller isolated data sets. |
| Council Contact Officer submitting form and date submitted | Name: Jo-Ann Tanti, Manager Governance & Administration  
Date: 5 October 2017 |
| Council Meeting Minute Reference and date of meeting | Resolution No. 172/17  
26 September 2017 |
| Council has referred draft motion to or considered by relevant Regional LGA | No |
| Supported by relevant Regional LGA | N/A |
| LGA Strategic Plan Reference | Capacity building and sustainability  
Lead, initiate and promote working together |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.7 2018 Periodic Election Postal Voting (Mitcham)

Council Notices of Motion – LGA Comment

Motion From: City of Mitcham
Meeting Annual General Meeting 16 November 2017
ECM: 655421 Attachment: 655389

Proposed Recommendation

That the Annual General Meeting requests the LGA to seek assurances of overnight delivery during the two week period when voting happens during the 2018 periodic election to ensure that all votes posted by 6 pm on the last Thursday will be received in time to be counted.

Officer’s Comments

(Officer: Andrea Malone, Director Legislation)

If this motion is passed, the LGA will also write to Australia Post to express concern over the potential impact of the reduced service delivery times on postal voting systems.

However, given the network of post office outlets across South Australia, it is unlikely that the LGA’s actions will result in changes to the postal service delivery arrangements for the two weeks of local government elections in South Australia.

This matter will also be raised with the Electoral Commission of South Australia (ECSA) as the Returning Officer to consider in the preparations for the 2018 council elections.

Financial and Resource Implications

Preparing for the 2018 council elections is key priority in the LGA’s 2017/18 Annual Business Plan. A council elections project manager has been appointed to support this work and resources are available to progress this activity.
Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>CITY OF MITCHAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>2018 Periodic Election Postal Voting</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the Annual General Meeting requests the LGA to seek assurances of overnight delivery during the two week period when voting happens during the 2018 periodic election to ensure that all votes posted by 6 pm on the last Thursday will be received in time to be counted.</td>
</tr>
<tr>
<td>Background / intended purpose of proposed motion</td>
<td>Since the periodic election of November 2014, Australia Post has changed its service standards with local overnight delivery no longer being the normal standard. This will impact voters who wish to participate in the periodic election due in November 2018 and who may not be fully aware of the impact of these changes. It is understood that there may be an education campaign that encourages voters to participate in the election. However, unless reasonable delivery times can be guaranteed for ballot papers posted on the final Wednesday or Thursday of the voting period, many voters will be disenfranchised as their ballots may not arrive in time to enable their vote to be counted. The Local Government sector should do everything it can to ensure that voter participation is maximised and that completed ballots are not excluded due to the changing service standards provided by Australia Post. This motion aims to bring this issue to attention of the Local Government sector and also suggests a possible solution that will ensure that voters are not unnecessarily prevented from having their voice heard in the 2018 periodic election. Should this motion or negotiations with Australia Post be unsuccessful it will be necessary for the Local Government sector to reconsider timeframes and other milestones associated with the Local Government periodic election in 2018.</td>
</tr>
</tbody>
</table>
| Council Contact Officer submitting form and date submitted | Name: Kim Vrankovic (Governance Officer)  
Date: 5 October 2017 |
| Council Meeting Minute Reference and date of meeting | Council Meeting of 26 September 2017 –  
**Item 7.2** (2017 Annual General Meetings of LGA and LGFA – Notices of Motion and Council Voting Delegates),  
**Decision 2** (Local Government Association Notices of Motion) |
| Council has referred draft motion to or considered by relevant Regional LGA | NA |
| Supported by relevant Regional LGA | NA |
| LGA Strategic Plan Reference | KI 1, A & B  
KI 3, A & C |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.8 Car Parking and Traffic Management in and around Schools (Mitcham)

Council Notices of Motion – LGA Comment

Motion From: City of Mitcham
Meeting Annual General Meeting 16 November 2017
ECM: 655422 Attachment: 655389-2

Proposed Recommendation

That the Annual General Meeting requests the LGA to advocate to the Department for Education and Child Development (DECD) for the following:

1. Where existing schools have the capacity that increased off-street parking and / or ‘kiss and drop’ facilities be provided for users of the schools to increase the safety for children and reduce any on-street traffic and parking issues.

2. That for any new schools the potential parking and school drop off and pick up impacts be assessed and that adequate off-street parking and / or ‘kiss and drop’ facilities for users of the schools be provided to create a planned, safe, on-site drop off and pick up environment and avoid both on-street unsafe, ad hoc drop off and pick up situations as well as parking and traffic congestion issues.

Officer’s Comments

(Officer: Lea Bacon, Director Policy)

The 2016 LGA Annual General Meeting carried a similar motion, put by the City of Playford, that:

That the Annual General Meeting requests the LGA lobby DECD (Department for Education and Child Development) to provide adequate parking and ‘kiss and drop’ zones within local school grounds.

To action the original motion, the LGA has held discussions with officers in DECD who have indicated that while they oppose establishing ‘kiss and drop’ zones on existing school property, they are willing to discuss providing councils with land (if available) for the establishment of an appropriate zone. The cost of developing these zones would most likely be borne by the council.

DECD has indicated that the main reason their opposition to establishing kiss and drop zone on school property is that it would cause increased risk to children, school staff and parents. DECD believes that these activities should remain on public roads where road rules can be administered, something that is difficult to do if ‘kiss and drop’ zones are on school land.

They note that, where appropriate, parking is provided on the school grounds for school staff and visitors.
Given DECD’s position, the LGA Secretariat notes that the advocacy requested in the notice of motion put by the City of Mitcham may be better directed to the Minister for Transport and Infrastructure and integrated into the LGA’s strategy for the 2018 State Election.

**Financial and Resource Implications**

This activity has been anticipated in the LGA’s work program and resources are available to progress this work.
Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>CITY OF MITCHAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Car Parking and Traffic Management in and around Schools</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the Annual General Meeting requests the LGA to advocate to the Department for Education and Child Development (DECD) for the following:</td>
</tr>
<tr>
<td></td>
<td>1. Where existing schools have the capacity that increased off-street parking and / or 'kiss and drop' facilities be provided for users of the schools to increase the safety for children and reduce any on-street traffic and parking issues.</td>
</tr>
<tr>
<td></td>
<td>2. That for any new schools the potential parking and school drop off and pick up impacts be assessed and that adequate off-street parking and / or 'kiss and drop' facilities for users of the schools be provided to create a planned, safe, on-site drop off and pick up environment and avoid both on-street unsafe, ad hoc drop off and pick up situations as well as parking and traffic congestion issues.</td>
</tr>
<tr>
<td>Background / intended purpose of proposed motion</td>
<td>BACKGROUND</td>
</tr>
<tr>
<td></td>
<td>The LGA last undertook a collaborative study with Department of Education and Children’s Services (DECS) into parking and Kiss &amp; Drop zones around schools in 2009. In the age of time poor, working parents, pressure for parking and quick drop-off and pick-up continues to rise. Local residents living near schools often bear the brunt of poor parking and the lack of adequate kiss &amp; drop zones around schools.</td>
</tr>
<tr>
<td></td>
<td>The now DECD still has policies and design guides in place which put the responsibility for fixing parking and traffic congestion, and for solving road safety issues around schools, squarely with Councils. This is irrespective of whether space exists at the school for additional on-site parking or an on-site kiss and drop zone. The design guides do not require new schools to address parent parking and/or kiss and drop zones in any substantive way.</td>
</tr>
<tr>
<td></td>
<td>Local Government is being forced to address problems that have been, and are being created by schools. The cost of traffic investigations, community consultation, traffic and parking control measures are significant and the patience of local</td>
</tr>
</tbody>
</table>
This motion seeks the LGA opening a meaningful dialogue with the State Government, through DECD, to ensure that both existing and new schools make adequate provision for on-site parking and for on-site kiss and drop zones (where feasible) thus providing a safer environment for school children and residents adjacent to schools, alleviating some of the pressure on local roads and addressing the concerns of residents living around schools.

Great programs such as Way2Go go some way to addressing some safety issues and also strongly promote safe, people friendly walking and bike routes to schools. They also support road safety education which is acknowledged as a key element. However, individual schools should have a clear Strategic Plan that includes the provision of adequate off-street parking and 'kiss and drop' facilities.

The time has come for Local Government to again put pressure on the State to address the cause of the problem – not continually have to respond, at ratepayer cost, to the symptoms.

**INTENDED PURPOSE**

1. Improve safety for children and residents in and around schools.
2. Improve amenity for residents living adjacent to schools.
3. Reduce costs for councils in providing parking and traffic measures in and around schools.
4. Enable councils to focus resources on those areas where schools do not have capacity to provide increased on-site parking and/or 'kiss and drop' facilities.

<table>
<thead>
<tr>
<th>Council Contact Officer submitting form and date submitted</th>
<th>Name: Kim Vrankovic (Governance Officer)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date: 5 October 2017</td>
<td></td>
</tr>
</tbody>
</table>

| Council Meeting Minute Reference and date of meeting       | Council Meeting of 26 September 2017 – Item 7.2 (2017 Annual General Meetings of LGA and LGFA – Notices of Motion and Council Voting Delegates), Decision 2 (Local Government Association Notices of Motion) |

| Council has referred draft motion to or considered by relevant Regional LGA | NA |

| Supported by relevant Regional LGA | NA |
Please return word version of completed form to lgasa@lga.sa.gov.au
by COB Thursday 5 October 2017
8.9 Use of independent experts for assessment of Regulated or Significant trees (Unley)

Council Notices of Motion – LGA Comment

Motion From: City of Unley
Meeting Annual General Meeting 16 November 2017
ECM: 655435 Attachment: 655394

Proposed Recommendation

That the Annual General Meeting requests the LGA to investigate whether there is sufficient evidence across Local Government to have the Regulations which govern Significant and Regulated Trees to be amended to require that whenever an applicant is required to provide an arborist report, that:

- the applicant must use an arborist from a panel of accredited arborists established by the LGA; and
- the arborist making the assessment must not be involved in subsequent work recommended in the assessment report.

Suggested Alternative Recommendation

That the Annual General Meeting requests the LGA to:

1. investigate with councils and the Department of Planning, Transport and Infrastructure the development of a Planning Circular which outlines the ‘special circumstances’ which should apply to request an expert or technical report relating to a tree; and
2. advocate for arborists involved in the assessment of Significant and Regulated Trees to be included in the Accredited Professionals scheme and Code of Practice to be established under the Planning, Development and Infrastructure Act.

Officer’s Comments

(Officer: Stephen Smith, Director Policy)

Legislative considerations

Currently, the removal of a regulated or significant tree requires development approval. A development application is required to be submitted to the council for the tree to be removed. This is then assessed by council’s planning staff and a decision is made, either by a Council Assessment Panel or an officer acting under delegation.

In relation to the assessment of regulated and significant tree applications, the Development Act (and the Planning, Development & Infrastructure Act) places limits on the ability of councils to seek an arborist’s report from the applicant. Section 39 of the Development Act 1993 relating to Applications and the Provision of Information requires:
3a) A relevant authority should, in dealing with an application that relates to a regulated tree, unless the relevant authority considers that special circumstances apply, seek to make any assessment as to whether the tree is a significant tree without requesting the applicant to provide an expert or technical report relating to the tree.

3b) A relevant authority should, in dealing with an application that relates to a regulated tree that is not a significant tree, unless the relevant authority considers that special circumstances apply, seek to assess the application without requesting the applicant to provide an expert or technical report relating to the tree.

Therefore, there are limited circumstances in which an applicant can be required to submit an arborist report. It should be noted that 'special circumstances' has not been defined and there are no guidelines current in place that describe how these provisions should be applied. It is recommended that such guidelines or a Planning Circular be prepared by the State Planning Commission in consultation with councils to create consistency and certainty across the sector.

**Accredited Professionals**

An Accredited Professionals scheme will be established under the Planning, Development and Infrastructure Act, which may describe the qualifications, experience and code of practice requirements for various roles within the planning system. It is unclear at this point whether this scheme will include the accreditation of arborists involved in the assessment of tree applications, however it is recommended that the LGA advocate for this pathway rather than a separate scheme established by the LGA.

It is recommended that the option of incorporating arborists involved in the assessment of Significant and Regulated Tree within the Accredited Professionals scheme under the Planning, Development and Infrastructure Act be fully explored before advocating for a change to the Regulations.

**Financial and Resource Implications**

To establish a panel of accredited arborists will require significant staff resources and funding that is not currently anticipated in the LGA Annual Business Plan or budget. However, investigating options and advocacy on this issue can be delivered within existing resources.
# Council Notice of Motion - 2017 LGA Annual General Meeting

The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

### Council Name
City of Unley

### Subject of the motion
Use of independent experts for assessment of Regulated or Significant trees

### Proposed motion of council
That the Annual General Meeting requests the LGA to investigate whether there is sufficient evidence across Local Government to have the Regulations which govern Significant and Regulated Trees to be amended to require that whenever an applicant is required to provide an arborist report, that:
- the applicant must use an arborist from a panel of accredited arborists established by the LGA; and
- the arborist making the assessment must not be involved in subsequent work recommended in the assessment report.

### Background / intended purpose of proposed motion
Concerns have been raised with Council regarding a perceived loss of Regulated/Significant trees within the City of Unley with a request that action be taken to ensure the processes associated with assessment of these trees is objective.

A further concern relates to the discontinuation of the relevant accreditation required by a person offering a technical or expert report. Whilst the Development Regulations 2008 provide that "For the purposes of subsections (3a) and (3b) of section 39 of the Act, the qualifications of a person providing an expert or technical report within the contemplation of either subsection is Certificate V in Horticulture (Arboriculture), or a comparable or higher qualification" the Certificate V is no longer offered by TAFE SA.

On that basis, the City of Unley is seeking support from the LGA AGM to lobby for legislative change to ensure that the assessment of Regulated and Significant trees is undertaken in an appropriate manner.

The intended purpose of the motion is to seek changes to Regulations that will provide greater transparency/independence in the appointment of experts to undertake assessments of Regulated and Significant trees for removal when required as part of a Development Assessment process.

The proposal is that applicants be required to appoint an expert from an independent panel so that there is no relationship between the Applicant and the person conducting the assessment. This approach will also ensure that appropriately qualified individuals are conducting assessments across the sector, as the LGA will be in a position to ensure anyone appointed to the independent panel is appropriately qualified.
The proposal further recommends that where an independent expert conducts an assessment of a Regulated or Significant Tree that they not be eligible for appointment to undertake any work recommended as a result of the assessment of the tree. Both elements of the proposal will enhance the independence and transparency of the assessment process.

| Council Contact Officer submitting form and date submitted | Name: Tami Norman, Executive Manager-Office of the CEO  
Date: 05/10/2017 |
|----------------------------------------------------------|-------------------------------------------------|
| Council Meeting Minute Reference and date of meeting | 982  
25 September 2017 |
| Council has referred draft motion to or considered by relevant Regional LGA | No |
| Supported by relevant Regional LGA | N/A |
| LGA Strategic Plan Reference | Key Initiative 1 – Leadership and Advocacy  
Strategy A – Listen to, and represent members  
Strategy B – Contribute to statewide and local policy  
Strategy C – Lead reform |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017
8.10 Development Assessment Fees (Campbelltown)

Council Notices of Motion – LGA Comment

Motion From: Campbelltown City Council
Meeting Annual General Meeting 16 November 2017
ECM: 655420 Attachment: 655388

Proposed Recommendation

That the Annual General Meeting requests the LGA seek from the Government and the Opposition, their position on the revision of Development Act fees, to allow councils to recoup from developers the costs incurred as they undertake their statutory obligations as the Local Planning Authority, as the question of Development Act fees has not progressed since the Ordinary General Meeting in April 2016.

Officer’s Comments

(Officer: Stephen Smith, Director Policy)

In accordance with prior resolutions of the AGM and OGM, the current policy of the Local Government Association is that council processing of development applications should be funded on a cost recovery basis from the applicant.

Fees and charges that are set by statute, including under the Development Act, have been the subject of ongoing representations to the state government for a number of years. This includes submissions to numerous Ministers and discussions through the Premier’s State/Local Government Forum.

The LGA proposed the establishment of a joint working group to review the disparate approaches to fee setting under different pieces of legislation and develop a coherent and consistent regime across government, incorporating cost recovery principles. The government has not endorsed that approach and issues regarding fee setting have been raised with individual Ministers and agencies.

Despite ongoing advocacy, there has not been a firm agreement reached with the government on policy basis or methodology for the setting of fees and charges on a cost recovery basis, including fees under the Development Act or the Planning, Development & Infrastructure Act.

The update provided to the Ordinary General Meeting in April 2017 on this matter was unfortunately inaccurate in that a letter to the Minister had been drafted but had not been sent. This letter was deferred to await the outcomes of final negotiations through the Premier’s State/Local Government Forum about a whole-of-government policy for local government fee setting. The issue was raised at that time via discussions with Senior DPTI staff and Advisors from the Minister’s office.

Members would be aware that the state’s planning system is a state of transition from an old system under the Development Act to a new system under the Planning, Development and Infrastructure Act (PDI Act)
The Planning, Development and Infrastructure Act was enacted in April 2016 with the implementation of the Act to occur over the next 3-5 years. As the government has focussed its resources on the implementation of the new system, achieving changes to the current system, including the fee setting regime, is unlikely to occur during this transition period. The LGA’s focus has been on engaging with the state government and councils on all aspects of the new system. Detailed discussion is yet to commence regarding the setting of fees under the new system, however the LGA has advised DPTI and the Minister that we expect to be involved in that process.

Another significant challenge in advocating for fees to be revised to a cost recovery basis is that a strong evidence base is required regarding the actual direct and indirect costs to councils to perform each task for which there is a fee associated. These costs can differ significantly between councils for a number of reasons. The LGA has engaged consulting firm UHY Haines Norton to develop and implement a methodology for costing (to a reasonable level of accuracy) the planning functions undertaken by a sample of councils of different sizes. This work is nearing completion and will provide the stronger evidence base needed for further advocacy on fees and charges.

Planning is consistently identified as one of the most important issues for member councils and the LGA has been actively engaged in the implementation of the new system, working closely with DPTI and councils on a range of matters, including:

1. as a member of the Minister’s Collaborative Advisory Team, which provides high level advice to the minister on a range of implementation considerations;
2. making nominations to the Local Government Advisory Committee, which is established under the PDI Act to advise on planning reform implementation from a local government perspective;
3. working with councils to prepare a submission on the draft Design Guidelines, one of the instruments to support the new Planning and Design Code. These guidelines are a ‘best practice’ which supports the development of high design quality outcomes. The primary target of the Design Guidelines is for those areas anticipating an increase in density through infill development;
4. providing submissions to the Minister on a range of issues, including councils’ role in the planning system and the requirements for councils to contribute financially to the development of the e-planning portal. The Minister has recently announced that he has deferred the requirement for councils to contribute to the e-planning portal until 2018-19;
5. preparing a discussion paper to enable councils to consider the establishment of Joint Planning Boards;
6. providing feedback on the draft Regulations and draft Code of Conduct for assessment panels support to Councils on the requirements for assessment panels, which are to be introduced on 1 October 2017; and
7. negotiating with DPTI to provide a dedicated resource to work with the LGA and councils over the next two years on the implementation of the new legislation

Further representations regarding the setting of fees will be made at every strategic opportunity, including through the LGA’s engagement with all political parties during the State Election campaign.

Over the past 6 months the LGA has implemented process improvements to keep the Board and member councils better informed of the progress of resolutions from AGMs and OGMs. The timely progress, within the LGA’s control, of these actions has been adopted a key KPI
for the organisation and each council will receive additional updates on the progress of motions between meetings.

**Financial and Resource Implications**

This activity has been anticipated in the LGA's work program and resources are available to progress this work.
The purpose of this form is to notify the LGA of a motion a council proposes to move at the LGA Annual General Meeting to be held on Thursday 16 November 2017.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>Campbelltown City Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject of the motion</td>
<td>Development Assessment Fees</td>
</tr>
<tr>
<td>Proposed motion of council</td>
<td>That the Annual General Meeting requests the LGA seek from the Government and the Opposition, their position on the revision of Development Act fees, to allow Councils to recoup from developers the costs incurred as they undertake their statutory obligations as the Local Planning Authority, as the question of Development Act fees has not progressed since the Ordinary General Meeting in April 2016.</td>
</tr>
</tbody>
</table>
| Background / intended purpose of proposed motion | The following motion:  

‘That the Ordinary General Meeting requests the LGA to lobby the Minister for Planning to urgently revise the Development Act 1993 fees as per the Development Regulations 2008 to cover the costs incurred by Councils as they undertake their statutory obligations as the Local Planning Authority in development assessment, and providing advice and consultation on planning applications received from developers and others.’  

was passed at the Ordinary General Meeting on 15 April 2016 and the LGA update at its meeting on 21 October 2016 was as follows:  

‘The LGA has sent correspondence to the Minister for Planning requesting he consider this matter and that Local Government be engaged in the fee setting process under the new Planning, Development and Infrastructure Act.’

Council has heard nothing since. The financial burden on Council’s ratepayers continues to increase.  
The intent of this motion is to push for further action in this space. |
| Council Contact Officer submitting form and date submitted | Name: Lyn Townsend  

Date: 5 October 2017 |
| Council Meeting Minute Reference and date of meeting | Item 9.2, 3 October 2017 |
| Council has referred draft motion to or considered by relevant Regional LGA | No |
| Supported by relevant Regional LGA | N/A |
| LGA Strategic Plan Reference | Strategic Plan Key Initiative 1c – ‘Lead reform’  
|                           | Strategic Work Plan Key Initiative 2 Priority – ‘Support implementation of the Local Nuisance and Litter Control Act and Planning, Development and Infrastructure Act’ |

Please return word version of completed form to lgasa@lga.sa.gov.au by COB Thursday 5 October 2017